

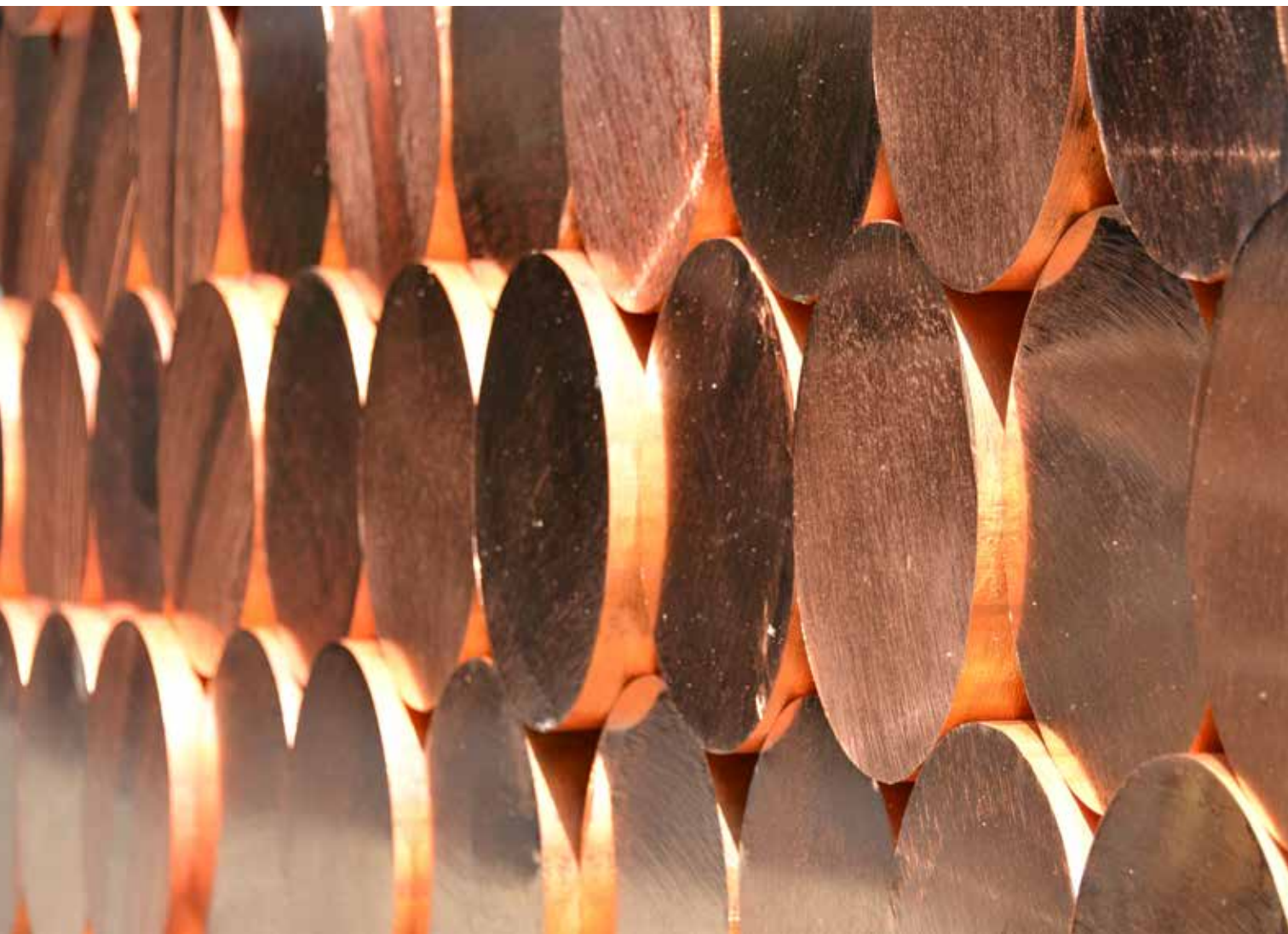
ANNUAL REPORT 2019



ELVALHALCOR

HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.







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Who we are

ElvalHalcor is a leading global industrial manufacturer of aluminium and copper products and solutions designed for a diversified range of dynamic, growing markets such as packaging, transportation and automotive industry, energy networks, renewable energy, industrial applications, construction, as well as heating, ventilation, air condition and refrigeration ('HVAC&R').

ElvalHalcor is listed on the Athens Stock Exchange (ELHA).

ElvalHalcor Group at a glance

2.0

EUR billion
revenue

15

state-of-the-art
plants in 4 countries

92.1%

of revenue in more
than 100 countries

Multinational group consisting
of 18 subsidiaries and
associates in 7 countries

3,800
customers
worldwide

21
strong commercial network
across 21 countries

80+
years of accumulated
experience

Chairman's message

Overall, during 2019 the Eurozone saw growth and industrial production slowing down, as illustrated by the interim data reported at the end of 2019. Growth in the USA and emerging markets was on the rise, although specifically in the USA a significant drop in demand was noted during the last quarter of the year. At the same time, the prices of the key metals processed by the Group recorded a drop in relation to 2018.

For ElvalHalcor Group, 2019 was a year with two different phases. The first nine months of the year saw a particularly increased demand for some of the Group's products and markets which, however, was reversed, during the last three months of the year. This drop in the last quarter is mainly attributable to customers' de-inventorying process, the normalisation in demand for aluminium products in the USA and reduced growth of the German economy and the automotive industry.

Under these circumstances, the consolidated revenue amounted to EUR 2,045 million in 2019 compared to EUR 2,118 million in 2018, i.e. a decrease of 3.4%. Despite the adverse environment, the sales volumes, especially owing to the first favourable months of the year, remained at approximately the same levels with last year, recording a marginal drop of 0.5%.

Consolidated earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to EUR 137.4 million in 2019 compared to EUR 165.2 million in 2018, thus registering a decrease by approximately 17%. However, adjusted earnings before interest, taxes, depreciation and amortisation (a-EBITDA), which present separately the effect of metal prices and reflect better the Group's performance, amounted to EUR 140.2 million in 2019 compared to EUR 142.2 million in 2018, slightly decreased by 1.4%, mainly reflecting the slowdown in demand noted during the last quarter of 2019.

Finally, consolidated earnings before taxes amounted to EUR 58.2 million in 2019 compared to EUR 75.9 million in 2018, with such decrease being attributable exclusively to the negative effect that arose from metal downward prices

while consolidated earnings attributable to owners of the company amounted to EUR 41.3 million compared to EUR 63.6 million in 2018.

In 2019, the Group made total investments of EUR 163.8 million in property, plant and equipment, of which EUR 143.7 million concerned the aluminium segment and EUR 20.1 million the copper segment.

During 2019, the branch of Pogoni, Ioannina was fully converted into a société anonyme trading as Epirus Metalworks which specialises in the production of all types of coin blanks and rings for bi-colour coins. Meanwhile, at the end of the year, the share capital of Cable Wires, which is engaged in the production of enamelled wires, was acquired in full.

The Group remains optimistic about its outlook and focused on its long-term planning, given that the prospects of the fundamental factors affecting demand for aluminium and copper, such as sustainable development, urbanisation of population and climate change, were and remain positive in the long run.

Demand for industrial and recyclable non-ferrous metal products is largely expected to be on the rise both in 2020 and in the long run, and will be a pillar of development of ElvalHalcor Group's operations. Furthermore, the Group has already started enjoying the benefits of the strategic investments made during the last few years.

Specifically with respect to aluminium, the ever-increasing environmental awareness and the global strategies to replace materials as part of a shift towards the use of

lighter and more sustainable, recyclable and energy-efficient materials in important sectors such as packaging and transportation, are the driving force of the aluminium product market. Moreover, the Group reiterates its commitment to provide more sustainable, best-in-class aluminium products and solutions worldwide, further contributing to circular economy.

The aluminium segment will focus on completing its investment plan worth EUR 150 million, with the operation of the four-stand tandem aluminium hot finishing mill expected to be launched during Q2 2020.

In addition, looking ahead and having taken into account the increasing demand for aluminium products, in early 2020 the aluminium rolling division ordered a new 6-high cold rolling mill. This is the first stage of a wider, two-year investment amounting to EUR 100 million. This investment concerns production equipment and research and development infrastructure, and will enable the aluminium rolling division to increase the hot rolling utilisation rate by up to 150,000 tons per annum, which will more than double once the new four-stand tandem aluminium hot rolling finishing mill starts operating.

With respect to copper products, demand in 2020 is expected to remain at satisfactory levels, thus contributing to immediate absorption of the recently installed production capacity in the copper tubes segment, which focuses on maintaining its leading position in the European market and enriching its range with new, high added value products, on the continuing improvement of quality and also on restraining costs.

Furthermore, major growth prospects emerge in the production of coin blanks and rings following the relaunch of operations by Epirus Metalworks' plant and the enhancement of its export profile, as well as through the development of production in the titanium zinc sector which sees the investment plan of NedZink (joint venture)

in the Netherlands progressing as planned, in order to increase competitiveness and the plant's production output.

Seeking to generate value for its stakeholders over time, ElvalHalcor Group places special emphasis on its human resources training and development, health and safety at work as well as on respect for the environment, in line with sustainability principles.

Meanwhile, the Group aims at strengthening its position within and outside the European market, by marketing products with sustainable characteristics, increasing its market shares in industrial products and boosting its business in new markets with robust growth prospects and improved profit margins.

Despite the positive outlook, there are many unknown factors which force us to remain vigilant. The Group monitors closely the international market on an ongoing basis and is able to respond to any challenges. More specifically, with respect to current developments involving the spread of coronavirus, they are closely monitored, with the Group having taken all necessary precautionary measures to ensure the health and safety of its employees and partners as well as being prepared to respond and address any occasional fluctuations in demand.

Theodosios Papageorgopoulos

Chairman of the Board of Directors

1. Highlights of the year

140.2

EUR million
a-EBITDA

41.9

EUR million net profit
after taxes

1.7

EUR billion
total assets

- Implementation of the major investment of EUR 150 million continued as per plan.
- A 7-year syndicated ordinary bond loan totalling EUR 50 million was signed with Alpha Bank.
- An amendment of the existing loan agreement of EUR 65 million with Commerzbank Aktiengesellschaft was signed, providing additional financing of EUR 12.7 million, in order to fund the purchase and installation of mechanical equipment from SMS Group GmbH.
- A 3-year syndicated ordinary bond loan

amounting to EUR 10 million was signed with Eurobank.

- ElvalHalcor received many important distinctions in various categories at the “Business Awards Money”, “Bravo Sustainability Dialogue & Awards 2019”, “Diamonds of Greek Economy Awards 2019”, “Creative Greece Awards 2019” and “Growth Awards”.
- The share capital increase of copper segment’s subsidiary Fitco was completed through payment in cash of EUR 5 million.
- The conversion of the branch of Pogoni,



174.1

EUR million cash flows
(from operating activities)

163.8

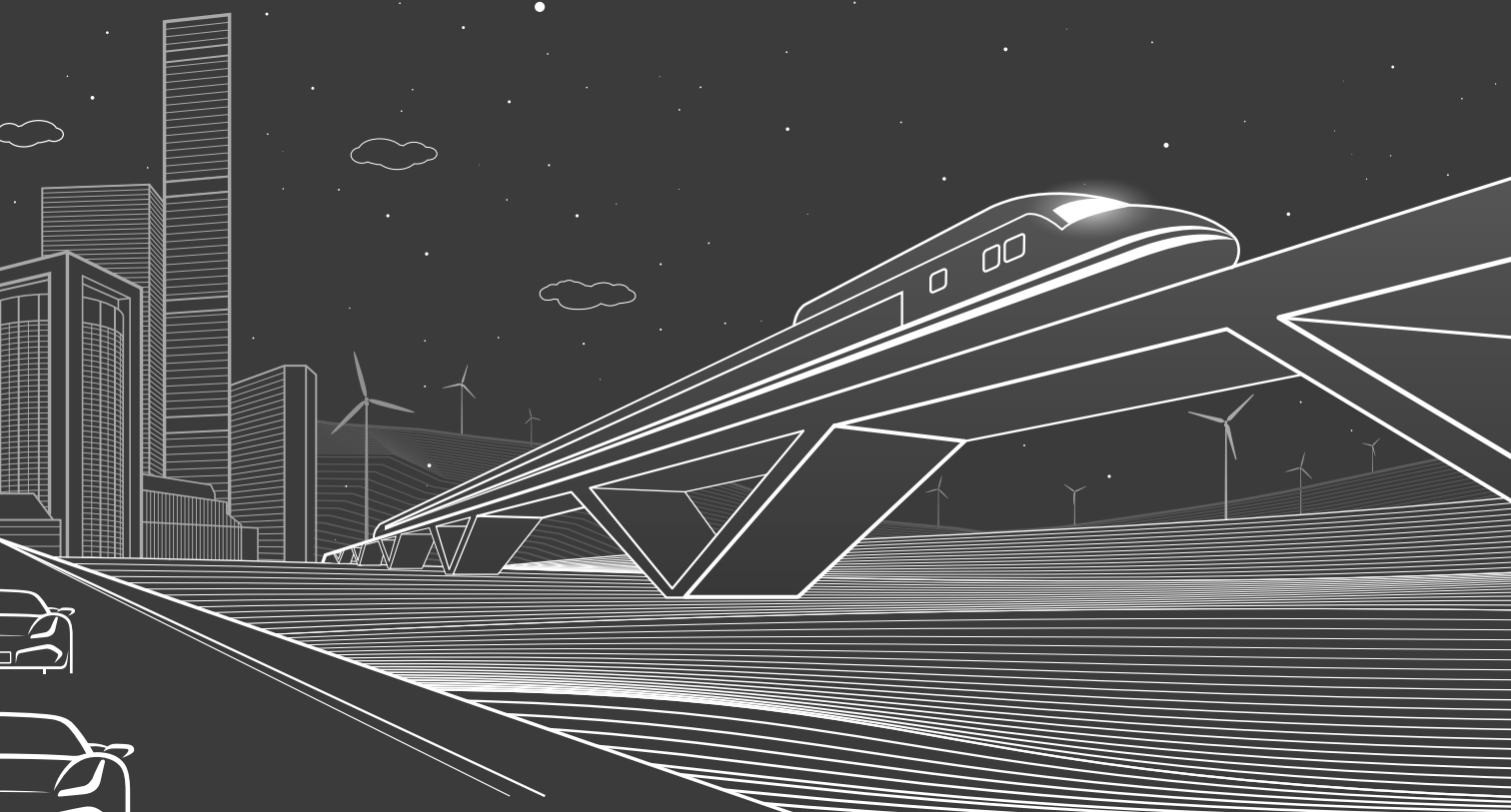
EUR million capital
expenditure plan

6.5

EUR million expenditures
for R&D&I (research devel-
opment and innovation)

Ioannina into a newly established society
anonymous trading as Epirus Metalworks was
completed and the increase of its share
capital was decided.

- All shares of Cable Wires were acquired by
Hellenic Cables in return for a consideration
of EUR 8 million.



2. History (Milestones)



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

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

Halcor 2016

- Halcor gains leading position among European copper tubes manufacturers.
- Turnaround in Group profitability.
- 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 fourstand 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.

ElvalHalcor 2019

- Major investments totalling EUR 163.8 million were carried out, allocated to the aluminium segment and the copper segment by EUR 143.7 million and EUR 20.1 million, respectively.
- New loan agreements amounting to approximately EUR 73 million were signed in order to finance the company's investment plan, refinance existing loans and meet working capital needs.
- Cable Wires was fully acquired (100%) by Hellenic Cables.

3. Our vision and our mission





Our vision

is to be a benchmark for the global market, with products and solutions that are recognized for quality, reliability, competitiveness and innovation. ElvalHalcor aspires to anticipate evolving customer needs and develop diverse, competitive products and solutions based on new technologies. Our overarching goal is to operate sustainably and responsibly, acting as a reliable business partner and creating value for all stakeholders.



Our mission

is to provide high quality and innovative aluminium and copper solutions that create the best possible value for our customers whilst increasing our market shares. This mission is supported by our state-of-the-art technology, investments in research and development, the support and commitment of our people and our proven experience in the global market. We aim to grow our company sustainably with a focus on our people, the environment, innovation and society throughout our business model, strategy and operations.

4. Strategy and philosophy

ElvalHalcor’s strategy is structured around two pillars, aiming to be established as one of the leading global manufacturers of aluminium and copper products through a process of continuing development which is implemented based on sustainable practices.

The implementation of the above strategy is based on the following pillars:

- Customer-centric approach aimed primarily at building long-lasting relationships of trust;
- Implementation of investment plans on state-of-the-art production facilities and R&D&I ;
- Focus on technology streamlining and emphasis on quality across all production processes;
- Continuous enrichment of geographical and/or product markets with strong growth potential in which the company operates;
- Sustainable development and value creation for all stakeholders.

5. Global presence

ElvalHalcor and its subsidiaries stand out for their extrovert orientation, international dimension of their operations and their increased exporting activity.

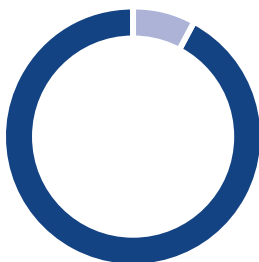
- The Group markets its products in around 100 countries worldwide with sales outside Greece accounting for 92.1% of the total revenue.
- Production is carried out in 15 state-of-the-art plants in

Greece, Bulgaria, Turkey and the Netherlands.

- It is a multinational Group with 18 subsidiaries and associates. These 18 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 strong commercial network in 21 countries.

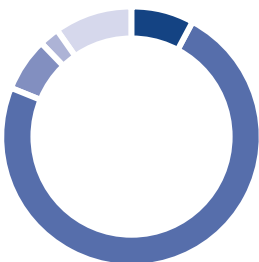


ElvalHalcor’s export activity
(EUR)



7.9% Domestic 92.1% International

ElvalHalcor’s revenue
(breakdown per geographical region) (EUR)



7.9% Greece 73.4% Europe 6.6% Asia
2.5% Africa - Oceania 9.6% America

5.1. Entering new geographical markets

ElvalHalcor Group's ever-lasting goal is to enter new geographical markets and consolidate its presence in existing ones. In this context, in 2019:

Elval (aluminium rolling division of ElvalHalcor):

- Expanded its presence in the markets of beverage and drink cans, and food packaging products for humans and pets;
- Further penetrated the multilayer tubes market, used in water supply systems, interfloor heating and natural gas transport networks;
- Expanded beyond the European Union to brazing products which are used in heat exchangers for the automotive industry.

Elval Colour:

- Strengthened its presence in the USA market.

Symetal:

- Maintained its shares in the USA market;
- Penetrated the market of Vietnam.

Viomal:

- Penetrated the market of Hungary;
- Strengthened considerably its presence in the Balkan markets (Bosnia, Serbia, Montenegro, Bulgaria and Croatia).

Halcor (copper tubes division of ElvalHalcor):

- Consolidated its position in South Africa;
- Registered positive performance in Ukraine where it remained at the top in copper tubes imports;
- Expanded considerably its presence in the market of Egypt;
- Entered the markets of Ivory Coast, Georgia, Moldavia and Surinam.

Fitco:

- Continued its upward performance in the USA market.



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	Greece	Industrial	-	Parent company
Fitco	Greece	Industrial	100.00%	Full consolidation
Sofia Med	Boulgaria	Industrial	89.56%	Full consolidation
Epirus Metalworks	Greece	Industrial	100.00%	Full consolidation
Techor	Greece	Industrial	100.00%	Full consolidation
Elkeme	Greece	Metallurgy Research	92.50%	Equity method
Viexal	Greece	Services	26.67%	Equity method
Viener	Greece	Energy	41.32%	Equity method
Cenergy Holdings	Belgium	Holdings	25.16%	Equity method
International Trade	Belgium	Trading	29.97%	Equity method
Techor Pipe Systems	Romania	Industrial	100.00%	Full consolidation
HC Isitma	Turkey	Industrial	50.00%	Equity method
Steelmet	Greece	Services	29.50%	Equity method
Symetal	Greece	Industrial	100.00%	Full consolidation
Elval Colour	Greece	Industrial	100.00%	Full consolidation
Vepal	Greece	Industrial	100.00%	Full consolidation
Anoxal	Greece	Industrial	100.00%	Full consolidation
Viomal	Greece	Industrial	50.00%	Full consolidation
Rouloc	Greece	Industrial	100.00%	Full consolidation
Elval Colour Iberica	Spain	Trading	100.00%	Full consolidation
UACJ Elval Heat Exchanger Materials	Germany	Trading	49.00%	Equity method
NedZink	Netherlands	Industrial	50.00%	Equity method
Cable Wires	Greece	Industrial	100,00%	Full consolidation (*)

(*) 31.12.2019 was set as acquisition date (see note 14 to the Annual Financial Report as at 31.12.2019)



6.1. Aluminium segment

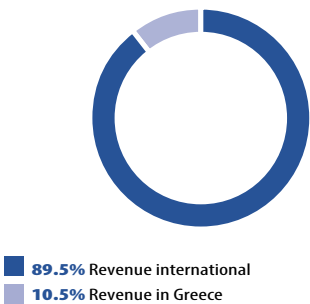
ElvalHalcor's aluminium rolling division includes Elval (aluminium rolling division of ElvalHalcor) and six more key companies.



It is one of the leading global manufacturers of aluminium products. It has an extensive portfolio of aluminium products and solutions designed for many different applications and industries. The production fabric of the aluminium segment consists of 7 state-of-the-art production facilities located in Greece.

It stands out for its high extrovert orientation, with exports accounting for 89.5% of the total revenue. The aluminium segments exports products to approximately 100 countries all over the world.

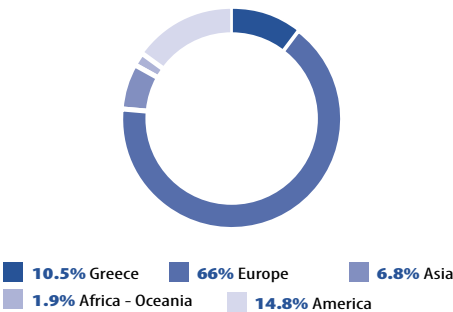
Aluminium segment's revenue (EUR)



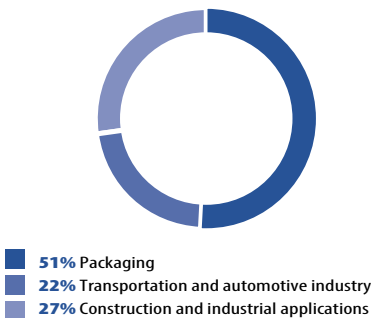
The geographical allocation of the aluminium segment is presented in the following chart:

With respect to the sales mix, 51% of revenue was achieved in the food packaging sector (rigid and flexible), 22% in transportation and 27% in construction and industrial applications.

Geographical sales breakdown - Aluminium segment (EUR)



Aluminium segment sales per product category (in tons) (EUR)



ElvalHalcor's aluminium segment has successfully carried out extensive, complex and challenging investment plans which have cumulatively amounted to approx. EUR 500 million over the last 10 years. These investments were focused on:

- Product quality improvement;
- Strengthening of production capacity through the upgrade of mechanical equipment and expansion of facilities;
- Support to research and development of know-how in the production of high added value products.

As a result of the above, the aluminium segment currently has an important competitive advantage. The most important aspects of this advantage are summed up as follows:

- Capacity to produce wide tread aluminium coils and sheets up to 2.5 m;
- Independent medium-scale supplier on a worldwide scale, showing flexibility in both processes and production;
- Cutting-edge technologies;
- Focus on research and development;
- Quality products meeting customer requirements and strictest specifications;
- Expanded and consolidated sales network;
- Strategic partnership of importance with UACJ Corp. of Japan.

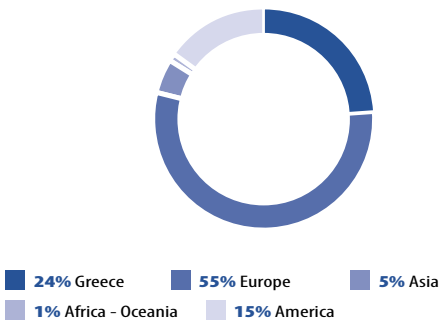
6.1.1 Elval



It is the aluminium rolling division of ElvalHalcor. Set up some 50 years ago, Elval is currently one of the leading aluminium product and solution manufacturing industries worldwide.

It is a highly extrovert company. Approximately 76% of its revenue is exported to around 60 countries in 5 continents. Its sales network is established in 21 countries.

Geographical sales breakdown- Aluminium rolling division (EUR)



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.

Its key feature lies in its persistent focus on continuing upgrade of product quality and on international partnerships with international firms to exchange and transfer know-how.

It owns one of the top cutting-edge aluminium rolling mills across the world, as a result of the major investment plans successfully carried out over the last 15 years.

Elval applies a Lean Production method, which enables it to respond effectively to any questions and problems related to the production and industrial plants. The most outstanding examples involve cost rationalisation, waste reduction and increase of production output. Lean production enables the company to focus on producing optimum aluminium products and solutions, while minimising the quantity of resources (time, raw materials, man-hours etc.) the company should make available to all its production processes. It seeks business excellence on an ongoing basis and takes steps to optimise its processes at all times. In this context, the company applies Lean Six Sigma methodology across all its business operations, aiming to align its corporate strategy with its customers, human resources and operational processes. Lean Six Sigma methodology has enabled Elval to adopt a continuing operating improvement culture, setting at the top of its priorities customer satisfaction, steadily high product quality and operational effectiveness.

It is certified as per ISO 9001:2015, IATF 16949:2016, ISO 14001:2015, OHSAS 18001:2007 and ISO 50001:2011. In 2019, ElvalHalcor’s aluminium rolling division joined the Aluminium Stewardship Initiative (ASI), a standards setting and certification organisation bringing together leading companies in the aluminium sector towards sustainable development and responsible production. ElvalHalcor aims to certify the aluminium rolling division’s operational processes of responsible production during 2020. Elval’s production unit is certified as per ISO 9001:2015, IATF 16949:2016, ISO 14001:2015, OHSAS 18001:2007 and ISO 50001:2011. In 2019, aluminium rolling division of ElvalHalcor became a member of the international initiative ASI (Aluminium Stewardship Initiative), the standards setting and certification organization that unites leading aluminium companies towards sustainable growth and responsible aluminium production. The process of certifying the Aluminium rolling division according to the ASI Performance Standard is expected to be completed in 2020.

www.elval.com



6.1.2 Elval Colour



It was set up approximately 40 years ago. It is engaged in the production and sale of a wide range of state-of-the-art and top quality products intended for use in the shell of buildings. It is one of the leading companies in aluminium coil painting and in the manufacture of aluminium composite panels, having gained considerable experience and know-how in aluminium painting and colour matching.

More specifically, it markets an extensive product portfolio including 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.

The company has significant productive flexibility, in particular with regard to product colours and painting systems, which enables it to customise each order to different shades, which are processed in specially equipped workshops and are adequately painted. Elval Colour is able to respond successfully even to the most challenging specifications set by its customers.

Thus, it is a reliable partner that offers added value services to customers by assisting them in product specification and selection that best suit to the needs of each project/ application.

It carries on strong exporting activity, with 99% of its revenue channelled into approximately 70 international markets, the most important of which are Singapore, India, China, Germany, Italy, Poland, France and Spain in which Elval Colour operates through its subsidiary Elval Colour Iberica.

The company seeks and has achieved to have its products comply with environmental standards, thus helping minimise a building's energy footprint, an achievement made possible through extensive research and development which has resulted in an improvement of its products' technological and quality properties at all times.

The company has patented and exploits a large number of trademarks such as etalbond®, Elval ENF™, Elval EZ False Ceiling™, Orofe®, Arypon®, Agraphon® and Ydoral®.

Elval Colour is a member of the European Coil Coating Association (ECCA), the European Aluminium Association, Hellenic Aluminium Association, the Hellenic Institute for the Fire Safety of Structures and the Metal Cladding and Roofing Manufacturers Association (MCRMA).

The Company implements management systems certified in line with ISO 9001:2015, ISO 14001:2015, OHSAS 18001:2007 international standards.

In 2019, Elval Colour obtained new certifications for its products in the United Kingdom, Hungary, Israel, USA, Australia, Poland and Germany.

 www.elval-colour.com



6.1.3 Symetal



Ever since 1977 when it was set up to date, Symetal is engaged in the production of flexible packaging aluminium products and a wide range of aluminium foil products (ranging from 6 to 200 mic).

The company owns two plants in Oinofyta, Viotia and Mandra, Attica, standing out for their vertical integration and flexibility, which enable it to provide its customers with tailor-made solutions. It should be noted that following the installation of an ultra-modern 3-bath lacquer machine, the Mandra-based plant of Symetal figures among top state-of-the-art plants worldwide. This plant operates as a supplement to the Oinofyta-based plant given that the aluminium foil processed in Mandra is manufactured in the Oinofyta plant.

Like most companies of ElvalHalcor Group, Symetal has made extensive investments in research and development and innovation. Both the Oinofyta and Mandra plants operate modern research centres. The research centre in the Oinofyta plant is engaged in the development and upgrading of new and existing products, respectively, while the research centre established in the Mandra-based plant is engaged in the development of new lacquers and colours. It should be noted that both the aforementioned research centres are in close collaboration with Elkeme, which is constantly expanded and

involves the development of new aluminium foil products for batteries and generally new products.

Symetal is highly export oriented, with 95% of its total sales volume channelled into approximately 70 countries.

A major advantage which has resulted in a boost to its activity and its successful presence on an international scale consists in its close, steady and long-lasting partnership with leading international companies.

Symetal is certified with the international standards ISO 9001:2015, 14001:2015, ISO 15378:2017, OHSAS 18001:2017, ISO 50001:2011. Moreover, the Mandra-based aluminium foil processing plant is also certified as per ISO 15378:2017 and ISO 22000:2005 international standards. Symetal is also registered under the European Commission ecomanagement and audit scheme (EMAS) for environmental management. In 2019, Symetal joined the Aluminium Stewardship Initiative (ASI) and is arranging the relevant certification of its processes. Moreover, Symetal has launched the certification process as per ISO/TS 16949:2016 (technical specification for the quality management system) for the automotive industry.

🌐 www.symetal.gr



6.1.4 Anoxal



Anoxal has an industrial plant established in Oinofyta, Viotia and is engaged in metal processing and recycling (specifically, the production of aluminium billets and slabs for extrusion and rolling purposes, respectively) as well as in aluminium scrap processing-separating. .

6.1.5 Viomal



Established in 1985, over its 35 years of operations, Viomal has developed into a leading producer of rolling shutters for doors, windows and garage doors.

Viomal is a vertically integrated producer and has a plant at Nea Artaki, Evia, which processes aluminium sheets used in the production of rolling shutters for doors, windows and garage doors.

🌐 www.viomal.gr



Over the years, Vepal has enriched its product mix, by adding a host of products such as accessories (galvanised octagonal axes, aluminium boxes either with polyurethane insulation or extruded, and plastic accessories from injection machines), 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, Vepal is the exclusive agent for the Greek market of German «Becker» motors and automation systems.

6.1.6 Vepal



Having gained extensive experience and know-how in coating and colour matching, Vepal is primarily engaged in aluminium sheet and coil coating by applying the wet and electrostatic coating method. Its products are used in architectural, industrial applications and the automotive industry.

To meet its commercial needs, Vepal makes use of the distribution network of Elval and Elval Colour, both of which market its products.

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

6.1.7 UACJ Elval Heat Exchanger Materials (UEHEM)

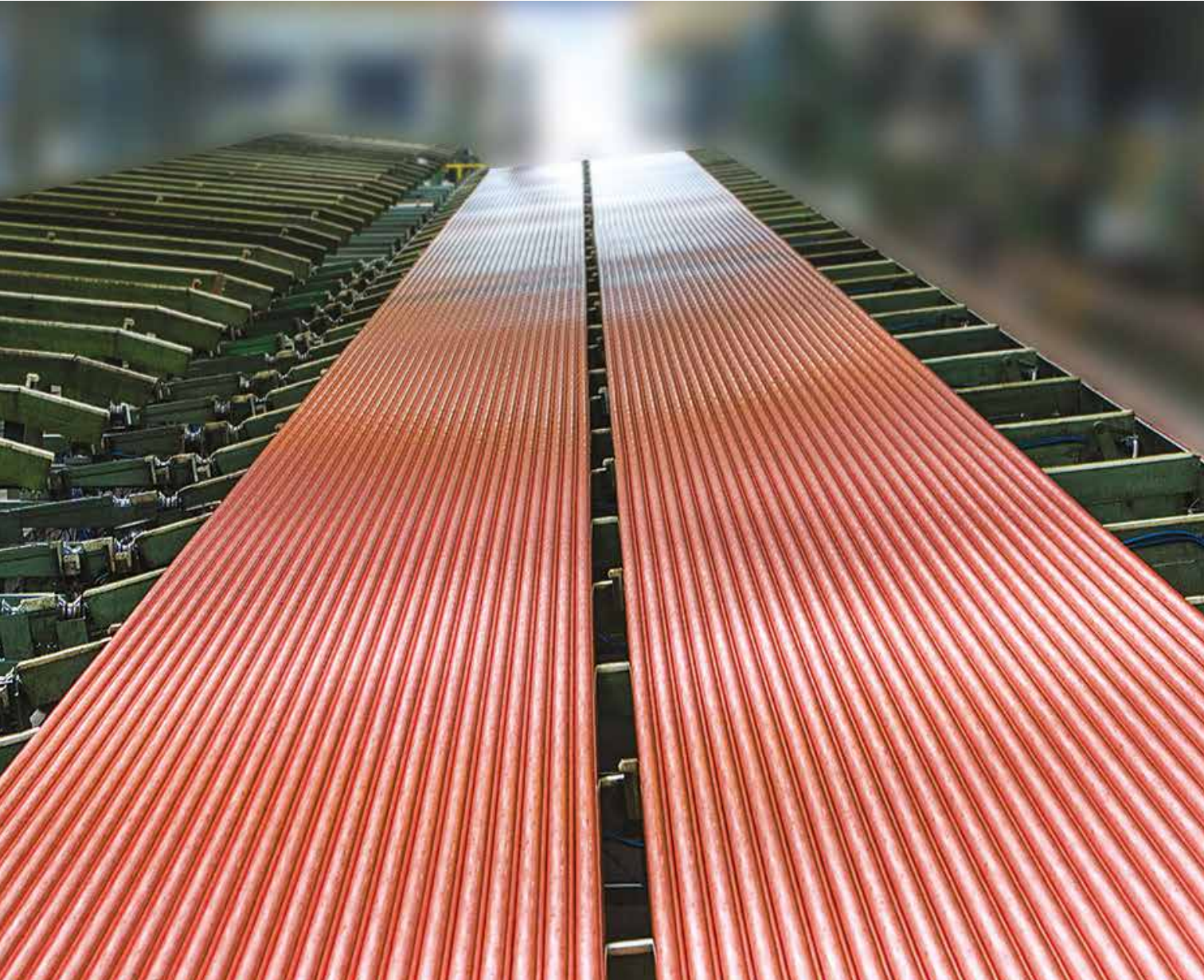


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UEHEM is engaged in the trade of heat exchanges for the European automotive industry and was set up in 2015 by Elval and United Aluminum Company of Japan (UACJ Corp.). It is provided with its products from Elval and further resells them under its own brand name.

6.2. Copper segment

The copper segment of ElvalHalcor consists of Halcor (copper tubes segment of ElvalHalcor) and six more companies.



HALCOR

HELLENIC COPPER INDUSTRY

SOFIA MED

FITCO
METAL WORKS S.A.

HC

NedZink THINK ZINK

CABLEL WIRES
HELLENIC WIRES INDUSTRY SINGLE MEMBER SOCIETE ANONYME

EPIRUS
METALWORKS

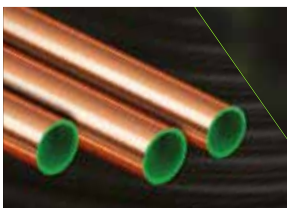
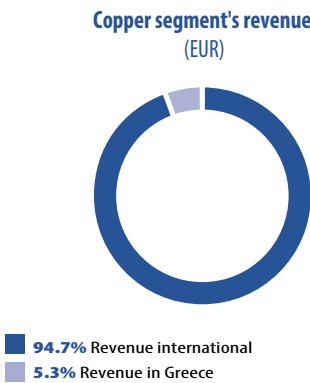
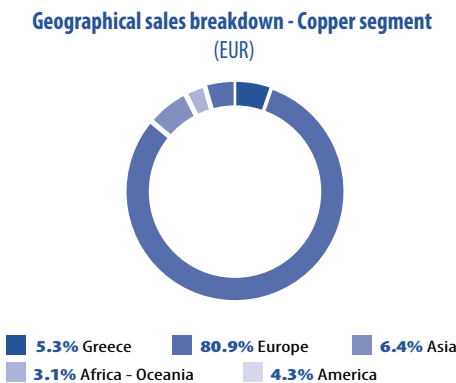
It is engaged in the production of copper, copper and brass alloy as well as titanium zinc products such as tubes, sheets, strips, bars and discs for various applications in a quite extensive number of markets such as building and construction, heating, ventilation, air-conditioning and refrigeration, industrial applications, renewable energy sources, electricity transmission, electronic systems, automotive industry, fish farming and coin blanks.

The segment’s production is carried out in 8 industrial plants in Greece, Bulgaria, Turkey and the Netherlands. The majority of the segment’s products and specifically 94.7% of total sales is distributed to more than 75 countries across the world.

ElvalHalcor’s copper segment boasts important competitive advantages summed up as follows:

- Halcor’s copper tubes plant at Oinofyta, Viotia is the largest and one of the most efficient plants in the wider EMEA region;
- Machinery incorporating leading-edge technology;
- Rigorous quality assurance procedures;
- Sophisticated technical assistance to the manufacturers of heat exchangers through the innovative tube heat transfer laboratory;
- Extensive and consolidated sales network;
- Well-established presence in the heating, ventilation, air-conditioning and refrigeration industry.

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



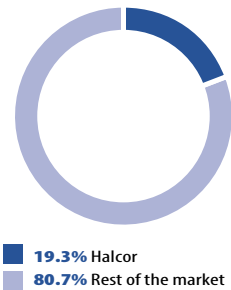
6.2.1. Halcor



HELLENIC COPPER INDUSTRY

Having gained experience in copper processing since 1937, Halcor is the largest copper tubes manufacturer in Europe and the sole in Greece. Following its long and successful performance, Halcor has managed to be ranked at the top of the European copper tubes production market.

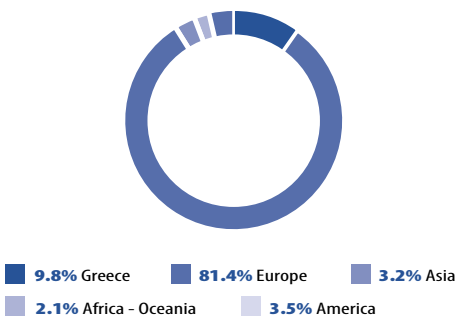
European market of copper tubes
(in tons)



It offers innovative, high added value product solutions to an extensive product portfolio of wide geographical diversification. Halcor is engaged in the production and trade of copper products and alloys as well as copper rolled products applicable in various markets such as water supply, heating, refrigeration and air-conditioning networks, construction, renewable energy sources and various industrial applications.

It is a highly extrovert company. Approximately 90% of its production is absorbed by international markets. More specifically, exports to around 60 countries were made in 2019.

Geographical sales breakdown – Copper tubes division
(EUR)



Halcor operates two plants at Oinofyta, Viotia, the first of which is engaged in casting and recycling while the latter produces copper tubes. It should be noted that the copper tubes production unit has one of the three largest extrusion presses worldwide.

Its cutting-edge production base explains in part Halcor’s important competitive advantage in relation to its competitors as its modern facilities can manufacture high added value, innovative products with unique quality and technical specifications.

Halcor has patented and exploits Talos®, Cusmart® and Doma® trademarks.

By implementing a number of strategic complex and demanding investments in infrastructure, research and development and innovation over the years, Halcor has managed not only to be able to provide its clientele with innovative solutions of high quality and energy efficiency but in essence to set new standards in copper processing.

However, in addition to investments, great emphasis has been placed on production processes which are based on the principles of transparency and sustainable development in economic, environmental and social terms. In this context:

- The overall strategy in production issues has been well communicated to its employees.
- The projects of the Production Division are fully computerised, made public and accessible to all involved parties through a special online tool (a platform for technology and innovation projects) developed to this end.
- The duties, procedures and key performance indicators (KPIs) referring to each job have been determined and described in detail.
- All production processes have been described in detail. Specific KPIs have been assigned to each process in order to measure the performance of the procedures’ owners and, therefore, measure production efficiency as a whole. As a result, corrective actions were implemented and all procedures were improved.
- To ensure continuous development of procedures and avoid stagnation, a road map regarding all procedures has been drafted, which includes a performance indicator for each procedure at the present moment and in the future.

Through a series of actions focusing on mechanical equipment and human resources, Halcor has managed to turn the Oinofyta-based copper tubes plant into one of the most profitable units in the wider EMEA region. Specifically:

- It has been approximately five years now that production planning has been restructured in order to boost production. It should be noted that plant operations are not discontinued when shifts are changed.
- Optimisation projects to reduce delays have been successfully carried out in order to increase production time.
- SMED (Single Minute Exchange of Die) projects are carried out across the entire production process to increase the availability of production lines.
- Lean 6 sigma methodology has been adopted in order to enhance human resources training in the areas of quality, management, effectiveness as well as project and process management. It is a results oriented approach which also includes on-the-job training. As part of Lean 6 sigma methodology, opportunities have been fully analysed in order to improve crucial processes and infrastructures.

Halcor's copper tubes production unit is certified as per ISO 9001:2015, ISO 14001:2015, OHSAS 18001:2007 and ISO 50001:2018 standards.

 www.halcor.com

6.2.2. Fitco



Fitco was established in 1978. Fitco is engaged in the production of semi-finished copper alloy extruded products such as rods, profiles, bus bars, wires, tubes and mesh, all of which are intended for various markets such as building and construction, transportation, shipbuilding, industrial applications, fish farming, and medical applications. It should be noted that brass scrap is the raw material used in the manufacture of the above products by applying hot or cold extrusion techniques.

Fitco stands out for its productive flexibility, enabling it to provide tailor-made product solutions to its clientele.

It is also an export-oriented enterprise with around 79% of its production absorbed by international markets. More specifically, the company's exports are channelled into 22 countries across the world.

Fitco's production plant is certified as per ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 international standards. During 2019, the process of certification as per ISO/TS 16949:2016 (for the automotive industry) began. Fitco's products fulfil the requirements of consolidated European and American standards such as EN, DIN, BS, NF, ASTM, JIS.

 www.fitco.gr



6.2.3. Sofia Med

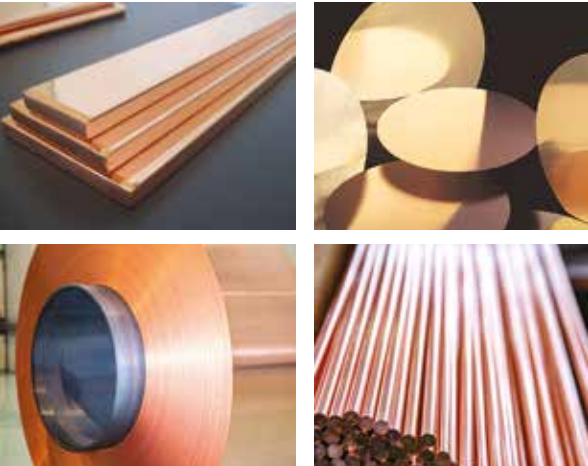


It is a modern and highly competitive company with a leading position in the European market of copper bus bars for roofing applications. More specifically, Sofia Med has a 16.5% market share in extruded copper products (bars, rods) and 7.4% in rolled copper products for roofing applications. At the same time, the company continues to increase its market shares in electric contacts and the automotive industry.

It was established in 1937 and has its registered office in Sofia, Bulgaria. Sofia Med produces rolled and extruded copper and copper alloy products used in building and construction as well as in many industrial applications. It is a plant with high production capacity and output, as a result of the extensive investments of approximately EUR 200 million made from 2001 to date. The partnership signed with the Japanese Dowa Metaltech, one of the leading manufacturers of high efficiency copper alloy products, for the transfer of know-how and technology in relation to the optimisation of existing procedures and the development of new alloys and products, is of key importance. It is also an export-oriented enterprise, with 99% of its sales volume being channelled into approximately 60 countries across the world.

The Company's production plant is certified as per ISO 9001:2015, IATF 16949:2016, ISO 14001:2015, ISO 50001:2011 and ISO 45001:2018. At the same time, the company also complies with the guidelines of ISO 26000 regarding matters of corporate social responsibility. The wide range of Sofia Med's products fulfils the requirements of consolidated European standards (EN) as well as BS, DIN, ASTM, JIS specifications or any other specific customer request.

 www.sofiamed.com



6.2.4. NedZink



It was established in 1892 and is engaged in the manufacture of rolled titanium zinc products. It has its registered office and plant in Budel – Dorplein, the Netherlands while having sales offices in the Netherlands, Belgium and Germany. It manufactures titanium zinc products such as coils, sheets, strips, rain gutters and accessories standing out for their high quality, strength and durability over time.

It is an innovative company that has made major investments in research and development, never ceasing to seek new applications for zinc by applying effective and cutting-edge techniques. Ως αποτέλεσμα, έχει κατοχυρώσει και εκμεταλλεύεται μία σειρά από εμπορικά σήματα όπως: NedZink® Naturel, NedZink®Nova, NedZink®Noir, NedZink®Nuance, NedZink®Nova Composite, NedZink®Pro-Tec, NedZink®Structure και NedZink®NEO. 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 και NedZink®NEO.

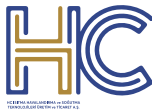
NedZink is the first manufacturer of titanium zinc rolled products which has been certified as per NEN-EN-ISO 9001:2015.

ElvalHalcor has prepared a long-term plan about NedZink, which anticipates an increase in its production capacity with the ultimate goal of further expanding production in the field of titanium zinc, by combining NedZink's long experience in zinc rolling with ElvalHalcor's experience in continuous melting, casting and rolling of zinc and other metals.

 www.nedzink.com



6.2.5. HC Isitma



HC Isitma established in 2015. 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.

It is engaged in copper coated tubes processing and specifically in the insulation of HVAC tubes, having production facilities in Gebze, Turkey.

6.2.6. Epirus Metalworks



Based in Pogoni, Ioannina and benefiting from 40 years of experience, Epirus Metalworks is engaged in the production of all types of coin blanks and rings for bi-colour coins, which are renowned for their top quality.

The company owns ultra-modern production facilities in which important investments have been made in machinery while its personnel are highly qualified and specialised.

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

ElvalHalcor’s long-term planning about Epirus Metalworks anticipates the relaunch of production and its transformation into an extrovert company which will be able to capitalise on the Group’s international commercial network.

🌐 www.epirusmetalworks.com



6.2.7. Cablel Wires



Having ultra-modern facilities in Livadia, Viotia which also operate a logistics centre, Cablel Wires is the sole manufacturer of enamelled wires in Greece.

More specifically, Cablel Wires produces round and rectangular copper and aluminium enamelled wires used in transformers, motors, generators, refrigeration compressors and the automotive industry. Moreover, Cablel Wires produces copper wires for earthing and for applications in the cartoning industry. As a supplement to its products, the company is able to provide product-related services such as technical assistance and training.

Cablel Wires stands out for its high flexibility in the production process and is able to manufacture and trade its products in accordance with various national and/or international standards, as well as in line with the requirements and specifications of each customer.

Cablel Wire’s production plant is certified with the international standards ISO 9001:2015, ISO 14001:2015, OHSAS 18001: 2007, ISO 50001:2011, ISO 22301:2012, IATF 16949:2016. It should be noted that all enamelled wires are manufactured and tested as per IEC 60317-0-1.

🌐 www.cablelwires.com



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
Cablel Wires	Livadia, Viotia	Enameled wires



7.1. Aluminium segment

7.1.1. Elval

Location	Oinofyta, Greece
Total area	604,567 m ²
Buildings	180,546 m ²
Production capacity	292,500 tn per year

Scope of activity: Aluminium rolling
Products manufactured: Aluminium coils, sheets, strips, circles and multilayer alloys (brazing)
Markets: Transportation, automotive industry, industrial applications, packaging, building and construction, energy and power networks, domestic appliances, heating, ventilation, air-conditioning and refrigeration (HVAC&R).

7.1.2. Elval Colour

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

Scope of activity: Production of aluminium composite panels
Products manufactured: Aluminium composite panels, coated aluminium sheets for roofing applications and rain gutters, false ceilings, aluminium coils for roofing applications, perforated and corrugated aluminium sheets, Agraphon® and Arypon® special functional coatings, aluminium coated strips for roller shutters, aluminium-coated flashings (for windows and roofs)
Markets: Building and construction, automotive industry, corporate identity.

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

Scope of activity: Aluminium foil rolling
Products: Aluminium foil in different thickness and various alloys.
Products manufactured: Flexible packaging, food, cigarettes, pharmaceutical products (blister and cold forming), semi-rigid containers, technical applications (foil for use in cables, insulation applications, heat exchangers) and domestic applications.

