ELVALHALCOR

HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.

Annual Report 2017

ELVAL HELLENIC ALUMINIUM INDUSTRY / HALCOR HELLENIC COPPER INDUSTRY

Contents

1. ElvalHalcor at a glance

1.9 billion
Euro revenue
(on an annualised basis)

12
State-of-the-art plants
in 3 countries

100+
92.4% of revenue
in more than 100 countries
all over the world

14
Multinational group consisting
of 14 subsidiaries
and associates
in 6 countries

21
Strong commercial network
in 21 countries

80
years of accumulated
experience

2. Chairman’s message

2017 was a year of robust growth for the international and the European economy, in which the GDP growth rate was the highest ever recorded since the crisis has broken out.

For ElvalHalcor, 2017 was a landmark as the merger of Elval and Halcor was completed during the year. The new entity has various qualitative and quantitative characteristics which make it a leading company in aluminium and copper product manufacturing worldwide. The Company has 80 years of presence and accumulated experience, revenue of EUR 1.9 billion, strong international export orientation accounting for 92.4% of its revenue in more than 100 countries all over the world, 12 state-of-the-art plants in 3 countries and a well-established commercial network in 21 countries.

The significant size of the new corporate entity is a factor that demonstrates very positive prospects, by exploiting synergies in various fields such as innovation and technology, research and development and infrastructure. These are key factors which will contribute in producing value-added and high-quality solutions for its customers, thus strengthening much more its position and competitiveness in the international market.

With respect to the financial figures, 2017 can be characterised as a very positive year. ElvalHalcor benefited from a favourable economic climate worldwide, while copper and aluminium prices recorded significant increase. However, the most important of all was the continuing operational development of the Group's two segments, both aluminium and copper, as indicated by the increase in terms of sales volume. With respect to the copper segment, sales volume rose by 15.4%. Copper and brass tubes, copper and copper alloy rolled products for industrial uses continued their upward performance. Concurrently, the sales volume of the aluminium segment rose by 3.4%, almost utilizing the segment's production capacity in full.

As a result, in 2017 the annualised consolidated revenue of ElvalHalcor increased by 21.5% compared to the previous year and amounted to EUR 1,863 million. Earnings before interest, taxes, depreciation and amortisation (EBITDA) on an annual basis amounted to EUR 160.5 million, recording a 28.7% increase, while the Group's annualised profits after tax were more than doubled and amounted to EUR 61.3 million from EUR 23.5 million in 2016.

The optimisation of the manufacturing processes enhanced the financial results leading to a further reduction of the industrial cost, improving the competitiveness of the Group's products abroad. However, the high financial cost in relation to key competitors continued to have a negative impact.

In 2017, ElvalHalcor continued to implement seamlessly its investment plans. More specifically, the amount of EUR 47.2 million was invested in the adjacent facilities of the Oinofyta-based plants, while EUR 13.6 million were invested by the aluminium and copper segments' subsidiaries in order to improve their productivity and produce high added value products.

Moreover, the implementation of a broader investment plan of EUR 150 million for machinery and infrastructure was launched in order to enhance the production capacity of aluminium rolled products, aiming to obtain more than double production capacity in the future. This investment enables ElvalHalcor to make its position even stronger in the aluminium product markets in the fields of packaging, transportation means, industrial and architectural applications as well as in the automotive industry and aerospace.