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

Scope of activity: Aluminium foil processing: Paper lamination, lacquer-coating and embossing operations
Products manufactured: 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.
Markets: Food packaging, pharmaceutical products (blister and cold forming) and tobacco industries

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, 35,500 tons of casting products per annum; 15,000 tons of aluminium scrap per annum
Scope of activity: Aluminium sheet painting
Products manufactured: Painting of aluminium coils and sheets using wet and electrostatic painting methods
Markets: Coils: Architectural applications, false ceilings and building cladding, Sheets: Automotive industry

7.1.6. Anoxal

Location	Agios Thomas, Viotia
Total area	61,388 m ²
Buildings	10,378 m ²
Production capacity	50,500 tn per year

Scope of activity: Aluminium recycling and casting
Production lines installed: 1 horizontal casting unit 2 melting furnaces, 2 holdings furnaces, 2 homogenisation furnaces
Products manufactured: Billets and Slabs of Aluminium
Markets: These particular products meet all needs of the aluminium segment and are made available to all other units.





7.1.7. Viomal

Location	Nea Artaki, Evia
Total area	36,500 m²
Buildings	10.000 m²

Scope of activity: Production of aluminium coils
Products manufactured: Polyurethane-insulated aluminium rolling shutters; 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
Markets: Building and construction.

7.2. Copper segment

7.2.1. Halcor - Recycling plant - foundry

Location	Oinofyta, Viotia
Total area	49,600 m²
Buildings	15,100 m²
Production capacity	235,000 tn per year

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.

Scope of activity: Casting - recycling
Products manufactured: Semi-finished products such as billets and slabs made of copper, brass and other alloys
Markets: These particular products meet all needs of the copper segment and are made available to all other units.

7.2.2. Halcor - Copper tubes plant

Location	Oinofyta, Viotia
Total area	181,400 m²
Buildings	64,500 m²
Production capacity	80,000 tn per year

Scope of activity: Processing of copper billets in order to produce copper tubes
Products manufactured: Wide range of copper tubes such as inner-grooved tubes, insulated, clad, at straight lengths and hard, semi-hard or soft coils.
Markets: Water supply, heating, ventilation, air-conditioning and refrigeration, building and construction, renewable energy sources, medical and industrial applications

7.2.3. Fitco

Location	Oinofyta, Viotia
Total area	58,000 m²
Buildings	25,800 m²
Production capacity	40,000 tn per year

Scope of activity: Extrusion of brass and copper alloys
Products manufactured: Rods, tubes, bars, profiles, wire and UR30® copper alloy mesh for cage farming aquaculture
Markets: Building and construction, automotive industry, shipbuilding, fish farming, electrical, electronic, industrial and other applications

7.2.4. Sofia Med

Location	Sofia, Bulgaria
Total area	250,000 m²
Buildings	125,000 m²
Production capacity	140,000 tn per year

Production lines installed: • Foundry • Rolling mill
• Extrusion mill
Scope of activity: Rolling and extrusion of copper and copper alloys
Products manufactured: Sheets, strips, plates, circles, disks, bare and plated copper bus bars, rods, profiles, components and wires
Markets: Energy, electronics, automotive industry, industrial applications, deep drawing products, construction.

7.2.5. HC Isitma

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

Scope of activity: Production of copper tubes
Products manufactured: Ecutherm coated copper tubes, polypropylene A/C drain hoses
Markets: Heating, ventilation, air-conditioning and refrigeration

7.2.7. Epirus Metalworks

Location	Pogoni, Ioannina
Total area	24,500 m²
Buildings	7,800 m²
Production capacity	5,000 tn per year

Scope of activity: Coin production
Products manufactured: Coin blanks and rings for bi-colour coins
Markets: Metal coins, commemorative coins, collector coins, casino tokens (gaming chips)

7.2.6. NedZink

Location	Budel – Dorplein Holland
Buildings	30,000 m²
Production capacity	24,000 tn per year

Scope of activity: Titanium zinc rolling
Products manufactured: Coils, sheets, strips, rain gutters, accessories
Markets: Building and construction

7.2.8. Cable Wires

Location	Agios Georgios Livadeia, Viotia
Total area	121,111 m²
Buildings	14,065 m²
Production capacity	12,500 tn per year

Scope of activity: Production of enamelled wires
Products manufactured: Copper and aluminium enamelled wires (round and rectangular), copper wires
Markets: Industrial applications, cartoning, automotive industry







8. Product solutions

ElvalHalcor stands out for the vast range of product solutions included in its portfolio. These products have been developed with respect for sustainable development and stand out for their top quality, innovation, leading-edge technology and continuous improvement. ElvalHalcor's product portfolio is designed for numerous markets, the most important of which are listed below.

8.1. Aluminium segment

8.1.1. Transportation

The aluminium rolling division (Elval) 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

The aluminium rolling division (Elval) 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

The aluminium rolling division of ElvalHalcor 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 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 collector.

8.1.5. Water supply

- 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

- 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
- 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

The aluminium rolling division (Elval) produces aluminium sheets and strips used in the manufacture of energy transmission ducts, telecommunication equipment cabins and isolated phase bus ducts (IPB) 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 (aluminium sheets for liquefied natural gas (LNG) storage tanks) 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

Aluminium rolling division of 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.

8.2. Copper segment

8.2.1. Water supply

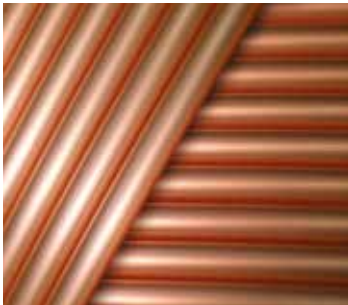
- Talos® and Cusmart® copper tubes for water supply networks.
- Brass bars for the manufacture of fittings;
- Brass tubes for sanitary accessories;
- Brass strips for flexible tubes (sanitary accessories).

8.2.2. Heating, ventilation, A/C and refrigeration

- 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, airconditioning and refrigeration facilities;
- Talos® XS copper tubes used in high pressure CO₂ systems in cooling, as well as other high pressure applications in the HVAC&R (Heating, Ventilation, Air-Conditioning and Refrigeration) industry
- Copper strips for boilers and heat exchangers;
- Brass strips for heat exchangers;
- Polypropylene air conditioner drain hoses.

8.2.3. Building and construction

- 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.

8.2.4. Renewable energy

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

8.2.5. Medical applications

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

8.2.6. Industrial applications

- Talos® Form copper tubes for connection fittings for boilers, heat exchangers parts and other intricate-formed components;
- Talos Solar PlusTM copper tubes for solar panels;
- 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 ;
- 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

One of the fundamental strengths driving ElvalHalcor's development over time is its well-established capacity to penetrate new product markets. To achieve this goal, ElvalHalcor has implemented extensive investment plans promoting research and development as well as innovation. As a result, ElvalHalcor and its subsidiaries are able to provide their clientele with new innovative products, creating a major advantage that allows them to compete against top international manufacturers of aluminium and copper products.

In 2019, the most important developments for ElvalHalcor and its subsidiaries in the field of new product development and launch onto the market were as follows:

Elval

- It increased considerably sales of:
 - Static silos
 - Thick gauge aluminium sheets used in industrial applications and the shipbuilding industry
 - Food and beverage packaging products with pet food cans as spearhead
 - Multilayer tubes intended for water supply, heating and energy (natural gas) markets in terms of new customers and penetration into new geographical markets.

Elval Colour

- New painting colours and new surface coating systems were developed.

Viomal

- The company completed the design and launched a new different insect screen model onto the market.

Halcor

- The company launched onto the market a new product of the Talos®XS line with resistance to pressure up to 80 Bar being its key feature. Talos® XS tubes are made of a high strength copper alloy 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.

Sofia Med

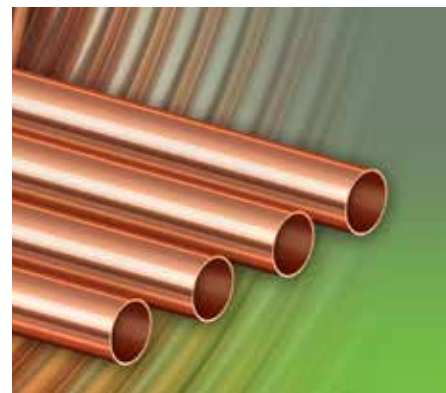
- It was the first company to launch various tin-plated products onto the market.

Fitco

- It launched the production of a new brass alloy with a particularly low lead content (eco brass). This new product is in line with the global trend for maximum permissible lead content limit in various products. It is applicable in water supply products and can replace brass for mechanical uses and the automotive industry.

NedZink

- NedZink®NEO: This is pre-weathered titanium zinc in mineral grey colour designed for applications in the building and construction sectors. It has a subtle surface, natural look and colour solidity, fit for both new buildings and building renovation. It is a highly durable material, does not require maintenance and is 100% recyclable.



9. Research-development and innovation

One of ElvalHalcor's key pursuits is to evolve from a simple supplier into a reliable, customer-centric partner who is able to provide its customers with added value by providing the best-in-class technological solutions across the world, standing out for their unique technical and mechanical properties. The company aims to ensure full and continuous customer satisfaction and fulfilment of their needs, no matter how complex and challenging they may be and, by extension, to forge long-lasting relationships with them so that the resultant benefit be sustainable and stand the test of time.

To achieve this goal, ElvalHalcor focuses on:

- Ongoing and open communication with customers;
- Monitoring market conditions and trends.

Improvement and continuous upgrade of the products and solutions it offers, laying emphasis on innovation and making continuous investments in research and development.

The investments made by ElvalHalcor in R&D and innovation concern machinery, human resources training and exchange of technology and know-how, a field in which ElvalHalcor is particularly active having entered into strategic partnerships with top international firms such as UACJ Corp., Mitsubishi Shindoh and Dowa Metaltech, as well as partnerships with various research centres.

As a result, not only its plants but also the entire production process are upgraded and optimised using innovative techniques and technologies as well as modern equipment while human resources evolve through further training, specialisation and the experience they gain. To ensure top effectiveness of the entire procedure, ElvalHalcor takes steps to provide its people with cutting-edge technology equipment.

In 2019, expenditure for R&D and innovation at Group level amounted to EUR 6.5 million.

9.1. Elval Technology Center

It is part of the aluminium rolling division and consists of various departments. Its operation offers a unique advantage and enables Elval to share with its customers:

- Top expertise of the Center's employees;
- The know-how of the Center's employees in the fields of quality, technical assistance and product development;
- The metallurgy and chemistry laboratories with respect to the development and optimisation of new products.

In other words, it enables Elval customers to be part of the wider research and development, product design and improvement procedure, as well as innovation and technical assistance.

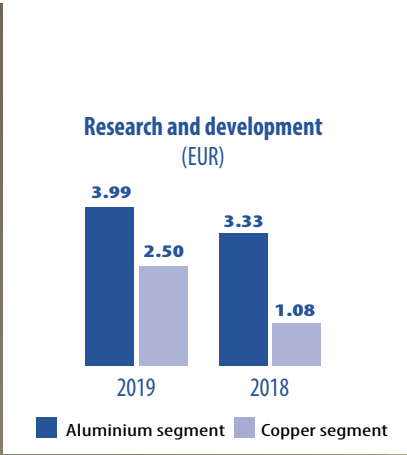
9.2. Elval Metallurgy Center

It is part of the Technology Center. It has a multifarious scope of activity and focuses on 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.

It is an important metallurgy research laboratory which enables Elval to innovate in the development of next generation alloys, given that Elval has the capacity to carry out extensive research and development for the design of new alloys. Alloys are designed having regard to customer needs and requirements as well as the technical specifications set by customers, such as resistance to corrosion, mechanical properties and surface properties. What the company gets is cost-effective production of alloys with optimum properties.

It employs high caliber engineers, who are talented and highly specialised and have available cutting-edge technology equipment.





9.3. Halcor's Tube Heat Transfer Laboratory

The tube heat transfer laboratory is located within Halcor's central production plant at Oinofyta. It is dedicated to research and development and is also engaged in the evaluation of both plain and inner-grooved tubes designed for heat exchangers. As regards the latter type of tubes, it should be noted that Halcor figures among the few global manufacturers to have this capability.

Through the tests carried out at the laboratory, the latter collects a wealth of useful information used in providing technical assistance to Halcor customers operating in the production of heat exchangers. The specialised information arising from tests is valuable because it helps optimise the heat-exchanger design and boost their efficiency.

The laboratory has evolved into an important tool which boosts the added value provided to Halcor customers while also contributing to building a close collaboration with them, especially in terms of development of each product and the relevant technical support.

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

Founded approximately 20 years ago, Elkeme aims to support the Hellenic metallurgical industry and is engaged in R&D and innovation involving four major metals sectors: aluminium, copper, steel and zinc. More specifically, it focuses on applied technological research in order to develop new, innovative, and high added value products, on improvement of existing productions, optimisation of industrial processes to support energy and cost-efficient operations, the preparation of environmental impact assessments in production units in various industrial sectors, and on research into recycling, stabilisation and utilisation of by-products for companies' sustainable development.

Its primary goal is to optimise the production processes and product technical characteristics while also applying innovative elements. To this effect, Elkeme monitors closely technological developments and new market trends and collaborates closely with universities while managing and enriching a network of knowledge and skills at all times.

Its laboratories are fitted out with state-of-the-art technological infrastructure.

It is certified in line with ISO 9001:2015 and ISO 17025:2017 international standards..

9.5. Hellenic Copper Development Institute (HCDI)

The Hellenic Copper Development Institute (HCDI) is a non-profit organisation dedicated to the promotion and development of copper applications, updates, training, technical support and scientific guidance to professionals about anything involving the applications and uses of copper and its alloys. The HCDI also seeks to promote the latest developments that illustrate the vital role of copper in the environment and health.

Since 2010, the HCDI has launched the promotion of copper's antimicrobial properties, having set up a group of scientists who control and certify products and areas as microbe-free. This is an application that can supplement hygiene and protection practices in crowded areas in order to prevent any spread of microbes and viruses.

Being one of the founding and most active members of the HCDI, Halcor participates in the elaboration of its programmes, either by making available materials and sites for training seminar implementation or by providing funds for implementing programmes across Greece.

The HCDI collaborates with the European Copper Institute (ECI) and the International Copper Association (ICA), which consist of 27 members who are major international copper manufacturers and copper processing industries, with the common goal of promoting copper products.

10. Investments

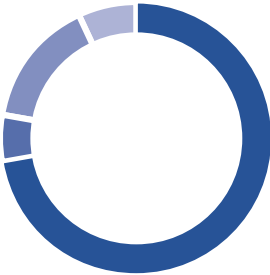


Over the years, ElvalHalcor has implemented major investment plans, aiming at its ongoing streamlining and long-term strengthening of its competitiveness. As part of the above efforts, the Company has planned and carried out large-scale, demanding and highly complicated investments, which have resulted in the enrichment of its product portfolio, improvement of product quality and enhancement of the added value offered to its customers.

Thus, throughout the years of its operations, the Company has managed to be established as one of the top manufacturers of aluminium and copper products across the world.

In 2019, ElvalHalcor made total investments amounting to EUR 163.7 million.

Total investments
(in million euro)



- 118.6 Elval
- 25.0 Subsidiaries of aluminium segment
- 11.0 Subsidiaries of copper segment
- 9.1 Halcor

10.1. Aluminium segment

In 2019, the aluminium segment invested EUR 143.7 million. More specifically, an amount of EUR 118.6 million was invested by the aluminium rolling division (Elval) and was primarily part of the investment plan of EUR 150 million intended for the upgrade of production facilities and expansion of production capacity while the investments of the segment's other subsidiaries amounted to EUR 25.1 million and aimed at increasing production capacity and manufacturing high added value products.

The key investments of the aluminium segment are presented below:

Elval

- The installation of a new slab pre-heating furnace which will supply the hot rolling process of the new mill was completed.
- A new Green Melt furnace was installed aiming at further utilising scrap, as part of sustainable development practices.
- The investment in the installation of a wide tread sheet cutting machine was launched.
- Improvements were made to the automatic brazing machinery.
- The second brazing cutting machine was put into operation.
- A new brazing centre was set up for cutting, packaging and warehousing purposes.

Elval Colour

- An investment was made to optimise production lines in technology terms (installation of twin screw extruder) so that they can respond to the latest technological advancement and achieve their optimum efficiency.

Symetal

- Two new annealing furnaces were installed at the Oinofyta-based plant.
- A new cutting machine was installed for bare lacquered aluminium at the Mandra-based plant.
- The construction of a new plant in Mandra, Attica has been scheduled, close to the facilities of the Company's existing plant. This plant will undertake the production of varnishes and lacquers by purchasing and installing a varnish production line.



10.2. Copper segment

In 2019, the copper segment made total investments amounting to EUR 20.1 million, split into EUR 9.1 million invested by the copper tubes sector, and EUR 11.0 million invested by the segment's subsidiaries.

Halcor

- 4 extra inner grooving (spinner type) production lines were installed.
- An ultra-modern continuous induction annealing line reaching 500m/min was installed.
- Operation of a new level wound coil, double-drum line was launched, fitted out with eddy-current testing (ECT) system (stationary and rotary).
- A billet de-oxidation machinery was put into full operation, which contributed to a major upgrade of the copper tubes plant's mother pipes.
- Translocation works were carried out as part of the expansion of the aluminium rolling division and launch of operations by Epirus Metalworks.

Sofia Med

- Cold rolling process was enhanced by installing another cold rolling mill which will start operating during 2020.
- A software system was installed for production planning purposes.

Fitco

- Based on scheduling for increasing the power of the extrusion press and optimising its operation, its columns were changed.

- The first phase of software programme installation was completed in order to ensure production online monitoring. The key machines are the first target of monitoring with a view to extending it to the entire mechanical equipment.

NedZink

- Implementation of an investment plan of EUR 25 million continued 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. More specifically, in 2019 the construction of a new building was launched for the installation of continuous casting lines.

Epirus Metalworks

- An investment was implemented in the refurbishment of premises and the upgrade of machinery.

Finally, Elkeme's office premises were upgraded and expanded while the installation of a pilot rolling mill has been launched in order to enable testing without having to discontinue production.

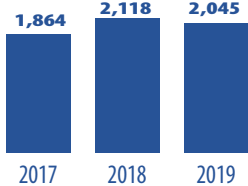


11. Financial information

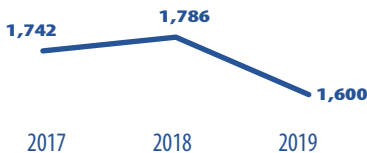
In 2019 the consolidated revenue amounted to EUR 2,045 million compared to EUR 2,118 million in 2018, decreased by 3.4%, mainly reflecting the negative effect of macroeconomic conditions on metal average prices and secondly on volumes which, despite the negative environment, recorded a marginal drop compared to last year, thanks to the good first months of the year.

Consolidated gross profit recorded a 13% drop and amounted to EUR 145.1 million compared to EUR 166.9 million in 2018. This drop is due to the negative effect that metal downward prices had, given that the metal price lag was negative by EUR 2.1 million compared to profits of EUR 23.0 million in 2018.

Consolidated revenue of ElvalHalcor
(EUR million)



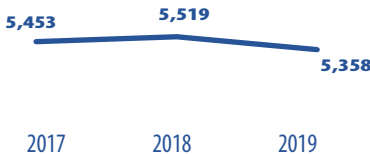
Average aluminium price (euro/tn)



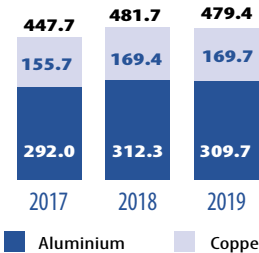
Revenue of ElvalHalcor per segment
(EUR million)



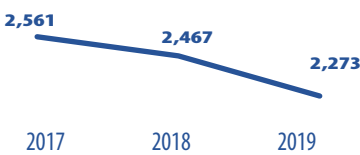
Average copper price (euro/tn)



Sales volume of ElvalHalcor per segment
(Ktn)



Average zinc price (euro/tn)



The prices of the key metals processed by the Group were at lower levels with the average copper price coming to EUR 5,358 per ton in 2019 compared to EUR 5,519 per ton in 2018. The average aluminium price dropped to EUR 1,600 per ton compared to EUR 1,786 per ton in 2018. Finally, the average zinc price amounted to EUR 2,273 per ton compared to EUR 2,467 per ton in 2018.

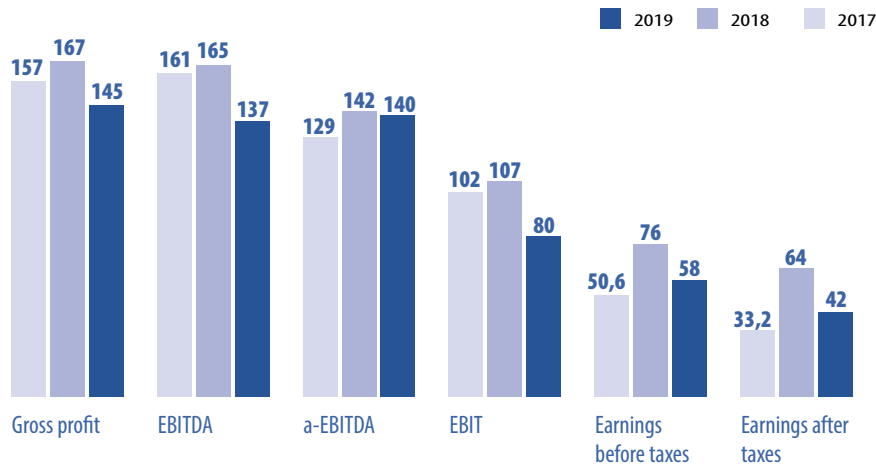
In 2019, consolidated earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to EUR 137.4 million compared to EUR 165.2 million last year, i.e. a decrease by EUR 27.8 million or around 17%. However, it should be noted that adjusted earnings before interest, taxes, depreciation and amortisation (a-EBITDA), which present separately the effect of metal prices, amounted to EUR 140.2 million in 2019 compared to EUR 142.2 million

in 2018, slightly decreased by 1.4%, mainly reflecting the slowdown in demand recorded over the last quarter of 2019.

The efforts made to decrease the financial cost continued to bear fruit with net financial cost reduced to EUR 25.6 million from EUR 32.2 million in 2018 given that the decrease in borrowing rates margins launched in mid 2018 continued throughout 2019 too.

Consolidated earnings before interest and taxes (EBIT) stood at EUR 80.0 million compared to EUR 107.1 million in 2018. Finally, consolidated earnings before taxes amounted to EUR 58.2 million compared to EUR 75.9 million in 2018 while consolidated earnings attributable to owners of the company amounted to EUR 41.3 million compared to EUR 63.6 million in 2018.

Key consolidated financial figures (EUR million)

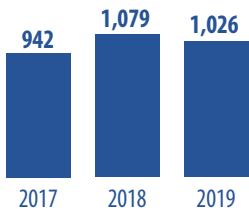


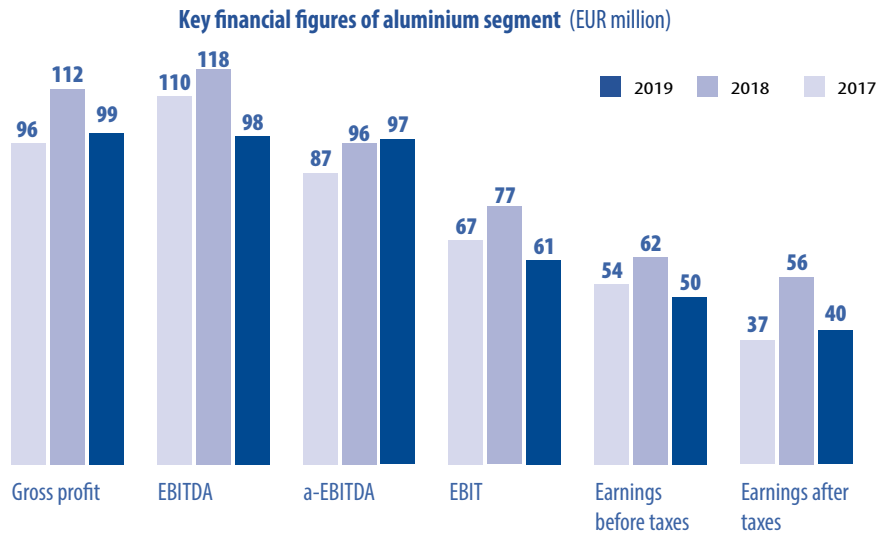
Aluminium segment

The segment's revenue amounted to EUR 1,026 million in 2019 compared to EUR 1,079 million in 2018, recording a 4.9% decrease which is due, on the one hand, to metal reduced prices and, on the other hand, to the drop in demand over the last quarter of the year, which had an impact on sales volumes that were marginally reduced by 0.8%, thus remaining at high levels and building on the production capacity.

Note that sales in the Eurozone account for 69% of revenue. Specifically for the market of the United States, it is worth noting the robust demand during the first nine months with high prices and sales on the rise; such situation changed during the last quarter when both demand and prices were rationalised. The summary financials of the segment are presented in the table below:

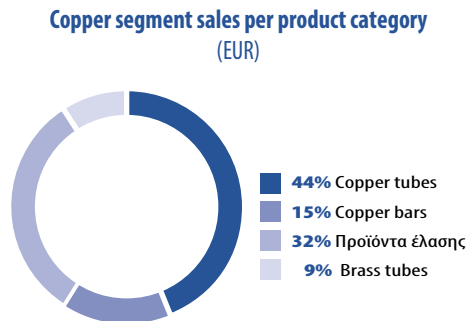
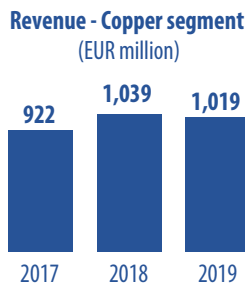
Revenue - Aluminium segment (EUR million)





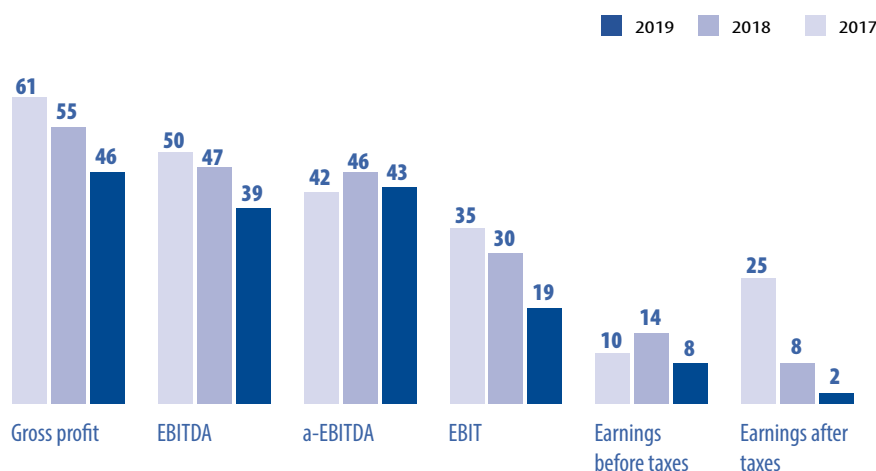
Copper segment

Despite the negative impact of a drop in industrial production output, which resulted in a considerable decrease in total demand especially for rolled products, slackening of the growth rate of the European economy that had an impact on all products in general, and in a drop in the average copper price, the sales of the copper segment were reduced only by 2.0% in 2019 and amounted to EUR 1,018 million compared to EUR 1,039 million in 2018.



As opposed to the above, sales volumes were increased by 0.2% and amounted to 169.7 thousand tons from 169.4 thousand tons in 2018. The sales of copper tubes continued to be on the rise and were increased by 1.3% with copper and copper alloy rolled products for industrial uses being marginally reduced by 0.8%, in line with the downward trend of the industrial production in general, especially during Q4, and specifically the persistent weakening of the automotive industry. With respect to the segment's product mix, tubes sales accounted for 44%, rolled products 32%, copper bus bars 15% and brass rods and tubes for 9%.

Key financial figures of copper segment (EUR million)



The summary financials of ElvalHalcor group for 2019 are presented in the table below:

(amounts in EUR ,000)	2017 ⁽¹⁾	2018	2019
Consolidated and comparable information (for 12 months)			
Revenue	1,863,320	2,117,789	2,044,606
Gross profit	156,871	166,948	145,064
EBITDA	160,521	165,166	137,397
a-EBITDA	129,437	142,149	140,205
EBIT	101,967	107,051	80,038
Earnings before taxes	63,923	75,849	58,179
Earnings after taxes	61,330	64,303	41,942
Profit margin			
Gross profit	8.4%	7.9%	7.1%
EBITDA	8.6%	7.8%	6.7%
a-EBITDA	6.9%	6.7%	6.9%
EBIT	5.5%	5.1%	3.9%
Earnings before taxes	3.4%	3.6%	2.8%
Earnings after taxes	3.3%	3.0%	2.1%
Growth indicators			
Revenue	n/a	13,7%	-3,5%
Gross profit	n/a	6,4%	-13,1%
EBITDA	μδ	2,9%	-16,8%
a-EBITDA	n/a	9,8%	-1,4%
EBIT	n/a	5,0%	-25,2%
Earnings before taxes	n/a	18,7%	-23,3%
Earnings after taxes	n/a	4,8%	-34,8%

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

(amounts in EUR ,000)	2017	2018	2019
Assets			
Property, plant and equipment	842,212	894,998	1,012,320
Inventories	433,498	519,218	469,952
Trade receivables	199,025	218,286	215,700
Cash and cash equivalents	41,446	34,241	48,688
Other assets	9,246	7,801	7,021
Total assets	1,525,427	1,674,543	1,753,680
Equity & liabilities			
Share capital	146,344	146,344	146,344
Other equity items of Company's shareholders	509,166	570,443	600,844
Non-controlling interests	12,905	13,679	14,084
Total equity	668,416	730,468	761,272
Non-current liabilities			
Long-term loans	292,933	384,416	452,187
Other long term liabilities	99,791	94,720	95,498
Total non-current liabilities	392,724	479,136	547,685
Current liabilities			
Short-term loans	275,307	193,553	162,393
Other current liabilities	188,980	271,386	282,330
Total current liabilities	464,287	464,939	444,723
Total equity & liabilities	1,525,427	1,674,543	1,753,680

1. The consolidated results for 2017 include the results of ElvalHalcor Group as of the merger date. The comparative consolidated figures were prepared on a proforma basis and reflect the financial results as if the merger had taken place as of 01.01.2017.



The cash flows of ElvalHalcor group are presented below:

(amounts in EUR ,000)	2017	2018	2019
Cash flows			
From operating activities	110,651	94,323	174,057
From investing activities	-133,706	-106,516	-171,611
From financing activities	49,304	4,989	12,002
Net change in cash	26,248	-7,204	14,448
Cash at beginning of year	15,198	41,446	34,241
Effect of exchange differences	0	-2	0
Cash at year end	41,446	34,241	48,688

The group's key financial ratios are presented in the table below:

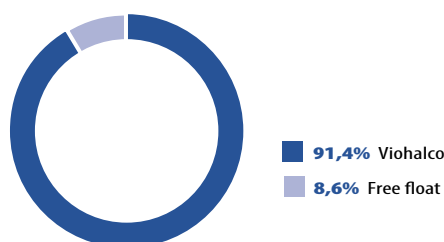
Key financial ratios		2017	2018	2019
Liquidity				
Current ratio	times	1.46	1.67	1.66
Quick ratio	times	0.53	0.55	0.60
Activity				
Inventories turnover ratio	days	96	100	93
Receivable turnover ratio	days	39	38	39
Payable turnover ratio	days	40	47	51
Cash conversion cycle	days	95	91	80
Solvency				
Interest coverage ratio	times	4.35	5.11	5.36
Debt-to-equity ratio	times	1.28	1.29	1.30
Long-term bank loans	%	19.20%	22.96%	25.79%
Short-term bank loans	%	18.05%	11.56%	9.26%
Fixed asset turnover	times	1.22	1.26	1.17
Profitability				
Return on equity	%	9.18%	8.80%	5.51%
Return on assets	%	4.02%	3.84%	2.39%

12. Share information

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 on the Athens Stock Exchange and its shares were converted into dematerialised, registered shares with voting rights in accordance with the decisions of the General Meeting of 30.09.2019 and decision no. 106722/21.10.2019 of the Ministry of Development and Investments (Identifier: 97ΔΔ465X18-9Y0), pursuant to articles 40 and 184 of Law 4548/2018, as in force.

As a subsidiary of Viohalco, which is its majority shareholder, the consolidated financial statements of ElvalHalcor Group are included in the consolidated financial statements of Viohalco S.A. It is noted that Viohalco is listed on Euronext Brussels and the Athens Stock Exchange. The shareholder composition of ElvalHalcor is presented in the following graph, in line with its voting rights:

Shareholder composition



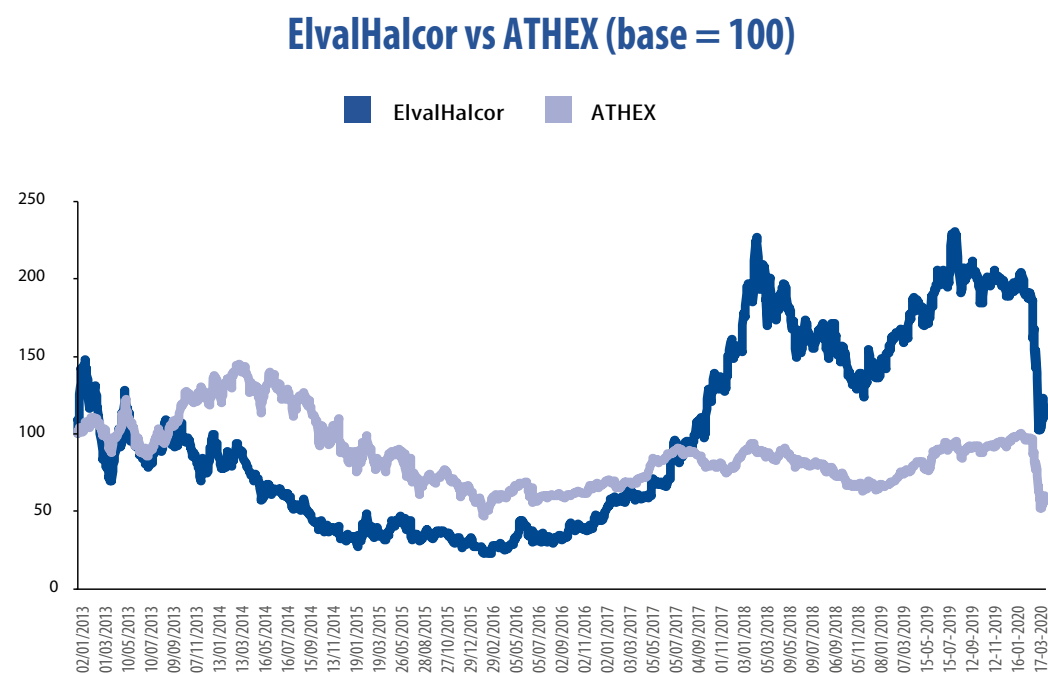
The key information about the Company's share is presented in the table below:

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	GRS281003004
Ticker in ATHEX	EAXA
Bloomberg ticker	ELHA:GA
Reuters ticker	ELHA.AT
Trading currency	EUR
Stock type	Common registered
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 (31/12/2019)	1.74
Capitalisation (31/12/2019)	EUR 652,920,359.64
High 52 weeks	EUR 2.10 (22/07/2019)
Low 52 weeks	EUR 1.19 (02/01/2019)
Average 52-week trade volume FY2019	74,326 pieces

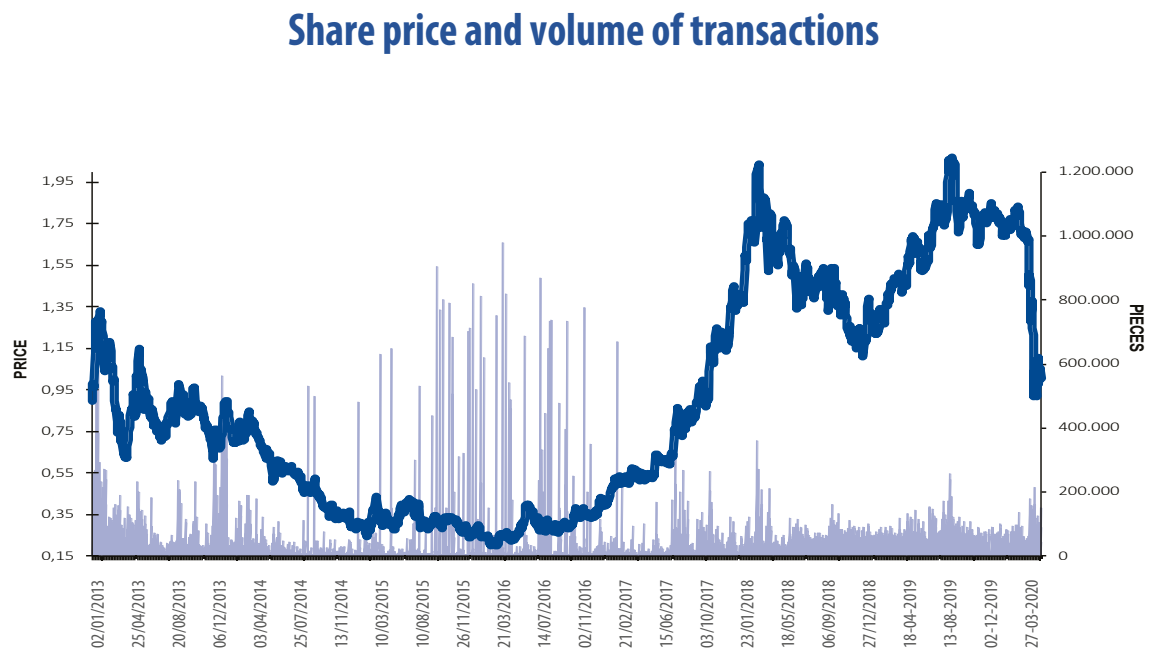
The key investment ratios are presented in the table below:

		2017	2018	2019
Post-tax earnings per share (as reported)	EUR	0.12	0.18	0.11
Nominal value per share	EUR	0.39	0.39	0.39
Book value per share	EUR	2.37	1.95	2.03
P/BV	times	0.34	0.77	0.83
P/E (after taxes)	times	6.82	8.75	15.03
P/Sales	times	0.12	0.27	0.31
P/EBITDA		1.43	3.41	4.59
P/a-EBITDA	times	1.77	3.96	4.50
Dividend per share	EUR	0.00	0.03	0.03
Dividend yield	%	-	2.00%	1.79%
Weighted average number of shares (in ,000)		282,402	352,411	375,242
Average price per share	EUR	0.81	1.50	1.68

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



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





World-class
technological
solutions and
know-how
to deliver
superior quality
to customers



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ELVALHALCOR

HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.

ELVALHALCOR

Hellenic Copper and Aluminium Industry SA (ElvalHalcor)

13. Corporate Governance

ElvalHalcor arose from the merger by absorption of Elval S.A. - Hellenic Aluminium by listed Halcor S.A. - Metal Processing according to decision no. 131569/30-11-2017 of the Minister of Economy and Development. ElvalHalcor is listed on the Athens Stock Exchange and its shares were converted into dematerialised, registered shares with voting rights in accordance with the decisions of the General Meeting of 30.09.2019 and decision no. 106722/21.10.2019 of the Ministry of Development and Investments (Identifier: 97ΔΔ465Xl8-9Y0), pursuant to articles 40 and 184 of Law 4548/2018, as in force. The applicable legislation on corporate governance is determined by Law 3016/2002, Law 4449/2017, decision no. 5/204/2000 of the Hellenic Capital Market Commission, article 43bb of Codified Law 2190/1920 as well as the Corporate Governance Code published by the Hellenic Corporate Governance Council (hereinafter the «code»). http://www.ecgi.org/codes/documents/hellenic_cg_code_oct2013_gr.pdf.

The administration and operation of ElvalHalcor comply with corporate governance practices, as defined by all the foregoing.

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 2019 (p. 28-36), 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 11/12/2019,) consisting of 8 executives member, 3 non-executive member and 4 independent, non-executive members.

Name	Member
Theodosios Papageorgopoulos	Chairman, Executive member
Dimitrios Kyriakopoulos	Vice-chairman, Executive member
Periklis Sapountzis	Executive member
Lampros Varouchas	Executive member
Stavros Voloudakis	Executive member
Konstantinos Katsaros	Executive member
Spyridon Kokkolis,	Executive member and Group CFO
Eytychios Kotsampasakis	Executive member
Georgios Katsampas	Non-executive member
Nikolaos Koudounis	Non-executive member
Elias Stassinopoulos	Non-executive member
Thomas George Sofis	Independent, Non-executive member
Panagiotis Athanasopoulos	Independent, Non executive member
Nikolaos Galetas	Independent, Non executive member
Natalia Nicolaidi	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>

ElvalHalcor's management executives are presented below (as applicable from 02/18/2020):

ElvalHalcor	
Lambros Varouchas	General Manager - Aluminium Segment
Periklis Sapountzis	General Manager - Copper Segment
Spyridon Kokkolis	CFO of ElvalHalcor
Epameinondas Batalas	Internal Audit Supervisor
Alexandros Kompotis	Investor Relations Officer
Aluminium rolling division	
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 Koimtzioglou	Manufacturing Director (Aluminium Recycling - Foundries)
Petros Lampropoulos	ALU Supply Chain & Prod. Planning Director
Stelios Lekkios	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 Psyraakis	Financial Director
Copper tubes division	
Panos Lolos	General Manager
Vasilios Vonditsos	Deputy Commercial Director
Nick Ellinas	Chief Information Officer
Stylianios Theodosiou	Technical Manager
Apostolos Kaimenopoulos	Tubes Plant Technical Manager
Lambros Karagiorgos	Human Resources Manager
Eftychios Kotsambasakis	Oinofyta Plants Directing Manager
Nikolaos Marinakis	Foundry Technical Manager
George Mavraganis	Strategic Planning Director and Sustainability Coordinator
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
Evangelos Oikonomopoulos	Health & Safety Manager

Annual Financial Report

of 31 December 2019

Pursuant to article 4 of L. 3556/2007



ELVALHALCOR HELLENIC COPPER AND ALUMINIUM INDUSTRY 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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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 undersigned in our capacity as 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, 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 2019, 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 2019 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, 12th of March 2020

Confirmed by,

The Vice-Chairman of the Board

DIMITRIOS KYRIAKOPOULOS

ID Card No. AK 695653

The Board-appointed Member

PERIKLIS SAPOUNTZIS

ID Card No. AK 121106

The Board-appointed Member

SPYRIDON KOKKOLIS

ID Card No. AN 659640
Class A License Reg. No 20872

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 2019 (1 January – 31 December 2019). This report was prepared in line with the relevant provisions of Codified Law 4548/2018, 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 2019, 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 copper and aluminium winding (enamelled) wires.

1. Financials - Business report - Major events

Throughout 2019 the growth in the United States as well as in the developing markets trended mostly positive with the Eurozone, the Group's and the Company's main market decelerating, which affected negatively the sales of the Group and the Company. More specifically, industrial production after November 2019 compared to November 2018, according to preliminary data was reduced by 1.5% in the Eurozone and by 1.2% for Europe.

The metal prices which the Group processes fluctuated at lower levels, with the average price of copper at Euro 5,358 per ton versus Euro 5,519 per ton in 2018. The average price of aluminium dropped to Euro 1,600 per ton versus Euro 1,786 per ton for the fiscal year 2018. Finally, the average price of zinc dropped to Euro 2,273 per ton vs. Euro 2,467 per ton for the fiscal year 2018.

Consolidated turnover in 2019 amounted to Euro 2,045 mil. compared to EUR 2,118 mil. in 2018, i.e. reduced by 3.4%, reflecting mainly the negative effect of the macroeconomic environment in the average prices of copper and aluminium and secondarily due to the effect from the volumes, which contrary to the negative environment, stood at prior year levels due to the first months of the year.

In regards to the aluminium segment for 2019, volumes remained high utilizing the production capacity, with sales of the aluminium segment of ELVALHALCOR which mainly consists of the rolling division of the company (ex ELVAL) and the subsidiary SYMETAL, marginally declining by 0.8% versus 2018. Turnover reached Euro 1,026 mil for 2019 versus Euro 1,079 mil., with sales directed to the Eurozone consisting the 69% of revenue. Especially for the United States market, it is worth noting that demand in the first nine months was extremely strong with high prices and increased sales, a situation that has changed over the last quarter, where demand and prices normalized. In regards to the product mix, 51% of sales were directed to the food packing industry (rigid and flexible), 22% to the transportation industry and 27% to the construction and industrial applications industry.

The copper segment sales were marginally higher in volumes by 0.3% for 2019, with the average price of copper affecting mainly the revenue, which amounted to Euro 1,018 mil. versus Euro 1,039 mil. for the prior fiscal year 2018, i.e. reduced by 2.0%. Copper tubes sales are driving the product mix by continuing to grow by 1.3%, with the rolling products of copper and copper alloys for industrial uses marginally dropping by 0.8%, as a result of the reduced, especially during the fourth quarter, industrial production output rates in general, and the continuing weakness of the automotive industry in particular. Copper tubes sales constituted 44% of sales, rolling products 32%, copper strips 15% and brass rods and tubes 9% of sales.

For 2019, consolidated Gross profit lagged by 13% reaching Euro 145.1 mil versus Euro 166.9 mil. in 2018. This decrease is mainly due to the negative effect of the falling metal prices, as metal result was a loss of Euro 2.1 mil. versus a profit of Euro 23.0 mil in the year before. Consolidated earnings before taxes, interest and depreciation (EBITDA) reached to profit of Euro 137.4 mil versus Euro 165.2 mil. for the prior year, i.e. reduced by Euro 27.8 mil., while consolidated EBIT rose to profits of Euro 80.0 mil. versus Euro 107.1 mil. in the prior fiscal year. Consolidated results (profit/loss before taxes), amounted in 2019 to profit of Euro 58.2 mil. from Euro 75.9 mil. in 2018 with consolidated profit after tax and non-controlling interests amounting to Euro 41.9 mil., i.e. Euro

1. <https://ec.europa.eu/eurostat/documents/3217494/10447561/KS-BJ-20-002-EN-N.pdf/49c8ab77-f39a-4e08-92f5-b3f5f596a7ac>

0.1101 per share, versus Euro 63.6 mil., i.e. Euro 0.1806 per share in the prior fiscal year. It is noteworthy, that the adjusted-EBITDA (a-EBITDA), which isolates the effect of the metal prices amounted to Euro 140.2 mil. for 2019 versus Euro 142.2 mil. for the prior year, i.e. down by 1.9% reflecting the slowdown of the main market of Europe and the decline in the industrial production during the last quarter of 2019.

Furthermore, the efforts for the reduction of the financial cost continued bearing fruits as Net Finance Cost was reduced to Euro 25.6 mil. versus 32.2 mil. for the year 2018, as the reduction of interest rate margins initiated in the middle of 2018 continued within 2019.

At company level, revenue for 2019 amounted to Euro 1,430 mil. versus Euro 1,487, for the respective prior year, marking a drop of 3.8% due to the downtrend of the metal prices in the international markets. Gross Profit marked a decline of 9.1% to Euro 102.4 mil. versus Euro 112.1 mil. for the fiscal year 2018, and earnings before taxes, interest and depreciation (EBITDA) amounted to Euro 100.6 mil. compared to Euro 114.7 mil., with the metal result surpassing the positive effect from the improvement of prices and conversion margins, and amounting to a profit of Euro 1.7 mil. versus Euro 22.8 mil. for the prior year. The adjusted EBITDA (a-EBITDA) which isolates the effect from the metal prices and presents in a better way the operational profitability of the Company amounted to Euro 99.2 mil. for 2019 from Euro 91.9 mil. for the prior fiscal year, i.e. increased by 7.5%. The net financial cost amounted to Euro 16.1 mil. for 2019 versus Euro 21.4 mil. for 2018, as a result of the renegotiation of loans for the reduction of interest rates margins. Finally, earnings before taxes reached to Euro 46.9 mil. compared to Euro 53.9 mil. for the prior year. On 08.08.2019 the transformation of the Branch in Pogoni-Ioannina into company under the initial trade name "EPIRUS METALWORKS SINGLE MEMBER S.A.", was completed. In addition, on 24.12.2019 the 100% of the shares of "CABLEL Wires Hellenic Cable Industry S.A. was acquired.

In 2019 the ELVALHALCOR Group carried out total investments of Euro 148.8 mil. for the fiscal year, out of which the amount of Euro 127.0 mil. was dedicated to the upgrade of the parent company facilities at Oinofyta, distributed in Euro 118.6 mil. for the aluminium division mainly to the investment regarding the increase in production capacity and Euro 8.3 mil. for the copper division. Finally, the subsidiaries of the copper segment invested Euro 11.6 mil. and the aluminium subsidiaries invested Euro 3.8 mil., aiming at increasing production capacity, 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		31.12.2019		31.12.2018	
Liquidity =	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	=	$\frac{736,865}{444,723} \quad 1.66$	=	$\frac{775,050}{464,939} \quad 1.67$

COMPANY €'000		31.12.2019		31.12.2018	
Liquidity =	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	=	$\frac{512,781}{342,093} \quad 1.50$	=	$\frac{568,275}{369,852} \quad 1.54$

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 2019 and 2018 the index is as follows:

GROUP €'000		31.12.2019		31.12.2018	
Leverage =	$\frac{\text{Equity}}{\text{Loans \& Borrowings}}$	=	$\frac{761,272}{614,579} \quad 1.24$	=	$\frac{730,468}{577,968} \quad 1.26$

COMPANY €'000		31.12.2019		31.12.2018	
Leverage =	$\frac{\text{Equity}}{\text{Loans \& Borrowings}}$	=	$\frac{727,427}{482,260} \quad 1.51$	=	$\frac{705,914}{451,663} \quad 1.56$

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 2019 and the prior year the index for the Group and the Company is as follows:

GROUP €'000		31.12.2019		31.12.2018	
Return on Invested Capital =	$\frac{\text{Operating profit / (loss)}}{\text{Equity + Loans \& Borrowings}}$	=	$\frac{80,038}{1,375,851} \quad 5.8\%$	=	$\frac{107,051}{1,308,436} \quad 8.2\%$

COMPANY €'000		31.12.2019		31.12.2018	
Return on Invested Capital =	$\frac{\text{Operating profit / (loss)}}{\text{Equity + Loans \& Borrowings}}$	=	$\frac{62,820}{1,209,687} \quad 5.2\%$	=	$\frac{75,370}{1,157,577} \quad 6.5\%$

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 2019 and 2018 the index is as follows:

GROUP €'000		31.12.2019		31.12.2018	
Return on Equity =	$\frac{\text{Net Profit / (Loss)}}{\text{Equity}}$	$\frac{41,942}{761,272}$	5.5%	$\frac{64,303}{730,468}$	8.8%

COMPANY €'000		31.12.2019		31.12.2018	
Return on Equity =	$\frac{\text{Net Profit / (Loss)}}{\text{Equity}}$	$\frac{32,916}{727,427}$	4.5%	$\frac{47,339}{705,914}$	6.7%

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	GROUP		COMPANY	
	2019	2018	2019	2018
Operating profit / (loss)	80,038	107,051	62,820	75,370
Adjustments for:				
+ Depreciation of tangible assets	55,758	58,838	35,458	38,798
+ Depreciation of right of use assets	2,274	-	1,579	-
+ Amortization	984	1,070	771	654
+ Depreciation of investment property	227	162	1,215	1,142
- Amortization of Grants	(1,884)	(1,955)	(1,256)	(1,311)
	137,397	165,166	100,588	114,652

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	
	2019	2018	2019	2018
EBITDA	137,397	165,166	100,588	114,652
Adjustments for:				
'+ Loss / - Profit from Metal Lag	2,137	(23,016)	(1,737)	(22,755)
'+ Restructuring Expenses	671	-	397	-
a - EBITDA	140,205	142,150	99,248	91,897

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	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
(A) Value of Metal in Sales	1,471,126	1,580,309	950,906	1,018,003
(B) Value of Metal in Cost of Sales	(1,475,963)	(1,567,949)	(948,160)	(1,003,018)
(C) Result of Hedging Instruments	2,700	10,657	(1,010)	7,769
(A+B+C) Metal Result in Gross Profit	(2,137)	23,016	1,737	22,755

The Group applied IFRS 16 using the cumulative effect method. Under this method, the comparative information is not restated. (see Note 33).

3. Main risks and uncertainties

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

Credit risk

The Group and the Company 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 checked separately for creditworthiness before normal payment terms are proposed. The creditworthiness test made by the Group and the Company 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 and the Company. 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 and the Company demands collateral demand collateral securities or other security (e.g. letters of guarantee) in order to secure its receivables, if possible.

The Group and the Company record impairment allowances that reflect its assessment of losses and expected credit losses from customers, other receivables and investments in securities. This allowance 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 allowance 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 the 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 and as considered in article 99-101 of law 4548/2018, as in effect; 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 2019, which amounted to Euro 48.7 million and the Company Euro 16.2 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 22). Moreover, the Group communicates with the banks to secure proper refinancing of loans that expire.

For the avoidance of liquidity risk the Group and the Company 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 any impact of extreme conditions which cannot be foreseen.

Market risk

Market risk is the risk related to fluctuations 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, gas)

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. In addition, the Company is exposed to risk from fluctuation of gas prices, as part of its production cost. The risk from metal prices and gas prices 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 and the Company 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.

The Group and the Company may undertake loans issued at fixed rates for the reduction of the Interest rate risk when it is deemed necessary.

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 92% 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 and Aluminium market operate within the Eurozone and will react to the fluctuations of the currency. Exports to the United Kingdom represent approximately the 6.2% 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 2019 rose to €139.9 mil. from €126.0 mil., which constitutes approximately the 6.8% of the Group sales.

In spite of the above, 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.

4. Outlook and targets for 2020

For 2020 the Group and the Company, considering the international outlook of macro-trends with demand for industrial and recyclable products forecasted to move upwards, will focus on those so that throughout 2020 they will continue to be the pillar of the Group's development. In spite of the decline of industrial output at the end of 2019, demand for non-ferrous metal products has recovered and is expected to move on a positive trend in the mid and long-term and the Group and the Company have already started to enjoy the benefits of the strategic investment of the latest years. The Group and the Company monitor the developments regarding the spread of the corona virus and are prepared to react in any transient fluctuations in demand. As the macro trends remain positive for the products for both the Group and Company, the long-term plan remains firm.

More specifically the Aluminium segment will focus on the completion of the Euro 150 mil. investment plan with the commencement of operation of the four-stand tandem aluminium hot finishing mill expected to be in the second quarter of 2020. In addition, in response to increased demand for aluminium products from the company's customers, the Company has ordered a 6-high aluminium cold rolling mill, as the initial stage of a wider EUR 100 million investment plan to be implemented in the course of the next two years for production equipment and R&D infrastructure. This investment will allow the Company to utilize up to an extra 150 thousand tons of the additional hot rolling capacity at the Oinofyta plant, which will more than double, following the installation of the new four-stand tandem hot rolling finishing mill.

In regards to the Copper segment, demand for 2020 is expected to remain in satisfactory levels, which will help with the absorption of the newly installed capacity in the copper tubes division. In addition, the Company completed the spin-off of the branch in Pogoni Ioannina, manufacturing plant of all types of coin blanks and rings into a company with the purpose of restarting the production unit through the upscaling of the export activity of the new entity. Moreover, the Copper segment materializes, according to schedule, the investment program of the joint venture of Nedzink, with the purpose of increasing the production of titan zinc and the strategic positioning of the Group's products in the European marketplace.

Finally, the Group and the Company will continue their expansion through the exports in Europe and in other markets, through the increase of market shares in industrial products and the strengthening of their activity in new markets with strong development prospects and improved margins.

5. 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
SYMETAL SA	96,510	14,775	3,929	13
SOFIA MED AD	45,764	26,371	34,546	180
ELVAL COLOUR SA	19,405	777	9,236	-
FITCO SA	19,552	6,482	2,507	1
VIOMAL SA	6,924	155	2,181	28
VEPAL SA	793	24,838	-	8,867
ANOXAL SA	460	7,121	124	243
TECHOR PIPE SYSTEMS SA	-	-	-	643
EPIRUS METALWORKS SA	488	2,811	2,551	38
TECHOR SA	-	71	-	35
TOTAL	189,896	83,401	55,073	10,049

Sofia Med 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 purchases raw materials from ELVALHALCOR. 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's 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. Epirus Metalworks purchases raw materials from ELVALHALCOR, proceed with the process and then sales finished products to ELVALHALCOR. ELVALHALCOR provides administrative services to Epirus Metalworks.

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

Company	Sales of Goods, Services and Assets	Purchases of Goods, Services and Assets	Receivables	Payables
CENERGY GROUP	13.378	12,926	1,521	2,491
STEELMET GROUP	33	12,693	61	1,621
INTERNATIONAL TRADE	374.829	6	14,267	-
METAL AGENCIES LTD	65.088	93	4,592	16
TEPROMKC GMBH	54.934	1,508	5,697	302
REYNOLDS CUIVRE SA	41.721	501	9,106	34
ETEM BULGARIA SA	13.175	3,098	-	-
UEHEM	43.406	130	2,744	16
TEPRO METAL AG	6.155	763	-	-
STEELMET ROMANIA SA	9.819	337	8	2,093
ETEM COMMERCIAL SA	11.667	1,699	12,296	-
GENECOS SA	3.313	452	970	54
BASE METAL TICARET A.S.	-	606	-	179
ANAMET SA	524	11,161	254	121
ETEM Aluminium Extrusions SA	24.556	8,013	9,315	1,067
ALURAME SPA	105	1,717	19	209
SIDERAL SHRK	69	115	162	-
ETEM SCG DOO	386	5	94	1
HC ISITMA	-	-	-	-
AEIFOROS SA	-	13	-	12
VIANATT SA	126	-	78	-
VIOHALCO SA	153	160	264	-
METALIGN SA	27	416	1	4
METALLOURGIA ATTIKIS SA	65	-	31	-
TEKA SYSTEMS SA	41	8,100	446	3,165
ELKEME SA	202	1,350	47	383
VIEXAL SA	0	3,541	-	92
VIENER SA	63	973	53	109
SIDENOR INDUSTRIAL SA	133	316	3,453	2
OTHER	796	5,315	24,548	879
TOTAL	664.764	76,011	90,026	12,850

Cenergy Group purchases 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. CPW America CO trades ELVALHALCOR's products in the American market.

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.

TEPROMKC 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 ELVALHALCOR 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.

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 ELVALHALCOR in the French market.

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

ETEM Aluminium Extrusions SA purchases from ELVALHALCOR aluminium billets and sells in its turn aluminium scrap from its production process to ELVALHALCOR.

ETEM COMMERCIAL SA rents industrial facilities from ELVALHALCOR, purchases 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's Group with other affiliated companies (amounts in thousands of Euro)

Company	Sales of Goods, Services and Assets	Purchases of Goods, Services and Assets	Receivables	Payables
CENERGY GROUP	14,908	16,221	2,120	2,748
STEELMET GROUP	44	13,650	76	1,910
INTERNATIONAL TRADE	445,605	7	16,887	-
METAL AGENCIES LTD	106,699	182	9,884	75
ETEM BULGARIA SA	14,074	3,380	-	-
MKC GMBH	92,566	3,008	8,215	760
REYNOLDS CUIVRE SA	58,182	531	10,905	23
UEHEM (Associate)	43,406	130	2,751	16
TEPRO METAL AG	9,696	1,658	-	-
STEELMET ROMANIA SA	14,891	468	483	2,093
ETEM COMMERCIAL SA	11,694	1,749	12,296	2
GENECOS SA	6,796	526	1,399	74
ALURAME SPA	479	2,291	42	247
ANAMET SA	738	10,469	366	149
SIDERAL SHRK	69	115	162	-
ETEM Aluminium Extrusions SA	24,556	8,062	9,315	1,067
ELKEME SA	215	1,808	51	510
VIANATT SA	126	-	78	-
VIOHALCO SA	153	362	269	13
SOVEL SA	130	22	4,107	-
VIENER SA	63	6,288	121	425
TEKA SYSTEMS SA	41	10,051	849	4,690
SIDENOR INDUSTRIAL SA	133	326	3,453	7
VIEXAL SA	0	4,479	-	160
OTHER	5,741	1,025	21,348	1,728
TOTAL	851,004	86,808	105,179	16,697

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	1,710	465
Total fees of management executives	8,205	4,502

6. Subsequent events

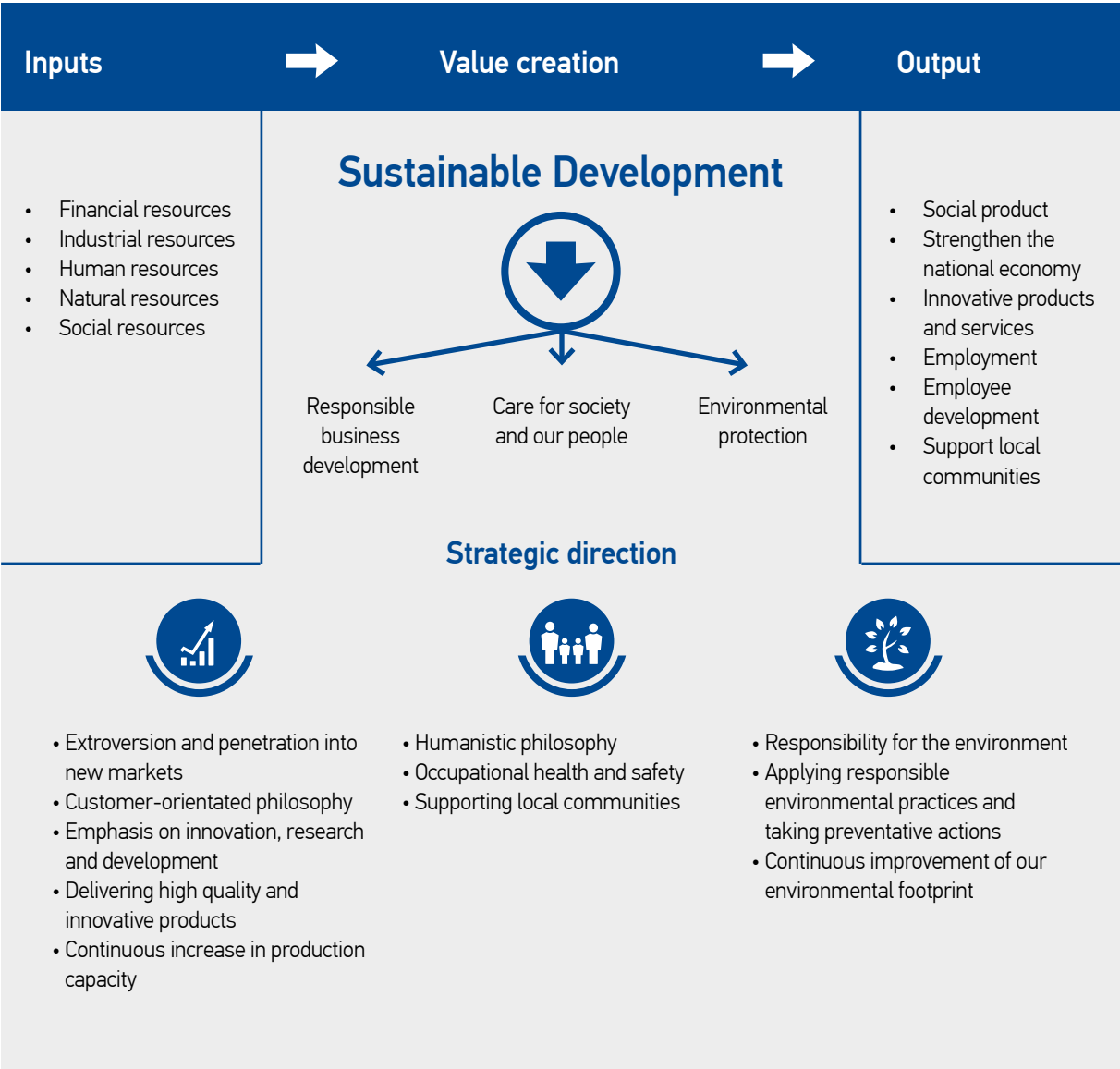
1. With its decision on 14.02.2020 the Board of Directors of the subsidiary "Epirus Metal Works S.A." verified and certified the payment in full of the capital increase of €455,500.00, which was decided by the Extraordinary General Assembly on 02.12.2019.
2. On 12.03.2020 ELVALHALCOR received notice for the commencement of the preliminary phase for antidumping investigation and countervailing duty (CVD) investigation by the United States International Trade Commission (USITC) to determine whether there is a reasonable indication that an industry in the United States is materially injured or threatened or the establishment of an industry in the United States is materially retarded by reason of imports of common alloy aluminum sheet from Greece and seventeen other countries (Bahrain, Brazil, Croatia, Egypt, Germany, India, Indonesia, Italy, Korea, Oman, Romania, Serbia, Slovenia, South Africa, Spain, Taiwan and Turkey). On the date of publication of the financial statements there were no available information in order to estimate the potential impact on its financial results.

ELVALHALCOR– Non-financial reporting

Business model

The ELVALHALCOR Hellenic Copper and Aluminium Industry S.A. (ELVALHALCOR) business model 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 for more than 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.



Material issues (Materiality assesment)

The Company follows a specific process in order to identify the most important issues for its sustainable development by analysing and assessing its material issues. This process is based on the international GRI Standards and AA1000 standard, which provide guidelines on the assessment and hierarchy of significant material issues. The results of this survey are considered to exceptionally important and utilized as a framework for action planning towards Sustainable Development. The previous survey was conducted in 2018 and internal and external stakeholders participated through a digital platform. All parties involved were able to state their views through a questionnaire. This information was useful to draw conclusions, one of them being the new hierarchy and categorization of the most important issues.

ELVALHALCOR's key material issues, are presented below:

- Company's financial performance (new investments and market share, innovation, products and services quality, customer satisfaction)
- Climate change
- Circular economy - Promote aluminum and copper recycling
- Corporate Governance (legal and regulatory compliance, business ethics, transparency, anti-corruption, personal data protection)
- Occupational Health and Safety
- Risk Management
- Responsible labour relations and human rights (employee training and development, compensation and benefits, equality)
- Supply chain responsibility
- Environmental management (waste management, energy consumption and saving, water use, air emissions)
- Supporting local communities (supporting local employment and local suppliers, volunteering actions).

In ELVALHALCOR's 2019 Sustainability Report, an extensive presentation of the important issues, their key performance indicators and their relevance to the UN Sustainable Development Goals (agenda 2030) are included. ELVALHALCOR's 2019 Sustainability Report is available on the corporate website <https://www.elvalhalcor.com/el/sustainability/reporting/overview/>.

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 KPI's 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
- Business Ethics and Anti-Corruption 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. Moreover, ELVALHALCOR’s aluminium rolling division is certified as per IATF 16949:2016 for the automotive industry.
- Environmental Management System (ISO 14001:2015).
- Energy Management System (ISO 50001:2018).
- 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 apply independent certified Management Systems, as presented below:

	Aluminium segment subsidiaries			Copper segment subsidiaries	
	Symetal S.A.	Vepal S.A.	Elval Colour S.A.	Fitco S.A.	Sofia Med S.A.
Quality Management System (ISO 9001:2015)	✓	✓	✓	✓	✓ (& IATF 16949:2016)
Environmental Management System (ISO 14001:2015)	✓	✓	✓	✓	✓
Occupational Management System (OHSAS 18001:2007, ISO 45001:2018)	✓ (ISO 45001)	✓ (OHSAS 18001)	✓ (OHSAS 18001)	✓ (OHSAS 18001)	✓ (ISO 45001)
Energy Management System (ISO 50001:2011)	✓	-	-	-	-

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

In 2019, ELVALHALCOR managed not only to maintain but also to increase jobs by 2.5% in relation to the previous year, creating 146 new jobs. In addition, the subsidiaries of the aluminium and copper segments recorded a 0.9% and 1.8% increase in jobs, respectively.

Labour KPI's (key performance indicators)

(ELVALHALCOR S.A.)	2017	2018	2019
Turnover rate	8.2%	5.1%	8.0%
Percentage of women in total workforce	8.3%	7.7%	7.9%

Aluminium segment processing main subsidiaries

(Symetal S.A., Elval Colour A.E., Vepal S.A.)	2017	2018	2019
Turnover rate	6.2%	8.0%	7.4%
Percentage of women in total workforce	10.4%	9.9%	11.2%

Copper segment processing main subsidiaries

(Fitco A.E., Sofia Med S.A.)	2017	2018	2019
Turnover rate	17.5%	19.8%	17.5%
Percentage of women in total workforce	18.3%	18.3%	17.3%

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

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. As a result, the percentage of women in positions of responsibility (Managers and senior executives) is also low, at about 8% (percentage of the total number of executives in the Company).

We believe that training and development of our people is an investment in the long-term sustainable development of the Company. In 2019, 39,700 training man-hours were provided at ELVALHALCOR overall. Specifically, in 2019, over 50% of the overall training plan was devoted to occupational health and safety issues, highlighting the focus of the Company on related issues.

Total training hours per employee	2017	2018	2019
ELVALHALCOR S.A.	15.1	16.4	15.0
Aluminium segment processing subsidiaries	9.1	13.2	16.0
Copper and copper alloy segment processing subsidiaries	11.4	9.7	11.3

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

With respect towards human rights and acting responsibly toward its people, the Company implements 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 2019 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 highlighted 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.

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	2019	2017	2018	2019	2017	2018	2019
ELVALHALCOR S.A.	4.87	7.47	6.1	112	126	134	0	0	0
Aluminium segment processing subsidiaries	10.11	5.25	7.5	226	121	128	0	0	0
Copper and copper segment alloy processing subsidiaries	7.02	10.04	9.1	300	145	507	0	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)

Society

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 mentioning that 56.7% of ELVALHALCOR total workforce originates from local communities (broader region of Viotia and Evia, as well as the regions of the North Attica: Avlona, Malakasa, Oropos, Chalkoutsis). In addition, the Company has a long tradition of fostering 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.

ELVALHALCOR S.A.	2017	2018	2019
Employee new hires	109	228	146
% employees from local communities in total workforce	54.9%	55.2%	56.7%

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, Supplier Code of Conduct and Business Ethics and Anti-Corruption Policy reflect the Company's commitment and views on transparency, anti-corruption and anti-bribery issues. Exposure to the risk of corruption is systematically monitored.

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 2019, as in previous years, no incident of corruption or bribery was recorded or reported.

Personal data protection

ELVALHALCOR respects the personal data protection and undertakes the appropriate measures according to the provisions of the General Data Protection Regulation 679/2016 of the European Union and the national implementation law 4624/2019. Aiming the attunement with the international standards and best practices, it adapted a Personal Data Protection Policy and established strict procedures for the protection of personal data throughout its spectrum of activities.

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 50001:2018), the Company aims at the integrated management of energy matters and seeks to develop a continuous improvement culture. ELVALHALCOR monitors, records the gas emissions and ensures full compliance with the relevant legislation.

Carbon emissions (tn CO ₂ /tn of product)	2017	2018	2019
ELVALHALCOR S.A.	0.752	0.777	0.802
Aluminium segment processing subsidiaries	0.480	0.469	0.486
Copper and copper alloy processing segment subsidiaries	0.582	0.617	0.623

Note: For the calculation of the indirect CO₂ emissions for the years 2018, 2019, the coefficient from the European Residual Mixes 2018, AIB has been used. The tons of product (tn) relate to the tonnage of the plant production in the respective years. The above CO₂ indicators are subject to possible change according to the European Residual Mixes 2019, AIB. Therefore, the final indicators will be published in the company's Sustainability Report.

Water is important in ELVALHALCOR's production process. 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.

Water consumption intensity (m ³ /tn of product)	2017	2018	2019
ELVALHALCOR S.A.	1.73	1.81	1.96
Aluminium segment processing subsidiaries	0.47	0.44	0.49
Copper and copper alloy processing segment subsidiaries	8.10	6.99	5.91

	ELVALHALCOR S.A.			Aluminium segment processing subsidiaries			Copper and copper processing subsidiaries alloy segment		
	2017	2018	2019	2017	2018	2019	2017	2018	2019
Waste water safely treated/discharged (%)*	100	100	100	100	100	100	100	100	100

*Proportion of waste water safely treated and discharged shown as % of total amount of waste water.

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.

Waste generation (Kg/tn of product)*	2017	2018	2019
ELVALHALCOR S.A.	127	125	137
Aluminium segment processing subsidiaries	155	152	203
Copper and copper alloy segment processing subsidiaries	106	104	115

*Waste generated expressed in Kg of waste/ tn of production.

It is worth mentioning that more than 97% of the waste generated was led to recycling and energy recovery in 2019.

	ELVALHALCOR S.A.			Aluminium segment processing subsidiaries			Copper and copper alloy segment processing subsidiaries		
	2017	2018	2019	2017	2018	2019	2017	2018	2019
Waste reused, recovered and recycled**	97.84	97.54	97.63	96.19	97.41	98.58	95.76	95.31	94.60
% of secondary raw materials in***	18.09	18.79	22.53	4.61	4.52	4.94	10.36	13.00	15.180

**Waste reused, recovered and recycled measured versus total waste generated

***Portion of secondary raw materials in total raw materials used.

Responsible Supply Chain management

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 the Company's expectations 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 aware of and adopt the responsible practices applied by the Company in the context of Sustainable Development.

Within the framework of the certified Management Systems (ISO 9001, OHSAS 18001, ISO 14001, ISO 50001), ELVALHALCOR implements supplier evaluation processes. ELVALHALCOR seeks to cooperate with suppliers that implement responsible practices and take care to promote the principles of Sustainable Development to our associates. In 2019, the Company applied an A, B, C supplier classification and re-launched the process of supplier's assessment.

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 origin is 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). Within this framework, 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 as very important by the Management of the Company since they have the risk of directly or indirectly affecting the smooth operation of the Company.

ELVALHALCOR's Internal Operational Regulation/ 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 KPI's for 2019 which are presented in this report are compliant with the Sustainability Reporting Guidelines of Global Reporting Initiative (GRI-Standards). These KPI's 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 2019 Sustainability Report of ELVALHALCOR (May 2020). 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 the ELVALHALCOR's Sustainability Reports (according to the GRI Guidelines) 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 following the 22.11.2017 decisions of the General Meetings 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, included in the "Basic Resources" sector and the "Metal Fabricating" Subsector. Pursuant to the decisions of the General Meetings of 30.09.2019 and the 106722/21.10.2019 decision of the Ministry of Development and Investments (ΑΔΑ: 97ΔΔ465ΧΙ8-9Υ0), the Company's shares converted to dematerialized, registered with voting rights, in compliance with articles 40 and 184 of the L.4548/2018, as in effect.

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 five (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. Subject to the provisions on the community, pledge and usufruct, securities are only issued and transferred accompanied by the total of the rights they include and any separate disposal of rights is prohibited. Exceptionally, the profit sharing, interest or capital payments, as well as other independent rights generated by securities, are freely transferred, upon condition that the relevant securities terms of issuance do not provide for otherwise.
- 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 2019 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 26 and 27.

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 L. 4548/2018.

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 for the capital increase of the Company's capital the General Shareholders Meeting is required with an increased quorum and majority of the shareholders, according to the provisions of article 27 § 1 and 2 of the Company's Articles of Association (regular increase), unless the increase takes place according

to article 24 of the L.4548/2018 as in force, under the provisions of paragraph 2 of article 6 of the Company's Articles of Association. In any case of increase the decision of the competent body is subject to publicity.

- According to paragraph 2 of Article 6 of the Company's Articles of Association: a) for a period of no longer that five years of the incorporation of the Company, the Board of Directors has the right, with its decision, taken by a 2/3 majority quorum to increase the share capital in part or in total with the issuance of new shares, for an amount that may not exceed three-times the initial capital. b) The aforementioned power can be granted to the Board of Directors with decision of the Shareholders' General Meeting, for time period no longer than five years. In this case, the capital can be increased by an amount no greater than three times the amount of the capital, which exists at the date when the power to capital increase was granted to the Board of Directors. c) The said power of the Board of Directors can be renewed with decision of the Shareholders' General Meeting for a period no longer than five years for every renewal granted. Each renewal applies from the expiry of the term of the previous. The decisions of the General Meeting for the grant or renewal of the capital increase power to the Board of Directors are subject to publicity. d) For a time period not exceeding five years from the incorporation of the company, the General Meeting may, by its decision, adopted by simple quorum and majority, increase the capital, wholly or partially, by the issue of new shares, in total up to eight-times the initial capital.
- The Board of Directors may acquire own shares in implementation of a decision of the General Meeting taken under Article 49 of L. 4548/2018, as in force.

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 L. 4548/2018 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): Size and composition of the Board of Directors.** The Board of Directors comprises of seven (7) non-executive and eight (8) executive members. The independent non-executive members of the current Board of Directors are four (4) out of fifteen (15) and therefore, their number is less by one third, in contrast to what is indicated in the Code. 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 does not have 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.I.(2.8) Role and competences of the Board of Directors:** Regarding the adoption of diversity Policy, the Company has not adopted a certain policy on that. In spite of that, in the chapter “Non-Financial Reporting- labor and social issues” the diversity within the members of the Board of Directors and the Managers is achieved through the adoption of responsible practices focusing on equal opportunities to indicatively, gender, age, cultural and educational background, professional experience, aptitudes, practical knowledge and professional experience. The percentage of female participants in the Board of Directors and the executives amounts to 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 2019, "PriceWaterHouseCoopers Auditing Company SA" (AM SOEL 113) (268 Kifisias Av. PC:15232, Chalandri, tel: 2106874400) have been elected by the Ordinary General Assembly of the Company's Shareholders on 23.05.2019.

Regarding year 2019, the fees of our auditor's PriceWaterhouseCoopers S.A. for the Group and for the Company in respect of audit of the financial statements of the Company amounted to Euro 199 thousand (2018: Euro 162 thousand), for tax audit amounted to Euro 42 thousand (2018: Euro 45 thousand) and fees for other services reached Euro 14,5 (2018: Euro 164 thousand). In Group's level they amounted to Euro 293 thousand (2018: Euro 177 thousand), for tax audit Euro 64 thousand (2018: Euro 45 thousand) and fees for other services Euro 14,5 thousand (2018: Euro 164 thousand).

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 4548/2018, as amended and in force today. The Company makes the necessary publications 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 Law 4548/2018 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 fulfillment 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 existing Board of Directors of the Company consists of 15 members of whom:

- 8 are executive members (Chairman, Vice-Chairman & 6 Members)
- 3 are non-executive members (Other Members)
- 4 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 PAPAGEORGIOPOULOS, Chairman and executive member
- DIMITRIOS KYRIAKOPOULOS, Vice-chairman and executive member
- PERIKLIS SAPOUNTZIS, executive member and General Manager
- GEORGIOS KATSAMPAS, non-executive member
- EYTYCHIOS KOTSAMPASAKIS, executive member
- LAMPROS VAROUCAS, executive member
- NIKOLAOS KOUDOUNIS, non-executive member
- KONSTANTINOS KATSAROS, executive member
- STAVROS VOLOUDAKIS, executive member
- SPYRIDON (SPYROS) KOKKOLIS, executive member and CFO
- THOMAS GEORGE SOFIS, independent non-executive member
- ELIAS STASSINOPOULOS, non-executive member
- NATALIA NICOLAIDIS, non-executive member
- NIKOLAOS GALETAS, independent non-executive member
- PANAGIOTS (TAKIS) ATHANASOPOULOS, independent non-executive member

The members of the Board of Directors of the Company are elected by the Shareholders' General Meeting for a one-year (1) term of office that starts on the day following their election by the General Meeting, and, pursuant to article 11, par. 2 of the Company's

Articles of Association, is being automatically extended up to the day of the Ordinary General Meeting of the year of their exit, which may not be extended for more than two years.

The Board of Directors convened 95 times in 2019.

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:

- Ad-hoc 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.

With the decision of the Annual General Meeting of ELVALHALCOR's shareholders dated on 23.05.2019, 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. Panagiotis (Takis) Athanasopoulos, Nikolaos Galetas and Nikolaos Koudounis.

All proposed Audit Committee members have proven sufficient knowledge of the sector in which the company is engaged. Mr. Panagiotis Athanasopoulos holds a Bachelor of Science in Production Manager from the Institute of Technology Illinois and post-graduate degrees (MD, PhD) in Business Administration and has a considerable expertise both professionally and academically in the field of Business Administration and Financing. Apart from his academic involvement in USA universities he has served as a Professor (1981) and a Dean (1987-1990) at the University of Piraeus, in which he is Professor Emeritus (1999).

In the professional area he served as President and CEO of the company Toyota Hellas, having participated as a co-founder (1989-2000). He served as Executive Vice President & Chief Operating Officer in Toyota Europe and as Managing Officer in Toyota Motor Corporation (Japan, 2004-2006). In 2007 he was awarded with the medal of the Rising Sun, Golden and Silver Star of the Emperor of Japan. Moreover, he served as President and CEO in the Public Power Corporation (2007-2009) while holding high positions in other enterprises. Presently, he is President of IOVE, President of the Board of Directors of AGET Heracles (member of the LafargeHolcim Group), member of the Board of Directors of Union Motors Ltd-Israel, member of the Board of Directors of Transparency International-Greece and Vice President of Neptune Lines Shipping and Managing Enterprises. Mr. Nikolaos Galetas is a graduate of Engineer of the School of Electrical Engineering of the National Technical School of Athens and has occupied, amongst others, managerial positions in E.T.V.A. and E.T.E.V.A., whilst the other proposed member of the Audit Committee Mr. Nikolaos Koudounis, is a graduate of the Higher School of Economic and Commercial Sciences (A.S.O.E.E.), has served as Head of the Accounting office of HALCOR S.A. (1974-1983), as CFO in ELVAL S.A. (1983-2000) as General Manager in ELVAL S.A. (2000-2005), having considerable scientific presence with articles in journals and the press on company taxation, economy growth etc. and he also has also proven sufficient knowledge of accounting and auditing (international standards), as he performed audits as auditor for companies, in his capacity as member of the Economic Chamber and holder of A' class signatory right, according to the provisions of article 36a of C.L.2190/20 as was in effect.

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

The audit committee convened 8 times during 2019, with full quorum.

iii. Evaluation of effectiveness and performance of the Committee

The performance of the Audit Committee was evaluated as adequate and effective for the fiscal year 2019 by the Remuneration and Valuation Committee.

Remuneration and Nominations Committee

i. Description of the composition, operation, work, responsibilities

With its decision on 23.12.2019 the Board of Directors decided the formulation of a Remuneration and Nominations Committee. The Committee is composed of three (3), members, of which, two independent non-executive members and one non-executive member appointed by the Board of Directors and with tenure equal to the one of the Board of Directors which nominated the Committee. The Committee is comprised by Mr. Natalia Nikolaidis, and Messrs. Nikolaos Koudounis and Nikolaos Galetas. On the same meeting the Board of Directors approved the Regulation Code of the Committee. The main responsibilities of the Committee are as follows:

- a)** Suggests to the Company's B.D. the benefits policy both for Company and its subsidiaries.
- b)** Suggests to the C.B. of Directors Εισηγείται the amount of the B.D.'s Members compensation
- c)** Assesses, periodically, the need to update the Company's Remuneration Policy, taking into account the legislative developments, best practices, and Internal Audit Service's related findings / recommendations
- d)** Reviews annually the Company's and its subsidiaries' benefits level pursuant to the optimum practices as well as the remuneration levels of the respective branch, proposing, if appropriate, the necessary modifications to the benefit level and the Remuneration Policy.
- e)** Reviews annually the Company's staff classes, of which the activity nature has a major impact on its risk profile. The review also takes into account the nature of activities, the participation degree of the assessed staff of these classes and the in general processes observed in each stage of the activities in question.
- f)** Assesses the performance of the Company's and its subsidiaries' B.D. Members by assessing the skills, knowledge and experience of the B.D. Members and informs the Company's B.D. accordingly.
- g)** Assesses the structure, composition and size of the Company's and its subsidiaries' B.D. and submits proposals as to the appropriate changes.
- h)** Examines regularly the independence of the Company's B.D. non-executive Members and submits proposals as to the appropriate changes.

- i) Recommends to the Company's B.D. the re-election or not of the Company's and its subsidiaries' B.D. current members, including any relevant B.D. committees, at the end of their term of office.
- j) Finds and proposes candidates to fill vacant positions in the Company's and its subsidiaries' B.D., including any relevant B.D. committees. In this context, the Committee assesses the adequacy of the candidates' skills, knowledge and experience. In addition, it prepares the description of the roles, competences and commitment period required by each position.
- k) Drafts a plan for the succession of the B.D. and committee's members as well as for the chief executives pursuant to the from time to time needs of the Company and its subsidiaries.
- l) Examines the managers election policy and makes recommendations to fill the vacancies.
- m) Within the context of its duties, the Committee examines proposals of the interested parties, including the major shareholders and the Management of the Company.

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.

Kyriakopoulos 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 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.TH.I.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.

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.

Perikles Sapountzis, executive Member and General Manager of the copper segment

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.

Spyridon (Spyros) Kokkolis, executive Member and Group CFO

Mr. Kokkolis is an economist, graduate of the Athens University of Economics and Business (ex ASOEE). He has been one of Viohalco executives since 1993 originally as internal auditor. In 2002 Mr. Kokkolis was appointed as CFO of the listed Halcor Group, and after the completion of the merger of Halcor with Elval, as Group CFO of the ELVALHALCOR Group.

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.

Eytychios Kotsampasakis, executive Member

Mr. Kotsampasakis holds the position of Administrative Director of Halcor. He has been working for the Viohalco Group since 1965. He serves on the Board of DIA.VI.PE.THIV. SA as a Vice-President and is treasurer of the Federation of Industries of Viotia.

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.

Panagiotis (Takis) Athanasopoulos, Independent non-executive member

Mr. Panagiotis (Takis) Athanasopoulos holds a BSc in Production Management from the Institute of Technology Illinois and post-graduate degrees (MD, PhD) in Business Administration and has a considerable expertise both professionally and academically in the field of Business Administration and Financing. Apart from his academic involvement in USA universities he has served as a Professor (1981) and a Dean (1987-1990) at the University of Piraeus, in which he is Professor Emeritus (1999). In the professional area he served as President and CEO of the company Toyota Hellas, having participated as a co-founder (1989-2000). He served as Executive Vice President & Chief Operating Officer in Toyota Europe and as Managing Officer in Toyota Motor Corporation (Japan, 2004-2006). In 2007 he was awarded with the medal of the Rising Sun, Golden and Silver Star of the Emperor of Japan. Moreover, he served as President and CEO in the Public Power Corporation (2007-2009) while holding high positions in other enterprises. Presently, he is President of IOVE, President of the Board of Directors of AGET Heracles (member of the LafargeHolcim Group), member of the Board of Directors of Union Motors Ltd-Israel, member of the Board of Directors of Transparency International-Greece and Vice President of Neptune Lines Shipping and Managing Enterprises.

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.

Thomas George Sofis, Independent non-executive member

Mr. Thomas George Sofis is graduate of the West Point military academy in the USA, and started his career as a pilot of the US Air Force. After that, he assumed various administrative positions in the procurement department of ACF Industries and Westinghouse Corporation. During his long-standing professional career assumed managerial positions in Reynolds Metal Co., Findal SRL and served as sales representative of ELVAL’s products in Italy.

Natalia Nicolaidis, Independent 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.

Vice-Chairman of the BoD

**DIMITRIOS
KYRIAKOPOULOS**

Copper Segment General
Director & Member
of the BoD

**PERIKLIS
SAPOYNTZIS**

Deputy General Manager of
Aluminium Rolling Division
& Member of the BoD

**STAVROS
VOLOUDAKIS**

CFO and Member
of the BoD

**SPYRIDON
KOKKOLIS**

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of "Elvalhalcor 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 "Elvalhalcor Hellenic Coppers and Aluminium Industry SA" (Company and the Group) which comprise the separate and consolidated statement of financial position as of 31 December 2019, 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 2019, 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 Law 4548/2018.

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 the 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

Loan Liabilities

(Separate and Consolidated financial statements)

As disclosed in Note 22 of the attached financial statements, as at 31 December 2019 the Group had loan liabilities amounting to Euro 615mn, of which amount Euro 74.6mn 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 long-term syndicated loans contain financial covenants and other terms, such as change of control clauses.

As disclosed in Note 22 of the attached financial statements, in 2019 the Group has obtained new loan contracts of Euro 87 mn, and agreed the maturity extension of existing loans amounting to Euro 70.5mn.

For the evaluation of refinancing and the available future cash flows of the Group, management applied assumptions and estimates. 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 Statement of Members of the Board of Directors, Report of the Board of Directors, Explanatory Report of the Board of Directors, Corporate Governance Report 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 section 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 Law 4548/2018 and the Corporate Governance Statement required by article 152 of Law 4548/2018 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 2019 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 150,151,153 and 154 of Law 4548/2018,
- The Corporate Governance Statement provides the information referred to items c and d of paragraph 1 of article 152 of Law 4548/2018.

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 Law 4548/2018, 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 first 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 3 years.



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

Athens, 12 March 2020
The Certified Auditor Accountant

Konstantinos Michalatos
SOEL Reg. No 17701

Annual Financial Statements (Group and Company)

as at 31 December 2019

according to International Financial Reporting Standards

THE VICE-CHAIRMAN OF THE
BOARD OF DIRECTORS

DIMITRIOS KYRIAKOPOULOS
ID Card No. AK 695653

THE GENERAL DIRECTOR OF
THE COPPER SEGMENT 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 CHIEF
FINANCIAL OFFICER

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

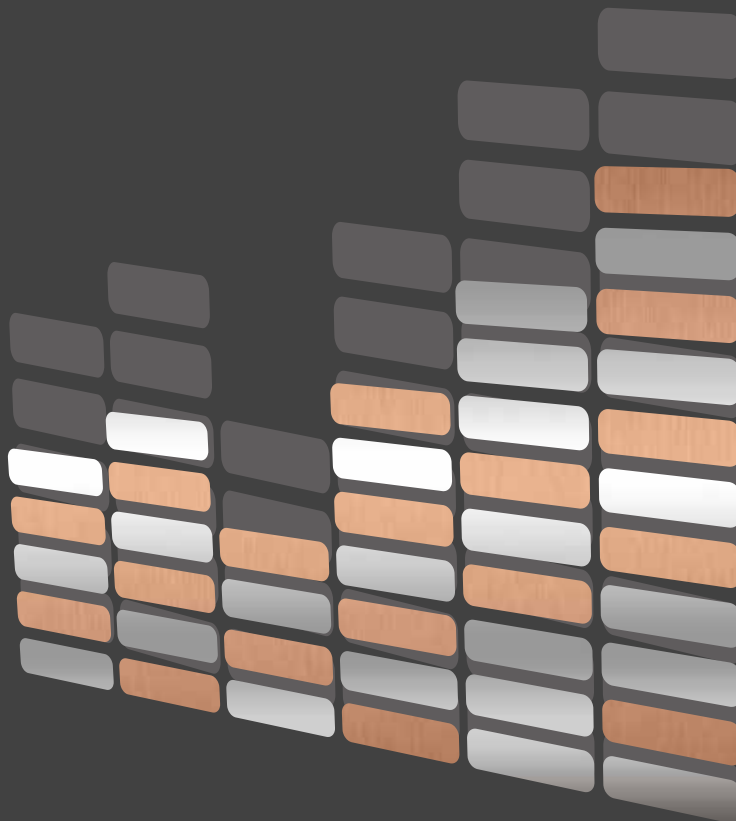


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I. Statement of Financial Position

		GROUP		COMPANY	
€ '000	Note	2019	2018	2019	2018
ASSETS					
Non-current assets					
Property, plant and equipment	10	813,265	720,564	543,612	459,754
Right of use assets	33	19,274	-	17,292	-
Intangible assets and goodwill	11	79,983	76,527	71,068	70,447
Investment property	12	6,589	6,838	20,045	19,591
Investments in subsidiaries	13	0	-	264,672	251,472
Investments in associates	13	85,801	82,846	80,965	82,666
Other Investments	14	3,611	3,853	1,682	3,853
Deferred income tax assets	15	1,167	1,717	-	-
Derivatives	18	1	3	1	3
Trade and other receivables	17	2,629	2,650	2,374	2,473
		1,012,320	894,998	1,001,710	890,253
Current Assets					
Inventories	16	469,952	519,218	300,058	343,286
Trade and other receivables	17	215,700	218,286	195,619	200,317
Income tax receivables		1,577	191	-	-
Derivatives	18	949	3,115	861	2,202
Cash and cash equivalents	19	48,688	34,241	16,243	22,470
		736,865	775,050	512,781	568,275
Assets held for sale	34	4,495	4,495	-	-
Total assets		1,753,680	1,674,543	1,514,491	1,458,528
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
Treasury Stock		-	-	-	-
Translation Reserve & Other reserves	20	305,261	281,103	315,592	291,906
Retained earnings/(losses)		230,553	224,310	200,460	202,634
Equity attributable to owners of the company		747,188	716,788	727,427	705,914
Non-Controlling Interest		14,084	13,679	-	-
Total equity		761,272	730,468	727,427	705,914
LIABILITIES					
Non-current liabilities					
Loans and Borrowings	22	440,374	372,905	361,663	299,841
Lease liabilities	22	11,813	11,511	10,502	11,511
Derivatives	18	12	101	12	101
Deferred tax liabilities	15	58,783	58,024	48,950	47,714
Employee benefits	23	17,929	15,584	12,776	11,270
Grants	24	17,365	19,602	9,811	11,067
Provisions	25	1,410	1,410	1,260	1,260
		547,685	479,136	444,972	382,763
Current liabilities					
Trade and other payables	26	258,979	244,506	211,850	209,222
Contract liabilities		8,722	9,238	6,802	7,425
Current tax liabilities		13,099	14,178	12,087	9,520
Loans and Borrowings	22	158,595	191,225	107,005	137,984
Lease liabilities	22	3,798	2,328	3,091	2,328
Derivatives	18	1,369	3,301	1,147	3,263
Provisions	25	162	162	110	110
		444,723	464,939	342,093	369,852
Total liabilities		992,408	944,075	787,065	752,614
Total equity and liabilities		1,753,680	1,674,543	1,514,491	1,458,528

The notes on pages 55 to 116 constitute an integral part of these Financial Statements.

The Group applied IFRS 16 using the cumulative effect method. Under this method, the comparative information is not restated. Reporting Line "Lease liabilities" includes lease liabilities in total (see Note 33).

II. Income Statement

€ '000	Note	GROUP		COMPANY	
		2019	2018	2019	2018
Revenue	6	2,044,606	2,117,789	1,429,922	1,486,972
Cost of sales	8	(1,899,542)	(1,950,840)	(1,328,002)	(1,374,859)
Gross profit		145,064	166,948	101,920	112,112
Other Income	7	11,928	14,093	11,712	9,749
Selling and Distribution expenses	8	(21,284)	(21,468)	(11,323)	(10,472)
Administrative expenses	8	(47,771)	(42,909)	(33,391)	(31,377)
Impairment loss on receivables and contract assets		437	(505)	11	(149)
Other Expenses	7	(8,334)	(9,108)	(6,109)	(4,494)
Operating profit / (loss)		80,038	107,051	62,820	75,370
Finance Income	9	231	137	364	418
Finance Costs	9	(25,640)	(32,313)	(18,820)	(23,530)
Dividends		50	20	2,355	1,691
Net Finance income / (cost)		(25,358)	(32,156)	(16,101)	(21,420)
Impairment losses on investments	13	-	-	(300)	-
Share of profit/ (loss) of equity-accounted investees	13	3,500	953	-	-
Profit/(Loss) before income tax		58,179	75,849	46,419	53,949
Income tax expense	15	(16,238)	(11,546)	(13,503)	(6,610)
Profit/(Loss) for the year		41,942	64,303	32,916	47,339
Attributable to:					
Owners of the Company		41,304	63,646	32,916	47,339
Non-controlling Interests		638	656	-	-
		41,942	64,303	32,916	47,339
Shares per profit to the shareholders for period					
(expressed in € per share)					
Basic and diluted		0.1101	0.1806	0.0877	0.1343

The notes on pages 55 to 116 constitute an integral part of these Financial Statements.

The Group applied IFRS 16 using the cumulative effect method. Under this method, the comparative information is not restated. (see Note 33). Reporting Line "Lease liabilities" includes lease liabilities in total (see Note 33).

III. Statement of Other Comprehensive Income

€ '000	Note:	GROUP		COMPANY	
		2019	2018	2019	2018
Profit / (Loss) of the period from continued operations		41,942	64,303	32,916	47,339
Items that will never be reclassified to profit or loss					
Remeasurements of defined benefit liability	23	(1,496)	(139)	(1,184)	(281)
Equity investments in FVOCI - net change in fair value		(843)	-	(843)	-
Related tax		575	56	486	81
Total		(1,764)	(83)	(1,540)	(201)
Items that are or may be reclassified to profit or loss					
Foreign currency translation differences		(326)	(166)	-	-
Gain / (Loss) of changes in fair value of cash flow hedging - effective portion		(454)	(2,275)	(297)	(1,074)
Gain / (Loss) of changes in fair value of cash flow hedging - reclassified to profit or loss		680	(618)	1,159	(1,770)
Other movements		2,117	-	-	-
Related Tax		(132)	638	(311)	825
Total		1,885	(2,420)	551	(2,020)
Other comprehensive income / (expense) after tax		121	(2,503)	(990)	(2,220)
Total comprehensive income / (expense) after tax		42,062	61,800	31,927	45,119
Attributable to:					
Owners of the company		41,426	61,239	31,927	45,119
Non-controlling interests		636	561	-	-
Total comprehensive income / (expense) after tax		42,062	61,800	31,927	45,119

The notes on pages 55 to 116 constitute an integral part of these Financial Statements.