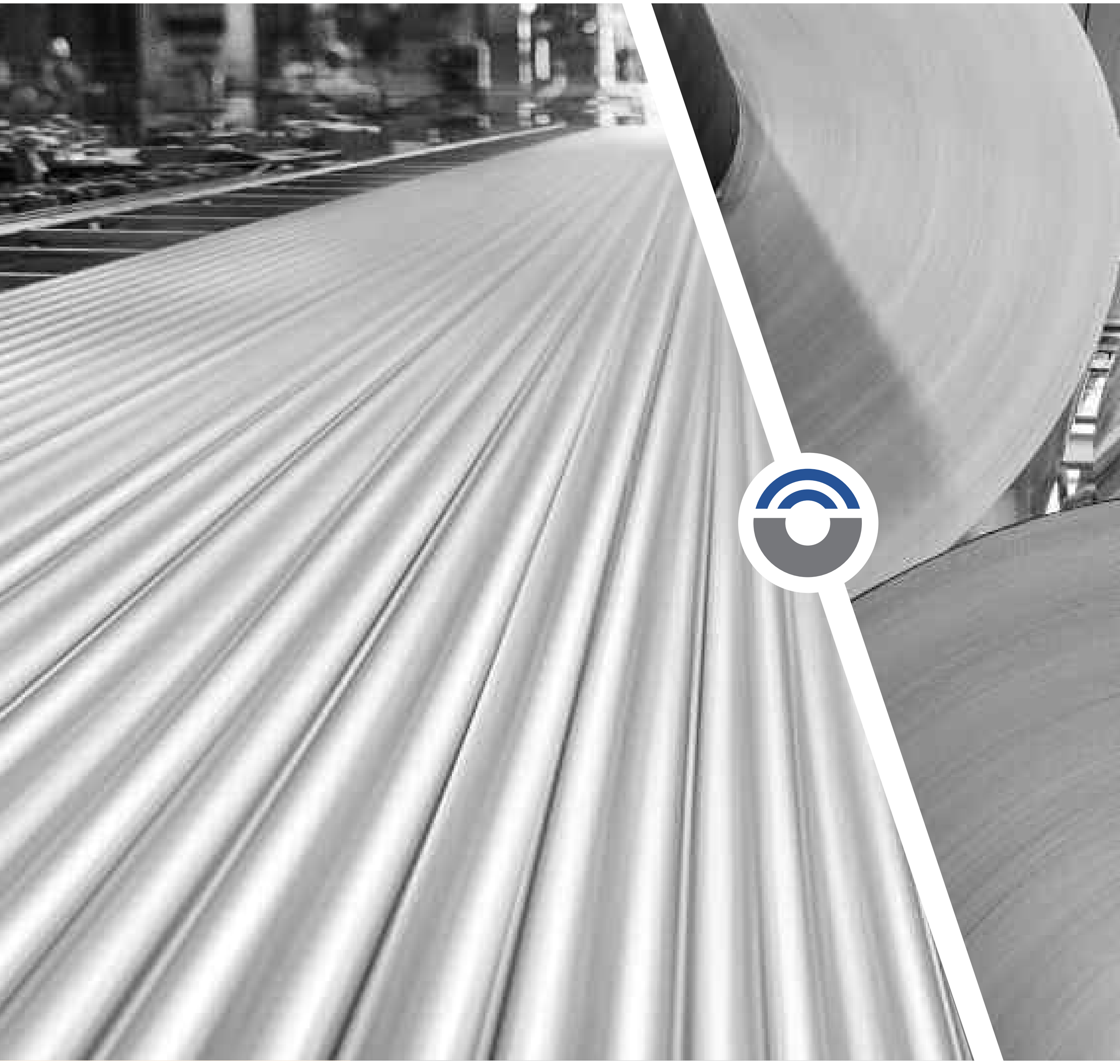
In this context, a contract has been signed with SMS Group GmbH, a German company, for the procurement of a new four-stand tandem aluminium hot finishing mill, for the production unit at Oinofyta, Viotia. The investment will be financed by EUR 70 million by the European Investment Bank (EIB), for which a 7-year loan agreement has been signed, and by EUR 65 million by Commerzbank Aktiengesellschaft, for which a 10-year loan agreement has been signed.

Considering the international financial environment, the prospects of our Company seem to be positive, as the demand for industrial products is expected to be on the rise in the near future and will continue to be the main pillar of ElvalHalcor's development. The relaunch of activities in the energy sector and the initiatives taken by the European Union to reduce the emissions of pollutants are expected to increase the demand for the Company's products. In addition, the Group has already started reaping the benefits of its investments and research made over the last few years.

Our key strategic goal remains to increase market shares in industrial products and high added value solutions, to manufacture innovative products, and to further boost our activities on an international scale and in new markets. In this context, ElvalHalcor offers a wide range of products such as highly resistant special copper alloy tubes with low GWP (Global Warming Potential), innovative alloys for the demanding market of heat exchangers, multilayer tubes and thick gauge aluminium sheets, mostly applicable in the shipbuilding industry. Moreover, it seeks to increase production in the titanium- zinc sector following its imminent participation in the share capital of the Dutch company Nedzink. As in the previous years, the optimal working capital management and the reduction of the Company's net debt are also among our key priorities.

Theodosios Papageorgopoulos
Chairman of the Board of Directors

3. The merger



Having as ultimate goal to establish a new strong industrial entity in the non-ferrous metal processing industry, Elval and Halcor have joined their forces.

The consolidated entity is characterised by considerable size, financial strength and particularly extensive production plants. Moreover, the merger generates a number of synergies that will benefit the Company, most importantly in terms of the production cost, research and development, the environment, supplies, innovation and technology.

By offering added value and high quality solutions, ElvalHalcor can fully cater for the evolving needs of a wide clientele which operates in an ever-changing international environment, being able to compete against the leading companies of the industry and claim a position at the top.

4. History (Milestones)

Halcor
1937
Hellenic Copper Industry begins operations and launches production in Viohalco's newly-established industrial plants in Tavros (Attica).

Elval
1965
Viohalco launches production in the aluminum segment.

Elval
1973
Incorporation of Elval and absorption of the aluminium segment of Viohalco.

Elval
1974
Operations of the rolling plant in Oinofyta commenced.

Halcor
1976
Halcor is found and production of billets and slabs begins at the Oinofyta plant.

Halcor
1981
The rolling and extrusion sectors of Viem are integrated into Halcor, along with Viohalco's know-how.

Halcor
1990
Halcor contributes to Vector its rolling equipment and the latter begins operations in the copper and other alloy rolling, extrusion and slitting and cutting sectors.

Elval
1993
Installation of a new single stand, 2.5m width, hot mill in the Elval plant, Oinofyta.

Elval
1996
The shares of Elval and Vector are listed on the Athens Stock Exchange.

Halcor
1997
Vector merges with Halcor and is renamed to Halcor S.A.

Elval
1998
Installation of a continuous casting unit in the Elval plant, Oinofyta.

Elval
1999
Installation of a new lacquering line and operation of a new foil cold mill for coils with a width of up to 2m in the Elval plant, Oinofyta.

Halcor
2000
Halcor acquires majority shareholding in Hellenic Cables.

Sofia Med acquires the fixed assets of Kozm. Manufacturing of copper and brass rolled products is transferred to the Sofia Med plant. An extensive investment plan to restructure and upgrade the Group's industrial premises begins.

Elval
2001
Installation of a new cold mill for coils with a width of up to 2.5m in the Elval plant, Oinofyta.

Elval
2003
Operation of a new melting-casting unit for production of 9m long slabs at the Oinofyta Elval's plant.

Halcor
2005
The Halcor plant in Tavros launched production of titan-zinc rolled products.

The new pioneering Cusmart® tubes are launched in the market.

Elval 2007

Establishment of Afsel in cooperation with United Aluminium Company of Japan Corp. (former Furukawa-Sky Aluminium Corp.).

Elval 2009

The new Green Melt furnace for aluminum recycling starts operations.

Elval 2010

Annual production capacity of Elval's plant rises to 240,000 tons following the completion of an extensive investment plan.

Elval Grain aluminium sheets for use in flooring for cooling compartments of refrigerator trucks are launched in the market.

Halcor 2010

The Group completes its 10-year extensive investment plan to increase the competitiveness of its production base.

Fitco incorporates the brass bars and tubes manufacturing branch of Halcor into its production process.

Elval 2011

Certification of Elval's Occupational Health and Safety Management System, according to the standard OHSAS 18001:2007.

The new 2.5m wide tension levelling machine starts operations.

Elval 2012

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

Halcor 2012

Talos® Plated and Talos® Geotherm copper tubes are launched in the market.

A new investment plan is launched by Sofia Med focusing to strengthen its production of value-added products.