The Group applied IFRS 16 using the cumulative effect method. Under this method, the comparative information is not restated. (see Note 33). Reporting Line "Lease liabilities" includes lease liabilities in total (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 2018	146,344	65,030	69,588	212,556	161,796	197	655,511	12,905	668,416
Adoption of IFRS 9	-	-	-	-	(647)	-	(647)	(12)	(659)
Adoption of IFRS 15	-	-	-	-	911	-	911	-	911
Adjusted Balances as at 1 January 2018	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)	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-
Acquisition of NCI	-	-	-	-	(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
Balance as at 1 January 2019	146,344	65,030	69,588	211,485	224,312	31	716,790	13,679	730,469
Net Profit / (Loss) for the period	-	-	-	-	41,304	-	41,304	638	41,942
Other comprehensive income	-	-	-	(553)	1,002	(326)	122	(2)	121
Total comprehensive income	-	-	-	(553)	42,306	(326)	41,426	636	42,062
Transactions with the shareholder's directly in equity									
Μεταφορά Transfer of reserves	-	-	-	25,037	(25,037)	-	-	-	-
Dividend	-	-	-	-	(11,257)	-	(11,257)	-	(11,257)
Change in ownership interests	-	-	-	-	231	-	231	(231)	-
Total of transactions with the Shareholder's	-	-	-	25,037	(36,063)	-	(11,026)	(231)	(11,257)
Balance as at 31 December 2019	146,344	65,030	69,588	235,969	230,555	(295)	747,190	14,084	761,274

The notes on pages 55 to 116 constitute an integral part of these Financial Statements.

The Group applied IFRS 16 using the cumulative effect method. Under this method, the comparative information is not restated. Reporting Line "Lease liabilities" includes lease liabilities in total (see Note 33).

COMPANY

€ '000'

	Paid-in Capital	Share Premium	Acquisition Reserve	Reserves	Results carried forward	Total
Balance as at 1 January 2018	146,344	65,030	83,153	210,773	155,618	660,919
Adoption of IFRS 9	-	-	-	-	(123)	(123)
Adjusted Balances as at 1 January 2018	146,344	65,030	83,153	210,773	155,495	660,795
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
Balance as at 1 January 2019	146,344	65,030	83,153	208,753	202,634	705,914
Net Profit / (Loss) for the period	-	-	-	-	32,916	32,916
Other comprehensive income	-	-	-	(90)	(900)	(990)
Total comprehensive income	-	-	-	(90)	32,017	31,927
Transactions with the shareholder's directly in equity						
Transfer of reserves	-	-	-	22,933	(22,933)	-
Spin off reserve	-	-	-	843	-	843
Dividend	-	-	-	-	(11,257)	(11,257)
Total transactions with the shareholders	-	-	-	23,776	(34,190)	(10,414)
Balance as at 31 December 2019	146,344	65,030	83,153	232,439	200,460	727,427

The notes on pages 55 to 116 constitute an integral part of these Financial Statements.

The Group applied IFRS 16 using the cumulative effect method. Under this method, the comparative information is not restated. Reporting Line "Lease liabilities" includes lease liabilities in total (see Note 33).

V. Statement of Cash-Flows

€ '000	Note	GROUP		COMPANY	
		2019	2018	2019	2018
Cash flows from operating activities		€ '000	€ '000	€ '000	€ '000
Profit / (loss) after taxes		41,942	64,303	32,916	47,339
Adjustments for:					
Tax		16,238	11,546	13,503	6,610
Depreciation and Amortization		57,359	58,114	37,768	39,282
Depreciation of tangible assets		55,758	58,838	35,458	38,798
Depreciation of right of use assets		2,274	-	1,579	-
Depreciation of intangible assets		984	1,070	771	654
Depreciation of Investment Property		227	162	1,215	1,142
Amortization of grants		(1,884)	(1,955)	(1,256)	(1,311)
Finance Income		(231)	(137)	(364)	(418)
Dividends		(50)	(20)	(2,355)	(1,691)
Share of profit/ (loss) of equity-accounted investees, net of tax		(3,500)	(953)	300	-
Interest charges & related expenses		25,640	32,313	18,820	23,530
(Profit) / loss from sale of tangible assets		(290)	(231)	(572)	(10)
(Profit) / loss from sale of intangible assets		(1)	-	(1)	-
(Profit) / loss from sale of investment property		(124)	-	-	-
Impairment/ (Reversal of Impairment) on fixed assets		671	-	397	-
Loss from assets and investment property write off		218	172	67	-
Impairment of inventories		(2,931)	3,978	(824)	824
Impairment/ (Reversal of Impairment) of receivables		(437)	505	(11)	149
(Other provisions)/Reversal of provisions		0	627	-	1,823
		134,505	170,217	99,644	117,439
Decrease / (increase) in inventories		52,197	(89,943)	44,052	(63,106)
Decrease / (increase) in receivables		3,023	(19,261)	4,688	(9,594)
(Decrease) / Increase in liabilities (minus banks)		22,446	73,486	(8,290)	68,539
(Decrease) / Increase in defined benefit obligation		2,346	268	1,506	(508)
(Decrease) / Increase in contract liabilities		(516)	462	(623)	-
		79,496	(34,987)	41,333	(4,669)
Interest charges & related expenses paid		(28,482)	(33,112)	(21,173)	(24,029)
Income tax paid		(11,462)	(7,794)	(5,244)	(4,592)
Net Cash flows from operating activities		174,057	94,323	114,560	84,148
Cash flows from investing activities					
Purchase of tangible assets	10	(163,756)	(92,247)	(127,691)	(73,056)
Purchase of intangible assets	11	(316)	(603)	(147)	(294)
Purchase of investment property	12	(13)	-	-	-
Proceeds from sales of fixed assets		1,546	285	4,243	25
Proceeds from sales of intangible assets		35	-	40	-
Proceeds from sale of other investments		1,263	-	1,263	-
Dividends received		50	20	2,355	1,691
Interest received		231	126	364	418
Acquisition of investments		(6,416)	(9,004)	(8,000)	(9,002)
Acquisition of other investments		(35)	(13)	(25)	(13)
(Increase in participation)/share capital decrease		(4,200)	(6,592)	(8,820)	(6,147)
Cash acquired from business combinations		-	1,511	-	-
Net Cash flows from investing activities		(171,611)	(106,516)	(136,417)	(86,376)
Cash flows from financing activities					
Dividends paid		(11,257)	-	(11,257)	-
Loans received		159,973	181,335	109,074	77,060
Loans settlement		(132,877)	(173,194)	(78,231)	(82,510)
Payment of lease liabilities		(3,836)	(3,152)	(3,956)	(2,426)
Net cash flows from financing activities		12,002	4,989	15,629	(7,876)
Net (decrease)/ increase in cash and cash equivalents		14,448	(7,204)	(6,227)	(10,104)
Cash and cash equivalents at the beginning of period		34,241	41,446	22,470	32,574
Foreign exchange effect on Cash and Cash equivalents		-	(2)	-	-
Cash and cash equivalents at the end of period		48,688	34,241	16,243	22,470

The notes on pages 55 to 116 constitute an integral part of these Financial Statements.

The Group applied IFRS 16 using the cumulative effect method. Under this method, the comparative information is not restated. Reporting Line "Lease liabilities" includes lease liabilities in total (see Note 33).

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2019

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 at the General Commercial Registry (GEMI) with registration number 303401000.

These Financial Statements (the «Financial Statements») of the Company for the year ended on 31 December 2019 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.

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 2019 were approved for publication by the Company's Board of Directors on 12th of March, 2020 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 derivatives that are measured at fair value through profit and loss (FVTPL) and investments measured at fair value through other comprehensive income (FVOCI).

(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 and the company make estimates regarding any impairment of the fixed assets which are not measured in fair values (Investments in subsidiaries and associates, Intangible assets, Property, Plant and Equipment, Receivables from customers and contract assets and Investment property).
- Recoverability of deferred tax assets: The Group and the Company makes estimates in regards to future profits so losses can be offset for which the deferred tax assets have 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 and the Company make 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.
- Assessment of goodwill impairment: The group assessed the impairment in goodwill.

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 2019. 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 16 'Leases'

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. Regarding the accounting treatment, 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 is presented in note 33 of the present document.

IFRS 9 (Amendments) 'Prepayment Features with Negative Compensation'

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.

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

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.

E.IFRIC 23 'Uncertainty over income tax treatments'

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'

The amendments specify how companies determine pension expenses when changes to a defined benefit pension plan occur.

Annual Improvements to IFRS (2015 – 2017 Cycle)

The amendments set out below include changes to four IFRSs.

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.

Standards and Interpretations effective for subsequent periods

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.

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 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.

IFRS 9, IAS 39 and IFRS 7 (Amendments) 'Interest rate benchmark reform' (effective for annual periods beginning on or after 1 January 2020)

The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the IBOR reform. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties.

IAS 1 (Amendment) 'Classification of liabilities as current or non-current' (effective for annual periods beginning on or after 1 January 2022)

The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The amendment has not yet been endorsed by the EU.

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 and joint ventures

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%. A joint venture is an arrangement in which ELVALHALCOR has joint control, whereby ELVALHALCOR has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Investments in associates and joint ventures are accounted for using the equity method and recognised initially at their acquisition cost. The Group's investments in associates include 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 or joint venture 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 and joint ventures are recorded at cost minus any impairment that may occur.

f) Transactions eliminated in consolidation

Inter-company transactions, balances and unrealised profits from transactions between Group companies are eliminated in preparing the consolidated financial statements. Unrealised gains on transactions between associates or joint ventures 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 assets that was transferred have 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" through OCI and transferred to profit and loss when these companies are sold.

4.3. Financial instruments

a) Recognition and Measurement on initial recognition

An asset or liability is recognised on the date that is received by the entity, after the Management takes into consideration the business model and the purpose of the acquisition.

b) Trade and other receivables

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.

c) Cash and cash equivalents

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

d) Other investments

In this category included non-derivative financial assets for which the management, based on the company's business model has classified these instruments at FVOCI, take into account the provisions of IFRS 9. The acquisitions and sales of these assets are recognised on the date of the transaction, which is the record date that Group and Company is obliged to acquire or sale the investment. The investments initially recognised at fair value more acquisition costs. Any subsequent changes in fair value are recognised in other comprehensive income (OCI).

e) 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.

f) 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 established a 'risk management strategy' as holds derivative instruments to offset the risk of 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 hedge 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 acquisition cost, less subsequent depreciation. Items of Property Plant and equipment should be recognised as assets as costs incurred. These costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. 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 or the Company 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 (Land) and assets under construction 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 finite or indefinite. The cost of intangible assets with a definite 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 indefinite 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. Investment property is measured at cost less accumulated depreciation. If the net book value of the investment property exceeds the recoverable amount, the difference is posted as an impairment in the Statement of Profit and Loss.

The land-plots included in the investment property are not depreciated. The depreciation of the buildings are calculated on a straight line method based on their useful life.

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.

4.9. Assets Held for sale

Assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal groups, are generally measured at the lower of carrying amount and fair value less costs to sell. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognised in profit or loss. Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

4.10. 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.

4.11. 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.

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

Excluding goodwill and fixed assets with unlimited lives, which are tested for impairment at least annually, the carrying amounts of other non-financial assets of non-current term assets are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that have an indefinite useful life are not amortized but are examined to impairment testing annually and when certain events demonstrate that the carrying amount may not be recoverable.

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.

Goodwill is not amortized although is examined annually or more frequently if any events demonstrate or any other changes to conditions occur that its value may impaired. On the acquisition date (or on the date of the completion of the relevant allocation of the redemption price), goodwill that acquired, allocated to cash generating units that are expected to benefit from this unit or to cash generating units.

If the carrying amount of the cash generated unit, included the allocated goodwill, exceeds its recoverable amount, then an impairment loss is recognized. Impairment loss is recognized at the statement of profit and loss and is not reversed.

4.12. 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 these 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 return on high-quality fixed income investments of the appropriate maturity. 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.

4.13. 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.

4.14. 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.

4.15. 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.

4.16. Leases**The Group as a lessor**

From 1 January 2019, leases are recognized in the statement of financial position as a right of use of assets and the respective lease liability, on the date the leased asset is available for use. The effect of applying the standard on 1 January 2019 is described in note 33.

Lease liabilities include the present value of fixed future payments, variable leases, which depends on an index or interest rate, which are initially measured with the use of an index or interest rate at date of commencement of the lease term, the amounts expected to be paid under guaranteed residuals value, the exercise price of the purchase option, if it is certain that the Company will exercise that right, and the payment of a penalty for termination of the lease if the duration of the lease reflects the exercise of its right Company for termination of the lease.

The above lease payments are discounted at the interest rate implicit in the lease or, if this rate cannot be reliably determined by the incremental borrowing rate of the lessee. The incremental borrowing rate is the rate at which the lessee would be charged to borrow the necessary capital to acquire an asset of similar value to the leased asset for a similar period of time period, with similar collateral and in a similar economic environment.

For these lease categories where payments include fixed payments on non-leases, the Group has choose not to separate them from the leases and to include them in the lease obligation.

After initial recognition, lease liabilities increase with the financial cost and decrease with the interest expense. payment of rents. Lease liabilities are remeasured to reflect any revaluations or modifications to the lease.

Rights of use are initially measured at cost, and subsequently reduced by amount of accumulated depreciation and impairment.

The initial recognition cost of a right to use of the asset includes the amount of the initial measurement of the lease liability, any lease payments on the date of the lease commencement period or before, less any lease incentives received, any initial direct costs, and estimating any costs of disassembling or removing the underlying asset.

Depreciation is carried out using the straight-line method over the shorter period between the entity's useful life of the asset and the duration of the lease. When the lease obligations include an exercise price for the right to purchase the underlying asset the rights to use are amortized over the period useful life of these elements.

The Group has chosen to use recognition exemptions determined by the standard for all lease categories in short-term leases, ie leases of less than 12 months duration, and leases in which the underlying asset has low value. For the above leases, the Company recognizes the leases at statement of profit or loss as an expense with the straight-line method over the term of the lease.

The Group as lessee

Leasing contracts in which the Group is a lessor are classified as financial or operating.

The lease contracts of the Group as at 31 December 2018 and 31 December 2019 related exclusively to operating leases.

4.17. Income tax and deferred 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.

4.18. 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.

4.19. 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.

4.20. 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 these 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.

4.21. Rounding

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

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

The segment analysis for the fiscal year 2019 considered as follows:

€ '000			
12 months until 31 December 2019	Aluminium	Copper	Total
Total revenue per segment	1,026,684	1,018,631	2,045,314
Inter-segment revenue	(493)	(215)	(708)
Cost of sales	(927,312)	(972,230)	(1,899,542)
Gross profit	98,879	46,185	145,064
Other Income	6,731	5,197	11,928
Selling and Distribution expenses	(11,305)	(9,980)	(21,284)
Administrative expenses	(28,612)	(19,160)	(47,771)
Impairment loss on receivables and contract assets	29	407	437
Other Expenses	(4,617)	(3,717)	(8,334)
Operating profit / (loss)	61,105	18,933	80,038
Finance Income	40	192	231
Finance Costs	(11,584)	(14,056)	(25,640)
Dividends	-	50	50
Net Finance income / (cost)	(11,544)	(13,814)	(25,358)
Share of profit/ (loss) of equity-accounted investees	618	2,882	3,500
Profit/(Loss) before income tax	50,178	8,001	58,179
Income tax expense	(10,510)	(5,727)	(16,238)
Profit/(Loss) for the year	39,668	2,274	41,942
	Aluminium	Copper	Total
Total assets	978,435	775,245	1,753,680
Total liabilities	536,607	455,801	992,408
	Aluminium	Copper	Total
Fixed Assets	143,684	20,072	163,756
Right of use assets	1,166	1,133	2,299
Intangible Assets	304	12	316
Investment Property	13	-	13
Total	145,167	21,217	166,384
	Aluminium	Copper	Total
Depreciation of fixed assets	(36,684)	(19,074)	(55,758)
Depreciation of right of use assets	(1,712)	(561)	(2,274)
Amortization of intangible assets	(517)	(467)	(984)
Depreciation of investments in real estate	(140)	(87)	(227)
Total depreciation and amortization	(39,054)	(20,190)	(59,243)

€'000			
12 months until 31 December 2018			
	Aluminium	Copper	Total
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	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

	Aluminium	Copper	Total
Total assets	931,062	743,480	1,674,543
Total liabilities	498,892	445,183	944,075

	Aluminium	Copper	Total
Fixed Assets	55,799	37,500	93,300
Intangible Assets	2,865	76	2,940
Total	58,664	37,576	96,240

	Aluminium	Copper	Total
Depreciation of 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 operating segments are mostly managed centrally but the greater part of sales are overseas. The non-current assets of the Group based on the geographical standing are presented as follows:

€ '000	GROUP		COMPANY	
	2019	2018	2019	2018
Property Plant Equipment				
Greece	670,499	582,333	543,612	459,754
International	142,766	138,231	-	-
Total	813,265	720,564	543,612	459,754
Right of use assets				
Greece	18,681	-	17,292	-
International	593	-	-	-
Total	19,274	-	17,292	-
Intangible assets and goodwill				
Greece	79,894	76,400	71,068	70,447
International	89	127	0	0
Total	79,983	76,527	71,068	70,447
Investment property				
Greece	6,589	6,838	20,045	19,591
Total	6,589	6,838	20,045	19,591
Capital expenditure				
Greece	152,074	86,302	147,021	75,687
International	14,311	9,938	-	-
Total	166,384	96,240	147,021	75,687

6. Income

€ '000	GROUP		COMPANY	
	2019	2018	2019	2018
Sale of goods (at a point in time)	567,966	532,135	473,395	464,078
Metal Turnover in the sales of goods	1,471,126	1,580,309	950,906	1,018,003
Rendering of services	5,437	5,108	5,609	4,877
Other	78	237	12	12
Total	2,044,606	2,117,789	1,429,922	1,486,970

7. Other operating income and expenses

€ '000	GROUP		COMPANY	
	2019	2018	2019	2018
Other Income				
Grants of the Fiscal Year	484	4	26	4
Amortization of Grants	1,884	1,955	1,256	1,311
Rental income	738	659	569	527
Foreign Exchange Gains	1,263	4,062	1,193	960
Income from fees	396	365	186	209
Income from costs recharged	1,093	800	3,894	3,350
Damage Compensation	72	4,093	17	125
Gain from sale of Fixed assets	319	263	572	10
Gain from sale of Intangible assets	1	-	1	-
Gain from sale of Investment Property	124	-	-	-
Income from consulting services	416	425	480	349
Other Income	5,138	1,466	3,517	2,903
Total	11,928	14,093	11,712	9,749
Other Expense				
Impairment of Fixed assets	671	-	397	-
Loss from fixed assets write off	218	172	67	-
Production cost non-allocated to cost of goods sold	-	39	-	-
Loss from sale of Fixed assets	29	32	-	0
Foreign Exchange Losses	1,475	3,934	1,389	894
Commissions	34	-	-	-
Damages Paid	-	1,535	-	-
Other taxes	12	-	7	-
Penalties	303	17	286	7
Depreciation and amortisation	2,081	1,976	1,314	1,296
Expenses recharged	2,638	192	2,305	1,633
Other Expenses	873	1,210	343	664
Total	8,334	9,108	6,109	4,494
Net other income-expenses	3,593	4,985	5,604	5,256

8. Expenses by nature

The breakdown of expenses by nature was as follows :

€ '000	GROUP		COMPANY	
	2019	2018	2019	2018
Cost of inventories recognized as an expense	81,461	55,312	120,028	122,511
Metal Cost	1,475,963	1,567,949	948,160	1,003,018
Employee benefits	116,262	105,654	70,249	63,559
Energy	43,226	41,959	27,701	27,667
Depreciation and amortisation	57,162	58,094	37,710	39,298
Taxes - duties	9,967	7,864	7,875	6,234
Credit insurance expenses	1,568	1,609	1,058	1,058
Other insurance expenses	4,861	4,485	2,800	2,657
Rental fees	2,134	3,589	1,496	2,148
Transportation costs (goods and materials)	48,661	47,915	33,320	31,706
Promotion & advertising	2,449	2,189	1,406	1,118
Third party fees and benefits	56,185	55,961	77,631	79,759
Other provisions	-	221	-	-
Gains/(losses) from derivatives	6,128	5,130	7,574	4,396
Storage and packing	4,369	4,386	1,126	1,070
Production tools	3,200	2,442	2,325	1,852
Commissions	13,821	12,950	7,930	7,593
Foreign exchange differences	(839)	298	97	476
Maintenance expenses	22,358	18,144	16,167	12,545
Travel and personnel transport expenses	5,345	4,974	3,924	3,399
Royalties	175	74	175	74
BOD Fees	1,691	1,946	481	764
Shared utility expenses	334	251	1	-
Other expenses	12,118	11,820	3,483	3,808
Total	1,968,598	2,015,217	1,372,716	1,416,708

For R&D expenses disbursed the amounts below:

€ '000	GROUP		COMPANY	
	2019	2018	2019	2018
Aluminium	3,991	3,330	3,446	2,886
Copper	2,500	1,082	1,792	1,022
Total	6,491	4,412	5,238	3,908

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

€ '000	GROUP		COMPANY	
	2019	2018	2019	2018
Employee remuneration & expenses	84,584	76,972	50,404	45,592
Social security expenses	20,879	19,474	12,451	11,604
Defined benefit plan expenses	1,449	1,058	918	724
Other employee benefits	9,351	8,150	6,475	5,640
Total	116,263	105,654	70,249	63,559

The number of staff employed by the Company at the end of the current year was: 1,475 (2018: 1,439) and as for the Group: 2,997 (2018: 2,874).

9. Finance income and cost

The breakdown of financial income and expenses is as follows:

€'000	GROUP		COMPANY	
	2019	2018	2019	2018
Interest Income	231	137	364	418
Total	231	137	364	418
Interest expenses	23,652	28,570	17,547	20,784
Other Finance Expense	1,988	3,743	1,274	2,746
Total	25,640	32,313	18,820	23,530

10. Property, plant and equipment

€'000	Fields - Plots	Buildings	Machinery	Leased machinery	Transportation equipment	Furniture and 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
Effect of movement in exchange rates	-	-	2	-	-	-	-	2
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)
Reclassifications	-	4,344	22,242	-	30	130	(26,854)	(109)
Other movements	(182)	-	-	-	-	-	-	(182)
Balance as at 31 December 2018	101,841	185,514	867,624	17,470	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	83,198	720,564

GROUP € '000	Fields - Plots	Buildings	Machinery	Leased machinery	Transportation equipment	Furniture & other equipmen	Fixed assets under construction	Total
Balance as at 1 January 2019	101,841	185,514	867,624	17,470	18,483	22,209	83,602	1,296,743
Change in accounting policy	-	-	-	(17,470)	-	-	-	(17,470)
Effect of movement in exchange rates	-	(2)	(2)	-	-	-	-	(4)
Additions	923	1,535	4,478	-	1,022	1,586	154,210	163,756
Disposals	-	-	(1,281)	-	(325)	(216)	(1,121)	(2,943)
Mergers and absorptions	430	4,121	4,591	-	137	546	108	9,934
Reclassification to Investment Property	-	(1,800)	-	-	-	-	-	(1,800)
Write offs	-	-	(1,283)	-	(18)	(43)	(67)	(1,412)
Revaluation	-	(0)	-	-	-	(0)	-	(0)
Other reclassifications	-	16,272	47,551	-	510	283	(65,917)	(1,301)
Balance as at 31 December 2019	103,194	205,641	921,678	0	19,808	24,364	170,816	1,445,503
Accumulated depreciation								
Balance as at 1 January 2019	-	(84,000)	(455,874)	(1,546)	(14,864)	(19,491)	(404)	(576,179)
Change in accounting policy	-	-	-	1,546	-	-	-	1,546
Effect of movement in exchange rates	-	(5)	2	-	-	0	-	(3)
Depreciation of the period	-	(10,678)	(43,100)	-	(771)	(1,209)	-	(55,758)
Disposals	-	37	1,144	-	326	180	-	1,687
Mergers and absorptions	-	(783)	(2,763)	-	(137)	(514)	-	(4,196)
Reclassification to Investment Property	-	144	-	-	-	-	-	144
Write offs	-	-	1,132	-	18	43	-	1,194
Impairment loss	-	-	(270)	-	-	-	(401)	(671)
Other reclassifications	-	(1)	0	-	(0)	-	-	(1)
Other reclassifications	-	(95,286)	(499,729)	-	(15,427)	(20,990)	(806)	(632,238)
Carrying amount as at 31 December 2019	103,194	110,355	421,949	0	4,381	3,375	170,010	813,265

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 assets as held-for-sale (see also note 34).

For the fiscal year 2019, the line "M&A" includes PPE obtained through the acquisition of "Cabel Wires S.A.".

The reporting line "Change in accounting policy" related to the effect of the implementation of IFRS 16 (Refer to note 33).

COMPANY € '000	Fields - Plots	Buildings	Machinery	Leased machinery	Transportation equipment	Furniture & other equipmen	Fixed assets under construction	Total
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)
Othe movements	(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

COMPANY € '000	Fields - Plots	Buildings	Machinery	Leased machinery	Transportation equipment	Furniture & other equipmen	Fixed assets under construction	Total
Balance as at 1 January 2019"	55,246	125,675	615,726	17,470	15,071	13,841	70,159	913,187
Change in accounting policy	-	-	-	(17,470)	-	-	-	(17,470)
Additions	918	1,322	1,544	-	947	1,181	139,699	145,612
Disposals	(2)	(46)	(888)	-	-	(95)	(3,223)	(4,253)
Reclassification to Investment Property	-	(1,800)	-	-	-	-	-	(1,800)
Write offs	-	-	(766)	-	-	-	(67)	(833)
Revaluation	-	314	530	-	-	(1)	-	843
Division/ segment spin off	(57)	(1,402)	(951)	-	(2)	(11)	(1,489)	(3,913)
Other reclassifications	-	14,234	37,054	-	22	179	(52,774)	(1,285)
Balance as at 31 December 2019	56,105	138,296	652,250	0	16,038	15,094	152,305	1,030,088
Accumulated depreciation								
Balance as at 1 January 2019	-	(58,505)	(368,337)	(1,546)	(12,327)	(12,718)	-	(453,434)
Change in accounting policy	-	-	-	1,546	-	-	-	1,546
Depreciation of the period	-	(6,652)	(27,515)	-	(600)	(691)	-	(35,458)
Disposals	-	37	282	-	-	10	-	329
Reclassification to Investment Property	-	144	-	-	-	-	-	144
Write offs	-	-	766	-	-	-	-	766
Division/ segment spin off	-	21	2	-	-	4	-	27
Impairment loss	-	-	(270)	-	-	-	(127)	(397)
Balance as at 31 December 2019	-	(64,955)	(395,072)	-	(12,927)	(13,395)	(127)	(486,477)
Carrying amount as at 31 December 2019	56,105	73,341	257,177	0	3,111	1,699	152,178	543,612

The reporting line "Change in accounting policy" related to the effect of the implementation of IFRS 16 (Refer to note 33).

(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, 2019.

(c) Capitalization of Borrowing costs

For the fixed asset of the Group as well as the company Euro € 2.1 million was capitalized in 2019, which stands for the cost of loans which were drawn for the funding of those assets.

(d) Change in useful life of assets

In 2018 the useful life of equipment of the aluminium rolling division was increased which 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.

11. Intangible assets

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	-	50,354	1,673	44	76,527

GROUP € '000	Goodwill	Cost of development	Trademarks and licenses	Software	Other	Total
Cost						
Balance as at 1 January 2019	24,456	40	50,472	18,429	117	93,513
Effect of movement in exchange rates	-	(1)	-	-	-	(1)
Additions	-	-	-	316	-	316
Disposals	-	3	-	(40)	-	(36)
Mergers and absorptions	2,703	-	3	146	-	2,853
Division/ segment spin off	-	-	-	9	-	9
Other reclassifications	-	-	-	1,303	-	1,303
Balance as at 31 December 2019	27,158	42	50,475	20,164	117	97,957
Accumulated amortization and impairment						
Balance as at 1 January 2019	-	(40)	(118)	(16,756)	(73)	(16,986)
of movement in exchange rates	-	1	0	(1)	-	1
Amortization for the period	-	(3)	(75)	(901)	(4)	(984)
Disposals	-	-	-	1	-	1
Mergers and absorptions	-	-	(3)	(1)	-	(5)
Balance as at 31 December 2019	-	(42)	(196)	(17,659)	(77)	(17,973)
Carrying amount as at 31 December 2019	27,158	0	50,279	2,505	40	79,983

For the fiscal year 2019, the line "M&A" includes PPE obtained through the acquisition of "Cabel Wires S.A.".

The addition of € 2.7 million in goodwill related to the goodwill occurred from the acquisition of 100% of "Cabel Wires S.A." from the related party "Hellenic Cables S.A.". The total value amounted to EUR 8.0 million according to valuation by independent certified accountant-auditor according to the provisions of articles 99-101 of L.4548/2018. (see also 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: (0.58)%
- Market risk premium: 7.0%
- Expected income tax rate: 24%
- Unlevered beta: 1.04
- WACC 6.8%

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	Trademarks and licenses	Software	Total
Cost				
Balance as at 1 January 2018	22,118	47,370	13,928	83,416
Additions	-	-	294	294
Other reclassifications	-	-	6	6
Balance as at 31 December 2018	22,118	47,370	14,228	83,716
Accumulated amortization and impairment				
Balance as at 1 January 2018	-	-	(12,616)	(12,616)
Amortization for the period	-	(67)	(587)	(654)
Balance as at 31 December 2018	-	(67)	(13,202)	(13,269)
Carrying amount as at 31 December 2018	22,118	47,303	1,026	70,447
€ '000	Goodwill	Trademarks and licenses	Software	Total
Cost				
Balance as at 1 January 2019	22,118	47,370	14,228	83,716
Additions	-	-	147	147
Disposals	-	-	(40)	(40)
Other reclassifications	-	-	1,285	1,285
Balance as at 31 December 2019	22,118	47,370	15,620	85,108
Accumulated amortization and impairment				
Balance as at 1 January 2019	-	(67)	(13,202)	(13,269)
Amortization for the period	-	(67)	(704)	(771)
Disposals	-	-	1	1
Balance as at 31 December 2019	-	(134)	(13,905)	(14,039)
Carrying amount as at 31 December 2019				
	22,118	47,236	1,714	71,068

12. Investment property

GROUP		
€ '000	2019	2018
Balance as at 1 January	7,068	7,144
Additions	13	-
Disposals	(1,737)	-
Reclassifications from PPE	1,800	-
Other reclassifications	-	(76)
Balance as at 31 December 2018	7,144	7,068
Accumulated depreciation Balance as at 1 January 2018		
	(230)	(68)
Disposals	46	-
Reclassifications from PPE	(144)	-
Depreciation	(227)	(162)
Balance as at 31 December 2018	(555)	(230)
COMPANY		
€ '000	2019	2018
Balance as at 1 January	32,274	32,350
Additions	13	-
Reclassifications from PPE	1,800	-
Other reclassifications	-	(76)
Balance as at 31 December	34,086	32,274
Balance as at 1 January	(12,682)	(11,540)
Reclassifications from PPE	(144)	-
Depreciation	(1,215)	(1,142)
Balance as at 31 December	(14,042)	(12,682)

Investment property includes buildings and land that the Group and the Company 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	
	2019	2018
	€'000	€'000
Balance as at January 1	251,471	242,471
Additions	13,000	9,001
Division/ segment spin off	500	-
Impairment	(300)	-
Balance as at December 31	264,672	251,472

On 01.03.2019, the General Assembly of Fitco S.A, decided the increase of capital by Euro 5 million with cash consideration and issue of 1.666.670 new shares with nominal value of Euro 3.00 each. The Board of Directors with its decision on 19.03.2019 verified the full payment of the capital with cash.

On 04.02.2019 the Board of directors of ELVALHALCOR decided the transformation of the Branch in Pogoni-Ioannina into 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. The newly founded company, following the decision ΑΔΑ: Ω4ΞΚ465ΧΙ8-54Β/7-8-19 of the Ministry for Investment and Development, is operating as a company limited by shares from 08.08.2019 under the trade name "Epirus Metalworks S.A.".

On 30.09.2019 subsidiary Sofia Med absorbed fully its 100% subsidiary Metalvalius EOOD. The transaction had no effect on the consolidated financial statements since the entities were consolidated in full.

On 02.12.2019 the increase of the share capital of "Epirus Metalworks" was decided for the amount of €455.5 thousand through the issue of 45,550 shares of nominal value of €10.00 each.

The Company after examination of the participation in TECHOR S.A. with the equity method, posted an impairment for the amount of €300 thousand.

On 24.12.2019 the Company acquired the total 4,296,075 shares of "Cablel Wires S.A." from "Hellenic Cables S.A.", for the amount of €8.0 million according to the valuation provided by independent certified accountant-auditor under the provision of articles 99-101 of L.4548/2018. The date of acquisition is determined as the closest to the monthly closing, after the securing the necessary approvals i.e. on 31.12.2019 and on which date the Fair values of Cablel Wires A.E., were as follows:

	Cable Wires A.E 2019
€'000	
Property, plant and equipment & RoU	5,734
Intangible assets	145
Other Long-term assets	69
	5,948
Inventories	2,895
Trade and other receivables	6,323
Cash and cash equivalents	1,336
	10,554
Deferred tax liabilities	678
Other Non-current liabilities	326
	1,004
Trade and other payables	5,185
Loans, borrowings and lease liabilities	5,015
	10,201
Net Assets acquired	5,297
Consideration transferred	8,000
Goodwill	2,703

Information of subsidiaries with significant non-controlling interest presented in the next page:

€'000				
2019	VIOMAL S.A.	SOFIA MED S.A.		
Percentage of Non-Controlling Interest	50,00%	10,44%	Other	Total
Non-Current Assets	2,832	143,771		
Current Assets	5,345	124,085		
Non-current Liabilities	647	72,548		
Current Liabilities	3,689	78,799		
Net Assets	3,841	116,510		
Attributable to NCI	1,920	12,164	-	14,084
Revenue	13,911	489,147		
Profit / (Loss)	466	3,456		
Other Comprehensive Income	(16)	60		
Total Comprehensive Income	450	3,516		
Total OCI of NCI	225	367	44	636
Cash-Flows from Operating Activities	(316)	30,849		
Cash-Flows from Investing Activities	(81)	(10,724)		
Cash-Flows from Financing Activities	(338)	514		
Effect on Cash and Cash equivalents	(735)	20,639		

€'000				
2018	VIOMAL S.A.	SOFIA MED S.A.		
Percentage of Non-Controlling Interest	50,00%	10,44%	Λοιπά	Σύνολο
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		

On 18.02.2019 ELVALHALCOR acquired 50% of the share capital of UACJ ELVAL CONSULTING SA (ex. AFSEL), a consulting services company, from UACJ Corporation, for an amount of Euro 16 thousand. The company was renamed to ELVALHALCOR Consulting S.A.

On 19.06.2019, ELVALHALCOR signed a Share Purchase Agreement (SPA) regarding the purchase of 147,749 shares in "Elpedison S.A.", by "Elpedison BV", that represents the 1.48% of its Share Capital, for an amount of Euro 1,225 thousand. Considering IFRS 9, following the decision of management, the result of the valuation of the transaction affected Other Comprehensive Income. On 26.07.2019, ELVALHALCOR received the consideration of Euro 1,225 thousand and completed the transfer of shares.

Finally, during the first semester was completed the sale of 110,480 shares of SIDMA S.A. by ELVALHALCOR for an amount of Euro 39 thousand.

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

€'000	GROUP		COMPANY	
	2019	2018	2019	2018
Balance as at January 1	82,846	64,186	82,661	65,339
Effects from Foreign Exchange	(279)	(74)	-	-
Share in profit / (loss) after taxes	3,500	953	-	-
Additions	16	17,488	16	17,488
Dividends received	(583)	(319)	-	-
Share capital reduction (-)	(1,788)	-	(1,788)	-
Reclassifications	(28)	(68)	76	(68)
Other changes	2,117	-	-	(98)
Change in accounting policy	-	679	80,965	-
Balance as at December 31	85,801	82,846	82,661	82,661

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

Trade Name €'000	Country	Business	Current Assets		Non-Current Assets		Short-term Liabilities		Long-term Liabilities		Revenue		Profit / (Loss) after taxes		% of Participation	
			2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
UACJ ELVAL HEAT EXCHANGER																
MATERIALS GmbH	Germany	Commercial	10,182	9,529	27	33	8,676	8,523	-	-	46,601	41,013	1,125	644	49.00%	49.00%
ELKEME S.A.	Greece	Metallurgical Research	1,538	1,494	745	597	374	246	178	154	2,683	2,397	76	64	92.50%	92.50%
VIENER S.A.	Greece	Energy	4,325	2,158	375	210	3,185	1,375	292	7	14,069	8,579	313	317	41.32%	41.32%
STEELMET S.A.	Greece	Services	6,741	7,952	2,598	951	6,046	6,922	2,430	1,250	29,397	27,243	647	256	29.50%	29.50%
HC ISITMA A.S.	Turkey	Industrial	344	1,008	534	465	85	29	179	5	709	530	61	(66)	50.00%	50.00%
International Trade S.A.	Belgium	Commercial	113,172	123,329	8,879	7,678	83,321	95,257	2,659	1,530	1,037,393	954,412	2,168	5,744	27.97%	27.97%
NEDZINK B.V.	Netherlands	Industrial	22,659	26,366	28,794	25,275	19,144	21,777	25,731	21,496	82,244	84,622	(5,046)	(6,492)	50.00%	50.00%
VIEXAL S.A.	Greece	Services	1,453	1,409	18	17	878	887	78	106	11,298	10,592	459	377	26.67%	26.67%

Regarding the investment in Cenergy, that is listed in EURONEXT Brussels and Athens Stock Exchange, the financial statements have not been published until the publication date of ELVALHALCOR's Group financial statements and as a result its financial figures are confidential until they get published.

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	
	2019	2018	2019	2018
Listed Securities				
-Greek Equity instruments	-	39	-	39
Unlisted Securities				
-Greek Equity instruments	3,180	3,371	1,251	3,371
-International Equity instruments	432	444	432	444
Total	3,611	3,853	1,682	3,853

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	
	2019	2018	2019	2018
Balance as at January 1	3,853	3,771	3,853	3,771
Additions	1,931	13	77	77
Change in Fair Value	(843)	-	(843)	-
Sales	(1,263)	-	(1,263)	-
Reclassifications	(65)	68	(141)	68
Balance as at December 31	3,611	3,853	1,682	3,853

«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	
	2019	2018	2019	2018
Current tax expense	(15,161)	(14,103)	(12,092)	(8,121)
Deferred tax (expense)/income	(1,077)	2,557	(1,411)	1,511
Tax expense	(16,238)	(11,546)	(13,503)	(6,610)
Reconciliation of effective tax rate				
Accounting Profit/loss (-) before income tax	58,179	75,849	46,419	53,949
Tax rate in Greece				
Tax rate in the country of residence				
At statutory income tax rate	24% (13,963)	29% (21,996)	24% (11,141)	29% (15,645)
Non-deductible expenses for tax purposes	-	(1,702)	-	(300)
Tax-exempt income	1,179	-	1,832	-
Recognition of previously unrecognised tax losses, tax credit or temporary di	-	-	-	-
Effect of tax rates in foreign jurisdictions	726	1,290	-	-
Current-year losses for which no deferred tax asset is recognised	(732)	(45)	-	-
Tax-exempt reserves recognition	-	-	-	-
Withholding tax on international dividends	-	-	-	-
Change in tax rate or composition of new tax	3,881	11,604	2,853	9,335
Other taxes	(19)	15	-	-
Permanent Differences	(518)	(712)	-	-
Derecognition of previously recognised deferred tax assets	(7,163)	-	(7,048)	-
Changes in tax related to prior years	371	-	-	-
	(28)% (16,238)	(15)% (11,546)	(29)% (13,503)	(12)% (6,610)
Income tax expense reported in the statement of profit or loss	(16,238)	(11,546)	(13,503)	(6,610)

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. There were no losses carried forward for the Group and the Company, therefore on deferred tax asset has been recognized for the fiscal year 2019.

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., which was posted at the reporting date 31.12.2018, was derecognized, as a consequence of the Company's profitability with the respective amount affecting the reporting line of tax in the Statement of Profit and Loss of the fiscal year 2019.

For 2019, 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 2019. 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 € '000	Net balance at 1 January 2018	Recognised in profit or loss	Recognised in OCI	Mergers and absorptions	Net Balance at 31 December 2018	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	(69,775)	11,455	-	-	(58,320)	954	(59,275)
Right of use asset	-	-	-	-	-	-	-
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	-
Provision/ accruals	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 & thin capitalization	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)	1,718	(58.024)

GROUP € '000	Net balance at 1 January 2019	Recognised in profit or loss	Recognised in OCI	Mergers and absorptions	Net Balance at 31 December 2019	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	(58,320)	5,739	-	(529)	(53,110)	813	(53,923)
Right of use asset	-	(512)	-	0	(512)	4	(516)
Intangible assets	(11,702)	342	-	-	(11,361)	208	(11,569)
Investment property	(840)	466	-	3	(370)	3	(373)
Other investments	245	(245)	202	-	202	202	-
Derivatives	(176)	37	(132)	-	(270)	66	(336)
Inventories	(1,157)	681	-	-	(476)	201	(677)
Loans and borrowings	(635)	858	-	-	222	230	(7)
Employee benefits	3,585	(55)	372	57	3,960	3,827	133
Provision/ accruals	1,771	141	-	-	1,912	1,918	(6)
Deferred income	21	(10)	-	-	12	35	(23)
Other items	3,739	(1,357)	-	(209)	2,173	1,249	924
Carryforward tax loss	7,163	(7,163)	-	2	2	2	-
Tax assets/liabilities (-) before set-off	(56,307)	(1,077)	443	(675)	(57,616)	8,757	(66,373)
Set-off tax						(7,591)	7.591
Net tax assets /liabilities (-)					(57,616)	1,167	(58,783)

COMPANY €'000	Net balance at 1 January 2018	Recognised in profit or loss	Recognised in OCI	Other	Net Balance at 31 December 2018	Deferred tax assets	Deferred tax liabilities
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	-
Provision/ accruals	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	17,891	(10,844)	-	-	7,048	7,048	-
Tax assets/liabilities (-) before set-off	(50,234)	1,511	906	104	(47,714)	13,600	(61,314)
Set-off tax					-	(13,600)	13,600
Net tax assets /liabilities (-)					(47,714)	-	(47,714)

COMPANY €'000	Net balance at 1 January 2019	Recognised in profit or loss	Recognised in OCI	Other	Net Balance at 31 December 2019	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	(47,311)	5,140	-	-	(42,171)	-	(42,171)
Right of use asset	-	(308)	-	-	(308)	-	(308)
Intangible assets	(11,329)	347	-	-	(10,982)	-	(10,982)
Investment property	(612)	40	-	-	(572)	-	(572)
Other investments	245	(245)	202	-	202	202	-
Derivatives	65	-	(311)	-	(246)	-	(246)
Inventories	(1,407)	827	-	-	(579)	-	(579)
Loans and borrowings	(628)	833	-	-	205	205	-
Employee benefits	2,495	(30)	284	-	2,750	2,750	-
Provision/ accruals	1,143	373	-	-	1,516	1,516	-
Deferred income	(27)	61	-	-	34	34	-
Other items	2,604	(1,403)	-	-	1,201	1,201	-
Carryforward tax loss	7,048	(7,048)	-	-	(0)	-	(0)
Tax assets/liabilities (-) before set-off	(47,714)	(1,411)	175	-	(48,950)	5,908	(54,858)
Set-off tax					-	(5,908)	5,908
Net tax assets /liabilities (-)					(48,950)	-	(48,950)

The movement of deferred tax in Other Comprehensive Income was as follows:

GROUP	2019			2018		
	Tax (expense) /			Tax (expense) /		
€ '000	Before Tax	Benefit	Net of Tax	Before Tax	Benefit	Net of Tax
Amounts recognized in the OCI						
Remeasurements of defined benefit liability	(1,496)	372	(1,123)	(139)	56	(83)
Equity investments in FVOCI - net change in fair value	(843)	202	(641)	-	-	-
Foreign currency translation differences	(326)	-	(326)	(166)	-	(166)
Gain / (Loss) of changes in fair value of cash flow hedging - effective portion	(454)	187	(267)	(2,275)	350	(1,925)
Gain / (Loss) of changes in fair value of cash flow hedging - reclassified to profit or loss	680	(319)	362	(618)	288	(330)
Other movements that are or may be reclassified to profit or loss	2,117	-	2,117	-	-	-
Total	(322)	443	121	(3,197)	694	(2,503)

COMPANY	2019			2018		
	Tax (expense) /			Tax (expense) /		
€ '000	Before Tax	Benefit	Net of Tax	Before Tax	Benefit	Net of Tax
Amounts recognized in the OCI						
Remeasurements of defined benefit liability	(1,184)	284	(900)	(281)	81	(201)
Equity investments in FVOCI - net change in fair value	(843)	202	(641)	-	-	-
Gain / (Loss) of changes in fair value of cash flow hedging - effective portion	(297)	71	(226)	(1,074)	312	(763)
Gain / (Loss) of changes in fair value of cash flow hedging - reclassified to profit or loss	1,159	(382)	777	(1,770)	513	(1,257)
Total	(1,165)	175	(990)	(3,126)	906	(2,220)

16. Inventories

€ '000	GROUP		COMPANY	
	2019	2018	2019	2018
Merchandise	3,088	3,407	1,940	2,524
Finished goods	119,797	123,803	76,739	85,410
Semi-finished goods	130,858	146,748	91,075	100,782
By-products & scrap	28,131	29,230	16,008	19,956
Work in progress	8,238	9,798	1,181	1,910
Raw and auxiliary materials	99,267	132,810	51,911	76,665
Consumables	9,322	8,624	5,272	4,950
Packaging materials	1,977	1,637	685	681
Spare parts	69,274	63,158	55,246	50,406
Total	469,952	519,218	300,058	343,286

Inventories are recognized in the net realizable value which reflects the estimated value of sale less expenses for sale.

17. Trade and other receivables

€ '000	GROUP		COMPANY	
	2019	2018	2019	2018
Trade receivables (excluding investment property clients)	86,000	93,752	35,331	42,742
Less: Impairment losses	(8,032)	(7,858)	(5,203)	(5,121)
Receivables from related entities	104,284	103,364	144,268	151,620
Trade receivables from contracts with customers	182,253	189,258	174,396	189,241
Down payments for the purchase of stocks	450	1,011	-	-
Other down payments	664	608	603	577
Tax assets	23,741	16,547	16,548	7,306
Other debtors	3,059	7,985	2,022	2,265
Other receivables	5,688	3,407	2,205	1,456
Receivables from dividends	56	-	56	-
Less: Impairment losses	(211)	(528)	(211)	(528)
Total	215,700	218,288	195,619	200,317
Non-current assets				
Non-current receivables from related parties	839	753	775	753
Non-current receivables	1,791	1,897	1,599	1,720
Total	2,629	2,650	2,374	2,473
Total receivables	218,329	220,938	197,993	202,790

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.

18. Derivatives

€'000	GROUP		COMPANY	
	2019	2018	2019	2018
Non-current assets				
Forward foreign exchange contracts	-	3	-	3
Future contracts	1	-	1	-
Total	1	3	1	3
Current assets				
Forward foreign exchange contracts	290	726	226	35
Future contracts	659	2,389	635	2,166
Total	949	3,115	861	2,202
Non-current liabilities				
Forward foreign exchange contracts	12	-	12	-
Future contracts	-	101	-	101
Total	12	101	12	101
Current liabilities				
Forward foreign exchange contracts	221	371	92	352
Firm Commitments	-	35	-	35
Future contracts	1,147	2,896	1,055	2,876
Total	1,369	3,301	1,147	3,263

For the Group and the Company results from settled financial risk management operations recorded in the Income Statement during years 2019 and 2018 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	
	2019	2018	2019	2018
Cash in hand	94	102	12	9
Short-term bank deposits	48,595	34,138	16,232	22,461
Total	48,688	34,241	16,243	22,470

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 (2018: Euro 146,344,218) divided to 375,241,586 (2018: 375,241,586) common anonymous shares of nominal value of 0.39 (2018: Euro 0.39) 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 favour of Elval's shareholders and the total number of shares amounted to 375,241,586 shares with nominal value of €0.39.

(b) Reserves

€'000	GROUP		COMPANY	
	2019	2018	2019	2018
Statutory Reserves	8,388	4,799	5,740	3,373
Hedging reserves	367	279	(475)	(1,026)
Other fair value reserves	-	-	-	-
Special Reserves	43,415	23,229	43,376	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	622	-	622	-
Merger reserves	69,588	69,588	83,153	83,153
Foreign exchange difference	(295)	31	-	-
Total	305,261	281,103	315,592	291,906

The Board of Directors will propose to the General Assembly a dividend distribution of € 0.03 per share.

Line “Merger reserves” for the year 2018 contained an amount of Euro 233 thousand relating to a hedging reserve that existed at the date of the merger and settled within 2018.

Statutory Reserve

According to article 158 of L.4548/2018, the companies are obligated, from the profit of the year to create a statutory reserve for an amount at least equal to 1/20 of the net earnings. The creation of statutory reserve seizes to be compulsory, when this reaches 1/3 of the capital. The statutory reserve is used exclusively for the offsetting of losses. Pursuant to the decisions of the General Assemblies the Group and the Company created reserves amounted to EUR 3.6m and EUR 2.4m respectively.

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.

During 2019 and considering the decision of the General Assembly the Group and the Company decided to present into a special tax reserve the amount of EUR 20,2m. and 19,3 respectively transferred from the Retained Earnings.

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.