Elval 2013

Furukawa-Sky Aluminium, Japan's biggest rolled aluminium products producer, merges with Sumitomo Light Metal industries to form UACJ Corporation, with which Elval's strategic co-operation continues.

The construction works of the new facility designed for increasing the production capacity of long aluminium slabs in the Elval plant are completed.

The new melting furnace for aluminium scrap recycling begins operations.

Halcor 2015

Halcor acquires the commercial activities and distribution network of Reynolds European's copper segment in France and Reynolds Cuivre SA is set up.

Halcor cooperates with Turkish company Cantas A.S. to found HC Isitma.

Elval 2015

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

Elval 2016

Elval wins top innovation prize for its product Elval Grain at the 3rd Applied Research and Innovation Competition 'Greece Innovates!'

Installation of a new Globus Machine in the Elval plant, Oinofyta.

Halcor 2016

Halcor gains leading position among European copper tubes manufacturers, while a turnaround in the Group's profitability is observed.

Following the cross-border merger by absorption by Cenergy Holdings of the Greek formerly listed companies Corinth Pipeworks Holdings S.A. and Hellenic Cables S.A. Halcor becomes Cenergy Holdings' shareholder by 25%.

Cooperation agreement decided between Sofia Med and Dowa Metaltech for know-how and technology transfer.

ELVALHALCOR
HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.

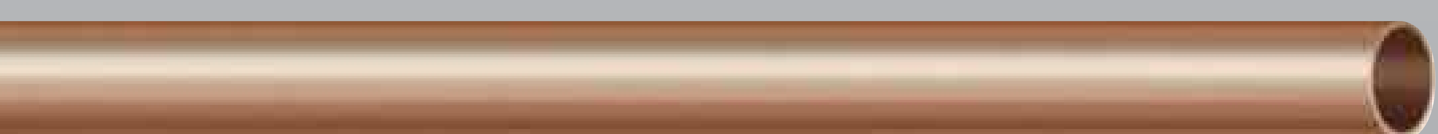
2017

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).

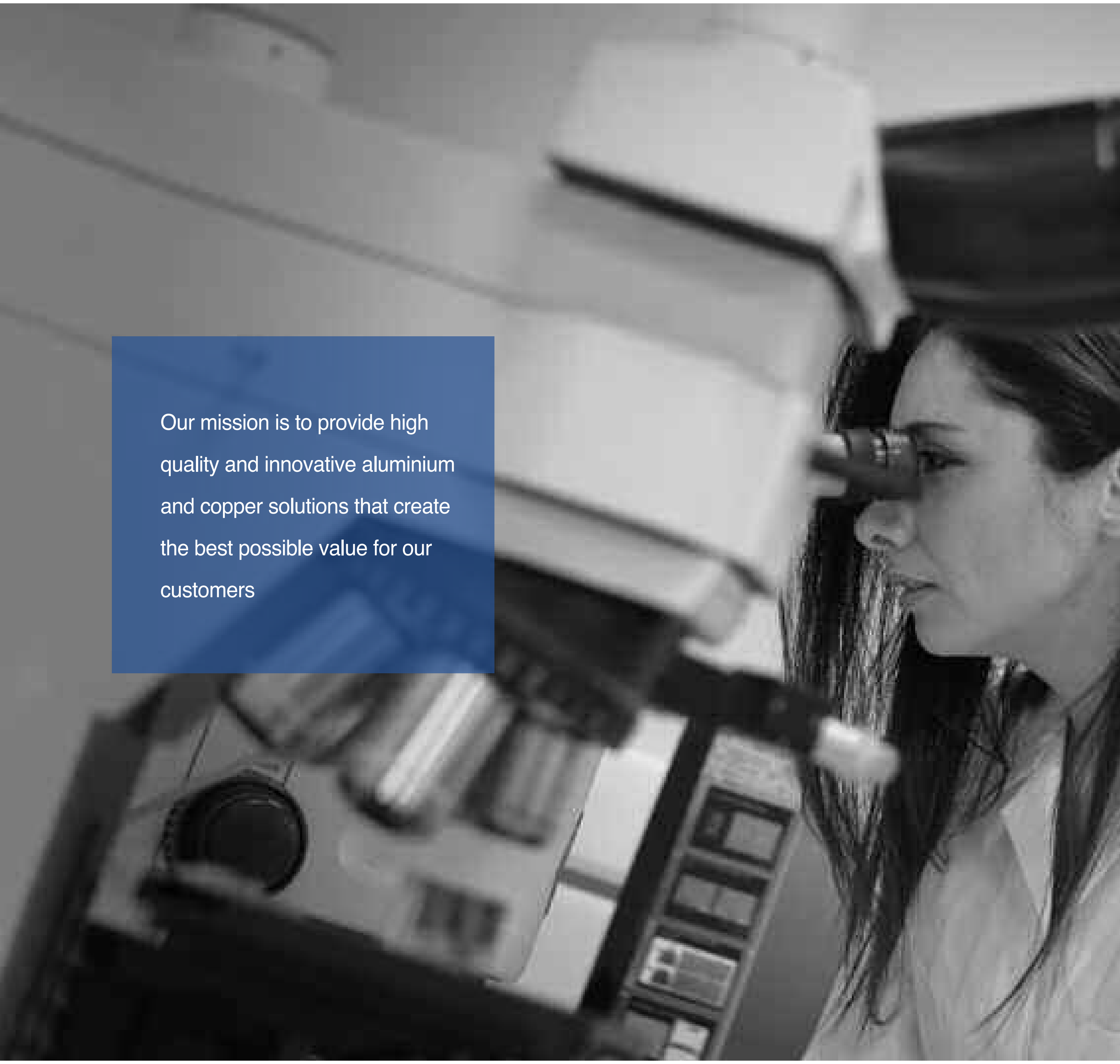
In December 2017, the aluminium rolling division of ElvalHalcor entered into a 7-year loan agreement with the European Investment Bank for EUR 70 million to finance its new investment plan of EUR 150 million.

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.

50% in the Dutch Nedzink was acquired with a view to developing the titanium-zinc segment.



5. Our vision



Our mission is to provide high quality and innovative aluminium and copper solutions that create the best possible value for our customers

Our vision is to be a benchmark for the global market, providing 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.

Our values:

- Integrity
- Respect
- Innovation
- Customer value creation
- Effectiveness
- Corporate responsibility.

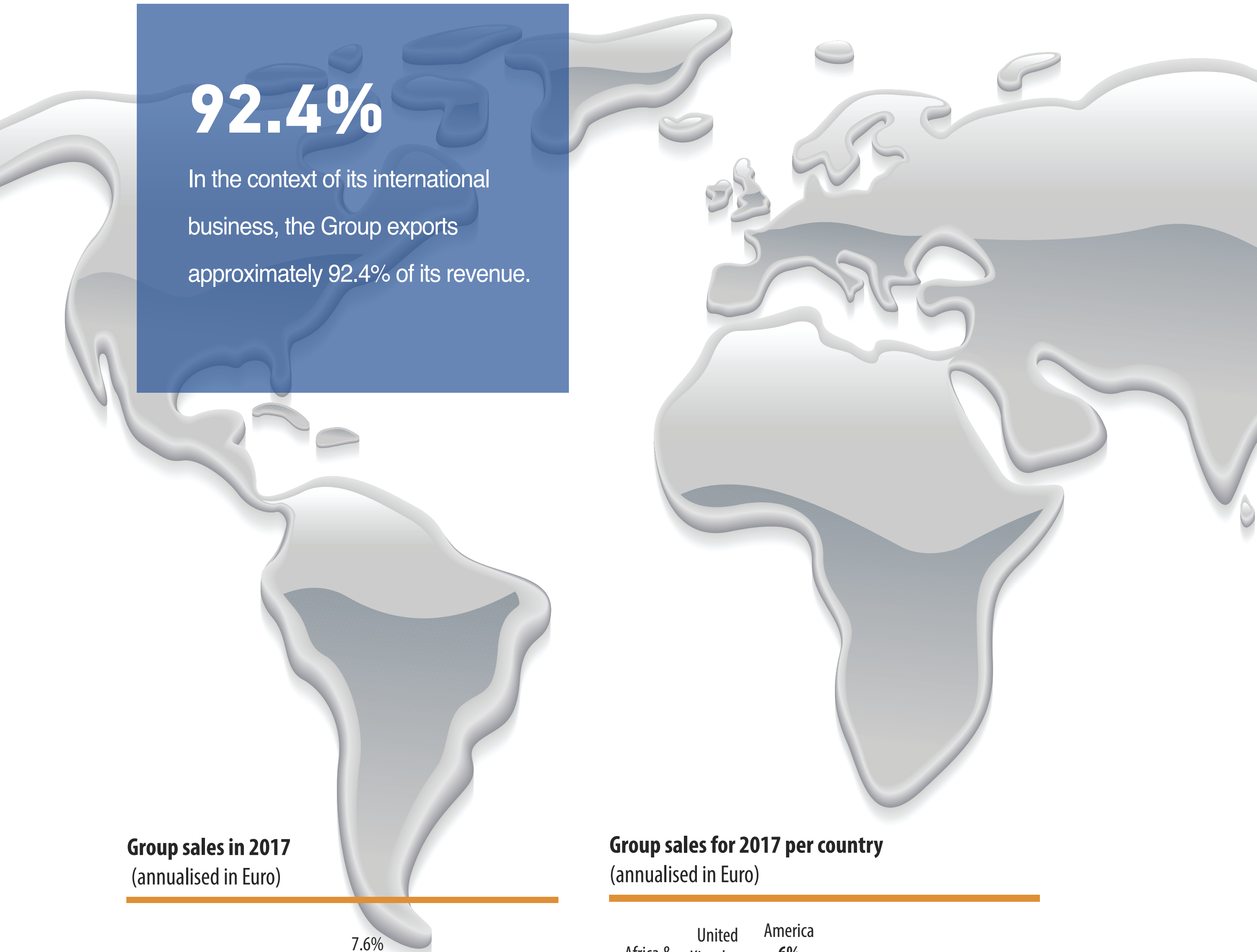
6. Strategy and philosophy

Our strategy aims to strengthen ElvalHalcor's leadership of the aluminium rolling and copper tubes industries, driven by sustainable development.

The implementation of our strategy is based on the following six pillars:

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