Hedging reserves

Hedging reserves contain the effective portion of the changes in the fair value of the derivatives that had been considered under the hedge accounting. These reserves are transferred to the statement of profit and loss, when the hedging item will affect the statement of profit and loss.

Reserve of merger/absorption

The reserve of the absorption includes the difference between the acquisition price and the nominal value of the shares issued.

21. Earnings per share

	GROUP		COMPANY	
	2019	2018	2019	2018
Profits that correspond to the shareholders of the par-ent company (in thousands of EURO)	41,304	63,646	32,916	47,339
Weighted average number of shares	375,241,586	352,411,423	375,241,586	352,411,423
Basic profits per share (EUR per share)	0.1101	0.1806	0.0877	0.1343

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	
	2019	2018	2019	2018
Non-current				
Borrowings	168,328	120,170	98,265	56,670
Bond Loans	272,046	252,735	263,398	243,170
Lease liabilities (ex. Finance)	8,996	11,511	8,996	11,511
Lease liabilities (ex. Operating)	2,817	-	1,506	-
Total	452,186	384,415	372,164	311,351
Current				
Borrowings	87,758	130,929	55,400	92,613
Current portion of Long-term borrowings	19,437	18,540	11,778	11,305
Bond Loans	51,400	41,756	39,826	34,066
Lease liabilities (ex. Finance)	2,376	2,328	2,376	2,328
Lease liabilities (ex. Operating)	1,422	-	715	-
Total	162,393	193,553	110,096	140,312
Total loans and borrowings	614,579	577,968	482,260	451,663
Between 1 and 2 years	68,919	74,894	55,476	57,522
Between 2 and 5 years	325,602	268,429	280,218	237,736
Over 5 years	57,666	41,093	36,471	16,093
Total	452,186	384,415	372,164	311,351

On 28.06.2019 ELVALHALCOR signed the agreement of syndicated bond loan, amounted to Euro 50 million with AL-PHA BANK S.A. The loan has a maturity of seven years.

During August 2019, ELVALHALCOR signed the amendment of the existing loan agreement amounted to Euro 65 million with Commerzbank Aktiengesellschaft providing additional finance amounted to Euro 12.7 million, in order to fund the purchase and installation of mechanical equipment from SMS Group GmbH.

The subsidiary SOFIA MED SA signed the extension of the maturity of its syndicated collateralized long-term loan for 7 years amounted to Euro 60 million, with ALPHABANKS.A.-London Branch, Eurobank Bulgaria AD και Piraeus Bank Bulgaria AD. In addition, SOFIA MED SA signed the amendment of its loan with European Bank for Reconstruction and Development («EBRD»), total amount of Euro 25 million, which comprises of two parts: a) a loan of Euro 10.5 million with new seven-year maturity and b) a new loan of Euro 14.5 million, also with seven-year maturity for the financing of investment program for machinery and capacity increase.

On 08.11.2019 ELVALHALCOR signed the agreement of syndicated bond loan, amounted to Euro 10 million with "Eurobank Ergasias Bank S.A.". The loan has a maturity of three years.

The Group and the Company has pledged assets of total amount Euro 663 million and Euro 542 million respectively. The fair value of the loans is approximating the book value.

The fair value of the long-term loans is approximating the book value.

The actual weighted average interest rates (both short and long term) at the balance sheet date were:

	GROUP		COMPANY	
	2019	2018	2019	2018
Bond loans	3.53%	3.79%	3.52%	3.78%
Bank loans in EUR	2.85%	4.00%	2.50%	3.63%
Bank loans in USD	6.60%	6.71%	6.60%	6.80%
Bank loans in GBP	4.20%	4.41%	4.20%	5.16%

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. The Group secures the consent of the lenders in case of non-compliance with the said clauses, when it is necessary.

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 2019 and 2018 is as follows:

€'000	GROUP		COMPANY	
	2019	2018	2019	2018
Balance at 1 January	15,584	14,946	11,270	10,761
Amounts recognized in profit or loss				
Current service cost	543	495	284	259
Past service credit	207	-	128	-
Settlement/curtailment/termination loss	460	351	331	309
Interest cost/income (-)	238	213	175	156
Total P&L Charge	1,449	1,058	918	724
Amounts recognized in OCI				
Remeasurement loss/gain (-):				
-Actuarial loss/gain (-) arising from:				
Demographic assumptions	(97)	(52)	-	-
Financial assumptions	1,129	(156)	826	(91)
Experience adjustments	463	348	358	372
-Return on plan assets excl. interest income	-	-	-	-
Total amount recognized in OCI	1,496	139	1,184	281
Other				
Division/ segment spin off	2	-	-	-
Mergers and absorptions	229	24	-	-
Benefits paid	(829)	(584)	(596)	(497)
	(599)	(560)	(596)	(497)
Balance at 31 December	17,929	15,584	12,776	11,270

The assumptions on which the actuarial study was based for the calculation of provision are the following:

	GROUP		COMPANY	
	2019	2018	2019	2018
Discount rate	0.76%	1.61%	0.77%	1.61%
Price Inflation	1.31%	1.50%	1.30%	1.50%
Rate of compensation increase	1.69%	2.00%	1.63%	2.00%

The aforementioned results depend on assumptions (financial and demographic) of the actuarial study. Therefore, if a discount rate less by 50 basis points had been used then the liability would be higher by 5.81% for the Company and 6.13% for the Group approximately, although with a discount rate increased by 50 basis points, the liability would have been dropped by 5.33% for the Company and by 5.58% for the Group. If an assumption of a future salary increase by 50 basis points annually had been used, then the liability would be higher by 5.40% for the Company and 5.71% for the Group, and if a future salary decreased by 50 basis points then the liability would have been less by 5.05% for the Company and by 5.31% for the Group.

24. Grants

€'000	GROUP		COMPANY	
	2019	2018	2019	2018
Opening balance	19,602	21,557	11,067	12,378
Collection of grants	(427)	-	-	-
Amortisation of grants	(1,884)	(1,955)	(1,256)	(1,311)
Mergers and absorptions	80	-	-	-
Other	(6)	-	-	-
Closing balance	17,365	19,602	9,811	11,067

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

There was no movement in the Provisions during the fiscal year. Amount of EUR 1.4 mil. for the Group and EUR 1.2 mil. for the company related to provisions for tax 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	
	2019	2018	2019	2018
Suppliers	212,994	192,691	167,096	157,676
Social Security funds	4,593	4,381	2,845	2,768
Amounts due to related parties	16,697	18,165	22,889	25,961
Dividends payable	6	-	6	-
Sundry creditors	11,429	17,626	8,159	14,026
Accrued expenses	6,724	5,619	5,966	3,890
Other Taxes	6,536	6,024	4,890	4,902
Total	258,979	244,506	211,850	209,222

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 2019, the Group had an amount of Euro 48.7 million and the Company amount of Euro 16.2 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	
	2019	2018	2019	2018
Trade & Other receivables	218,329	220,936	197,993	202,790
Total	218,329	220,936	197,993	202,790
Less:				
Downpayments	(1,115)	(1,619)	(603)	(577)
Tax assets	(23,741)	(16,547)	(16,548)	(7,306)
Other receivables	(3,475)	(3,407)	(1,861)	(1,456)
Total	(28,330)	(21,572)	(19,012)	(9,338)
Financial assets entailing credit risk	189,999	199,364	178,981	193,452

The balances included in Receivables according to maturity can be classified as follows:

€'000	GROUP		COMPANY	
	2019	2018	2019	2018
Neither past due nor impaired	177,034	180,984	175,620	190,031
Overdue				
- Up to 6 months	12,602	17,538	3,198	3,277
- Over 6 months	363	842	163	143
Total	189,999	199,364	178,981	193,452

The movement in the account of provision for impairment was as follows:

€'000	GROUP		COMPANY	
	2019	2018	2019	2018
Balance as at 1 January	8,386	7,488	5,648	5,375
Impairment loss recognized	109	515	109	160
Amounts written off	(292)	(35)	(224)	-
Impairment loss reversed	(546)	(10)	(120)	(10)
Mergers and absorptions	585	-	-	-
Change in accounting policy	-	428	-	124
Balance as at 31 December	8,243	8,386	5,414	5,648

The maximum exposure to credit risk for trade and other receivables by geographic region was as follows:

€'000	GROUP		COMPANY	
	2019	2018	2019	2018
Greece	37,982	29,926	49,645	62,603
Other EU Member States	112,750	122,035	109,305	107,722
Other European countries	13,484	12,586	7,490	6,661
Asia	10,805	13,143	3,344	3,885
America (North & South)	9,478	16,450	5,539	9,671
Africa	5,467	4,877	3,629	2,872
Oceania	34	348	28	38
Total	189,999	199,364	178,980	193,452

The Group insures the greater part of its receivables in order to be secured in case of failure to collect.

(b) Liquidity risk

GROUP		2018				
€'000						
Liabilities	Carrying Amount	Up to 1yr	1 to 2 yrs	2 to 5 yrs	Over 5 yrs	Total
Bank loans	269,640	153,702	29,355	67,266	41,435	291,758
Lease liabilities	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

GROUP		2019				
€'000						
Liabilities	Carrying Amount	Up to 1yr	1 to 2 yrs	2 to 5 yrs	Over 5 yrs	Total
Bank loans	275,522	116,438	27,217	113,911	42,531	300,096
Lease liabilities	15,611	4,418	4,272	8,372	203	17,264
Bond issues	323,446	62,379	52,118	218,875	16,241	349,612
Derivatives	1,381	1,369	12	-	-	1,381
Contract liabilities	8,722	8,722	-	-	-	8,722
Trade and other payables	258,979	260,398	-	-	-	260,398
	883,660	453,722	83,619	341,157	58,975	937,473

COMPANY		2018				
€'000						
Liabilities	Carrying Amount	Up to 1yr	1 to 2 yrs	2 to 5 yrs	Over 5 yrs	Total
Bank loans	160,588	105,708	19,860	33,679	15,645	174,892
Lease liabilities	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

COMPANY		2019				
€'000						
Liabilities	Carrying Amount	Up to 1yr	1 to 2 yrs	2 to 5 yrs	Over 5 yrs	Total
Bank loans	165,443	73,254	14,251	66,787	21,032	175,323
Lease liabilities	13,593	3,642	4,453	11,785	-	19,880
Bond issues	303,224	48,365	49,732	214,813	16,241	329,151
Derivatives	1,159	1,147	12	-	-	1,159
Contract liabilities	6,802	6,802	-	-	-	6,802
Trade and other payables	211,850	211,455	-	-	-	211,455
	702,071	344,667	68,447	293,384	37,273	743,770

(c) Exchange rate risk

GROUP € '000	2018					
	EUR	USD	GBP	BGN	RON	Other
Trade and other receivables	166,730	33,192	15,089	5,842	82	1
Cash & cash equivalents	24,193	9,345	433	188	77	4
Total assets	190,924	42,537	15,522	6,030	160	5
Loans and Borrowings	545,718	19,204	5,067	7,979	-	-
Trade and other payables	207,241	10,068	18,303	8,830	-	64
Contract liabilities	8,956	261	-	22	-	-
Total liabilities	761,915	29,533	23,370	16,830	-	64
Net (Assets-Liabilities)	(570,991)	13,004	(7,848)	(10,800)	160	(59)
Derivatives for risk hedging (Nominal Value)	-	2,761	(4,032)	-	-	-
Total risk	(570,991)	15,765	(11,880)	(10,800)	160	(59)

GROUP € '000	2019					
	EUR	USD	GBP	BGN	RON	Other
Trade and other receivables	180,950	23,380	10,500	3,132	366	-
Cash & cash equivalents	36,126	8,466	1,110	2,911	70	5
Total assets	217,076	31,847	11,610	6,044	437	5
Loans and Borrowings	611,460	1,872	639	608	-	-
Trade and other payables	206,398	30,658	180	21,033	125	585
Contract liabilities	8,425	130	157	10	-	-
Total liabilities	826,283	32,660	975	21,651	125	585
Net (Assets-Liabilities)	(609,208)	(813)	10,635	(15,607)	311	(580)
Derivatives for risk hedging (Nominal Value)	-	(1,136)	(7,285)	-	-	-
Total risk	(609,208)	(1,949)	3,350	(15,607)	311	(580)

GROUP €'000	2018					
	EUR	USD	GBP	BGN	RON	Other
Trade and other receivables	178,536	17,279	6,974			1
Cash & cash equivalents	15,838	6,277	355			-
Total assets	194,374	23,556	7,330			1
Loans and Borrowings	430,289	18,595	2,779			-
Trade and other payables	188,719	2,252	18,223			28
Contract liabilities	7,314	112	-			-
Total liabilities	626,321	20,958	21,002			28
Net (Assets-Liabilities)	(431,947)	2,598	(13,672)			(27)
Derivatives for risk hedging (Nominal Value)	-	-	-			-
Total risk	(431,947)	2,598	(13,672)			(27)

COMPANY €'000	2019					
	EUR	USD	GBP	BGN	RON	Other
Trade and other receivables	181,445	12,085	4,464			(1)
Cash & cash equivalents	-	-	-			-
Ταμειακά διαθέσιμα και ισοδύναμα	13,810	2,352	82			-
Total assets	195,255	14,437	4,545			(1)
Loans and Borrowings	479,749	1,872	639			-
Trade and other payables	183,603	27,176	140			479
Contract liabilities	6,645	-	157			-
Total liabilities	669,998	29,048	936			479
Net (Assets-Liabilities)	(474,743)	(14,611)	3,609			(480)
Derivatives for risk hedging (Nominal Value)	-	4,250	-			-
Total risk	(474,743)	(10,361)	3,609			(480)

The rates that were applied for the foreign exchange translation were:

	AVERAGE		AT YEAR END	
	2019	2018	2019	2018
USD	1.1195	1.1810	1.1234	1.1450
GBP	0.8778	0.8847	0.8508	0.8945
RON	4.7453	4.6540	4.7830	4.6635
TRY	6.3578	5.7077	6.6843	6.0588

BGN is locked with the Euro which is the reporting and operating currency of the Group and the Company with rate 1.9558 and as a result there is no foreign exchange 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 €'000	2018			
	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)
RON (10% movement)	(74)	74	(54)	54

GROUP €'000	2019			
	Profit or loss		Equity, net of tax	
	EUR Strengthening	EUR Weakening	EUR Strengthening	EUR Weakening
USD (10% movement)	177	(217)	135	(165)
GBP (10% movement)	(305)	372	(231)	283
RON (10% movement)	(28)	35	(22)	26

COMPANY €'000	2018			
	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)

COMPANY €'000	2019			
	Profit or loss		Equity, net of tax	
	EUR Strengthening	EUR Weakening	EUR Strengthening	EUR Weakening
USD (10% movement)	942	(1,151)	716	(875)
GBP (10% movement)	(328)	401	(249)	305

(d) Interest rate risk

€'000	GROUP		COMPANY	
	2019	2018	2019	2018
Fixed-rate instruments				
Financial liabilities	5,989	3,331	-	-
Variable-rate instruments				
Financial liabilities	608,590	574,637	482,260	451,663

Sensitivity analysis

The effects of an increase in the interest rates of 25 basis points both in the Income statement and the Equity can be depicted as follows:

	GROUP		COMPANY	
	2019	2018	2019	2018
0.25% increase	(1,543)	(1,437)	(1,222)	(1,129)
0.25% decrease	1,543	1,437	1,222	1,129

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		2019			
€ '000		Level 1	Level 2	Level 3	Total
Other Investments	-	-	-	3,611	3,611
Derivative financial assets	660	290	-	-	950
Derivative financial liabilities	(1,147)	(234)	-	-	(1,381)
		2018			
Other Investments	39	-	-	3,814	3,853
Derivative financial assets	2,389	729	-	-	3,118
Derivative financial liabilities	(2,997)	(406)	-	-	(3,403)
		2019			
COMPANY		Level 1	Level 2	Level 3	Total
€ '000					
Other Investments	-	-	-	1,682	1,682
Derivative financial assets	636	226	-	-	862
Derivative financial liabilities	(1,055)	(104)	-	-	(1,159)
		2018			
Other Investments	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 of investments classified as Level 3 was as follows:

€'000	GROUP		COMPANY	
	2019	2018	2019	2018
Balance as at 1 January	3,814	3,733	3,814	3,733
Additions	1,931	13	77	13
Disposals	(1,263)	-	(1,225)	-
Fair value adjustment through OCI	(843)	-	(843)	-
Reclassifications	(27)	68	(141)	68
Balance as at 31 December	3,611	3,814	1,682	3,814

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: (0.58)%
- Market risk premium: 7.0%
- Expected income tax rate: 24%
- Unlevered beta: 1.04
- WACC 6.8%

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

€'000	GROUP		COMPANY	
	2019	2018	2019	2018
Tangible assets	9,359	8,004	6,969	7,052

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	-	GREECE	Industrial	-	-	-	2014-2018
FITCO S.A.	(1)	GREECE	Industrial	100.00%	0.00%	Consolidation in full	2014-2018
SOFIA MED S.A.	(1)	BULGARIA	Industrial	89.56%	0.00%	Consolidation in full	-
EPIRUS METALWORKS S.A	(1)	GREECE	Industrial	100.00%	0.00%	Consolidation in full	2019
TECHOR S.A.	(1)	GREECE	Industrial	100.00%	0.00%	Consolidation in full	2014-2018
ELKEME S.A	(2)	GREECE	Metallourgical Research	92.50%	0.00%	Equity method	2010-2019
VIEXAL S.A	(2)	GREECE	Services	26.67%	0.00%	Equity method	2014-2018
VIENER S.A	(2)	GREECE	Energy	41.32%	0.00%	Equity method	2012-2018
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	2014-2018
SYMETAL S.A	(1)	GREECE	Industrial	100.00%	0.00%	Consolidation in full	2014-2019
ELVAL COLOUR S.A.	(1)	GREECE	Industrial	100.00%	0.00%	Consolidation in full	2013 & 2017,2018
VEPAL S.A	(1)	GREECE	Industrial	100.00%	0.00%	Consolidation in full	2013-2018
ANOXAL S.A	(1)	GREECE	Industrial	100.00%	0.00%	Consolidation in full	2014-2018
VIOMAL S.A	(1)	GREECE	Industrial	50.00%	0.00%	Consolidation in full	2013-2019
ROULOC S.A	(4)	GREECE	Industrial	0.00%	100.00%	Consolidation in full	2016-2018
ELVAL COLOUR IBERICA S.A.	(4)	SPAIN	Commercial	0.00%	100.00%	Consolidation in full	2018
UACJ ELVAL HEAT EXCHANGER MATERIALS GmbH		GERMANY	Commercial	50.00%	0.00%	Equity method	-
UACJ ELVAL CONSULTING SA (former AfseI)		GREECE	Services	50.00%	0.00%	Equity method	-
NEDZINK B.V.		NETHERLANDS	Industrial	50.00%	0.00%	Equity method	-
CABLEL WIRES S.A.	(1)	GREECE	Industrial	100.00%	0.00%	Consolidation in full	2019

(1) Subsidiary of ELVALHALCOR
(2) Subsidiary of Viohalco S.A.
(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	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Sale of goods				
Subsidiaries	-	-	180,362	195,495
Equity accounted investees	793,608	481,934	611,669	439,653
Joint Ventures	-	17	-	17
Other	51,844	383,584	49,983	260,860
	845,451	865,535	842,014	896,025
Sale of services				
Subsidiaries	-	-	7,708	6,922
Equity accounted investees	1,510	663	1,365	663
Joint Ventures	-	3	-	3
Parent	153	187	153	187
Other	1,749	1,826	1,561	1,750
	3,412	2,679	10,786	9,525
Sale of fixed assets				
Subsidiaries	-	-	1,827	29
Equity accounted investees	279	-	12	-
Joint Ventures	-	174	-	174
Other	1,862	7	21	-
	2,141	181	1,860	203
Purchase of goods				
Subsidiaries	-	-	49,955	66,174
Equity accounted investees	14,030	1	10,429	-
Other	29,218	46,324	28,251	40,489
	43,248	46,325	88,635	106,663
Purchase of services				
Subsidiaries	-	-	33,424	34,674
Equity accounted investees	33,086	5,540	22,390	4,178
Parent	362	433	160	218
Other	4,925	28,775	3,156	19,439
	38,373	34,748	59,131	58,509
Purchase of fixed assets				
Subsidiaries	-	-	22	243
Equity accounted investees	5,187	63	4,753	27
Joint Ventures	-	123	-	123
Other	-	13,931	7,031	12,790
	5,187	14,117	11,806	13,183

End-of-year balances from sale / purchase of goods, services, fixed assets, etc.

€'000	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Receivables from related parties:				
Subsidiaries	-	-	55,073	65,771
Equity accounted investees	53,510	18,595	39,084	16,138
Joint Ventures	-	21	-	21
Parent	269	212	264	210
Other	51,401	84,537	50,678	70,232
	105,179	103,365	145,099	152,372
Liabilities to related parties:				
Subsidiaries	-	-	10,049	10,644
Equity accounted investees	9,309	618	7,599	427
Joint Ventures	-	18	-	18
Parent	13	66	-	24
Other	7,374	17,463	5,240	14,847
	16,697	18,165	22,888	25,960

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	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Fees - benefits to the members of the Board of Directors and executives	9,915	10,750	4,967	5,018
	9,915	10,750	4,967	5,018

32. Auditor's fees

Regarding year 2019, the fees of our auditor's PriceWaterhouseCoopers S.A. for the Group and for the Company in respect of audit of the financial statements of the Company amounted to Euro 199 thousand (2018: Euro 162 thousand), for tax audit amounted to Euro 42 thousand (2018: Euro 45 thousand) and fees for other services reached Euro 14,5 (2018: Euro 164 thousand). In Group's level they amounted to Euro 293 thousand (2018: Euro 177 thousand), for tax audit Euro 64 thousand (2018: Euro 45 thousand) and fees for other services Euro 14,5 thousand (2018: Euro 164 thousand).

33. Effect of IFRS 16

The mandatory adoption of IFRS 16 for the period started from 1st January 2019 resulted for Group and Company to recognize Right of Use of assets and finance lease liabilities (ex. operating), regarding the leases that Group and Company considered as lessor. For the leases that previously classified as operating lease under the provisions of IAS 17, followed by the mandatory adoption of IFRS 16, the Group and the Company implemented the cumulative retrospective approach. The liabilities measured to the present value of the remaining lease payments discounted by the incremental borrowing rate, approximately 4%, on 1st January 2019. The Right of Use of assets recognized to an amount equal to the Finance Lease Liabilities (ex. operating). The leases above related to machinery.

The reconciliation of the finance liabilities for the Group and the Company on 1st January 2019 for the commitments for operating leases as at 31 December 2018 presented below:

€' 000	GROUP	COMPANY
Operating lease commitments disclosed as at 31 December 2018	5,424	1,869
Discounted operating lease commitments of at the date of initial application	4,667	1,788
Add: finance lease liabilities recognised as at 31 December 2018	13,838	13,838
(Less): Recognition exemption for short-term leases at transition	(1,165)	-
Lease liability recognised as at 1 January 2019	17,340	15,627
Of which are:		
Current lease liabilities	3,626	3,013
Non-current lease liabilities	13,714	12,614
Lease liability recognised as at 1 January 2019	17,340	15,627

The Group used the option to not reassess any existing lease as finance lease on the date of the initial implementation under the provisions of IFRS 16.

In addition, the Group granted the above practical concessions that allowed by the standard regarding the leases that previously classified as operating, as considered in IFRS 17:

- Use of a single discount rate on a portfolio of similar leases characteristics.
- Leases with a residual duration of less than 12 months from 1 January 2019, as short-term leases.
- Exemption of initial direct costs for measuring the rights of use of assets data at the date of first application.
- Use of later knowledge to determine the duration of the lease contract that includes a term of extension or termination of the contract.

Regarding the lease for buildings, the Group did not recognize any lease liability and right of use of assets as these contracts determined as short-term. The related leases are on most of them leases with related parties and are cancellable at any time. Both the lessor and the lessee may exercise their right to terminate the agreement at any time and do not have any great financial incentive to continue implementing the contract terms.

GROUP € '000	Land	Buildings / Warehouses	Machinery	Transportation equipment	Total
Cost					
Balance as at 1 January 2019	-	-	-	-	-
Change in accounting policy	-	104	17,470	3,326	20,899
Additions	274	54	-	1,970	2,299
Terminations	-	-	-	(126)	(126)
Mergers and absorptions	-	-	-	26	26
Modifications	-	-	-	(77)	(77)
Balance as at 31 December 2019	274	158	17,470	5,119	23,021
Accumulated depreciation					
Balance as at 1 January 2019	-	-	-	-	-
Change in accounting policy	-	-	(1,546)	-	(1,546)
Depreciation of the period	(6)	(51)	(828)	(1,390)	(2,274)
Terminations	-	-	-	69	69
Mergers and absorptions	-	-	-	4	4
Balance as at 31 December 2019	(6)	(51)	(2,374)	(1,317)	(3,747)
Carrying amount as at 31 December 2019	268	107	15,096	3,802	19,274
COMPANY € '000	Land	Buildings / Warehouses	Machinery	Transportation equipment	Total
Cost					
Balance as at 1 January 2019	-	-	-	-	-
Change in accounting policy	-	-	17,470	1,788	19,258
Additions	-	-	-	1,250	1,250
Terminations	-	-	-	(100)	(100)
Modifications	-	-	-	(55)	(55)
Balance as at 31 December 2019	-	-	17,470	2,882	20,352
Accumulated depreciation					
Balance as at 1 January 2019	-	-	-	-	-
Change in accounting policy	-	-	(1,546)	-	(1,546)
Depreciation of the period	-	-	(828)	(751)	(1,579)
Terminations	-	-	-	63	0
Write offs	-	-	-	2	0
Balance as at 31 December 2019	-	-	(2,374)	(686)	(3,125)
Carrying amount as at 31 December 2019	-	-	15,096	2,196	17,292

During the period, there were recognized financial costs related to leases of Euro 120.0 thousand at Group level and Euro 50.0 thousand at Company level.

During the period finance interest expense related to leases was recognized in the income statement amounted to Euro 102.0 thousand for the Group and Euro 88.0 thousand for the Company and related to low value contract rents. In addition, short-term rental expenses of Euro 1,918.0 thousand and Euro 1,368.0 thousand at Group and Company level were recognized respectively.

If the Group and the Company had implemented the IFRS 16 for the comparable period, then EBITDA and a-EBITDA would have been increased by Euro 1.5 million for the Group and Euro 0.7 million for the Company.

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 2020.

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	
	2019	2018	2019	2018
Operating profit / (loss)	80,038	107,051	62,820	75,370
Adjustments for:				
+ Depreciation of tangible assets	55,758	58,838	35,458	38,798
+ Depreciation of right of use assets	2,274	-	1,579	-
+ Amortization	984	1,070	771	654
+ Depreciation of investment property	227	162	1,215	1,142
- Amortization of Grants	(1,884)	(1,955)	(1,256)	(1,311)
EBITDA	137,397	165,166	100,588	114,652

€'000	GROUP		COMPANY	
	2019	2018	2019	2018
EBITDA	137,397	165,166	100,588	114,652
«Adjustments for:				
+ Loss / - Profit from Metal Lag»	2,137	(23,016)	(1,737)	(22,755)
+ Impairment losses of Fix Assets	671	-	397	-
a - EBITDA	140,205	142,150	99,248	91,897

€'000	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
(A) Value of Metal in Sales	1,471,126	1,580,309	950,906	1,018,003
(B) Value of Metal in Cost of Sales	(1,475,963)	(1,567,949)	(948,160)	(1,003,018)
(C) Result of Hedging Instruments	2,700	10,657	(1,010)	7,769
(A+B+C) Metal Result in Gross Profit	(2,137)	23,016	1,737	22,755

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:

	ALUMINIUM	
€'000	31.12.2019	31.12.2018
Operating profit / (loss)	61.105	76.953
Adjustments for:		
+ Depreciation	39.054	42.522
- Amortization of Grants	(1.669)	(1.724)
EBITDA	98.490	117.751
EBITDA	98.490	117.751
Adjustments for:		
+ Loss / - Profit from Metal Lag	(1.218)	(21.984)
a - EBITDA	97.272	95.768

	ALUMINIUM	
€'000	31.12.2019	31.12.2018
(A) Value of Metal in Sales	571.724	654.745
(B) Value of Metal in Cost of Sales	(567.070)	(639.089)
(C) Result of Hedging Instruments	(3.437)	6.328
(A+B+C) Metal Result in Gross Profit	1.218	21.984

	COPPER	
€'000	31.12.2019	31.12.2018
Operating profit / (loss)	18.933	30.098
Adjustments for:		
+ Depreciation	20.190	17.547
- Amortization of Grants	(215)	(231)
EBITDA	38.907	47.415
EBITDA	38.907	47.415
Adjustments for:		
+ Loss / - Profit from Metal Lag	3.354	(1.032)
+ Restructuring costs	671	-
a - EBITDA	42,933	46,383

	COPPER	
€'000	31.12.2019	31.12.2018
(A) Value of Metal in Sales	899,402	925,564
(B) Value of Metal in Cost of Sales	(908,893)	(928,860)
(C) Result of Hedging Instruments	6,137	4,328
(A+B+C) Metal Result in Gross Profit	(3,354)	1,032

The Group applied IFRS 16 using the cumulative effect method. Under this method, the comparative information is not restated. Reporting Line "Lease liabilities" includes lease liabilities in total (see Note 33).

36. Subsequent events

1. With its decision on 14.02.2020 the Board of Directors of the subsidiary "Epirus Metal Works S.A." verified and certified the payment in full of the capital increase of €455,500.00, which was decided by the Extraordinary General Assembly on 02.12.2019.
2. On 12.03.2020 ELVALHALCOR received notice for the commencement of the preliminary phase for antidumping investigation and countervailing duty (CVD) investigation by the United States International Trade Commission (USITC) to determine whether there is a reasonable indication that an industry in the United States is materially injured or threatened or the establishment of an industry in the United States is materially retarded by reason of imports of common alloy aluminum sheet from Greece and seventeen other countries (Bahrain, Brazil, Croatia, Egypt, Germany, India, Indonesia, Italy, Korea, Oman, Romania, Serbia, Slovenia, South Africa, Spain, Taiwan and Turkey). On the date of publication of the financial statements there were no available information in order to estimate the potential impact on its financial results.

Information under article 10 of Law 3401/2005

A/A	DESCRIPTION	WEBSITE ADDRESS	WEBSITE MAP
1.	Annual Financial Report 2019	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 2019	http://www.elvalhalcor.com/el/investor-relations/reports-presentations/financial-statements/	Home Page > Investor relations > Reports and Presentations > Financial Statements
3.	Press releases during 2019	http://www.elvalhalcor.com/el/investor-relations/regulatory-news/	Home Page > Investor relations > Announcements – Publications > Press releases
4.	Announcements to the Stock Exchange during 2019	http://www.elvalhalcor.com/el/investor-relations/regulatory-news/	Home Page > Investor relations > Announcements – Publications > Announcements

SUSTAINABILITY REPORT 2019



ELVALHALCOR

HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.



ELVAL
HELLENIC ALUMINIUM INDUSTRY



HALCOR
HELLENIC COPPER INDUSTRY





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Chairman's statement

Dear stakeholders,

At the time of writing, our country, Europe and the whole world are facing an unprecedented situation, due to the pandemic of the new coronavirus COVID-19. It is the desire and expectation of all of us to overcome the pandemic as soon as possible and with the fewest possible consequences.

With health as a priority, ElvalHalcor addresses the current situation regarding the COVID-19 pandemic with due seriousness, having our employees and associates good health as a primary goal. At the same time, with a strong sense of social responsibility and in order to help tackle the crisis our country faces with the spread of the new coronavirus, we participated with the amount of EUR 400,000 in the EUR 650,000 donation by the MICHAEL N. STASSINOPOULOS - VIOHALCO PUBLIC BENEFIT FOUNDATION, to support the National Health System in hospital equipment and consumables.

Focused strategy

The strategy we have been following all these years has vindicated us. A strategy based on the principles of Sustainable Development. ElvalHalcor's growth is founded on responsible principles and practices, directing business moves that will help build a better future for us, our stakeholders and society at large. A key factor in our successful business journey so far is the development of innovative and specialised solutions, our commitment to high-quality, high-technology products, and the adaptation of our strategy to the ever-changing international business environment. Having strong and healthy business foundations, we continue to dynamically strengthen our position in both the aluminium and the copper division.

A consistent and stable investor in the Greek economy

Every step forward needs investments. ElvalHalcor has been implementing important capital expenditure plans

over time, ranking it as one of the largest and most modern European industries. We are actively investing in Greece and, over the 2014-2019 period, ElvalHalcor implemented extensive investments, amounting to EUR 446 million. In this investment plan, a large amount is investments focused on innovation with the aim of producing high added-value products, are of key importance. The aluminium rolling division is focusing on completing its on the completion of the EUR 150 million capital expenditure plan, with the commissioning of the four-stand tandem hot rolling mill, expected within the second quarter of 2020. Meanwhile, in early 2020, the same division, it announced the second phase of the investment plan. When completed, the total amount of the aluminium rolling division's capital expenditure plan will exceed EUR 250 million for the 2018-2022 period.

Customer focus

The relationships of trust we have built with our customers, partners and suppliers are an important warranty for a future of long-term sustainable development. ElvalHalcor's commitment to a culture of continuous improvement gives a significant and distinctive competitive advantage. We strive to offer our customers high added-value, innovative products and specialised solutions according to their needs. For this reason, we invest significantly in research, development and innovation, as well as in industrial technology.

Our people

We recognise the decisive contribution of our people to our successful business journey so far. Their extensive experience, high level of expertise and know-how, their creativity and constant dedication to our common vision, support ElvalHalcor's course for continuous growth. For this reason, we substantially and systematically invest in our people, placing emphasis on their training and professional advancement with the due respect needed, while providing a safe and healthy work environment

based on prevention. In addition, for another year, jobs were not only maintained, but increased by 2.5%. Our commitment and primary concern is to constantly take care to protect the health and safety of our employees and associates.

Responsibility for the environment

We work methodically and substantively in order to reduce our environmental footprint. To achieve this goal, we implement certified Environmental Management and Energy Management Systems. We systematically invest in infrastructure and measures of environmental protection and apply best environmental management practices at our facilities. In 2019, environmental protection expenditures and investments amounted to EUR 7.8 million.

Looking forward

Our strategy for the next five years is based on the sustainability principles. Responsibly, we continue to vigorously pursue progress, focusing on innovation in all areas and on the development and professional advancement of our people, with occupational health and safety and environmental protection through targeted actions as a priority. We expect the next years, and especially 2020, to be full of challenges and opportunities. With the health and safety of our employees and associates as the first priority, ElvalHalcor closely monitors current developments and continues to operate

seamlessly. To minimise the potential consequences of the COVID-19 pandemic, we adapt our strategies to the unusual situation the global community is facing and take all precautionary measures so as to be ready to act immediately. At the same moment, we maintain our long-term strategy of expanding and strengthening our international position, with responsibility and within the framework of sustainability principles.

Theodosios Papageorgopoulos

Chairman of the Board of Directors



Materiality assessment

In order to identify the most important sustainability issues related to its activity, the Company follows a specific procedure, which is based on international standards and guidelines regarding the evaluation and prioritisation of these issues. The standards for the analysis and evaluation of these material and prioritised issues are the GRI Standards and AA1000.

During 2019, the Company's material issues were updated through an online questionnaire, taking into account the results of the 2018 stakeholder survey, in which both internal and external stakeholders participated. The results of the survey are considered particularly important because they are taken into account when deciding on the strategy and planning actions that will promote Sustainability.

Taking into account and integrating in the evaluation of the issues the new trends at sectoral and global level, in 2019 a new prioritisation and grouping of the "most material" issues took place. Thus, ElvalHalcor's "most material" issues are illustrated in the relevant matrix.

Materiality assessment



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 prioritized sustainability issues, according to their importance for ElvalHalcor, our stakeholders, society and the environment.



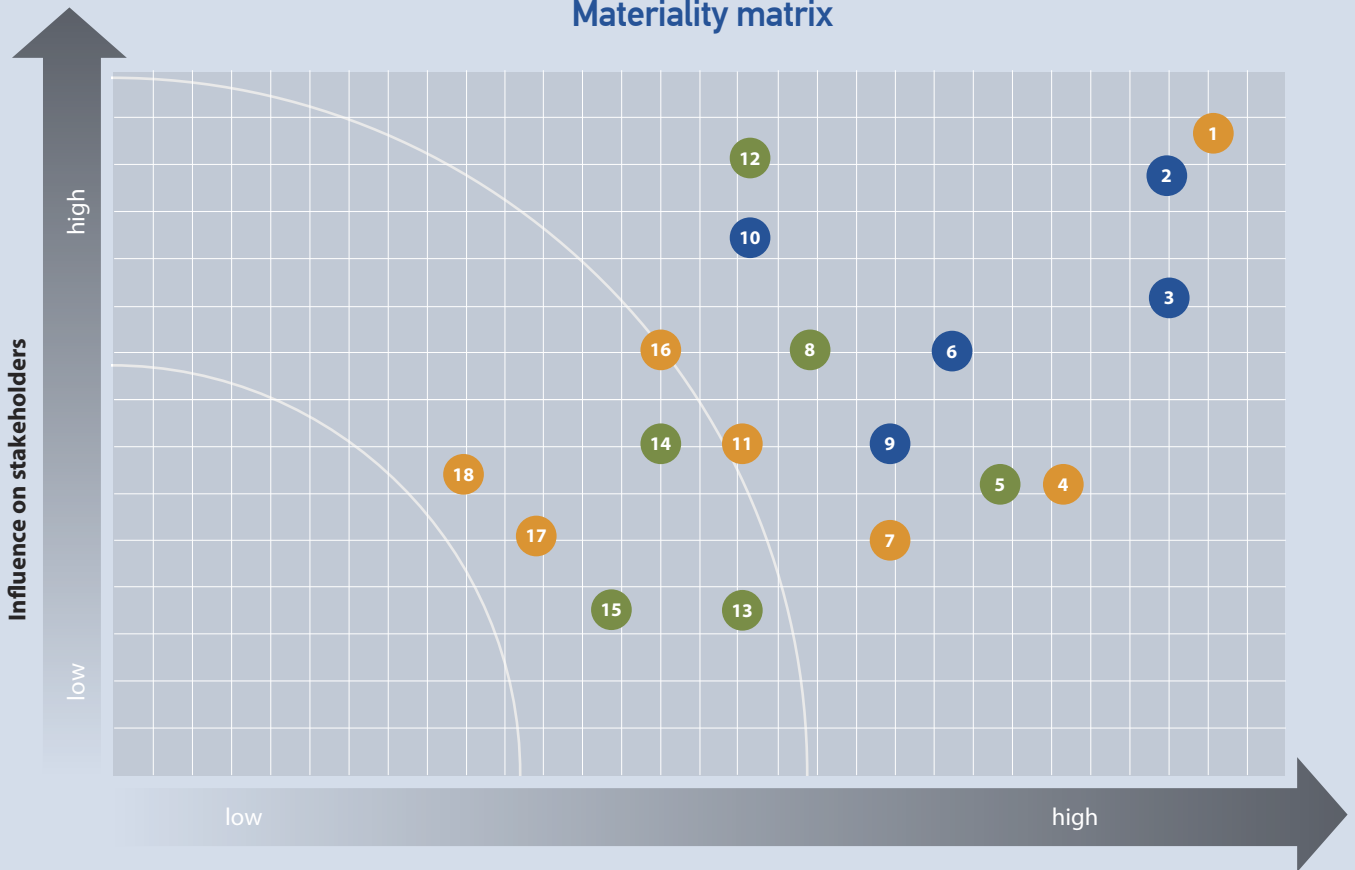
Validation of material issues



Mapping our material issues







In the matrix, the Company's most material issues are illustrated.

Materiality matrix



Significance to ElvalHalcor (economic, environmental and social impact)

Sustainability pillars: ● Economy ● Society ● Environment

		Impact within ElvalHalcor	Impact outside ElvalHalcor	Management disclosure (page)		Impact within ElvalHalcor	Impact outside ElvalHalcor	Management disclosure (page)			
	Occupational Health and Safety (1)		✓	58-62		Risk management (10)		✓	✓	13*	
	Corporate Governance and Business Ethics (2)		✓	✓	15		Supply chain responsibility (11)		✓	✓	48-51
	Innovation and products quality (3)		✓	✓	44-46		Waste management (12)		✓	✓	71, 75
	Employee training and development (4)		✓		55, 53		Energy consumption and saving (13)		✓	✓	71-72
	Climate change (5)		✓	✓	72		Air emissions (14)		✓	✓	71-72
	New investments and market share (6)		✓	✓	8-9, 14		Availability and water use (15)		✓	✓	71-72
	Compensation and benefits (7)		✓	✓	66, 68		Supporting local communities and employee volunteering (16)		✓	✓	64-67
	Circular economy - Promote aluminum and copper recycling (8)		✓	✓	71, 75, 77		Equal opportunities and diversity (17)		✓	✓	56
	Customer satisfaction (9)		✓	✓	45		Supporting local employment and local suppliers (18)		✓	✓	49, 53-54

* Financial Report of the 2019 Board of Director



1. About ElvalHalcor

A leading global industrial producer of aluminium and copper products

A key player in the non-ferrous metals industry

ElvalHalcor is a modern and dynamic non-ferrous metals processing industry with a global presence and high expertise in the aluminium and copper sectors. Over 80 years of history and experience, ElvalHalcor's extrovert commercial presence globally, continuous innovation and constant investment in research and technology, along with a customer-focused philosophy, have led ElvalHalcor to the top of the global aluminium and copper market.

ElvalHalcor is, today, a major export company, as 81.7% (2019 corporate data) of the Company's turnover is directed to markets outside Greece. ElvalHalcor is a leader in copper tubes in Europe, and among Europe's leading aluminium rolling industries. In the aluminium rolling division, with the completion of the large investment in the four-stand tandem aluminium hot rolling finishing mill (expected to be commissioned in May 2020), the Company will further strengthen its position in the global market.

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 (a joint venture in the Netherlands).

**ElvalHalcor Group
at a glance**
(2019 consolidated key figures)

2,045
EUR million
revenue

1,883
EUR million
total exports

92%
total exports

164
EUR million
capital
expenditure plan



State-of-art
facilities



Reliable and dynamic
aluminium solutions
provider



Copper tubes plant
is the biggest in the
EMEA region



Innovative and
high value-added
solutions



Market leader
in Europe
(in copper tubes
industry)



Sales in more than
60 countries



Aluminium rolling division– Elval

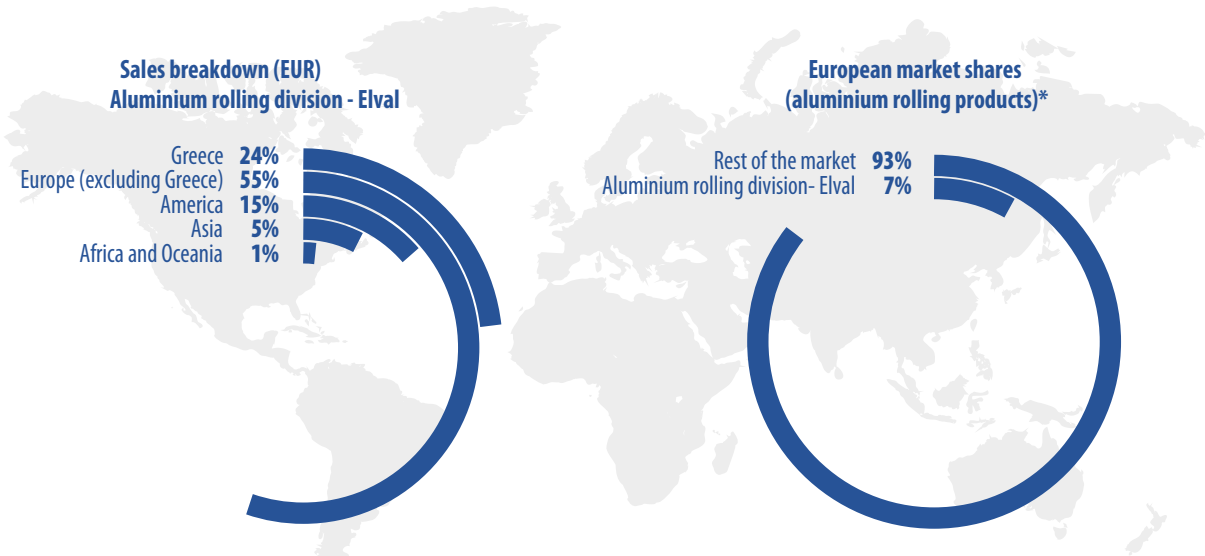
By continuously investing in research and development and through an established global commercial network, Elval offers reliable, innovative and competitive solutions that meet the most demanding requirements of its customers.

Aluminium rolling division (Elval) processes, manufactures and markets flat rolled aluminium products and solutions for diverse and demanding applications. Having many years of experience in the aluminium rolling, today is one of the most important aluminium industries in the European and international markets. Elval serves dynamic markets including:

- Packaging (food and beverage)
- 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 2019, aluminium rolling division showed slight (0.8%) decrease in sales volume, compared to the previous year. The aluminium rolling division exhausted the limits of the production capacity, which is expected to increase significantly after the completion of the four-stand tandem aluminium hot rolling finishing mill investment



* 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.

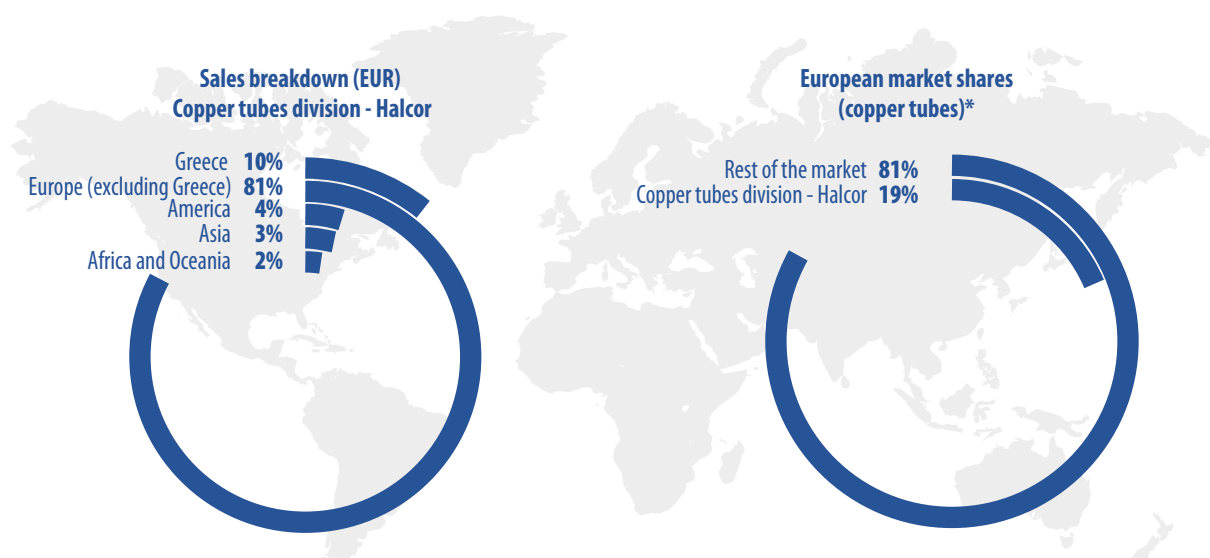


Copper tubes division - Halcor

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.

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 copper tubes division, we further solidified our presence in the markets where we are active, increased our shares in the international market and maintained our leading position in Europe. ElvalHalcor's copper tubes division showed a marginal 0.3% increase in sales volume, compared to 2018.



* All the above are based on data of the Company.

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 the art production plants reflect the Company’s investment philosophy of continuous modernisation and innovation. The investment strategies for research and development the Company 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.