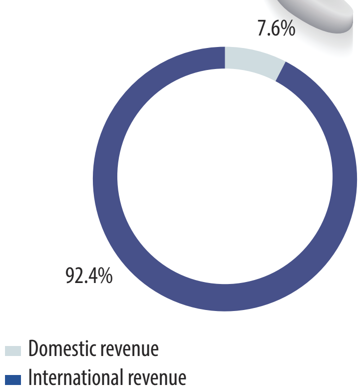
7. Global presence



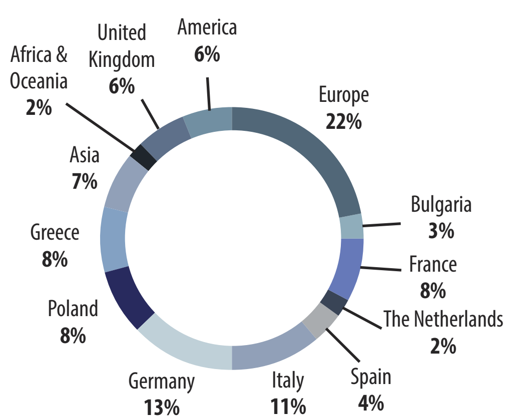
92.4%

In the context of its international business, the Group exports approximately 92.4% of its revenue.

Group sales in 2017
(annualised in Euro)



Group sales for 2017 per country
(annualised in Euro)



ElvalHalcor is an export-oriented multinational group of companies.

- The group's structure consists of 14 subsidiaries and associates (holding share by more than 50%) which have their registered offices in 6 different countries (Greece, Bulgaria, Turkey, Romania, Spain, Germany).
- It is internationally oriented. Both copper and aluminium segments provide added value products and solutions to customers in more than 100 countries worldwide.
- It has developed an extensive commercial network in 21 countries.
- It operates 12 plants in Greece, Bulgaria and Turkey.