ElvalHalcor’s industrial complexes at Oinofyta

Aluminium rolling division

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*

Certifications: ISO 9001:2015, ISO 14001:2015, OHSAS 18001:2007, IATF 16949:2016, ISO 50001:2011

* Expected to grow over 50% on completion of the new capital expenditure plan





Copper tubes division

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 50001:2018



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 50001:2018



High added-value products

Thanks to state-of-the-art technologies that apply 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 (food and beverage)
- Sea, road and rail transportation, automotive,
- Shipbuilding
- Heating, ventilation, air conditioning and refrigeration (HVAC&R)
- Building and construction (mill finish and coated aluminium coils and sheets)
- Cookware
- Energy and networks
- Renewable energy
- Industrial applications markets

 www.elval.com
 info@elval.com



Copper tubes with or without plastic coating or industrial insulation for:

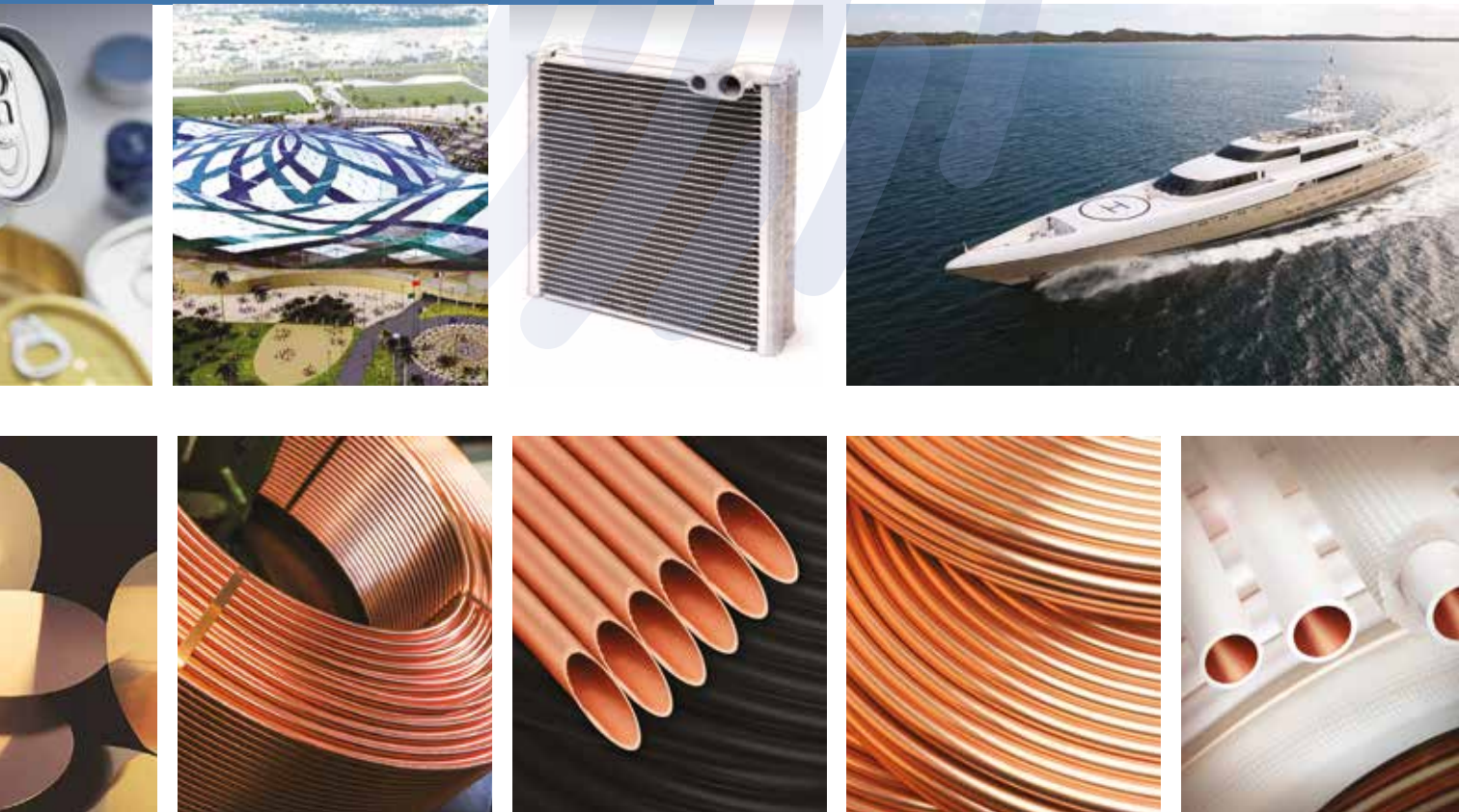
- Building Installations including water supply heating, underfloor heating, natural and medical gas networks
- HVAC&R
- Renewable energy including solar systems networks, geothermal heating and cooling
- Architectural Applications

🌐 www.halcor.com

✉ info@halcor.com

More information about ElvalHalcor's products, see 2019 Annual Report /8 section. You can also visit our corporate website

🌐 www.elvalhalcor.com



We are moving forward dynamically with new, continuous investments

One of the most consistent and stable investors in the Greek economy, ElvalHalcor has been making important investments over time, ranking it as one of the largest and most modern European industries.

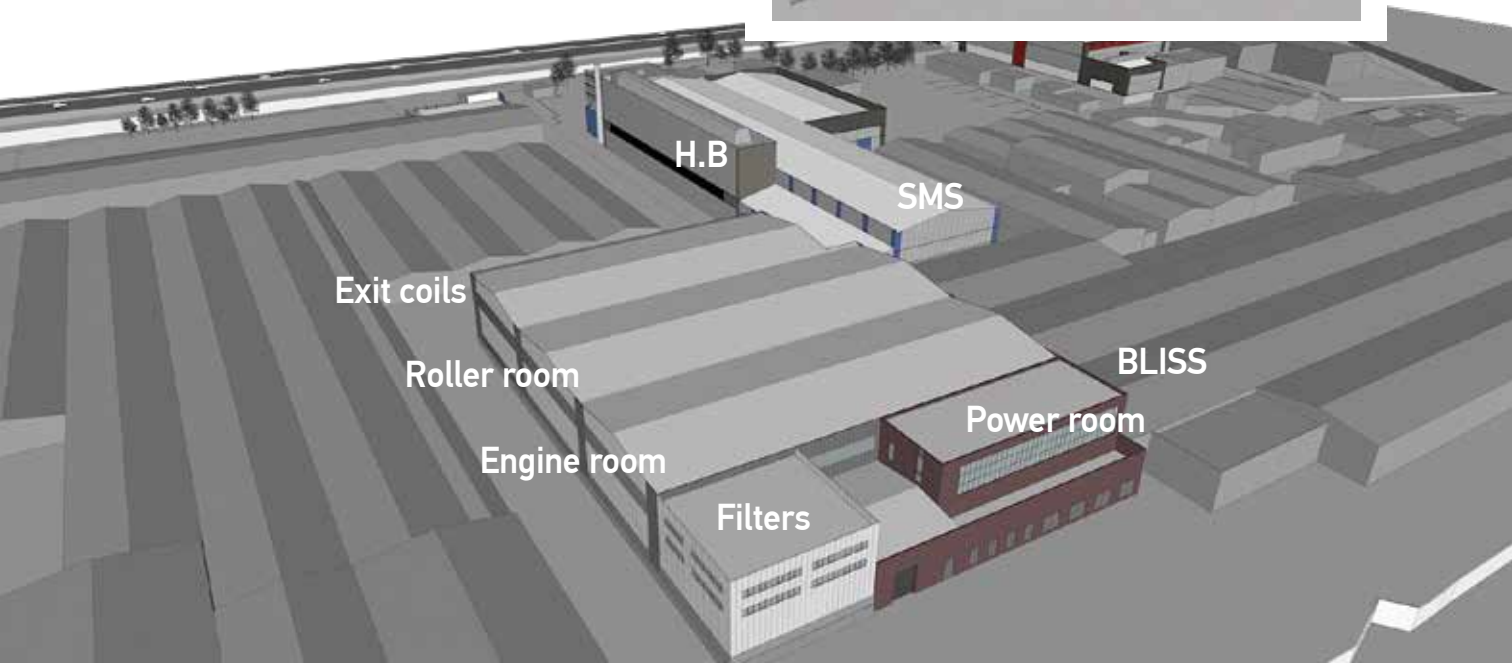
Thanks to its strong investment strategy, during the period from 2014 to 2019, the Company implemented extensive capital expenditure plans, amounting to EUR 446 million. In particular, the aluminium rolling division has made investments of over EUR 344 million and the copper tubes division completed investments of EUR 102 million in order to upgrade and expand facilities, create state-of-the-art infrastructure and increase production capacity. In the investment plan of the Company, an important place is occupied and focused on research and development of know-how with the aim of producing products of high added value. In 2019, ElvalHalcor made total investments of EUR 164 million.

A large investment is completed

2020 is a landmark year for the aluminium rolling division, as the installation of the state-of-the-art four-stand tandem aluminium hot rolling finishing mill will be completed. This is one of the leading and largest industrial investments in our country in recent years and an important project for ElvalHalcor, both for its productive operation and for its competitiveness in the aluminium rolling industry in Europe and internationally. ElvalHalcor is a pioneer in Europe with state-of-the-art technology, as with the completion of the investment plan it will have the most modern four-stand tandem aluminium hot rolling finishing mill and one of the largest aluminium rolling facilities in Europe. The commissioning of the new rolling mill is expected towards the end of the second quarter of 2020.

In addition, looking to the future, and given the growing demand for aluminium products, the aluminium rolling division commissioned, in early 2020, a new 6-high cold rolling mill. This is the initial stage of a broader EUR 100 million investment of two years' duration. The investment includes production equipment and research and development infrastructure and will allow the aluminium rolling division to utilise up to 150 thousand tons per year of additional hot rolling capacity, which will be more than doubled with the commissioning of the new four-stand tandem aluminium hot rolling finishing mill.

With the completion of the wider investment, the total amount of the capital expenditure plan will exceed EUR 250 million for the period between 2018 to 2022. Its completion will contribute to increasing the production capacity of ElvalHalcor's aluminium rolling division, strengthening its strategy for producing high expertise, high value-added products and helping to strengthen the national economy, always with sustainability as a primary consideration.



Increase in export activity

The new large investment is purely export-oriented and seeks to make a significant contribution to achieving the national goal of increasing industry's share in GDP, while at the same time, significantly boosting direct and indirect employment. With the new four-stand tandem mill and the investments that will follow, ElvalHalcor will be among the industries that will benefit from the increasing demand for specialised, high-quality flat rolled aluminium products. More specifically, there are two main markets that will show significant growth in demand in the long run: the automotive and the soft drinks and food packaging industries.

In the automotive market, aluminium is replacing steel in a wide range of applications in modern vehicles. The goal is to reduce overall weight and therefore decrease the fuel consumption and emissions. Generally, in transport-related markets, the growth rate was approx. 5% (before COVID-19) and it is estimated that in 2025 the existing production capacity will be fully utilized and new investments will be needed.

Another major market is packaging, for both beverage and food products, where aluminium is gradually replacing plastic. A representative example is the carbonated soft drinks and beer cans, where major manufacturers are preparing for investments that will cover the additional demand. Depending on the commitment to minimize the use of single-use plastics, the increase in annual demand is expected to exceed 3.5% in the coming years.

An important condition is that the consequences of the pandemic crisis will not affect the long-term prospects of the market.

More information on ElvalHalcor financial figures is available in our 2019 Annual Report, the Annual Financial Report 2019 (www.elvalhalcor.com / Investor Relations 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 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. In order to enhance corporate

transparency and audit mechanisms and ensure effective management and optimal operational performance we implement an Internal Operating Regulation(1) and have adopted the Hellenic Corporate Governance Code (EKED)(2). In addition, ElvalHalcor's Code of Conduct and Business Ethics, Supplier Code of Conduct, and Business Ethics and Anti-Corruption Policy reflect the Company's commitment and views on transparency, anti-corruption and anti-bribery issues. Exposure to corruption risks is regularly monitored.

- (1) 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.
- (2) 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 2019 Annual Financial Report (section: Corporate Governance Statement).

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 2019, the Annual Financial Report 2019 (p. 30-36), and in the company website www.elvalhalcor.com (Investor Relations / Corporate Governance / Board of Directors section).

Personal data protection

ElvalHalcor respects the personal data protection and undertakes the appropriate measures according to the provisions of the General Data Protection Regulation 679/2016 of the European Union and the national implementation law 4624/2019. Aiming the attunement with the international standards and best practices, it adapted a Personal Data Protection Policy and established strict procedures for the protection of personal data throughout its spectrum of activities.

Distinctions – Awards

It is important that our effort is acknowledged by a distinction. Any type of recognition is a great honour to us and an encouragement to pursue our work with new strength and inspiration and continue investing intensively in business practices which aim towards sustainability.

Business Awards “Hrima 2019”

ElvalHalcor received 1st place in the “Globalization” award category, at the Business Awards “Hrima 2019”.

Diamonds of the Greek Economy Awards 2019

ElvalHalcor was recognized as one of the most dynamic and fast growing Greek companies at the awards ceremony of “Diamonds of the Greek Economy 2019” Business Excellence Award.

«True Leaders» awards

ElvalHalcor has been recognised, for another consecutive year, as “True Leader” (for the financial year 2018) by ICAP. An important distinction for the Company’s outstanding performance, improved financial results and enhanced human resources.

ElvalHalcor received three awards at the “Bravo Sustainability Dialogue & Awards 2019”

As part of the Bravo Sustainability Dialogue & Awards, ElvalHalcor received three awards that reaffirm the company’s commitment to the principles of Sustainable Development and its dedication to implementing responsible business practices.

The best practices that ElvalHalcor was distinguished for at this year’s Bravo Awards are the following:

- “Boost your career. We elVALUE next generation” practice (Society category: educationnext generation & lifelong learning subcategory).
- Delacquering – aluminum melting furnaces (Environment category: Climate change responsiveness subcategory).
- “Circular economy and plastic waste management (Environment category: waste management and circular economy subcategory).

Creative Greece Awards 2019

ElvalHalcor was awarded as one of the most dynamic and particularly export-oriented Greek companies in the Annual Forum of Business Excellence for Outward-Looking Greece, “Creative Greece Awards 2019”.

Two awards for Halcor at “Hellenic Responsible Business Awards 2020”

Halcor received two awards at the Hellenic Responsible Business Awards, once again highlighting the Company’s commitment to Sustainable Development principles and its commitment to implementing responsible business practices. Halcor’s best practices that were awarded are in the category:

- Recycling of Copper and Copper Alloys (silver award)
- Sustainable Development - Supply Chain - Supplier Code of Conduct and Supplier Training (bronze award).

«Made in Greece Awards 2019»

Copper tubes division of ElvalHalcor, was awarded at the “Made in Greece Awards 2019”, by receiving the silver award in the Innovative Industrial Product category. In particular, this award was for the innovative CUSMART®.

Sustainable Company 2019



ElvalHalcor was recognized as the “Sustainable Company 2020” after evaluating its non-financial performance and its holistic approach to Sustainable Development issues. ElvalHalcor has been integrated into the Sustainability Performance Directory, the Sustainable Business Indicator developed by the QualityNet Foundation, as part of the SUSTAINABLE GREECE 2020 Initiative.

The companies that are part of THE MOST SUSTAINABLE COMPANIES IN GREECE for the year 2020 are examples of best business practice and can act as Ambassadors to promote the value of Sustainable Development in the Greek market.



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 (voluntarily):

- actively (since 2018) 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 Stereoa Ellada Industries (SBSE)
- as ordinary member at Hellenic Union of Industrial Consumers of Energy (UNICEN)
- in the Union of ASE Listed Companies.

Copper tubes division of ElvalHalcor participates intensively as founding member (since 1996) in the Hellenic Copper Development Institute (EIA), as member in the International World Copper Council (IWCC) which cooperating with International Copper Association (ICA). Also copper tubes division of ElvalHalcor participates as an ordinary member in standard drafting committees of the European Committee for Standardization (CEN). Aluminium rolling division (Elval) participates as a member of the European Aluminium Association, as a founding member (since 1985) of Aluminium Association of Greece and as a founding member (since 2001) of Hellenic Recovery & Recycling Corporation.).

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.



Established in 1977, Symetal produces a wide variety of aluminium foil products (from 6 to 200 microns) and aluminium flexible-packaging materials.

The Company has two production facilities - the aluminium foil rolling plant located in Oinofyta and the aluminium foil converting plant located in Mandra.

**Aluminium foil rolling plant
(Oinofyta, Viotia)**

The rolling plant specialises in the production of plain aluminium foil in a wide range of gauges and alloys for various usages such as flexible and pharmaceutical packaging, food containers, household batteries and various technical applications (cable insulations, heat exchangers etc.). The unit’s annual production capacity is 52,000 tons.

**Aluminium foil converting plant
(Mandra, Attica)**

The converting plant specialises in the conversion of aluminium foil into a number of packaging applications, carrying out aluminium foil coated and/or laminated with paper for products used in food, pharmaceutical and cigarette industries. The unit’s annual production capacity is 26,000 tons.

Following an EUR 8 million investment plan (new state-of-the-art three station lacquering machine), the converting 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 90% of its sales carried out in around 70 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 Mars.

Symetal follows a business growth 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 2019, Symetal made investments totaling EUR 7.7 million, concerning the set-up of two new furnaces (Oinofyta plant - EUR 2 million), the construction of the new lacquer production plant (Mandra plant - EUR 2 million) and the upgrading of existing equipment.

🌐 www.symetal.gr





Economic performance -
Contribution to economy

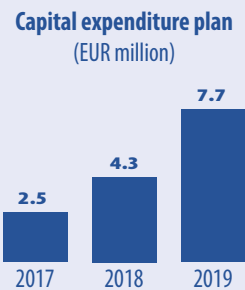
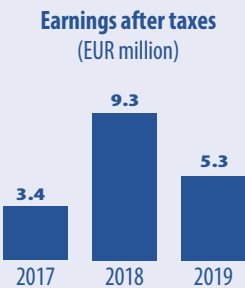
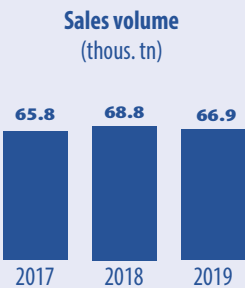
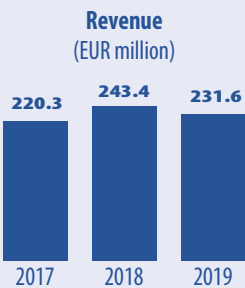
In 2019, sales volume amounted to 66.9 thousand tons, down by 2 thousand tons compared to the corresponding sales of the previous year (2018: 68.8 thousand tons).

The main factors leading to sales volume decrease are the fall in demand in the US market and the penetration of Chinese aluminum foil producers into the European market.

Symetal successfully adapted its business strategy, focusing on sales increase of lacquered products and maintaining its market share as a supplier to the tobacco industry, despite global decrease in demand in the sector.

Sales volume decrease had a negative impact on annual turnover, which stood at EUR 231.6 million, down 4.8% compared to 2018. As a result, earnings before taxes (EBT) were affected and amounted to EUR 7 million, while earnings after taxes amounted to EUR 5.3 million.

Key financial figures



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 of electric power from renewable resources and its storage in household batteries and micro-grids are expected to grow rapidly in the next five years. The ultimate goal is a progressive dominance of electromobility, as well as a significant growth in solar and wind 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 three years, Symetal has made significant steps towards developing battery foil technology, as well as penetrating into existing and emerging markets in Europe and US. 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 created a range of top-of-the-line battery foil products, successfully serving customers in Europe and potentially in US.

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.

We are committed to providing a working environment of equal opportunities, respecting individuality, recognising and rewarding contribution, and supporting the continuous development of employees.

Human resources

data (31/12)	Women	Men
2019	42	354
2018	37	347
2017	36	313

For another year, we managed to increase our personnel by 3.1%. In 2019, Symetal welcomed 47 new employees and 26 of them came from the local community. The turnover rate stood at 5.6%.

Workforce age

profile	Women	Men
18-30	10	66
31-50	26	231
50+	6	57



Learning and development

We focus on the continuous training of our people, designing and implementing high added-value training programs. For 2019, the applied learning programs included 7,243 training hours in total, with an average of 18.3 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 2019, we run the third 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.



“Athens Marathon. The Authentic”

Symetal Running Team -bigger than ever- actively participated in the 37th edition of “Athens Marathon. The Authentic”, held on 09-10 November, 2019. Our 18 runners, both men and women, ran the 5km, 10km and 42km races, supporting the social work of the NGO “Make-A-Wish Greece”. Symetal family feels extremely proud that participation in the Running Team is becoming more and more popular over the years.

Athens Half Marathon

In 2019, Symetal participated for a second year-in-a-row with three teams (3km, 5km and 21km races) in the 8th edition of the Athens Half Marathon (March 2019). All our runners, men and women, crossed the finish line with good results, showing their enthusiasm for continuous improvement individually and collectively.

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.

Health and Safety KPI's	2017	2018	2019
Lost time incident rate (LTIR)	9.8	3.4	9
Severity rate (SR)	161.9	159.3	125.7

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)

Additionally, in 2019, the following actions were carried out at Symetal’s facilities.

Aluminium foil rolling plant (Oinofyta, Viotia)

- Supply of vending machine for Personal Protective Equipment.
- Physical agents measurements (thermal comfort, vibration on forklift trucks, airborne particles, dust).
- Legal audit on compliance with the law.
- Employee training on L.O.T.O. - “Lock-Out, Tag-Out” - principles and the implementation of the L.O.T.O. procedure on “Anneal Furnaces” during maintenance works.
- Engineering study and employees training in “Safe Loading and Cargo Securing” during transportation.
- Vertical life-line installation at “Air-Pure”.
- Annual inspection on industrial warehouse shelves in accordance with DIN EN 15635.
- Implementation of an electronic platform for recording and investigating safety incidents, conducting safety inspections and recording, identifying and monitoring corrective actions (INTELEX).
- Employee training in “Safe handling and use of chemicals at work”.
- Employee training in “Emergency First Aid at Work”.

Aluminium foil converting plant (Mandra, Attica)

- Implementation of L.O.T.O. system during maintenance work (theoretical and practical training).
- Life-line installation on the roofs of the plant.
- Installation of safety cabinets for flammable liquids in the production area.
- New ATEX tools for the maintenance department.
- Employee training in “Emergency First Aid at Work”.
- A campaign for unsafe acts, unsafe conditions, near misses and health and safety incidents was introduced.

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 facilities.
- through our coordinated programs and actions that aim to continuously improve our environmental performance.

All of us together and each one separately, must promote environmental protection in practice. To strengthen this culture, 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	2017	2018	2019
Total CO ₂ emissions (Kg CO ₂ /tn of product)	465	466	77*
Water consumption (m ³ /tn of product)	0.585	0.555	0.634

Note: The tons of product (tn) relate to the tonnage of the facilities' production in the respective years.
* After securing guarantees of origin from RES (Renewable Energy Sources)

Energy Management System Certification

With respect to energy consumption, Symetal's main pursuit is to reduce its energy footprint, whenever possible, and ensure its increasingly efficient use. Aiming to the continuous improvement of energy efficiency in all its activities, Symetal's both production facilities were certified in 2019 according to the requirements of the international standard ISO 50001:2011 for energy management.

Symetal joins the Aluminium Stewardship Initiative

Along with other world-class companies in the sector, Symetal participates in the Aluminum Stewardship Initiative (ASI), aiming to certify its processes of responsible aluminum production and demonstrate its commitment to environmental protection, Sustainable Development and responsible corporate governance. The Aluminium Stewardship Initiative (ASI) is a global, multi-stakeholder, non-profit standards setting and certification organisation. It is the result of producers, users and stakeholders in the aluminium value chain coming together with a commitment to maximizing the contribution of aluminium to a sustainable society. Symetal joined ASI in July 2019.

Sustainability Certification by the global platforms of EcoVadis, Sedex and CDP

Symetal's actions around Sustainability issues are listed in three major international organizations:

- EcoVadis: EcoVadis granted Symetal with a gold recognition level for its 2019 CSR performance. In particular, Symetal was ranked among the top 3% suppliers evaluated by EcoVadis.
- Sedex: Symetal first joined Sedex in 2014. In 2019, Symetal renewed its Sedex Membership for another two years.
- CDP: Symetal has been reporting to the CDP's supply chain program since 2014 by filling out and submitting the corresponding questionnaires to the CDP platform. The CDP platform encourages exchanges of best practices between companies and their suppliers, as far as climate change is concerned.

Responsibility towards society

We invest in maintaining a two-way and close relationship with the local communities in which we operate. This is the reason why we support initiatives that reinforce Sustainable Development. As far as our responsible initiatives towards society are concerned, at the heart of Symetal's multi-dimensional program finds itself the support for vulnerable groups, emergency response (e.g. natural disasters), the support for schools, sports and cultural organizations, etc. Thus, in 2019 we responded with extreme sensitivity to issues that concerned the local community, without neglecting bodies in need outside the local community. It is also worth noting that 53.78% of our human resources comes from local communities. At the same time, by supporting local entrepreneurship, in 2019 we increased our cooperation with local suppliers by 5.4%. We collaborated with 215 local suppliers, while the total value of payments to them amounted to EUR 111 million (the largest share of which concerns the parent company ElvalHalcor, one of the main suppliers of raw materials).

Supporting sports

- Keleos Sports Club of Elefsina
- Filothei Sports Club of Magoula
- Mandraikos Sports Club
- Basketball Club "Finikas" of Mandra

Supporting the school community

- 2nd General Lyceum of Elefsina
- Markopoulo Oropou Elementary School
- 1st Kindergarten of Markopoulo Oropou
- National Technical University of Athens (sponsor of the 7th Hellenic Conference on Metallic Materials under the auspices of the National Technical University of Athens and the Hellenic Metallurgical Society)

Supporting NGOs

- PEK/AmeA
- Make-A-Wish Greece
- Doctors Without Borders

Supporting associations, bodies and other groups

- Efpalioiton Association of Dorida
- Indigent families of Mandra, Attica (buying clothes for children coming from indigent families)
- Orthodox Church of Estavromenos (Tavros, Attica) - Philoptochos
- Onassis Cultural Centre

Distinctions - Awards

"Bravo Sustainability Dialogue & Awards 2019" Award

As part of the Bravo Sustainability Dialogue & Awards 2019, Symetal received an award in the Market category for its best practice "Implementation of new Principles and Manufacturing Practices (GMPs) for the production of primary packaging materials for pharmaceuticals". The distinction comes as a reward for the incorporation of all required conditions in our production processes, in order to ensure that packaging materials produced for pharmaceuticals, are in accordance with GMP principles. Through this implementation, Symetal ensures its business continuity and its continuous improvement in a highly competitive environment.

"True Leader 2018" Distinction

In 2019, Symetal was recognised as a "True Leader 2018" within the framework of the established ICAP group of companies' event. The distinction as a «True Leader» means that for 2018 Symetal:

- Is included in the 500 most profitable companies.
- Is among the 500 companies with the largest personnel number, achieving increase in the number of employees compared to 2017.
- Holds leading position in its Industry based on its revenue.
- Has a high ICAP Credit Score (Evaluation of Creditworthiness).





A leading coil coater and aluminium composite panel producer

Elval Colour manufactures and sells a full range of superior quality, state-of-the-art building envelope products. 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 Company's commitment to 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 provides architects and construction firms with aluminium products such as painted orofe® panels and strips for ceilings, Ydoral® strips and parts for guttering, Elval ENF Corrugated® sheets, compact aluminium Elval ENFTM sheets for building facades, composite aluminium etalbond®PE- etalbond®FR - etalbond®A2 panels, and Agraphon® and Arypon® functional coating systems. With this wide range of building envelope painted aluminium products, Elval Colour focuses on reducing a building's energy footprint.

The Company seeks to offer comprehensive solutions that can bring an architectural vision to life, actively contributing to 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. Tailor-made colours can also be ordered, allowing the Company to meet customers’ diverse needs and requirements. More information about Elval Colour’s products can be found on the Company’s website

 www.elval-colour.com

Continuous research and development in various fields helps to constantly improve technology, quality, and environmental standards. It also helps optimise the composition of all Elval Colour products and develop new paint surfaces that substitute natural materials not only in shade, but also in texture – such as GFRC ceramics, wood and marble. 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 Greece. Key markets include Germany, Italy, Poland, France, Singapore, India and China.

Elval Colour is a member of the European Coil Coating Association (ECCA), the European Aluminium Association and the Aluminium Association of Greece. The Company implements Certified Management Systems in accordance with the ISO 9001: 2015, ISO 14001: 2015 and OHSAS 18001: 2007 standards.

Distinctions - Awards

Elval Colour was awarded with the ALUMINI “Greek Producer – Unique in his Kind” award at the 14th “Aluminium and Architectural Constructions” Conference. In addition to this important distinction, in 2019, Elval Colour was awarded by the international conference series Zak World of Façades as a long-time sponsor.

Care for our people

Providing all employees with a safe and healthy working environment of fair reward, with opportunities for growth and a strong emphasis on continuous training and development, is a key priority for Elval Colour.



Additionally, Elval Colour seeks to constantly recognise and reward employees’ efforts, in accordance with the Company’s corporate principles and values.

Human resources

data (31/12)	2017	2018	2019
Total workforce	82	80	78
Men	70	69	64
Women	12	11	14
Employees’ from the local community	38	31	28
Total training hours	22	1,095	1,072

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 implements an OHS policy and seeks to improve performance and achieve the goal of “zero accidents”, by applying best practices. Elval Colour also implements a certified Occupational Health and Safety Management System (OHSAS 18001:2007), and health and safety awareness training. Elval Colour’s targeted programmes and actions include the following:

- 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.

Health and Safety KPI's	2017	2018	2019
Lost time incident rate (LTIR)	12.8	8.96	8.94
Severity rate (SR)	115	67.2	210

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 protection

Elval Colour is firmly committed to protecting the environment through targeted actions that matter. Seeking to constantly reduce our environmental footprint, we apply responsible operating practices and a certified Environmental Management System (ISO 14001:2015). We also invest in new infrastructure, to enhance environmental protection.

Elval Colour is committed to the complete recycling of materials, at any stage of production and at the end of their life cycle. Accordingly, the Company developed a range of products to improve the environmental performance of buildings, increase the viability of facades and roofs and reduce their environmental impacts.

Environmental performance	2017	2018	2019
Total CO ₂ emissions (Kg CO ₂ /tn of product)	1,093	1,038	1,040
Water consumption (m ³ /of product)	0.47	0.54	0.48

Note: For the calculation of the indirect CO₂ emissions for the years 2018, 2019, the coefficient 0.66162 kg CO₂/kWh has been used (source: European Residual Mixes 20187, AIB). The tons of product (t) relate to the tonnage of the facilities' production in the respective years.

Responsibility for society

Elval Colour aims to have a positive impact on society and on local communities close to the Company's activities. Elval Colour contributes significantly to the local area's economic development, supporting local employment (prioritising local

hiring) and entrepreneurship (seeking cooperation with local suppliers). Additionally, Elval Colour systematically supports social programmes and activities.

Supporting local bodies, associations, and scientific teams

- In 2019, Elval Colour supported:
- the work of the Volunteers of Afidnes Forest Protection
 - the "Hermes" student team of the University of Thessaly in building an electrified exoskeleton and participate in the Cybathlon 2020 international competition
 - the educational programme in the Juvenile Prison of Avlonas.

Participation in the Athens Classic Marathon and Half Marathon

Every year, Elval Colour participates in the country's biggest sporting events with running teams that include employees, customers and partners from Europe, Asia, the Middle East and America. The large number of participants in the teams helps the Company support various NGOs. In 2019, these included The Smile of the Child, the Greek Guide-Dog School and Doctors of the World. Elval Colour also participates in the recycling of plastic bottles consumed during the events, the recycling of banners to create new, useful objects and the recycling of sports equipment, clothes and shoes.

Supporting sports

Elval Colour supports the following athletes and sports teams:

- Europe's 100m champion Athanasios Gkavelas
- Karate world champion Christina Nika
- Fencing champion Anna-Kalliopi Kourousi
- AO Kavala's men's volleyball team.





Vepal produces coated aluminium strips for architectural and automotive applications. The Company’s products are marketed by Elval Colour and Elval. (for more information about Elval Colour’s and Elval’s products, visit our websites: <http://www.elval-colour.com> and <http://www.elval.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 implements a comprehensive environmental management system and utilises zero emission technology, with complete wastewater recycling in the production process.

Vepal implements certified Management Systems according to the ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 standards. Recognising that sustainability is inextricably linked to responsible operation, Vepal has set specific areas of action, planning and implementing relevant programmes across the crucial pillars of corporate responsibility: Economy, Society, Environment.

Care for our people

With a sense of responsibility, Vepal provides a working environment of equal opportunities that respects the employee’s personality, substantially and systematically investing in employee training and development.

Human resources

data (31/12)	2017	2018	2019
Total workforce	99	101	96
Men	92	93	88
Women	7	8	8
Employees from local communities	86	86	84
Total training hours	131	1,001	796

Health and Safety KPI's

	2017	2018	2019
Lost time incident rate (LTIR)	8.5	8.3	8.9
Severity rate (SR)	191.2	33.3	62

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)

Occupational Health and Safety

We are committed to providing a safe working environment. We focus on prevention by taking all necessary measures and also apply a certified Occupational Health and Safety Management System (OHSAS 18001: 2007), for integrated health and safety management. Most importantly, we implement programmes and actions intended to promote and enhance the “safety culture”, such as:

- Continuous training and awareness raising for employees and permanent associates on safety, health and fire safety issues.
- Encouraging employees to make suggestions for improving health and safety through the relevant programme for submitting and awarding ideas and suggestions.
- Continuously integrating safe work instructions into Company procedures.
- Carrying out regular and surprise audits by an expanded team of Company executives.
- Revising the facility's Occupational Risk Assessments
- Creating an SDS database for all chemical substances (chemicals, paints, solvents, resins) used by the facility in the production process.
- Obtaining an HD384 certificate for the plant's electrical installations.
- Carrying out light measurements and increasing lighting where necessary.
- Carrying out harmful factor measurements (noise, MEK, Dust, Chemical factors) in various areas of the plant.
- Installing eye washers in the area where buckets are cleaned with MEK and in the Maintenance Workshop.
- Based on accident investigations and risk assessment reviews, use of new types of safety gloves by employees.

Environmental protection

We operate with respect for the environment and seek to constantly reduce our environmental footprint. The Management's commitment in this area, is reflected in the implementation of a certified Environmental Management System (ISO 14001:2015). Additionally, significant environmental protection investments are made on an annual basis. We also implement specific procedures and programmes, to continually improve Vepal's environmental performance.

Environmental performance	2017	2018	2019
Total CO ₂ emissions (Kg CO ₂ /tn of product)	421	390	427
Water consumption (m ³ /tn of product)	0.224	0.173	0.165

Note: For the calculation of the indirect CO₂ emissions for the years 2018, 2019, the coefficient 0.66162 kg CO₂/KWh has been used (source: European Residual Mixes 2018, AIB). The tons of product (tn) 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 in the production process.

Responsibility for society

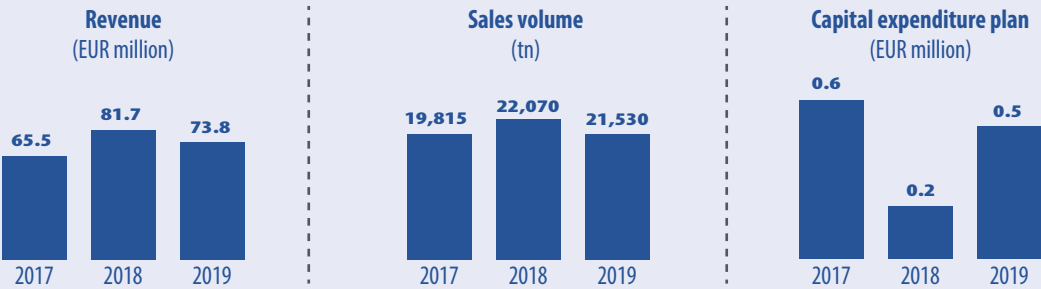
Firmly committed to being close to the local communities where the Company daily operates, Vepal systematically supports local bodies and associations. At the same time, Vepal supports local employment and entrepreneurship through job creation and by offering business opportunities to local suppliers and partners.



Fitco S.A. specialises in producing copper alloys for industrial and architectural applications, and has operated commercially worldwide for over 35 years. Fitco’s production unit is located at Oinofyta - Viotia, and has a capacity of 40,000 tons annually. The Company’s products

are manufactured through hot or cold extrusion. Fitco is highly export-oriented, with 78% of production directed to foreign markets. Regarding the year 2019 results, revenue amounted to EUR 73.8 million, while sales volume amounted to 21,530 tons.

Key performance indicators



High product and service quality

Fitco seeks to continuously improve product and service quality. The Company aims to provide innovative products through new technological procedures, so as to maintain a competitive edge. Thus, Fitco systematically invests in improving production processes and product control.

Fitco implements a certified Quality Management System (ISO 9001:2015). Additionally, a fully staffed quality assurance department carries out strict and thorough inspections at all stages of production.

The quality control procedures implemented are validated through frequent audits by customers and inspections by independent Greek and international certification bodies. Adherence to the high quality standards of the CW510L and CW511L alloy products is confirmed through 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

Fitco systematically monitors customer satisfaction, through frequent customer satisfaction surveys. Survey results help Fitco plan improvement actions, where necessary.

Customer complaints management

Customer 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.

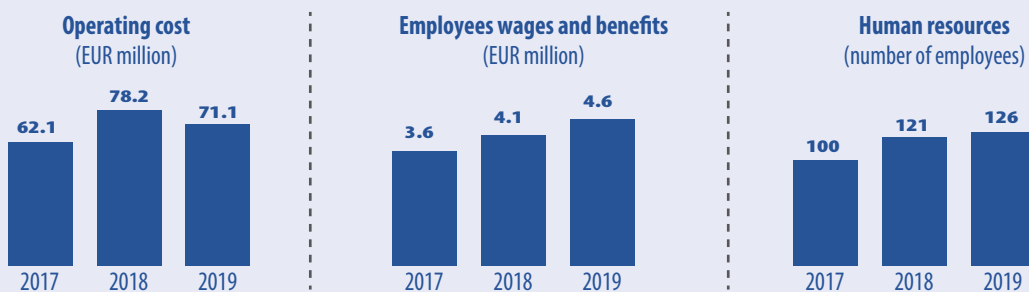
Innovation and development of products and technology

The Company focuses on continuous development, constantly investing in research and technical know-how to produce innovative products.

 www.fitco.gr



Key performance indicators



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, led to the development of lead-free brass alloys with a maximum permissible lead content limit of 0.2% by weight. The new brass alloys with low lead content are certified according to 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, scraps and turnings can be recycled without the problem of them mixing with basic lead alloys.

R30® copper alloy wire and net for aquaculture applications

Fitco produces the UR30® Copper Alloy Net, specially designed for aquaculture applications. This special copper alloy UR30® has copper, zinc and tin as its main components. 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 copper’s environmentally friendly properties, 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. Offering a cleaner, safer and healthier environment, the UR30® copper alloy mesh improves fish health and well-being and provides significant economic, environmental and management benefits to modern fish farming.

For more information please visit the webpage: <http://www.ur30net.com/el/>

Care for our people

Fitco seeks to create a working environment of equal opportunities, that reflects respect for human rights.

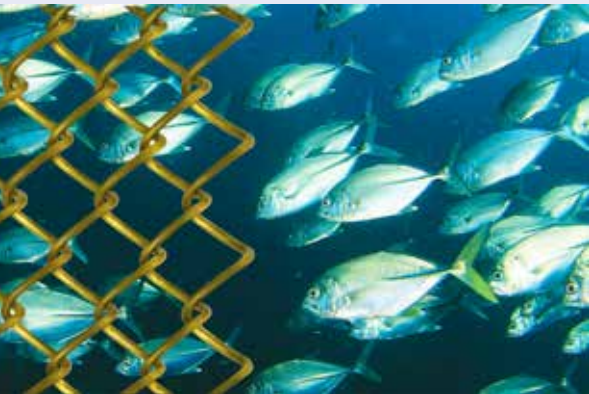
Human resources

data (31/12)	2017	2018	2019
Total workforce	100	121	126
Men	88	107	113
Women	12	14	13
New hires	10	25	29
Employees from local community	10	40	51
Total training hours	184	147	887

In 2019, Fitco increased jobs by 4.1%. All employees of the Company have employment contracts and work full-time (in 2019, no part-time or seasonal employees were employed).

According to our employee distribution by age group, 69% of the workforce belongs to the 18-50 age group.

We methodically invest in continuous employee training, to enhance employees’ knowledge and skills and improve their efficiency.





Occupational Health and Safety

Designing measures to predict and prevent accidents is a key priority for Fitco. We apply a certified Occupational Health and Safety Management System in accordance with the requirements of the OHSAS 18001 international standard, which involves serious and systematic efforts to continuously improve health and safety at our premises. In 2019, the Company implemented the following actions:

- Installing an air filtration unit to improve air quality in extrusion.
- Noise measurements per job position, to improve working conditions.
- Dust and thermal stress measurements in the workplace.
- Accident investigation training for executives in order to take more effective corrective and preventive measures to avoid accidents.
- First Aid Training for staff by a certified instructor.
- Revising the Occupational Risk Assessment study in order to identify risks and take improvement measures.
- Transitioning to the new ISO 45001: 2018 standard.

Health and safety indicators	2017	2018	2019
Lost time incident (LTIR)	9.9	17.9	15.5
Severity rate (SR)	122.2	262.4	1,022
Training hours	92	137	481

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 protection

Our commitment in this area is reflected in the environmental policy we implement, and is translated into action:

- by applying a certified Environmental Management System (according to the ISO 14001: 2015 international standard) across all our production units
- by our commitment to focusing on environmental protection investments
- through the programmes and actions we implement, to continually improve the Company's performance in this area.

Environmental performance	2017	2018	2019
Total CO ₂ emissions (Kg CO ₂ / tn of product)	346	314	324
Water consumption (m ³ / tn of product)	2.85	2.72	2.08

Note: For the calculation of the indirect CO₂ emissions for the years 2018, 2019, the coefficient 0.66162 kg CO₂/KWh has been used (source: European Residual Mixes 2018, AIB). The tons of product (tn) relate to the tonnage of the facilities' production in the respective years.

Care for our people

We are committed to actively supporting local communities and protecting the environment at the areas where we operate. 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 meets staffing needs through the local labour market, while supporting local entrepreneurship by choosing suppliers, contractors and associates from local communities. 40.5% of Fitco employees come from the local area (the wider region of Viotia and Evia).

Supporting and strengthening local entrepreneurship, in 2019 we maintained our cooperation with local suppliers. We collaborated with a total of 96 local suppliers, while the total value of payments to them amounted to EUR 0.75 million.

SOFIA MED

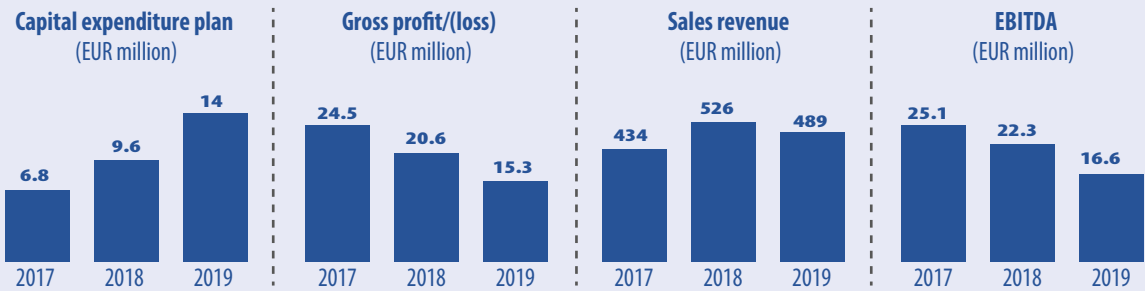


Sofia Med, a company with more than 80 years of history, is based in Sofia, Bulgaria on an area of 250,000 m² and has three production units: foundry, rolling and extrusion mills. Sofia Med produces a wide range of rolled and extruded copper and copper alloy products, such as sheets, strips, plates, disks, rods, bare and plated copper bus bars, profiles,

components, as well as wires, used in a diverse range of building and industrial applications.

Sustainable Development issues are a top priority for Sofia Med. These include, but are not limited to, care for employees, environment protection, occupational health and

Key financials



safety, resources management, as well as high customer satisfaction. The company applies following certified systems:

- Quality Assurance System (ISO 9001:2015 and IATF 16949:2016 - technical specification for the automotive industry).
- Environmental Management System (ISO 14001:2015).
- Occupational Health and Safety Management System (ISO 45001:2018).
- Energy Management System (ISO 50001:2011).

The wide range of the company 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 addition, Sofia Med follows the ISO 26000:2010 guidelines on Social Responsibility. Within the frame of the steps towards sustainable business, Sofia Med performed in December 2019 its first materiality assessment of the most important economic, social and environmental issues, which have an impact on the company sustainability performance. This assessment is in line with the international standards and guidelines (GRI Standards, AA1000). In January 2020, Sofia Med goes further and engages its key stakeholder groups by performing a survey amongst them on how they think the above factors impact the Company business. This survey is expected to be completed in mid-2020. More information about Sofia Med and its products, please visit the corporate website:

🌐 www.sofiamed.com

<http://www.sofiamed.com/en/company/corporate-governance/codes-of-conduct>

<http://www.sofiamed.com/en/capability/csr>

Sofia Med's high efficiency is the result of large capital expenditure plans totalling EUR 200 million, which have been realised over the last 19 years. Specifically, in 2019, the major investment amount to EUR 12 million and include:

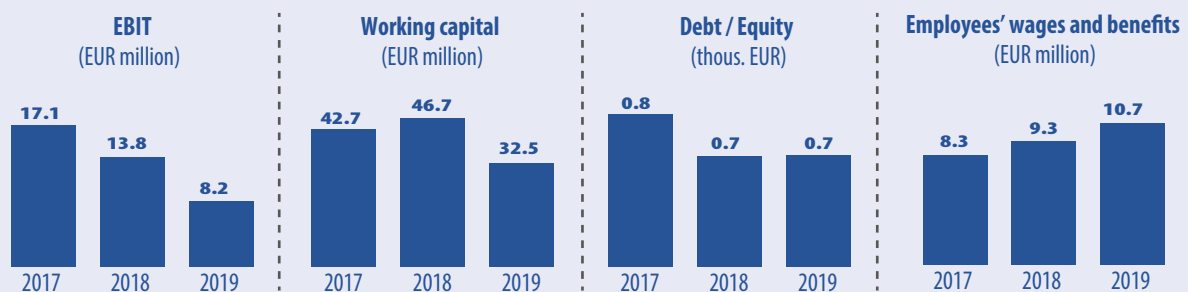
- Startup of our Hot Dip Tinning line
- Melting Furnaces for Brass and Special Alloys lines.

Market overview for 2019

The market for extruded products was stable, while demand for copper and copper alloy flat rolled products, both globally and in Europe, was particularly weak mainly due to the automotive sector. Despite the situation, Sofia Med has kept the volumes and even has increased their European share for industrial rolled products portfolio. Taking into consideration the global situation, 2019 was a successful and very important year for Sofia Med as the implemented strategy (investment plan and markets like energy, e-mobility and automotive) proved correct.

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:

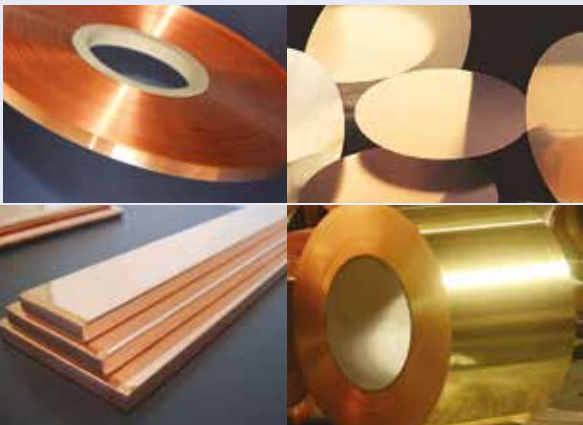
- keeping customer satisfaction at high levels and quality management of products and services
- growth and development of employees and providing equal opportunities at work
- investments in technology that allow higher use of recycled materials and further reduction in direct emissions.



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 which 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

Sofia Med invests in people and offers continuous training, career path and personal development opportunities to everyone, adopting equal opportunity policies at all levels. The company cultivates a rewarding working environment that respects human rights and one of its goals is to provide and maintain a safe working environment, which promotes responsible working practices.

Human resources

data (31/12)	2017	2018	2019
Total workforce	584	616	624
Men	471	495	507
Women	113	121	117
Employee departures	115	139	115
Employee new hires	139	171	123
Total training hours	7,631	6,969	7,700

On an annual basis, the company organises social events and educational campaigns for the employees and their families; some of these are:

- May: The Month of Health, Safety and Environment
- Summer camp for the children of the employees
- Christmas party for the children of the employees
- Christmas dinner for all employees.

As part of its social policy, Sofia Med provides additional health insurance for its employees, a medical center with a doctor, which operates daily within the company facilities, as well as a fitness hall.

Occupational Health and Safety

The company commitment to protecting the health and safety of its people and associates is an absolute and non-negotiable priority. The company is committed to achieving the goal of «zero accidents» and works methodically towards it.

Health and safety indicators	2017	2018	2019
Lost time incident rate (LTIR)	6.45	8.76	7.89
Severity rate (SR=LDR)	361.95	126.08	428.58

LTIR: Lost time incident rate (LTIR): number of accidents (LTI) X 10⁶ / number of hours worked

SR: Severity rate = LDR: Lost Work Day Rate: number of days of incapacity for work X 10⁶ / number of hours worked.



Environmental protection and energy efficiency

Sofia Med is committed to protecting the environment and effective use of natural resources and has established and implements an integrated Environmental and Energy Policy under which it is committed to environmentally responsible business. The company works to continually improve its environmental footprint and energy performance, and invests in environmental protection infrastructure and measures to improve its energy efficiency.

Environmental performance	2017	2018	2019
Total CO ₂ emissions (Kg CO ₂ / tn product)	634	683	687
Water consumption (m ³ / tn product)	9.27	7.92	6.74

Note: For the calculation of the indirect CO₂ emissions for the years 2018, 2019, the coefficient 0.46954 kg CO₂/kWh has been used (source: European Residual Mixes 2018, AIB). The tons of product (tn) 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 Sustainability Strategy and develop responsible practices, Sofia Med participates 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. Creating value

We seek to operate responsibly across the whole range of our activities, in order to produce value for society and create products and solutions that promote sustainable development.



Our commitment

ElvalHalcor has established and implements a Sustainability Policy (www.elvalhalcor.com) that reflects the Company's approach and the Management's commitment to sustainability and responsible operations. For us, responsible operation is a constant commitment for targeted actions in order to create value for all stakeholders, which meet society's needs and contribute in general to our country's prosperity.

At ElvalHalcor we operate responsibly following an integrated approach to managing key issues of our activities. We have set a specific strategy which focuses on the key issues related to our activities and pursue ElvalHalcor's continuous, responsible growth, focusing on the critical pillars of corporate responsibility: Economy, Society, Environment. Sustainability is an integral part of our business model, operations and corporate culture.

Sustainability organisational structure



ElvalHalcor has two Sustainability Teams corresponding to the two divisions. Each Sustainability Team (in its division) conveys sustainability management issues to the Board of Directors. Each Sustainability Team is responsible for planning and monitoring the progress of Sustainability programmes, and sets and reviews Sustainability goals (examines, on a monthly basis, the Company's responsible operation issues). In addition, it undertakes the implementation of responsible operation activities and actions and contributes to the development of the Sustainability Report.

* The Sustainability Team consists of people from the following departments: 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, Strategic Planning Department and Sustainability Department.



Halcor's Sustainability Team



Elval's Sustainability Team

Business Model

Financial capital

With a strong capital base, retaining a significant percentage of our profits each year, we are financing the daily operation of the Company with the inflows of the healthy customer base. For business development (implementation of capital expenditure plans), we use long-term lending by Greek systemic banks and recognised foreign financial institutions. We maintain sufficient reserves and lines of credit to eliminate liquidity risk.

Production

We are constantly investing in improving and developing our production capabilities. Our recent investments aim to increase production while maintaining the high quality of our products, and drastically reducing the environmental footprint.

Human Resources

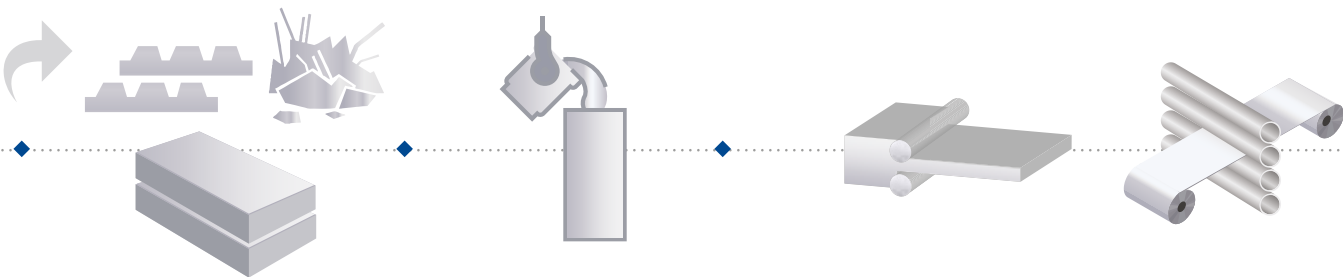
By investing substantively in our people, we are investing in ElvalHalcor’s continued growth and business success in the long run. We are focused on the continuous training and development of our people, and on talent promotion and development. Occupational health and safety is our non-negotiable principle.

Aluminium rolling division

Raw materials:
(Primary Al, scrap Al, slabs, etc.)

Casting: production of slabs, continuous casting rolls

Rolling:
hot - cold



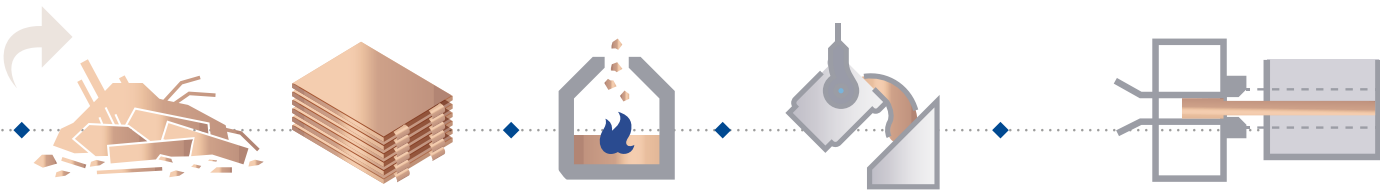
Copper division

Raw materials:
(Cu seats, Cu scrap)

Melting

Casting
(production of billets)

Extrusion



1,430
EUR million
revenue



47% Copper scrap
proportion to total metal
purchases 13.3% use of
aluminium scrap



70.2
EUR million
employee wages
and benefits

Research and innovation

We place emphasis on innovation and research so as to fully meet customer demands with products and solutions that promote sustainable development. The physical properties and recyclability of the two metals contribute decisively to modern needs and have a widening field of application. We invest in new technologies and production methods to optimise and reduce the footprint of our activities and products.

Environment

We have chosen to pursue a development policy based on Sustainability principles. Environmental protection is at the heart of our strategy. We systematically invest in environmental protection infrastructure and focus on implementing practices that contribute to the continuous reduction of our environmental footprint.

Society

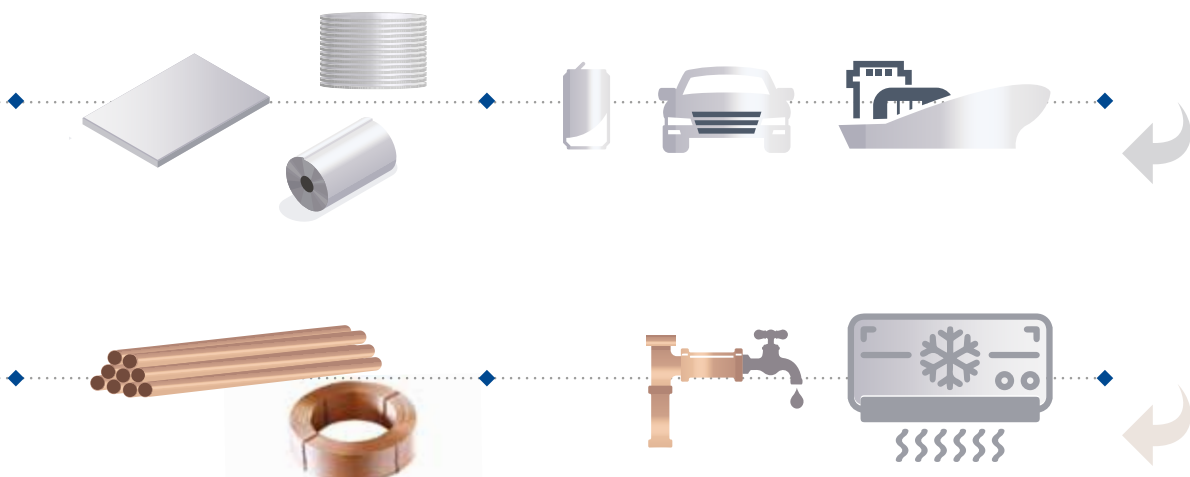
We are always close to the local community in which we operate. We seek to support programmes and bodies that contribute to the sustainable development of local communities and our country.

Inputs

**Paint where required.
Finishing lines: cutting
sheets, strips, etc.**

**Semi-finished
aluminium products:
sheets, circles, strips,
coils, etc.**

**Uses:
soft drinks and food packaging,
automotive industry
shipbuilding, construction**



Creating value

**Wall and
diameter
landings**

**Final phases (annealings,
Inner Grooved Tubes-
IGT, Level Wound Coils-
LWC, straighteners,
insulation)**

Copper tubes for:
• heating, cooling for industrial applications
• water supply, heating, cooling for building applications



5.2
EUR million
for R&D&I



7.8 EUR million
expenditure for
environmental protection
97% of the waste generated







1,309 EUR million pay-
ments to national suppli-
ers. **235** EUR thousand
investments in society

Output

Stakeholder communication

Having recognised the importance of partnering with our stakeholders, we systematically engage with all our stakeholder groups, to jointly find solutions in issues that concern us all. Our Sustainability Policy involves commitment to transparency and dialogue with our stakeholders, taking into account their views regarding strategy development.

Stakeholders	Employees 	Shareholders/ Investors 	Customers 	Suppliers 
*	1 4 7 16 17 18	2 3 6 9 10	3 6 9 11 2	1 2 6 11 18
Communication channels	<ul style="list-style-type: none"> ● Ongoing communication between Management and employees ● Communication and updating via the Company intranet ● Emails and newsletters on notice boards ● Internal newsletter ● Christmas event for all employees ● Company website and social media 	<ul style="list-style-type: none"> ● Annual General Meeting of Shareholders ● 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, 9-month 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 and Sustainability Report 	<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 in trade fairs ● Annual and Sustainability Report 	<ul style="list-style-type: none"> ● Procurement Department (constant communication, both physical and over the phone) ● Attendance at supplier exhibitions and events ● Training ● Company website and social media
Stakeholder's expectations	<ul style="list-style-type: none"> • Maintaining jobs • Fair pay and evaluations • Opportunities for growth and development • Briefings about Company goals and their achievement • Communication with the Management 	<ul style="list-style-type: none"> • Enhancing Company competitiveness • Company profitability • Containing operating costs • Transparent relations with stakeholders • Proper Corporate Governance • Regulatory compliance • Avoidance of incidents that bring the Company into disrepute • Reduction/ elimination of risks/ hazards 	<ul style="list-style-type: none"> • Excellent standards, high quality products • High level of service • After sales support • Informing customers about market developments and Company products 	<ul style="list-style-type: none"> • Objective, merit-based evaluation • Employment opportunities and support for local suppliers • Informing suppliers about market developments
ElvalHalcor's response (report's section reference)	5. Care for our people	1. About ElvalHalcor	3. Customer-oriented approach	4. Supply chain responsibility





● ElvalHalcor's communication is continuous

● ElvalHalcor's communication occurs on a monthly, annual, or quarterly basis

● Non-planned communication, occurs when it is considered necessary

The engagement with our stakeholders is intended to boost transparency and forge strong relationships of trust and partnership, for the benefit of both parties.

- Key stakeholders (of critical importance for the Company): employees, customers, suppliers, shareholders/investors, public and statutory bodies, local community, NGOs and the scientific community.
- Secondary stakeholders (affected by Company decisions and activities): the business community, communication firms, the mass media, relevant professional associations.

Local communities 	NGOs & NPOs 	Governmental and Institutional bodies 	Scientific community 
1 16 18	16 5 12 13 14 15	2 10	2 3 9
<ul style="list-style-type: none"> • Constant communication with local bodies and associations • Supporting and participating in activities organised by local bodies and associations • Annual and Sustainability Report 	<ul style="list-style-type: none"> • Participation in NGOs • Participation in sectoral and business organisations • Events/ Conferences 	<ul style="list-style-type: none"> • Attendance at conferences and events of sectoral or general business interest • Consultation with representatives of the state and institutional authorities at a national level 	<ul style="list-style-type: none"> • Participation in Institutes and research centres of sectoral interest • Conferences/ Events of sectoral interest • Research/ Studies
<ul style="list-style-type: none"> • Company response to local community issues • Recruitment of employees from the local community • Support local entrepreneurship by supporting local suppliers 	<ul style="list-style-type: none"> • Support for NGOs' actions • Collaboration with NGOs 	<ul style="list-style-type: none"> • Compliance with the current legislative and regulatory framework • Support for state actions and programmes • New investments • Creating and maintaining jobs • Care for the environment • Transparency and accountability 	<ul style="list-style-type: none"> • Exchange of views on issues of common interest • Expanding applications of aluminium and copper • Effects of copper and aluminium on the human body and the environment
7. Care for local communities	7. Care for local communities	1. About ElvalHalcor 7. Care for local communities 8. Environmental protection	3. Customer-oriented approach 8. Environmental protection

* The Company's most material issues with regard to stakeholders' interests



3. Customer-oriented approach

Sustainable
Development
Goals



We grow with our customers and share current market challenges and opportunities, jointly building a dynamic path for the future.



We have a strong customer focus

The customer-centric approach is a distinctive trait of our identity. This is proved by the long-term relationships of trust and cooperation we have developed with our customers.

ElvalHalcor's customer-centric culture and philosophy is based on building reliable and long-lasting relationships with our customers, where innovation, know-how, reliability, collaboration, mutual respect, trust and passion for business excellence coexist, to achieve the Company's vision.

Customer satisfaction

We operate on the basis of Sustainable Development, as a business choice that promotes the common good for employees, society as a whole, and the environment. We cultivate relationships of mutual trust for an in-depth understanding of our customers' real needs, so that innovation and state-of-the-art technology provide optimal solutions.

We value customers' feedback and possible complaints; we see them as an opportunity to continually improve our products and services. We conduct customer satisfaction surveys on a regular basis. Customer views are registered and evaluated, to introduce actions aimed at improving of our performance. Our increasing market share, combined with the long-term relationships of trust and cooperation we have built with our customers, are important factors that demonstrate high customer satisfaction.

In 2019, the aluminium rolling division, completed (in collaboration with a specialised external consultant) the «customer satisfaction survey», with very encouraging results. In this way, we seek to determine the degree of satisfaction of our customers and identify possible problems, for their immediate resolution. Respectively, the copper tubes division conducts an annual customer satisfaction survey which, since 2018, is carried out electronically.

Innovation

ElvalHalcor's success and long-term growth is based on the power of innovation, which is at the heart of all the Company's activities.

ElvalHalcor is investing heavily in research and development to enhance its state-of-the-art facilities, introduce technological improvements to various metallurgical applications, and offer innovative products and integrated, tailor-made solutions that meet customers' needs.

A characteristic example that highlights the Company's successful strategy and at the same time materializes 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. ElvalHalcor is one of the few manufacturers that have a laboratory for testing the thermal performance of inner grooved tubes.

Research and development (R&D)

In addition, ElvalHalcor has dedicated in-house Research, Development and Technology Departments that allow ElvalHalcor to develop unique solutions and high-technology copper and aluminium products, with high added value for its customers.

More information on ElvalHalcor's innovation is available in the 2019 Annual Report, section 9 Innovation, as well as on the corporate website: www.elvalhalcor.com (products section).

Multilayer tubes

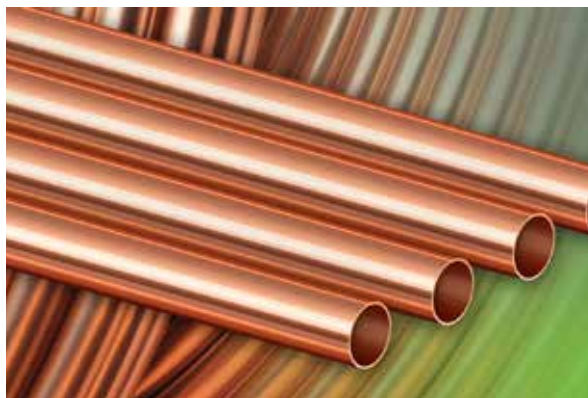


In recent years, the construction market has grown significantly. Multilayer tubes, which are a product of modern, innovative technology, are constantly gaining ground, especially in indoor underfloor heating, as they offer higher energy efficiency and easier use compared to conventional radiators.

The aluminium rolling division is expanding vigorously in this market by penetrating new customer segments inside and outside the European Union, fortified by significant and targeted investments in surface treatment technology (degreasing) and high precision, high-performance cutting machines. The most recent investment is a state-of-the-art high precision slitter used for thin and narrow strips mainly used for multilayer tubes, installed in Elval in the first half of 2019.

For multilayer tubes, the aluminium rolling division produces aluminium slit strips sold to pipe manufacturing plants, aimed at domestic or industrial transportation of liquids and gases. These plants carry out the next stages of tube formation, specifically the folding of strips and their welding to form the aluminium tube, and then the welding of the overlapped remaining layers. Elval's customers certify the quality of the tubes they manufacture with external verification societies and then channel the multilayer tubes into the market. The result is a quality certified tube that meets all the hygiene and safety requirements needed for safe and trouble free water or gas installations.

TALOS® S80



TALOS® S80 copper tubes are specifically designed for an operation pressure of up to 80bar and have reinforced wall thicknesses in comparison with TALOS® ACR copper tubes used for standard refrigerants (HFO, HFC, etc.), which usually show lower operation pressure than CO₂. TALOS® S80 tubes are made from pure Copper-DHP (CW024A, UNS 12200). They are produced according to EN 12735-1 and are designed according to the European Union's Pressure Equipment Directive (PED) 2014/68/EU.

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

At all stages of production, ElvalHalcor implements strict and extensive quality control procedures, utilising the experience of its qualified and impeccably trained personnel to ensure top quality across the full range and at all stages of the production of its products. All Company products comply with European, American other international recognised standards and bear international organisations' certifications and quality markings.

For us quality assurance means:

- continuous improvement of production processes and product audits
- reliability, quick response (immediate service, short delivery times), improvement and growth
- applying international quality assurance standards
- strict audits at all stages of production
- upgrading services and providing tailor-made solutions
- 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.)



- Create a digital platform to monitor issues related to the calibration of measuring equipment, as well as educational issues.
- The process for developing SAP transaction is expected to be completed within 2020, to record and manage data of non-compliant products.

Our 2020 goals





4. Supply chain responsibility

United Nations
Sustainable
Development Goals



Following a path of Sustainable Development, we consider it our obligation to promote responsible operation issues across our entire supply chain.



Our approach

Suppliers are key business partners for ElvalHalcor. We build and maintain relationships of mutual trust with our suppliers in order to procure high quality products and services and, in our turn, provide customers with products and services of the same quality.

The development and maintenance of a responsible supply chain with added value for both parties is a commitment in which ElvalHalcor invests and will continue to invest, with enduring partnerships at both national and local level.

Responsible supply chain

Our cooperative relationship with suppliers is crucial for the Sustainable Development of our Company, as our suppliers significantly affect our business activity and contribute to the achievement of our business goals.

In recent years, we started building a comprehensive responsible supply chain management procedure that includes, among others, the following initiatives:

- Issuing a Supplier Code of Conduct.
- Continuous cooperation, exchange of information and raising suppliers' and partners' awareness of sustainability and responsible operation issues.
- Supplier audit and evaluation processes based on business and sustainability criteria.

Supplier Code of Conduct

ElvalHalcor's Supplier Code of Conduct describes in detail the way we approach our relations with suppliers and partners,

and highlights the Company's expectations from its supply chain with regard to responsible operation. ElvalHalcor distributes this Code to its suppliers and contractors (existing and new), who are expected to adopt Sustainable Development values and principles.

Our partners / suppliers

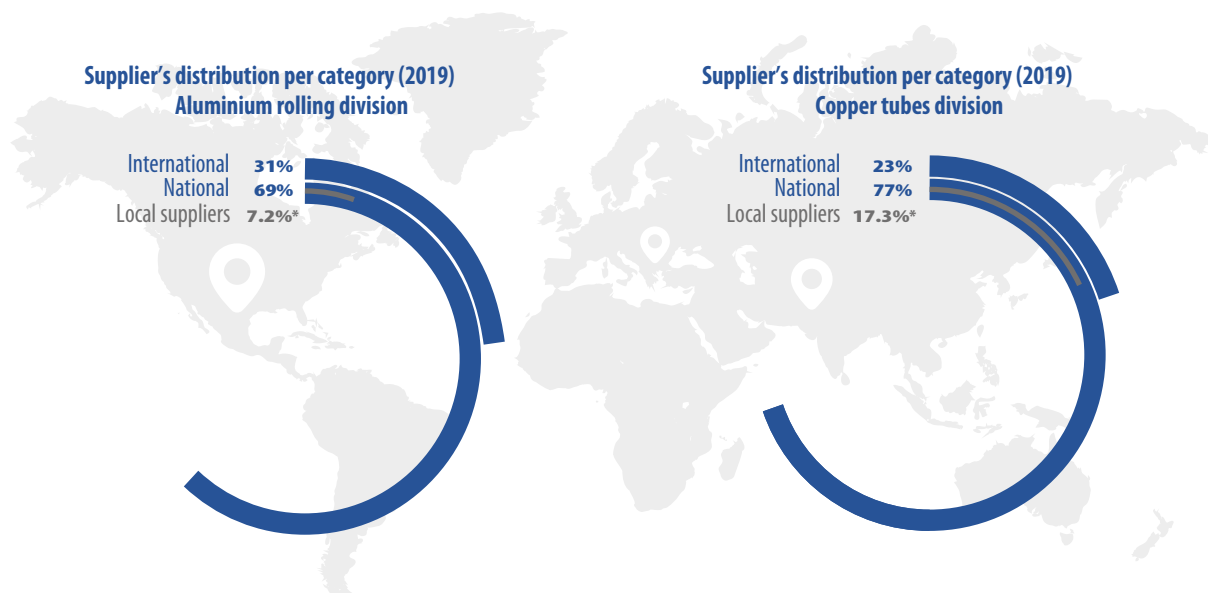
Due to the nature of our activities, the bulk of our supplies are raw materials, aluminium and copper.

The list of our suppliers includes, in addition to producers, suppliers of metals and other materials, equipment, contractors, energy and fuel companies, and consulting firms.

The list of our approved suppliers for 2019 includes more than 4,000 partners. Of our total suppliers, 73% are domestic (national suppliers) and 27% are international suppliers.

Cooperation with local suppliers

ElvalHalcor's sustainability policy includes commitments to supporting the local community. Seeking methods to strengthen the local economy, we offer business opportunities and employment to local suppliers. During the supplier evaluation and selection process, the locality criterion is positively evaluated.



Coaching our partners

Our suppliers and partners are an important link in our chain of activities. Accordingly, we have constant communication and cooperation with them, promote the principles of Sustainable Development, informing and training them on responsible operation issues. This action started in 2015 as an initiative of ElvalHalcor’s Copper tubes division, was positively evaluated and is successfully implemented to this day.

In 2019, a specific group of suppliers was selected and their executives were trained/informed on topics related to «Tools for monitoring and ensuring continuous sustainable development», such as the 6s (6 sigma methodology) applied by ElvalHalcor. In 2020, training / informing will continue with other groups of suppliers.

Monitoring the responsible operation of our suppliers

The process of A, B, C supplier classification is in progress (it was completed for the Copper tubes division’s suppliers in 2019, while in early 2020, the classification of the Aluminium rolling division’s A-list suppliers was completed) and, at the same time, the supplier self-assessment process has begun. By the end of 2020, the evaluation of all A and B key suppliers on sustainability issues will also be completed.

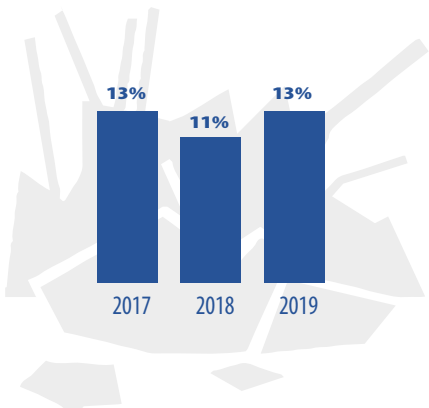
Personal data protection

ElvalHalcor respects the personal data protection and undertakes the appropriate measures according to the provisions of the General Data Protection Regulation 679/2016 of the European Union and the national implementation law 4624/2019. Aiming the attunement with the international standards and best practices, it adapted a Personal Data Protection Policy and established strict procedures for the protection of personal data throughout its spectrum of activities.

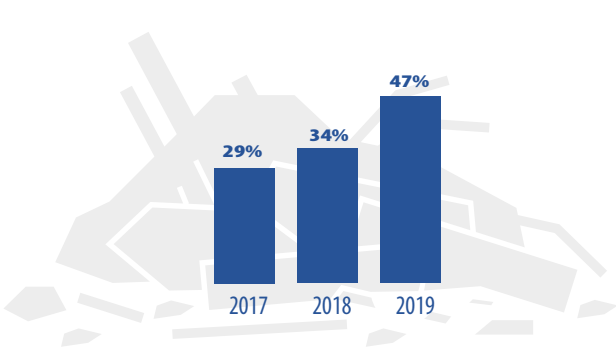
Use of recycled metals

The raw materials procured by ElvalHalcor are copper and aluminium, which come either from primary production (primary metal) or from scrap. The supply of scrap is mainly carried out in two ways: a) through the network of our customers, after the processing of the metal and the production of final products but also b) from the products’ end of life, i.e. after their use by the consumer (end-of-life scrap). The reintegration of scrap into our production is very important for ElvalHalcor, as it promotes the principles of circular economy and has great economic, social and environmental benefits.

Percentage use of recycled aluminium scrap



Copper scrap proportion to total metal purchases



Copper recycling and benefits (2008-2019)

Energy saving, compared to the primary production of the same quantity of copper, is calculated as at least 4,398,816 MWh* within a period of 12 years (from 2008-2019), namely the equivalent of annual consumption of a city of 755,970 people (calculated by the EU average).

Energy consumption (MWh) for primary copper production (1 tn Cu)	Energy saving due to recycling (%)	Average annual scrap use 2008-2018 compared to 2007 (tn)	Total energy saving (MWh)	Equivalent annual energy of a town (number of people)
27.8	85	15,513	4,398,816	755,970
Emissions CO ₂ per tn Cu (tn)	Avoidance of CO ₂ due to recycling (%)	Average annual scrap use 2008-2018 compared to 2007 (tn)	Avoidance of CO ₂ emission (tn)	Equivalent annual CO ₂ emissions of a town (number of people)
5.5	64	15,513	655,262	61,245

Our membership to the Aluminium Stewardship Initiative (ASI)



In 2019, the aluminium rolling division (Elval) of ElvalHalcor became a member of the international initiative ASI (Aluminium Stewardship Initiative), a global standards setting and certification organization that unites leading aluminium companies towards sustainable growth and responsible aluminium production.

ASI is a global, non-profit organization that sets standards for sustainable development and certifies production facilities throughout the entire aluminium supply chain.

Through its participation, ElvalHalcor aims to certify its aluminium rolling division operational processes of responsible production and confirm its commitment to the principles of environmental protection, social responsibility and responsible corporate governance.

The process of certifying the Aluminium rolling division according to the ASI Performance Standard is expected to be completed in the second half of 2020 by accredited certification bodies.



- Supplier evaluation that will include sustainability criteria (self-assessment).
- Further increase in the use of scrap in the Copper tubes division.
- Training suppliers on continuous improvement issues.
- The percentage of recycled aluminium used to reach 21% in the Aluminium rolling division.

Our 2020 goals



5. Care for our people

Sustainable
Development
Goals



Nothing of what we have achieved would have been possible without our people, who, with passion and professionalism, support ElvalHalcor's vision for Sustainable Development.



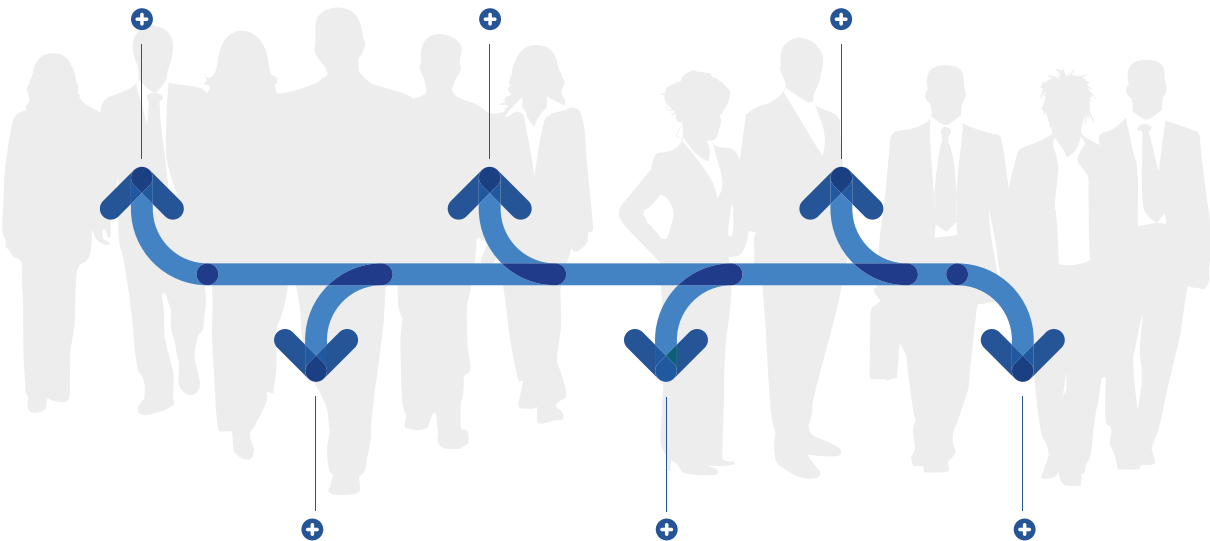
Our human resources strategy focuses on empowering employees, strengthening leadership skills, promoting talent and enhancing a customer-oriented culture. ElvalHalcor’s management places particular emphasis on human resources development and strives to maintain a working environment based on equal opportunities that respects each employee and rewards hard work. ElvalHalcor’s human resources practices and policies, focus on material issues such as:

- highlighting and exploiting all employees’ skills
- ensuring their employees and associates’ health and safety
- creating a rewarding work environment, respecting human rights and diversity
- providing equal opportunities for all employees
- applying objective evaluation systems
- employee ongoing training and development.

1,475
employees

2.5%
increase
in workforce

56.2%
of our employees
come from the
local community

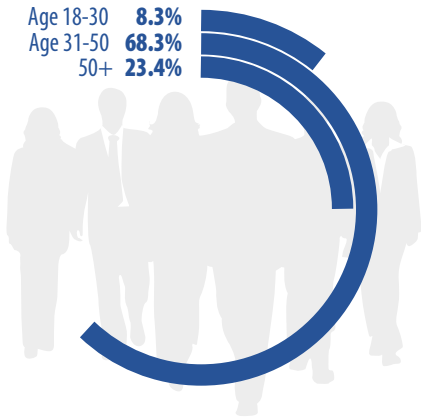


6.5%
turnover rate

18,972
training hours

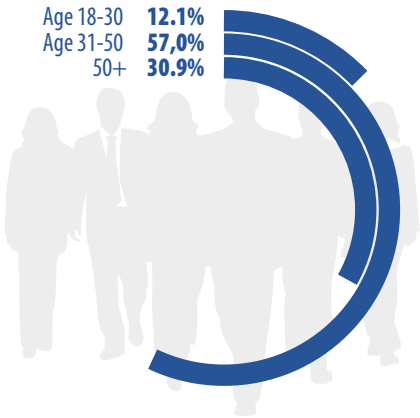
70.2
EUR. million
employee wages
and benefits

Human resources age profile
Aluminium rolling division

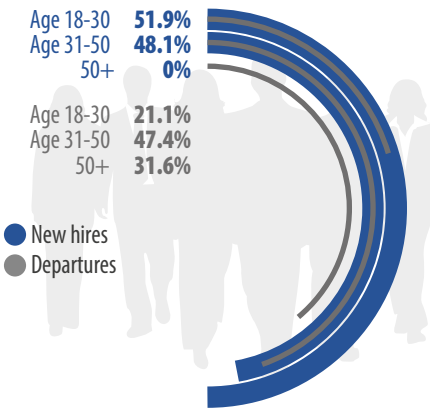


146
new employee hires

Human resources age profile
Copper tubes division

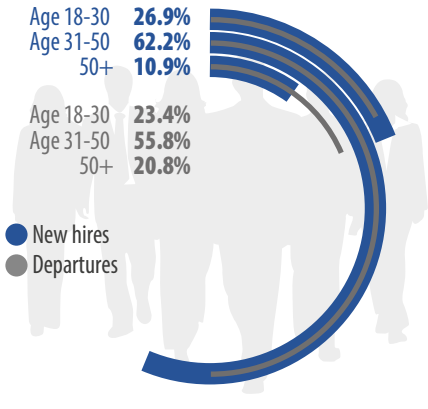


New hires / Departures
Aluminium rolling division

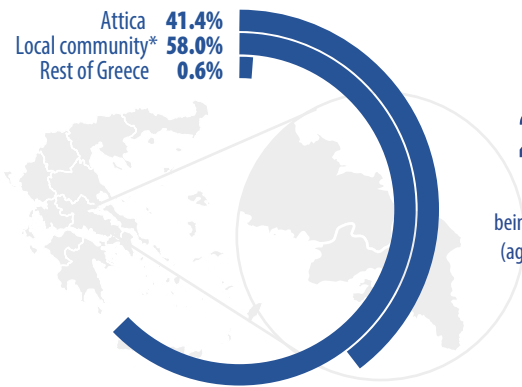


51.4%
of our new employees
come from the
local community

New hires / Departures
Copper tubes division

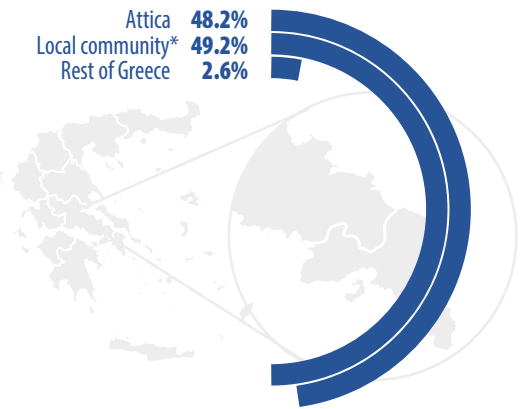


Distribution of workforce by region
Aluminium rolling division



22%
of new hires
being young people
(age profile 18-30)

Distribution of workforce by region
Copper tubes division



* Local community: Viotia and Evia areas and the areas of North Attica (Avlona, Malakasa, Oropos, Chalkouts)



We invest in the new generation - Boost your career

Elval invests in its people, while also investing in the new generation. The new, digital era demands adaptability and receptivity to the new technologies emerging from it. In this spirit, and given our choice to value the new generation, we designed and implemented the “Boost your career. We eVALUE next generation” programme. This training programme was attended by students who worked seasonally (during summer) at the Company’s facilities and aimed to bring them in contact with Learning Agility and boost their employability. The “Boost your career. We eVALUE next generation” programme was awarded at “Bravo Sustainability Awards 2019”, as the most-voted practice by the public.

Ongoing training and employee

We are committed to maintaining a culture that encourages employee development and makes the most of our people’s knowledge and skills. We consistently invest in our people, focusing on continuous training, designing and implementing high added-value training programmes. In 2019, 18,972 hours of training were completed in total (for employees of the Company), and the average number of training hours per trainee was 12.9%. It is worth noting that the average hours of training for male employees amounted to 12 hours, while for female employees amounted to 24 hours.

Elval Academy

Elval Academy is, today, three years old and we are very proud of that. 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 2019, 19 programmes were implemented at Elval Academy, giving 323 participants the opportunity to take part and reap the benefits of the learning provided by highly qualified instructors. The total hours of training completed within “Elval Academy” amounted to 3,837.

Training our partners

We consider it our obligation to inform/ train our partners working within ElvalHalcor premises on Occupational Health and Safety, quality and environmental management. More specifically, in 2019 a total of 3,537 hours of training were completed for our partners.



Additional benefits

Seeking to provide 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). 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 gift 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. ElvalHalcor 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 every way.

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 employees’ personal development and the maximisation of mutual benefit.

Equal opportunities and respecting human rights

Equal opportunities and respecting human rights
All procedures and practices we apply in human resource management are governed by the principle of non-discrimination and fully comply with the relevant national legislation. Applying in practice the corporate Code of Conduct and Business Ethics, we cultivate a working environment of dignity and mutual respect, that accepts and integrates diversity. Our strategic approach and philosophy include equal opportunities for growth and meritocratic development for all employees. Based on the equal opportunities policy that we implement, there is no wage discrimination between men and women (for the same job positions, the salary for men and women is the same).

As a result of the policies, procedures and control mechanisms applied, in 2019, as in previous years, no complaints or grievances for human rights violations in our Company were reported, and there is no possibility of such incidents in the future.

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.





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 a new record number of participation (58 entries by Elval and 80 entries by Halcor), our teams of runners also ran for the joy of offering, as our Company, for each athlete's participation, supported the work of the NGO Make A Wish and the NGO "The Smile of the Child".

In addition, Halcor's team of runners participated, for yet another year (with 25 entries), in the 8th Athens Half Marathon (March 2019).

Our sports team

ElvalHalcor's soccer and basketball teams continue to record top performances. With active participation in local corporate championships, in 2019 the Elval basketball team participated and excelled in the corporate basketball tournament organised by Ermis Shimatariou. At the same time, Halcor's basketball team excelled, winning 2nd place in the factory championship of Oinofyta.



Our athletes excel

We are proud when our athletes are distinguished. Our athlete and Halcor's employee, Vassilis Solidakis, achieved three important distinctions:

- 1st place in the Greek windsurfing championship - Formula category (Marathonas, 2-7/09/2019)
- 1st place in the Youth-Master Formula Windsurfing World Championship (Marathonas, 2-7/09/2019)
- 7th place in the windsurfing world- Formula, Portimao, Portugal, (April 28th 2019 – May 2nd 2019 Portimao Formula Windsurfing World Championship).



- Further employee training on the Lean Six Sigma continuous improvement methodology.
- Employee training on sustainability issues.

Our 2020 goals



6. Occupational Health and Safety

Sustainable
Development
Goals



Our priority and primary concern is the protection of the health and safety of our employees and associates.



Occupational health and safety management in our plant is not just a dictated obligation we have to fulfill, but instead a strategic decision to systematically apply the best available practices as defined by international standards. The strong commitment by ElvalHalcor’s management strong commitment is reflected in the Health and Safety Policy (www.elvalhalcor.com, Sustainability / Health & safety). It is everyone's right to work in a safe environment. We are promoting a continuous improvement policy throughout all levels of our operations, our daily actions and initiatives in this area aim in accident prevention. To materialize this policy, we implement an Occupational Health and Safety Management System compliant with OHSAS 18001:2007 standard, while being in the process for certification according to the new ISO 45001:2018 standard.

Our performance

We focus on three key areas: enhancing our safety culture, increasing risk controls and improving safety processes in all activities, including those of our subcontractors operating within our premises. We strive to implement targeted and ongoing occupational health and safety programmes, focusing on the following:

- Continuous investment in infrastructure projects to improve safety at work (zero access programme, fall

prevention systems, etc.).

- Employee training and awareness raising. In this way, we seek to continually strengthen the established safety culture. Training is based on the results of incident investigation and the statistical analysis of incidents. This analysis concerns their severity, frequency and probability of occurrence.
- Continuous improvement of fire safety in the workplace and employee training, both theoretical and by conducting drills.
- Publishing a contract execution regulation

We have set health and safety KPIs and we monitor our performance on a frequent basis. In addition, on an annual basis, we set measurable targets, to enable our continuous improvement. However, we recognise that we still have a long way to go before we achieve our target: «zero accidents» and work methodically in this direction.

Health and safety KPI's			
Aluminium rolling division - Elval	2017	2018	2019
Lost time incident rate (LTIR)	3.2	7.2	4.5
Severity rate (SR=LDR) (SR=LDR)	80	126	58
Copper tubes division - Halcor	2017	2018	2019
Lost time incident rate (LTIR)	6.7	7.9	7.9
Severity rate (SR=LDR)	144	127	226

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).

We pursue prevention and health protection and focus on practices that help enhance safety. Prevention is achieved through the cooperation of all parties. This is a key precondition for effective occupational risk management.

Relevant risks are assessed by ElvalHalcor on an annual basis, as part of the effort to implement certified Occupational Health and Safety Management Systems. The Company applies preventive measures to reduce the probability of occurrence of the related risks. Furthermore, ElvalHalcor designs and implements specific programmes and actions, and monitors performance through the indicators that have been set. The Company has carried out several hazard studies prescribed by legislation. The Company develops emergency plans and implements operation and safety criteria which are compliant with national and European legislation. In addition, ElvalHalcor focuses on employees' awareness raising and training to strengthen the prevention culture, and to quickly and effectively handle possible incidents. All incidents are analysed and statistical tables and diagrams are created. These concern the classification of incidents (e.g. individual sections, frequency months, degree of risk and probability of serious incident). According to this analysis, measures and administrative decisions are taken for continuous improvement.

Investing in health and safety

We substantially and systematically invest in health protection measures and in infrastructure that increases workplace safety. In 2019, we invested in machinery safety infrastructure upgrade, upgrading Personal Protective Equipment and improving control of subcontractors operations inside our facilities.

An example is ElvalHalcor's aluminium rolling division's occupational physician's office. To support its role as a provider of primary health care, occupational medicine and public healthcare, the doctor's office acquired modern medical equipment to assess the following: cardiovascular health (electrocardiograph), respiratory health (spirometer), hearing (audiometer) and vision (ophthalmometric tests).

Furthermore, since 2018, the occupational physician's office has a new, fully equipped ambulance, for immediate emergency patient transport. This equipment is an instrument for medical and nursing staff support the health of employees in the aluminium rolling division. Our nursing staff consists of an occupational physician with an eight-hour daily presence and three nurses on a 24-hour round-the-clock schedule. All staff undergo continuous training. The properly equipped and fully staffed occupational physician's office helps to ensure the physical and mental health of all employees and supports in an important way their ability to perform their demanding duties.



Culture of safety – Reinforcing our mentality

The cooperation and contribution of everyone involved is the basis for creating a climate of safety. At ElvalHalcor we strive for excellence in this critical field, by developing a corporate culture for “best industry practice” where responsibility for occupational safety will represent the mentality of all of us.

In order to bring about a change in mentality towards a safer work behaviour, we focus on constantly raising awareness among our employees and associates in this field, by implementing relevant training programme.

In 2019, a large percentage of the overall training plan was devoted to occupational health and safety issues (in the aluminium rolling division, 40.6% of the overall annual training plan was devoted to occupational health and safety issues. Respectively, in the copper tubes division, this percentage amounted to 48%). In particular, more than 9,500 hours of training were provided to ElvalHalcor employees and associates.

Our Company selects training topics in this field so that our employees can practice and work «preventive and defensive with regard to health and safety. Thus, among many other issues, special emphasis was given, devoting sufficient time, to the following:

- Safe use of all machinery such as forklifts, pallet trucks, cranes, etc.

- Safe lifting.
- Working at height and rescue.
- Fire safety – use of breathing apparatus.
- Rescue from basements.
- Protection against chemicals and leakage.
- Emergency drills – factory evacuation.
- First Aid training for newly recruited employees up to rescuer certification.
- 5S Training in Health and Safety.
- Safe loading of goods.
- Methodology of inspections of unsafe situations.
- FMEA methodology (failure mode and effects analysis) during maintenance work.

Intensive cooperation for safety

We treat all incidents as an additional opportunity to improve and ensure workplace safety. The process we apply focuses on identifying the cause of the problem, in order to implement appropriate preventive and corrective actions to avoid any recurrence of similar incidents in the future. A fundamental precondition for achieving excellent results in this area is the active commitment and participation of the Management Team. Building on this approach and moving towards strengthening our safety mentality, we have set up safety work groups.



Aluminium rolling division

- Monthly Health, Safety and Environment Council (participants: General Manager, Directors, Production plant Manager, Department Managers, Heads of Departments (engineers), Safety Engineer and Contractor representatives).
- Weekly and monthly H&S meetings (participants: Head Engineer, Safety Engineer and Health and Safety Division representatives).

Copper tubes division

- Occupational Health and Safety Council (participants: General Manager, Plant Manager, Department Managers, Heads of departments / Engineers, Head of the Environment Division, Health and Safety Manager and Safety Engineer.
- H&S meetings (weekly and monthly basis), participants: Production plant Manager, Health and Safety Manager, Safety Engineer, and Head of the Environment Division.

In these Councils, safety incidents are analysed 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 cooperation among the Maintenance, Production, New Projects and Safety departments, meetings are held for a detailed planning of maintenance. Prior to the start of equipment maintenance work, 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.

We reward the effective participation of our people

The cooperation and contribution of everyone involved is the basis for creating a climate of safety. We encourage employees to submit their ideas and suggestions for improving their daily work and especially for improving workplace safety. ElvalHalcor’s aluminium rolling division successfully implements a programme to reward ideas and suggestions for improvement aimed at further developing the culture of safety, as well as enhancing each employee’s sense of personal responsibility towards both the work team and all colleagues. All the suggestions submitted by employees are implemented in practice, and the three best ones (one in OHS, one in environmental management and one in production improvement) are rewarded.





- Rescue drills for rolling mill basements.
- ATEX study for the whole factory.
- Safe work training at the aluminium rolling division's Foundry.
- Continue the implementation of the «zero access» programme aiming to protect employees when accessing machinery.

Our 2020 goals



7. Care for local communities

Sustainable
Development
Goals



Our Company's growth and operation is inextricably linked to our local community.



Supporting our society

A significant part of ElvalHalcor's needs in human resources and suppliers derive from the local community. Out of the total workforce, 56.2% are employees from local communities. At the same time, we strongly support local and national entrepreneurship, building an ever-increasing network of reliable suppliers, thus contributing to the local and national economy. For 2019, this effort amounted to EUR 428 million.

Societal contribution

With the Sustainable Development Goals as a compass, we contribute with material and technical support for infrastructure projects and other local community needs. Our actions are focused on education, local associations, sports clubs and NGOs, along with other initiatives that promote common values for progress, development and social contribution.

32.4

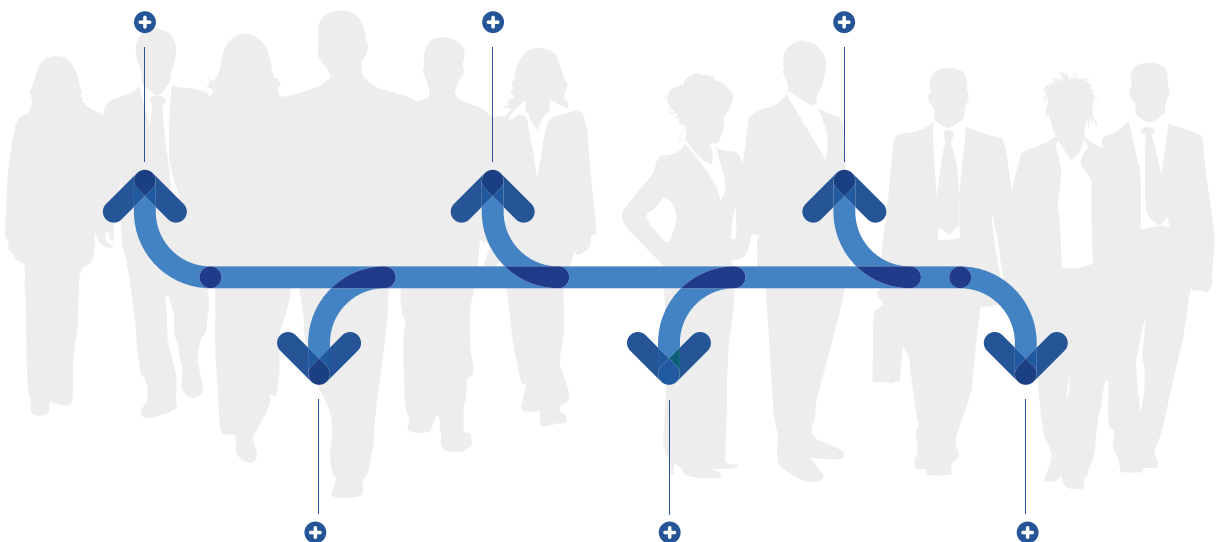
EUR million
payments to capital
providers

70.2

EUR million
employees' wages
and benefits

1,309

EUR million
payments to
suppliers



235

EUR thous. investments,
sponsorships, donations

5.2

EUR million
payments for taxes

56.2%

employees come from
the local community

We support the local school community & scientific community	<ul style="list-style-type: none">• Provision of desktop and laptop computers, multifunction printers, , projectors, air conditioners and more, for several schools of our local district (Primary School of Drosia, 1st Primary School of Schimatari, Oinofyta High School, 3rd Primary School of Avlonas, Primary School of Agios Thomas, Primary School of Chalkida, All-Day Primary School of Mytikas)• Support of an IT skills programme for the Primary School of Domvrena• Infrastructure repairs for primary School of Vathy Avlidas• Support for the NTUA “Promo Racing” team• Donation of copper products to educational institutions on a regular basis
We support local associations and bodies	<ul style="list-style-type: none">• Donation of food to the Social Market of the Municipality of Tanagra, which distributes food and goods to poor families in the area.• Orphanage of Livadia• Nautical and environmental cultural club of Alyki, Thiva• Educational and Cultural Association of Avlida-Yria
We support sports	<ul style="list-style-type: none">• Supported local sports associations, providing sports material:• Kapetan Ioannis Liapis Sports Club of Oinofyta• Oropos Sports Club• Ellopiakos sports club• Oinofyta sports club• Chalkidos swimming sports club• Water sports department of Nautical Club, Chalkida• “Alexandros” Gymnastics Association of Nea Artaki
We support NGO's	<ul style="list-style-type: none">• 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”• Sponsored the NGO “Axion Hellas”• We sponsored the actions of the Hellenic Society for the Protection of Nature• We sponsored the work of the Lavrion Handicraft-Industrial Educational Museum• We sponsored the work of the Goulandris Natural History Museum

Holy Ascension Monastery (Skourta, Viotia)

The Company responded to the request for landscaping the outer earthen courtyard of the Ascension Monastery in Skourta, to ensure functional space to welcome and accommodate more visitors. The refurbishment work for the outdoor space began in November 2019 and is in the final stages of completion.