In the context of its international business, the Group exports approximately 92.4% of its revenue.

7.1. Entering new geographical markets

Entering new geographical markets and expanding its presence in existing markets on an annual basis is the Group's standard practice. The actions carried out by the Group's different companies in this particular field in 2017 are as follows:

- Elval intensifies its efforts for further development in the USA market.
- Symetal made a dynamic entrance in the USA market.
- Halcor:
    - Showed an outstanding performance in Russia where it was ranked at the top in copper tubes imports
    - Recorded a significant increase in its operations in the Nordic countries
    - Took part in a business mission in South Africa
    - Makes efforts to enter the markets of Australia and New Zealand, a difficult task given the proximity of these particular markets to China.
    - Seeks to expand its presence in the countries of the Persian Gulf.

- Fitco:
    - Entered the market of South Korea
    - Seeks to re-enter the USA market, especially with respect to brass tubes.

8. ElvalHalcor group

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

ELVALHALCOR
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COMPANY	COUNTRY	BUSINESS	(%) PARTICIPATION	METHOD OF CONSOLIDATION
ElvalHalcor	Greece	Industrial	-	Parent company
Fitco	Greece	Industrial	100.00%	Full consolidation
Techor	Greece	Industrial	100.00%	Full consolidation
Techor Pipe Systems	Romania	Industrial	100.00%	Full consolidation
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
Elval Colour Iberica (subsidiary of Elval Colour)	Spain	Trading	100.00%	Full consolidation
Sofia Med	Bulgaria	Industrial	88.88%	Full consolidation
Viomal	Greece	Industrial	50.00%	Full consolidation
Elkeme	Greece	Metallurgy Research	92.50%	Equity Method
UACJ Elval Heat Exchanger Materials	Germany	Trading	50.00%	Equity Method
UACJ Elval Consulting (former Afsel)	Greece	Services	50.0%	Equity Method
HC Isitma	Turkey	Industrial	50.00%	Equity Method
Viener	Greece	Energy	41.32%	Equity Method
Steelmet	Greece	Services	29.50%	Equity Method
International Trade	Belgium	Trading	27.97%	Equity Method
Viexal	Greece	Services	26.67%	Equity Method
Anamet	Greece	Trading	26.67%	Equity Method
Cenergy Holdings	Belgium	Holdings	25.16%	Equity Method

8.1. Aluminium segment

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

ELVAL HELLENIC ALUMINIUM INDUSTRY

ALUMINIUM ROLLING DIVISION of: ELVALHALCOR HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.

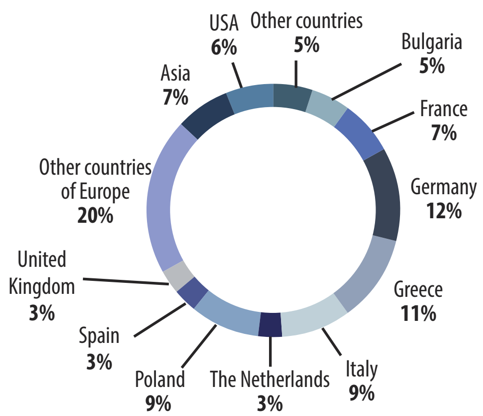
Elval Colour | Symetal | Anoxal | Vepal | Viomal | UACJ Elval Heat Exchanger Materials

With state-of-the-art production facilities (7 production plants) in Greece and a dynamic commercial presence across all key geographies, the aluminium segment is well positioned in the global aluminium industry.

We offer a wide variety of aluminium products and solutions, including coils, strips, sheets and foil for various applications.

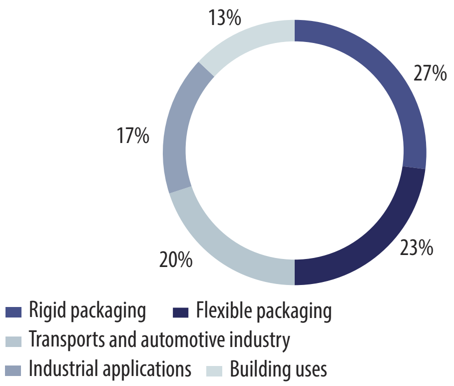
The aluminium segment has a significant international presence with 89% of its sales being exported into more than 98 countries all over the world.