Our people’s contribution as Volunteers

For the eighth consecutive year, ElvalHalcor’s employees are contributing for a society of solidarity. A voluntary contribution programme, created by our people for our fellow human beings. The goods collected in 2019 were donated to the “Agios Vlasios” Chronical Diseases Infirmary of Livadia, in order to be distributed to families in need. Along with the employees’ contribution, ElvalHalcor, wishing to support further this initiative, contributed by purchasing a large amount of goods.

In addition, in October 2019, the copper tubes division's employees implemented a voluntary action for the cleaning of the beach of the natural habitat Variko of the Municipality of Oropos. The cleaning of the beach included the north side from the boatyard to the lagoon (salt lakes) of Oropos in the east, a distance of about 1 km.

Supporting the “Global talent” and “Global volunteer” programmes

For the third consecutive year, we fully supported the work of the NGO AIESEC. Halcor gave 5 young people the opportunity to experience the fast and growing environment of a start-up business and to develop new professional skills. The entrepreneurship in start-up businesses abroad programme is Global Entrepreneur. Scholarship students visited start-ups in Egypt and the Czech Republic, while the youth employment projects were in the areas of Human Resources, Marketing and Sales.

ElvalHalcor supports the Roots program of the Athens Exchange

ElvalHalcor, as an active member of the ATHEX and the industrials sector worldwide, is proud to support the Roots program, aimed at unlocking opportunities for the Greek SMEs and start-up companies by providing guidance and knowledge sharing.

Roots is an initiative of the Athens Exchange in cooperation with the American-Hellenic Chamber of Commerce and with the support of the Global Federation of Competitiveness Councils (GFCC), the European Bank for Reconstruction and Development (EBRD), the Hellenic Republic Ministry of Foreign Affairs and the Hellenic Republic Ministry of Economy and Development.

Roots aims to promote competitive and commercially viable business plans of small and medium-sized enterprises (SMEs), primarily by facilitating their access to investment capital in accordance with internationally accepted rules and best practices.

In the 1st season, ElvalHalcor and other major Greek companies, supports the program as Roots Corporate Champions. Throughout the program, the participating companies receive guidance and advice from experienced professionals, in preparing and communicating their investment proposal. The role of Mentor and of Investment Advisor will be undertaken by experienced professionals from the Advisory Partners, as well as leading Greek and multinational companies that are supporting the program as Corporate Champions.

Copper and health

The antimicrobial properties of copper have been known since antiquity, as it was observed that copper can be effective in curing various infections.

Today, this property of copper and specific copper alloys has been scientifically proven and around 360 copper alloys (containing more than 60% copper), in addition to pure copper (99.99% pure copper), have been registered by the US Environmental Protection Agency (EPA) as the most effective solid metals that can act as a supplementary measure in the usual hygiene practices for high-touch surfaces, to protect public health and reduce infections.

The implementation of antimicrobial copper in Greece is already ten years old, with applications in ICUs of hospitals, schools and public places, and has shown that where antimicrobial copper objects were placed, the microbial flora was significantly reduced.

Today, given the spread of the new coronavirus, the application of antimicrobial copper objects is imperative in crowded places (Hospitals, schools, hotels, nursing homes, supermarkets, public transport, etc.), where spread prevention and hygiene protocols are implemented.

The antimicrobial properties of copper can play a key role in containing the spread of COVID-19, as is the virus is transmitted like other similar viruses such as SARS-MERS, contaminating multi-touched surfaces.

The antimicrobial activity of copper has been scientifically proven to reduce the time SARS and MERS viruses last on its surfaces, acting from the first minute, with complete elimination of the viral load in two hours, while on plastic and stainless steel surfaces the viruses remain active for more than a day.

Thanks to its antimicrobial properties, copper can be an important complementary means of prevention, supplementing hygiene protocols in dealing with the spread of COVID-19.



Promoting aluminium recycling

The Aluminium Can Recycling Center (CANAL) was created in 2003 by Elval as part of the overall environmental awareness raising and environmental consciousness.

To this end, CANAL is not only a space for collecting used aluminium cans (it can receive 2,800 tons per year), but, also, an active centre providing environmental information and raising awareness, a centre for environmental action and dialogue with society with emphasis on the younger generations and schools. CANAL applies a certified Environmental Management System (in accordance with the international ISO 14001 standard). Since 2004, under a systematic, consistent and responsible operation CANAL has collected for recycling a total of 5,355,327 kg of used aluminium cans. At the same time, more than 65,500 students (1,507 classes) have visited CANAL to learn and understand the properties of aluminium and the environmental benefits of recycling, thus gaining a first experiential contact with the values of the circular economy.

At the 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 programme

The integrated programme implemented by CANAL meets the need for environmental education within schools (with standard experiential education) and in CANAL premises, and aims to change public attitudes towards recycling, increase environmental sensitivity and recycling rates in

Greece. From 2003, when CANAL started operating, to 2019, 65,500 students visited CANAL and attended its information programme. At the same time, CANAL's collaboration with "Experiential School" from 2006 to 2015 resulted to educational programmes attended by 40,236 students (with the approval of the Ministry of Education, Research and Religious Affairs).

In 2015, we created the digital programme "Life without garbage: Reduction – Reuse – Recycling". An original, multilevel environmental education programme which, through a special electronic platform (www.lifewithnogarbage.gr) and an experiential approach, encourages students to apply the principles of recycling in their daily lives. It is worth noting that, in the past five years (2015-2019), 36,000 students were informed and educated about recycling through the electronic platform.

The "Integrated Programme of Informing and Awareness Raising for the school community on aluminium recycling" which has been implemented by CANAL, has been distinguished by the BRAVO 2018 Institution at the Bravo Society Pillar.

In addition, the educational programme's electronic platform www.lifewithnogarbage.gr was distinguished by the European Commission in the European Sustainability Awards 2019 contest, in the context of the "action for a better world – we are creating a better world" initiative.





15 years stable commitment for aluminium recycling

375

million aluminium cans
were collected and
forwarded for recycling*

47,260

tn CO₂ reduced
emissions)**

141,786

students informed /
educated



*75 aluminium cans ~ 1 Kg aluminium

** Aluminium recycling requires 95% less energy and CO₂ emissions than primary aluminium.

Recycling of Nespresso coffee capsules

Aluminium is the ideal material for maintaining the quality of coffee in espresso capsules (it provides the best protection against oxygen, light and moisture). In Greece, Nespresso has been collaborating in recent years with CANAL, which hosts a specially designed machine that separates coffee from aluminium in used capsules, which is then recycled with environmentally friendly technology. The used coffee is delivered to a licensed composting company.



8. Environmental protection

Sustainable Development Goals



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.

Policy and Systems

We have established and implement an 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 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.

Our constant goal is the continuous reduction of our environmental footprint. To achieve this, we focus on key issues such as:

- preserving natural resources

- rational raw material management
- minimising emissions/ greenhouse gas emissions
- rational waste management
- increased reuse of materials.

Our environmental policy in numbers

Over the past years, the Company has made a significant number of investments in infrastructure projects that contribute to environmental protection (melting delacquering furnaces, a cutting edge industrial liquid waste treatment plant, construction of a liquid waste pipeline from the copper division plant to ElvalHalcor's aluminium rolling division's treatment plant). Our large capital expenditure plan, over EUR 35 million in the period 2008-2019, is a demonstration of our strong commitment and the importance we give to responsible environmental management.

More specifically, in 2019, expenditure and investment for environmental protection amounted to EUR 7.8 million.

Using scrap and promoting aluminium and copper recycling

The Company's primary raw materials are aluminium and copper. As the benefits of scrap use are significant (reduction in energy consumption, greenhouse gas emissions and water use), we focus on practices that maximise the efficient use of raw materials and scrap.

In collaboration with its customers, mainly from the packaging sector, ElvalHalcor promotes and actively implements the principles of the circular economy, constantly increasing, in the production of new products the use of aluminium and copper that comes from collecting products at the end of their life cycle. Recycled scrap accounted for 13.3% of the aluminium used in the production process by the Aluminium rolling division and 58.7% of the metals used in the Copper tubes division's production process.

Water management

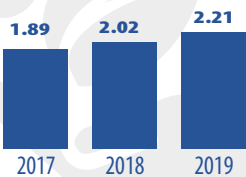
ElvalHalcor seeks to conserve water and is constantly focusing on water conservation practices. Water reuse practices are applied in our production process whenever possible.

The water consumed by the Company comes entirely from the EYDAP water supply network (the Copper tubes division obtains a very small quantity from the Oinofyta network).

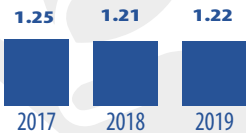
In 2019, ElvalHalcor carried out a Water Risk Assessment. The assessment did not identify any negative impacts on the facility, the ecosystem or the environment, considering risks associated with:

- the adequacy of water in production, both under normal conditions and under conditions of difficulties (exogenous) in water supply
- water use intensity, compared to other users of the same water resources
- flooding that could potentially affect the facility
- the quality of the facility’s water discharges and the impact on the facility’s nearby drainage basin.

Water intensity (m³/tn of product)
Aluminium rolling division



Water intensity (m³/tn of product)
Copper tubes division



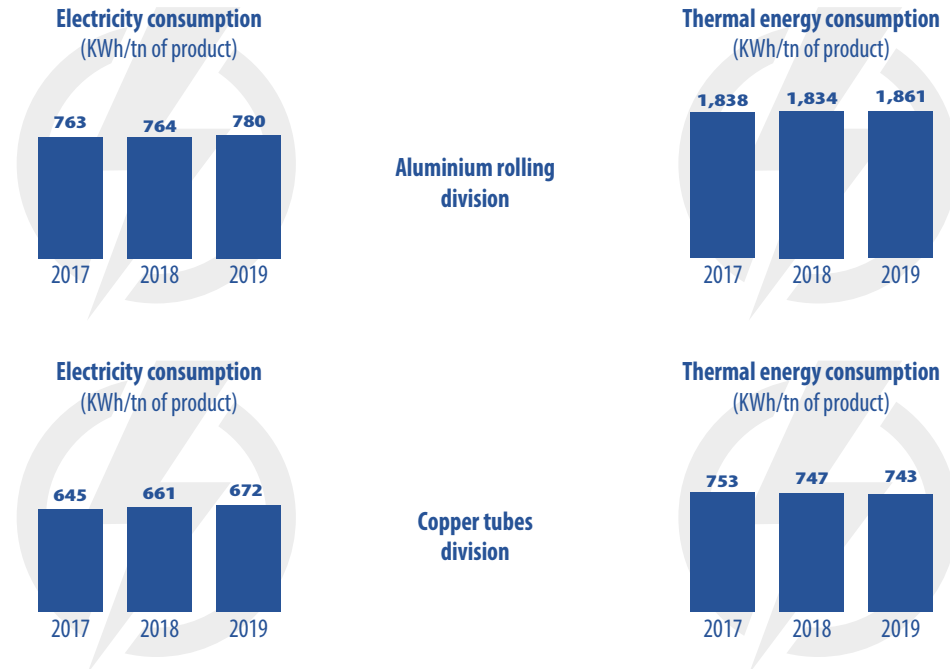
The increase in water consumption is mainly due to a failure in the water transport network (which was corrected immediately after the problem was identified) but also to quality reasons, because of the need for more frequent change of production water in the Coil Coating unit. ElvalHalcor remains committed to seeking ways to constantly reduce water consumption, through initiatives such as:

- conducting detailed water mass balances, to better monitor water consumption and its connection with production requirements
- implementing automatic control systems in the cooling towers
- Treating wastewater using reverse osmosis to reduce the overall quantity and maximise the conservation of water obtained from the EYDAP network.

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 50001:2018. We constantly invest in state-of-the-art technology equipment and energy saving projects, while seeking to rationally use fuel and improve energy efficiency.

In 2019, upon request, ElvalHalcor was issued, by the Regulatory Authority for Energy (RAE), a license to build a new power plant. The plant will run on natural gas, will have a capacity of 566 MW and will be built in Thisvi, Viotia, with an estimated investment cost of EUR 300 million. ElvalHalcor is currently in the licensing process for the plant in Thisvi but, on the other hand, is not focusing only on this option.



The slight increase in electricity consumption is due to the requirements of the product mix processed by the Rolling and Coil Coating Departments in the Aluminium rolling division. The increased electricity demands of the Copper tubes division's product mix resulted in a slight increase in electricity consumption.

In 2019, in the Aluminium rolling division, energy savings totalling 2,870 MWh were achieved. Correspondingly, the Copper tubes division achieved, through the relevant programmes and actions implemented in 2019, total energy savings of 3,480 MWh.

In 2019, the Company took, among others, the following actions for reducing energy consumption:

Aluminium rolling division:

- Upgrading the air conditioning units of the Surface Quality Monitoring System of the Coil Coating Line with a split air conditioning unit, with annual savings of 48.1 MWh.
- Replacing rotary-screw air compressors with centrifugal ones, with annual savings of 753 MWh.
- Replacing the Main Exhaust Gas Extraction Booster Fan from the Coil Coating Line's polymerisation furnace, with annual savings of 990 MWh.
- Abolishing Annealing Furnaces' exhaust gas extraction booster fans, with annual savings of 95 MWh.
- Upgrading the New Cold Rolling power room and abolishing the use of air conditioning units, with annual savings of 130 MWh.

Copper tubes division:

- Repairing leaks in the air compressor room, with annual savings of 3,245 MWh.
- Operating with smaller cross-section coils in the continuous annealing induction furnace (ELPHIAC 2). The tests have been completed. A reduction in consumption from 23 to 18.5 KWh/km is expected.
- Networking of energy meters and installation of measurement and reporting software. The installation of the software and hardware has been completed and user training, along with the creation of report and control charts, is in progress.
- Purchasing a 850KVA dry type transformer with PF energy efficiency > 99% and in compliance with ecodesign 548 / 2014PF. Annual savings of 23.2 MWh.
- Installing in 6 new storage tents 108 luminaires controlled by motion and light sensors, with annual savings of 29.9 MWh.
- Installing a continuous annealing line adjusted to dimensions <9.85mm outside diameter, with annual savings of 52.5 MWh.
- Installing fluorescent tubes in the «N» building and roof repair, with annual savings of 39 MWh.
- Installing an air flow meter at the Genevet filter outlet to optimise its operation (avoid idle operation).
- Installing a PLC controller to adjust and optimise the operation of cooling tower fans, with annual savings of 90 MWh.

Climate change and air emissions

Climate change is a global environmental challenge, with multifaceted impacts. 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).

In 2019, the Aluminium rolling division acquired software and access to specialised secondary databases, in order to carry out detailed Life Cycle Assessments of its products.

Assessing the environmental footprint in a structured way will make it possible to analyse every parameter of greenhouse gas emissions and several other impacts of products during their life cycle, so as to design products and redesign existing production processes in a way that improves the environmental footprint.

We aim to continuously reduce air emissions by implementing 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 Volatile Organic Compounds (VOC) emissions in the Coil Coating lines of the Aluminium rolling division.

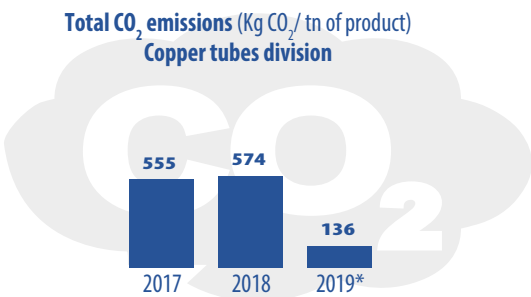
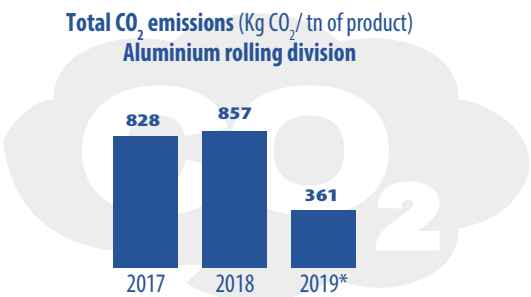


In 2019, the Aluminium rolling division participated, for the first time, in the evaluation process of the CDP (Carbon Disclosure Project).

CDP evaluates companies and ranks them on a scale from A to D, based on the completeness of the information, awareness and risk management regarding climate change, also judging the level of environmental management through best practices implemented.

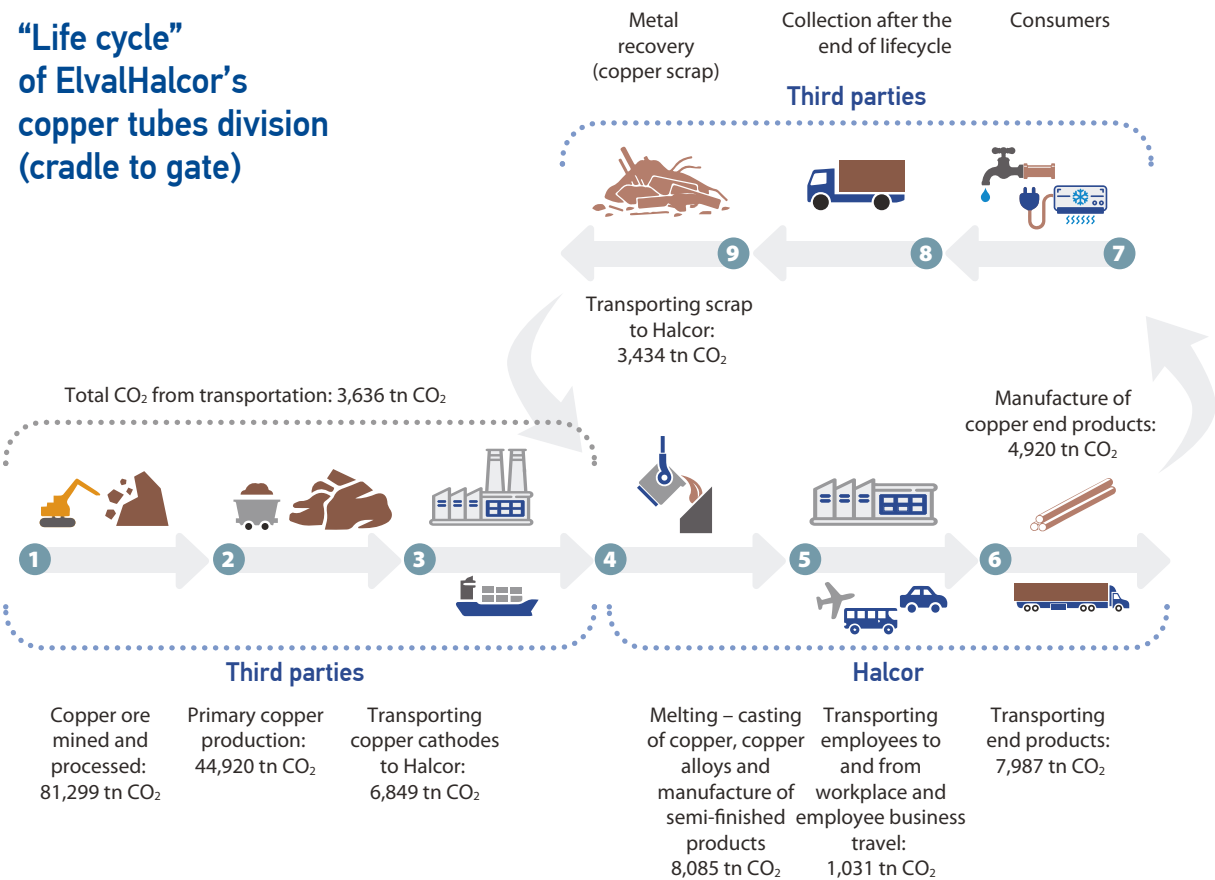
CDP is a global non-profit organisation that supports companies and governments in reducing greenhouse gas emissions, conserving water resources and protecting forests.

The Aluminium rolling division was ranked C for its performance (reporting year 2018).



Note: The 2018 figures were calculated with the 2017 electricity generation mix factor and were revised with the 2018 factor.
* After securing guarantees of origin from RES (Renewable Energy Resources)

“Life cycle”
of ElvalHalcor’s
copper tubes division
(cradle to gate)



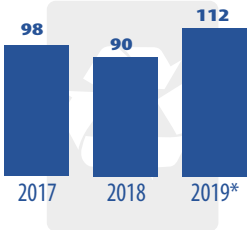
More information on the formulas used, the method of calculation and the assumptions used, is presented in Appendix II and Halcor’s 2016 Sustainability Report page 131).

Circular economy and waste management

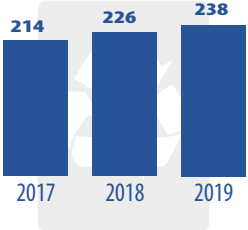
Europe’s transition to a circular economy is a key strategy of the European Commission, with dozens of agencies working together through major international programmes (LIFE, Horizon 2020, etc.). One of the most important aspects of this strategy is «Closing the loop», i.e. the conversion of waste

again in raw material or, if this is not possible, its use as fuel for energy production. This not only limits the environmental impact of a product but, also, the raw material and energy recovered from it replace production needs.

Waste generation (Kg tn of product)
Aluminium rolling division



Waste generation (Kg tn of product)
Copper tubes division



* Almost 22,500 tn of aggregates produced by excavations resulting from non-productive activities are not included.

ElvalHalcor works with specialised waste collection, transport and management companies, through which the materials collected are used and recovered in various ways. For example, cloths and other oil-absorbing materials resulting from production and maintenance work are converted, after proper treatment (by specialised waste management companies), into alternative fuel used by other industries.

A state-of-the-art wastewater treatment unit (ZLD) is operating at the Aluminium rolling division's facilities, which serves all of ElvalHalcor's industrial wastewater from subsidiaries Symetal and Fitco. The sludge produced through the physicochemical treatment of wastewater in the ZLD unit has a very high concentration in gypsum, and more than 1,000 tons produced annually find their way as alternative raw material in the cement industry.

All batteries from forklifts and vehicles are recycled and utilised. The partner company receives the batteries we collect and, through pyrometallurgical processing, recovers 99% of the original metal, which is then used again to produce new batteries, thus reducing the need for raw material extraction.

ElvalHalcor implements an integrated waste management process (from the production to the disposal stage), which aims to reduce the volume of waste generated.

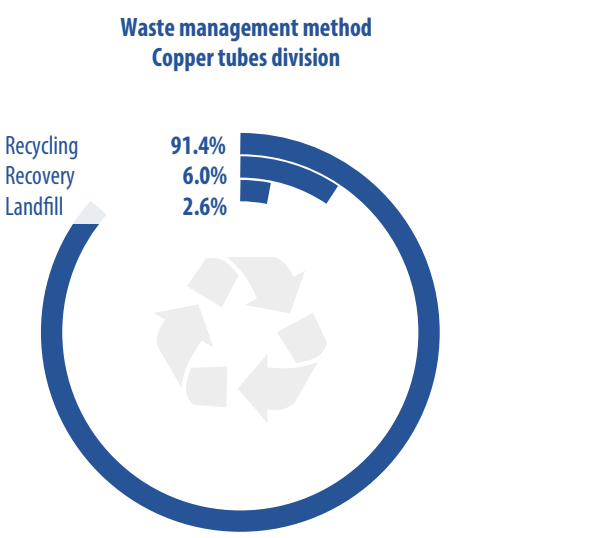
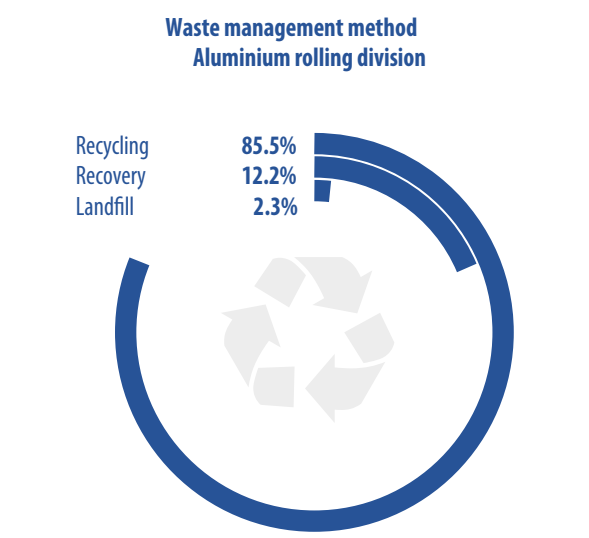
By implementing Best Available Waste Management Practices, most of the waste produced is driven to recycling

and energy utilisation. To manage all types of waste, ElvalHalcor works exclusively with properly licensed companies.

In addition, in all the Company's facilities and offices we recycle, with the active participation of employees, most waste streams, such as paper, plastic, aluminium, small batteries, accumulators, fluorescent lamps, electronic equipment, etc.

The small increase in the Copper tubes division's special waste production is due to the increased production of waste from the stage of sorting secondary raw materials, which increased because of the Company's shift to a more circular operating model.

The Copper tubes division applied, for the first time in 2019, 6 sigma techniques in solving environmental problems and, specifically, in dealing with emergencies. This methodology, which has been applied in recent years in the copper tubes industry to improve production and quality processes through a reduction in variation, and for which staff training has been completed, has also helped improve the emergency response process. More specifically, the DMAIC cycle (Define, Measure, Analyze, Improve, Control) was implemented, along with the use of 6 sigma tools such as Cause and Effect Diagrams, 5-WHYs, Tree of Reasoning, Brainstorming Techniques, 8Ds, FMEA, Control charts, Lessons Learned, in the analysis of events. From these, a detailed action plan emerged for improving processes, infrastructure, staff training,



conducting drills, and performance appraisals according to predefined targets. In addition, with the use of new Industry 4.0 technologies a new platform was designed and set up for online real-time data monitoring and evaluation in managing all of ElvalHalcor's Copper tubes division's wastewater flows, with simultaneous alarm applications in the event of deviation from acceptable limits.

Circular economy in the management of plastic waste (scrap)

The 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®). All plastic waste is collected and recycled according to quality standards set, so that recycled plastic can be used in the respective machine. This practice for plastic waste management through a circular economy approach was awarded in December 2019 at the Bravo Sustainability Awards.



- Installation of LED lights in courtyards.
- Development of Life Cycle Assessments for all the Aluminium rolling division's products.
- Completion of certification according to the Aluminium Stewardship Initiative (ASI) Performance Standard within 2020.
- Energy saving at the Genevet filter through the installation of an inverter fan motor and the ability to adjust air supply rate.
- Energy saving at the Air Industry filter through the installation of an inverter fan motor and the ability to adjust air supply rate.
- Installation of an air flow meter at the Air Industry filter outlet to optimise filter operation.
- Optimising how the furnaces' hydraulic units are deactivated when not in use.
- Installation of a flow meter at the air compressor room to optimise its operation.
- Investigation for the installation of an inverter with the ability to adjust the air compressors' rotation.
- Improving internal scrap return management through process redesign and infrastructure improvement projects, for intermediate storage until final use.

Our 2020 goals

9. Sustainability key performance indicators

Sustainability key performance indicators	Unit of measurement	2017	2018	2019			
Economic performance		ElvalHalcor SA					
Revenue	EUR thous.	895.786	1.486.972	1.429.922			
Other revenue	EUR thous.	5.511	5.256	11.712			
Revenue from financial investments	EUR thous.	1.797	2.109	2.719			
Total revenue	EUR thous.	903.094	1.494.337	1.444.354			
Operating costs	EUR thous.	802.880	1.353.298	1.308.565			
Employee salaries and benefits	EUR thous.	39.349	63.559	70.249			
Payments to capital providers	EUR thous.	13.080	23.530	32.430			
Net profit – before taxes	EUR thous.	47.784	53.949	46.419			
Net profit – after taxes	EUR thous.	33.324	47.339	32.916			
Net profit per share	EUR	0.118	0.134	0.088			
Equity	EUR thous.	660.919	705.914	727.427			
Total liabilities	EUR thous.	675.663	752.614	787.065			
Total assets	EUR thous.	1.336.582	1.458.528	1.514.491			
		Aluminium rolling division-Elval			Copper tubes division-Halcor		
	Unit of measurement	2017	2018	2019	2017	2018	2019
Corporate Governance							
Politics contribution	EUR	0	0	0	0	0	0
Fine value for the non compliance with the legislation and the regulations	EUR	0	0	0	0	0	0
Marketplace - Suppliers							
Local suppliers (in total number of national suppliers)	%	7.5	9.9	7.2	13.6	18.2	17.3
Local suppliers (in total number of suppliers)	%	5.4	7.0	5.0	10.4	13.9	13.4
International suppliers	#	612	646	709	367	403	399
National suppliers (Greece)	#	1,593	1,568	1,608	1,225	1,326	1,365
Local suppliers (in total national suppliers)	#	120	155	116	166	241	236
Total number of suppliers	#	2,205	2,214	2,317	1,592	1,729	1,764
Total expenditure on suppliers (total suppliers)*	EUR million	799	914	855	506	539.3	529.7
Expenditure on international suppliers	EUR million	572	675	524	418	437.2	433
Expenditure on national suppliers	EUR million	227	240	331	88	102.1	96.7
Expenditure on local suppliers	EUR million	12.1	13.2	14.1	17.3	12.8	12
Occupational health and safety							
Lost time incidents rate (LTIR)	%	3.2	7.2	4.5	6.7	7.9	7.9
Severity rate / Lost work day rate (SR=LDR)	%	80	126	58	144	127	226
Occupational disease rate	#	0	0	0	0	0	0
Fatalities	#	0	0	0	0	0	0

* The expenditure on suppliers concerns the invoiced costs.

Sustainability key performance indicators	Unit of measurement	2017	2018	2019	2017	2018	2019
		Aluminium rolling division-Elval			Copper tubes division-Halcor		
Human resources - employment							
Men	#	711	787	777	446	541	582
Men (%)	%	90.6	91.3	90.8	93.1	93.8	94.0
Women	#	74	75	79	33	36	37
Women (%)	%	9.4	8.7	9.2	6.9	6.2	6.0
Total workforce	#	785	862	856	479	577	619
Full-time employees	%	100	100	100	100	100	100
Employee new hires	#	46	106	27	63	122	119
Employees of different nationalities	#	20	24	17	27	25	32
Employees with disabilities	#	1	1	0	0	0	0
Third party employees	#	71	174	208	65	71	26
Age profile							
Age group 18-30	#	65	73	69	33	67	75
Age group 31-50	#	536	572	562	291	336	353
Age group 50+	#	184	217	225	155	174	191
Age group 18-30	%	8.3	8.5	8.1	6.9	11.6	12.1
Age group 31-50	%	68.3	66.4	65.7	60.8	58.2	57.0
Age group 50+	%	23.4	25.2	26.3	32.4	30.2	30.9
Employee mobility							
Employee hires (number of new employees hired / total number of employees)	%	5.9	12.3	3.2	13.2	21.1	19.2
Employee departures (number of employees who left the company / total number of employees)	%	2.3	3.2	4.4	4.8	7.8	9.4
Employment per geographical sector							
Attica	#	347 (A:316. Γ:31)	384 (A:346. Γ:38)	354 (A:318. Γ:36)	265 (A:244. Γ:21)	278 (A:258. Γ:20)	283 (A:262. Γ:21)
Local community: Viotia and Evia areas and the areas of North Attica (Avlona, Malakasa, Oropos, Chalkoutsí)	#	436 (A:432. Γ:43)	473 (A:436. Γ:37)	496 (A:454. Γ:42)	211 (A:199. Γ:12)	285 (A:270. Γ:14)	333 (A:317. Γ:16)
Rest of Greece	#	6 (A:6. Γ:0)	5 (A:5. Γ:0)	6 (A:6. Γ:0)	3 (A:3. Γ:0)	15 (A:13. Γ:2)	3 (A:3. Γ:0)
Breakdown of departures							
Dismissals	#	7	12	12	4	12	18
Resignations	#	9	12	13	14	31	34
Retirements	#	2	2	8	3	1	6
Termination of contract	#	0	2	4	0	0	19
Death by natural causes	#	0	0	1	2	1	0
Total	#	18	28	38	23	45	77

** Included employees departures (dismissals, resignations, retirements)

9. Sustainability key performance indicators

Sustainability key performance indicators	Unit of measurement	2017	2018	2019	2017	2018	2019
		Aluminium rolling division-Elval			Copper tubes division-Halcor		
Position/Rank							
Managers	#	24 (A:22. F:2)	23 (A:21. F:2)	24 (A:22. F:2)	14 (A:14. F:0)	14 (A:14. F:0)	17 (A:17. F:0)
Senior executives	#	113 (A:104. F:9)	125 (A:114. F:11)	137 (A:125. F:12)	33 (A:31. F:2)	43 (A:40. F:3)	46 (A:43. F:3)
Office staff	#	225 (A:171. F:54)	243 (A:189. F:54)	254 (A:196. F:58)	96 (A:66. F:30)	105 (A:74. F:31)	100 (A:67. F:33)
Plant personnel	#	423 (A:414. F:9)	471 (A:463. F:8)	441 (A:434. F:7)	336 (A:335. F:1)	415 (A:413. F:2)	456 (A:455. F:1)
Employee training and development							
Health and safety	hours	3,698	5,764	4,611	1,026	1,066	2,215
IT issues	hours	943	1,755	1,229	376	360	235
Technical issues	hours	3,339	2,498	3,046	160	279	261
On the job training	hours	194	184	431	M/Δ	M/Δ	M/Δ
Environment and Quality	hours	330	979	1,286	1,435	1,504	742
Management / Administration	hours	5,132	1,823	2,350	64	1,192	522
Postgraduate programs and foreign languages	hours	510	256	96	230	192	316
Sales	hours	128	147	656	0	488	976
Total training hours	hours	14,273	13,407	13,705	3,291	5,081	5,267
Total training hours per position/rank							
Managers	hours	596	240	326	56	456	214
Senior executives	hours	5,710	4,056	5,009	220	802	636
Office staff	hours	4,431	4,202	4,840	266	2,142	1,966
Plant personnel	hours	3,536	4,909	3,530	2,749	1,681	2,451
Average training hours (total training hours/total workforce)	#	18.2	15.0	16.0	6.9	8.8	8.5
Employee absenteeism rate							
Work day lost	days	1,334	2,291	2,611	2,266	2,607	1,604
Absenteeism rate - AR	%	0.57	0.88	0.99	1.6	1.5	0.8
Contractors absenteeism rate							
Work day lost	days	170	276	637	310	210	50
Absenteeism rate - AR	%	0.09	0.61	1.03	0.7	0.9	0.6
Social indicators							
Employees from local community	#	436	473	496	211	285	333
Employees from the local community	%	55.5	54.9	57.9	44.1	49.4	53.8
Expenditure on local suppliers	EUR	12	13.2	14.1	17.3	12.8	12

¹ After securing guarantees of origin from RES (Renewable Energy Resources)
² Almost 107.000 tn of aggregates produced by excavations resulting from non productive activities are not included.
³ Almost 22.500 tn of aggregates produced by excavations resulting from non productive activities are not included.

Sustainability key performance indicators	Unit of measurement	2017	2018	2019	2017	2018	2019
		Aluminium rolling division-Elval			Copper tubes division-Halcor		
Environmental KPI's							
Water							
Water consumption	m³/tn of product	1.89	2.02	2.21	1.25	1.21	1.22
Water consumption by source							
EYDAP water supply network	%	100	100	100	97.3%	96.7%	98.7%
Oinofyta water supply network	%	0	0	0	2.73%	3.29%	1.29%
Energy							
Electricity consumption	KWh/tn of product	763	764	780	645	661	672
Thermal energy consumption	KWh/tn of product	1,838	1,834	1,861	753	747	743
Emissions							
Total CO ₂ emissions	Kg CO ₂ /tn of product	828	857	361	555	574	136
Direct emissions	Kg CO ₂ /tn of product	351	352	361	152	136	136
Indirect emissions	Kg CO ₂ /tn of product	477	505	0¹	403	437	0¹
Waste and waste management method							
Recovery	tn	4,670	3,793	3,867	964	1,010	1,319
Recycling	tn	22,269	21,189²	27,145	18,228	19,616	20,056
Landfill disposal	tn	576	772	739	450	480	575
Total	tn	27,068	25,754²	31,751³	19,642	21,106	21,950
Non hazardous waste (waste management method)							
Recovery	tn	1,108	409	35	0	32	42
Recycling	tn	21,092	19,625	25,009	17,783	19,090	19,594
Landfill disposal	tn	576	772	739	322	480	575
Hazardous waste (waste management method)							
Recovery	tn	3,561	3,384	3,832	964	978	1,277
Recycling	tn	1,177	1,564	2,136	445	526	463
Landfill disposal	tn	0	110	0	129	0	0
Direct energy consumption by type of fuel ⁴							
Diesel	GJ/tn of product	0.11	0.11	0.12	0.094	0.099	0.106
Natural gas	GJ/tn	6.49	6.69	6.46	2.47	2.59	2.57
Gas (LPG)	GJ/tn	0	0	0	0	0	0
Total	GJ/tn	6.6	6.8	6.7	2.56	2.69	2.67

⁴ 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 2019 we used the factor 11.4001996508953 KWh / Nm³ NG from the DEPA gas tariffs. The average tn CO₂ / TJ for 2019 is 55.665606479516 tn CO₂ / TJ, according to the Oinofyta spectrometer data. Note: All energy consumption figures are from the Company's energy consumption bills.

Appendix I – 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 15, 38-40
	2. Materiality	page 4-5
	3. Objectives	page 86, 47, 51, 57, 63, 77
	4. Value chain management	page 48-51
Process Management	5. Responsibility	page 38-41
	6. Rules and procedures	page 38-41. Appendix I – International standards and initiatives
	7. Monitoring	GRI Content Index. Section 9, page 78-81
	8. Rewarding schemes and motives for Sustainable Development	page 56
	9. Stakeholders engagement	page 42-43
	10. Responsible products and innovation	page 44-47
Environment	11. Use of natural resources	page 70-77
	12. Management of resources	page 70-77
	13. Climate change and air emissions	page 70-71, page 74-76
Society	14. Employment rights	page 56
	15. Equal opportunities	page 56, GRI TABLE (GRI 405-1, GRI 405-2)
	16. Qualifications	page 52-54
	17. Human rights in the supply chain	page 48-51
	18. Corporate citizenship	page 64-67
	19. Initiatives and political influence	page 17
	20. Corruption prevention and fighting	page 15, σελ. 83, Appendix I (page 83), GRI Content Index (GRI 205-1, GRI 205-2)

United Nations Global Compact

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.	<p>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. As a result of the control policies, procedures and mechanisms put in place, during 2019 like also in previous years, no incident related to violation of human rights has taken place.</p>	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.	<p>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 18001:2007-certified Occupational Health and Safety Management System. As a result of the control policies, procedures and mechanisms put in place, during 2019 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.</p>	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.	<p>We operate responsibly, following a holistic preventive approach to addressing environmental challenges, incorporating and applying principles of Sustainable Development in all of our operations. We seek to minimise our environmental footprint, by implementing a series of practices, taking initiatives to promote environmental responsibility as part of ElvalHalcor's corporate culture, encouraging the integration and development of environmentally friendly technologies. ElvalHalcor has put in place a certified Environmental Management System (ISO 14001:2015) and regularly publishes all data relevant to its environmental performance.</p>	8
Anti-corruption Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	<p>ElvalHalcor implements an integrated framework of corporate governance, 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, Supplier Code of Conduct and Business Ethics and Anti-Corruption Policy reflect the Company's commitment and views on transparency, anti-corruption and anti-bribery issues. Exposure to the risk of corruption is systematically monitored. 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 2019, as in previous years, no incident of corruption or bribery was recorded or reported.</p>	1



International standard ISO 26000 for Social Responsibility

	ISO 26000 principles	GRI Standards	Reference / Report section
	Corporate 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 3. 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



ElvalHalcor supports the Sustainable Development Goals

ElvalHalcor invests steadily in Sustainable Development. In this context, the Company supports 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 "most material" issues, making sure that

the policies and practices we are already implementing are moving in this direction.

ElvalHalcor attaches particular importance to taking actions that contribute to the achievement of the United Nations Sustainable Development Goals. Through the activities and practices implemented, the Company helps to address current challenges and achieve, among others, the following goals:



As a Company, we seek to support young people. Accordingly, we developed the "Boost your career" programme and also implement an extensive internship programme. Our aim, is to help young people develop professional knowledge and expertise – especially industry expertise.



ElvalHalcor's strategic approach includes equal growth opportunities and meritocratic development for all employees.



ElvalHalcor invests heavily in environmental protection projects. The Company also follows best practices and implements programmes that help to continuously improve ElvalHalcor's environmental performance. A typical example is the state-of-the-art wastewater treatment plant.



In 2019, ElvalHalcor managed to source 100% of its electricity needs from renewable sources in order to provide products with minimal carbon footprint and supporting the renewable energy market for further investments in the years to come.



We constantly invest in our human resources, focusing on continuous employee development. We also place great emphasis on occupational health and safety.



ElvalHalcor is a key link in the recycling chain. Recycling is carried out according to the most strict and modern standards, with high tech machines. Three delacquering furnaces operate at the Company's facilities today, with a technology that ensures environmentally friendly metal recycling.



ElvalHalcor acknowledge the significance of business ethics and anti-corruption matters. In order to ensure the implementation of the respective policy, the Company has applied the proper internal controls and procedures of operation demonstrating accountability, fairness and transparency in the relationship with all stakeholders.



To promote aluminium recycling in Greece, Elval created the Aluminium Can Recycling Centre (CANAL). CANAL receives and promotes for recycling used aluminium cans. Additionally, CANAL implements a comprehensive information programme on aluminium recycling for students and the general public (www.canal.gr).

Review of sustainability goals

We systematically monitor our sustainability performance, while also setting annual targets for each Sustainability area of interest.

What we said (2019 goals)

What we did (performance/target progress)

Care for our people

Further employee training on the continuous improvement methodology Lean 6S and 5S.	✓	Employee training on the Lean Six Sigma continuous improvement methodology continued.
Employee training on crisis management.	✓	In collaboration with an external body, training on crisis management was carried out, both for the competent team and for employees.
Enhance the induction process for new employees.	✓	New material was created and enriched with more information, for the required briefing and training of new employees.

Occupational Health and Safety

Implement 3 hours of occupational health and safety training per production employee.	✓	Implementation of a total of 10.6 hours of OHS training per production employee.
Training in rescuing employees having fallen from height.	✓	Working at height and fall rescue employee training was carried out for 31 people.
Inform employees on health issues.	✓	First Aid and defibrillator training was carried out.
Continue the implementation of the zero access programme aiming to protect to protect employees when accessing machinery.	✓	Continue the implementation of actions for zero access to the equipment for which studies on compliance with ELOT EN ISO 12100 "Safety of Machinery – General Principles for design – Risk assessment and risk reduction" and Presidential Decree 57/2010 have been completed.

Customer-oriented approach

Enter new markets and further increase existing market shares	✓	We further consolidated our presence in the markets in which we are active and increased our shares in the international market (see About ElvalHalcó section)
Further improve and automate internal reports («live» process control)	✓	Increase the utilisation of the possibilities provided by the equal suit platform in the appropriate procedures of the quality system applied by the Company.
Upgrade existing quality control equipment in the copper tubes division.	✓	<ul style="list-style-type: none"> • New Optical Emission Spectrometer (SPECTRO) – with an elemental analyzer for controlling the chemical composition of copper products. • New equipment for cutting copper and alloy samples (disc cutter). • Upgrading the copper and alloy samples smelting equipment. • New software / for upgrading the image analysis and processing capabilities of the optical microscopy system used for the metallographic examination of copper product samples.

Supply chain responsibility

Training of key suppliers in copper tubes division on implementation of improvement tools (6 sigma).	✓	The training of suppliers/partners from the copper tubes division on process monitoring tools to ensure continuous sustainable development (e.g. 6 sigma methodology) was successfully completed.
The ratio of purchased scrap / total copper raw materials to reach 50%.	✓	Scrap use in the copper tubes division increased by 40%, while in the aluminium rolling division it increased by 20%.
Supplier evaluation that will include sustainability criteria.	-	The supplier self-assessment process has begun and by the end of 2020, the evaluation (on sustainability issues, too) of all key suppliers in two A and B categories will be completed.

Environmental protection (2019-2020)

Certification of ElvalHalcó's aluminium rolling division (Elval) according to the Aluminium Stewardship Initiative (ASI) Performance Standard within 2020.	-	It was scheduled to be completed in May 2020, but due to the COVID-19 pandemic it is postponed by a few months.
Develop a full water balance for ElvalHalcó's aluminium rolling division's facility within 2019.	✓	Within 2019, the expansion of the plant's hydrometric network was completed and monthly water balances are being developed.
Develop the Product Carbon Footprint on the basis of a structured Life Cycle Assessment for ElvalHalcó's aluminium rolling division's key products (by 2020).	✓	The implementation of a Life Cycle Assessment for the aluminium rolling division's key products has been completed and a system (software and access to specialised databases) has been installed for assessing the environmental footprint of all the plant products.
Complete a water audit by a specialized company for the copper tubes division.	-	The improvement of the metering equipment in all the filling lines and blowdown stacks is in progress and expected to be completed in 7/2020, in order to develop monthly water balances.
Networking of power monitoring meters and installation of measuring and reporting software at the copper tubes factory (PME).	✓	The installation of the software and hardware has been completed and user training, along with the creation of report and control charts, is in progress.
Installation of natural gas meters in annealing furnaces.	✓	Installation in one of the three annealing furnaces has been completed and is expected to be completed in the other two until 5/2020.
Installation of LED lights in storage areas with motion and light sensors, on based on relevant study.	✓	The installation, within 2019, in new storage areas has been completed.

The Company's new goals for 2020 are listed at the end of each chapter of this Report.

About the report

This Report is a uniform edition for ElvalHalcor's two divisions (aluminium rolling division-Elval and copper tubes division-Halcor). Aimed at better informing our stakeholders, this Report reflects our sustainability efforts and presents our strategic priorities, our practices, and ElvalHalcor's future goals in the context of responsible business and growth.

This issue covers the calendar year 2019 (01/01/2019 - 31/12/2019). All the Sustainability Reports we have published from 2008 until today are available in electronic form (pdf files) on the Company's website (www.elvalhalcor.com), in the "Sustainability" section.

Scope and boundary

The Report is published annually and the data included in it concern the activity of ElvalHalcor S.A. (which includes the aluminium rolling division-Elval and the copper tubes division-Halcor) in Greece. 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.

Significant changes

There are no significant changes in the Report's scope or the boundary of performance issues covered or revisions of information compared to previous reports. No changes have been made in the evaluation and/or calculations of the Company's quantitative performance data. In cases where minor revisions have been made, there is an explanatory reference in the individual sections, tables or diagrams and the reasons for the revision are clarified in the respective places.

Report preparation

The 2019 Sustainability Report was prepared in accordance with the GRI Standards (core option) of the Global Reporting Initiative. The Report focuses on the Company's material issues (see pages 8-9), as these emerged from the materiality assessment process. In addition, the Report refers to ElvalHalcor's practices that contribute to the achievement of the Sustainable Development Goals (SDGs). In the printed version of the Report, the GRI Content Index is a separate document and is available on the Company's website: <http://www.elvalhalcor.com/el/sustainability/reporting/overview>.

Team work

The project team consists of the aluminium rolling division's Sustainability Team and the corresponding team of the copper tubes division and is responsible for also preparing the Sustainability Report. The executives of this team undertake, on an annual basis, to collect all the necessary data concerning ElvalHalcor's sustainability areas, to prepare the Report according to the GRI-Standards.

External assurance

To ensure the reliability of the Report's information we verify the ElvalHalcor data included in the Sustainability Report, in cooperation with an external body. The Company's relationship with the external body is independent and the body did not provide any consultation services to the Company for the Report. The conclusions and suggestions resulting from the external assurance process are used to improve the Company's procedures and the quality of the Reports issued. Pages 88-89 present the statement of the independent body that provided the assurance.

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. Your opinion is of great value to us.

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TÜV AUSTRIA Hellas
External Assurance Statement for ELVALHALCOR's
Sustainability Report 2019
(No. 20000200003108)

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 2019 ('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 2019 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 2020:

1. Review of the Report against the requirements of:
 - Global Reporting Initiative (GRI) Sustainability Reporting Guidelines, to confirm that the GRI-STANDARDS "Core option" requirements are fulfilled,
 - AA1000 Accountability Principles Standard 2008, and
 - Greek Sustainability Code.
2. Verification of the data included in all the chapters of the Report.
3. Use of remote audits technics, including interviews with the Sustainability Team and the main executives of the Company's factories (aluminium rolling division and copper tubes division), 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

1. 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.
2. The verification of the information took place by using

remote auditing technics, including interviews and documentation examination, due to the COVID-19 pandemic limitations.

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 based on 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, 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 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.
- The next Sustainability Report should be conducted according to the 2018 version of the AA1000 AP standard.

Γ. Greek Sustainability Code:

- There are 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 few 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.

Note: This Independent Assurance Report has been prepared as a translation of the original Greek version

On behalf of TÜV AUSTRIA Hellas,
Athens, 19th of May 2020

Kallias Yiannis
General Manager



Sifakis Nikolaos
Lead Auditor



The photographs in this Report were taken by the photographers Spyros Haraktinos, Panos Georgiou, Vyronas Nikolopoulos and by Simon Pitsilidis, Erietta Papadogianni and Anastasios Liatis.

The paper from our Report was printed on was produced from FSC forests and plantations and contains 60% recycled paper pulp.