Aluminium segment sales per country (in euro)



With respect to the breakdown of the segment's revenue per market, 50% of its sales were distributed into food packaging (27% into rigid packaging and 23% into flexible packaging), 20% in transports and the automotive industry, 17% into industrial applications and the remaining 13% into building uses.

Aluminium segment sales per product category (in tons)



It is noted that during the last ten years, the aluminium segment of ElvalHalcor has invested more than EUR 300 million in mechanical equipment, research and development with a view to increasing its production capacity and improving the quality of the products it manufactures on an ongoing basis.

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

- Capability to produce wide tread aluminium sheets up to 2.5m and slabs up to 9m.
- Flexible independent medium-scale supplier on a worldwide scale.
- Upgraded and cutting-edge equipment.
- Focus on research and development.
- Manufacturing of quality products in line with the highest market standards.
- Particularly expanded sales network.
- Strategic partnership with United Aluminium Company of Japan (UACJ Corp.).

8.1.1. Elval

Elval is the aluminium rolling division of ElvalHalcor, in which it has been operating for approximately 50 years. It is one of the leading aluminium product manufacturing industries worldwide, being the sole aluminium rolling industry in Greece. A focus on continuing product development and ongoing partnerships for know-how exchange with a view to improving its products and services are key components in Elval's long-term success that made it a market leader.

It is engaged in the manufacturing and trade of wide tread aluminium products and solutions (including among others wide tread aluminium sheets up to 2.5m) for various challenging applications. Having developed a comprehensive portfolio of products, Elval targets various markets such as transports, food and beverage packaging, building and construction, energy, domestic appliances, heating, ventilation, air-conditioning and refrigeration (HVAC&R), and diverse industrial applications.

It has cutting-edge production plants at Oinofyta, Viotia, with an annual production capacity of 280,000 tons, in which the company has made extensive investments of over EUR 300 million over the last ten years.

These continuous investments in machinery as well as in research and development enable Elval to provide reliable, innovative and competitive product solutions meeting the requirements of the most demanding international customers. The company has a well-established commercial network in 21 countries all over the world, with its exports accounting for more than 80% of its revenue, in more than 60 countries in 5 continents.

Being clearly focused on quality and innovation, Elval makes significant investments in new product development, human resources training and in optimisation of its plants. Elval Technology Centre, a specialised department in research and development, enables Elval to incorporate innovations in both the production process and its high-quality products. Emphasis on continuing new product development and know-how exchange aim to improve the products and services offered to its customers at all times.

Moreover, Elval seeks to optimise its processes, by adopting Lean Six Sigma methodology and applying it to all corporate aspects. For Elval, Lean Six Sigma philosophy is a business improvement strategy which includes the alignment of customers, employees and operational processes with the strategic framework defining the development of the enterprise. Using Lean Six Sigma, its metrics and methodology, Elval manages to improve production processes and promote the products and solutions it offers, thus securing an important competitive advantage in the aluminium market. By applying top level Lean Six Sigma quality and statistical tools, Elval focuses on fully meeting the needs of its customers, by analysing the reasons that may give rise to defects in the complex production processes with the ultimate goal of continuous monitoring, evaluation and elimination of any errors. By applying Lean Six Sigma methodology, Elval incorporates the culture of continuous improvement operational strategy which ranks the consistent high product quality, operational effectiveness and customer satisfaction among its most important business priorities.

Elval's aluminium rolling production unit is certified as per ISO 9001:2015, IATF 16949:2016, ISO 14001:2015, OHSAS 18001:2007 and ISO 50001:2011.
Certification as per ISO 50001, which refers to Energy Management, was completed in January 2018.

Furthermore, in collaboration with customers, Elval Grain which is suitable for truck flooring, was certified for its increased anti-slippery properties and capacity to reduce noise when cargoes are moved across its surface.

Moreover, the company extended its certifications from classification societies for aluminium plates intended for the shipbuilding industry.

8.1.2. Elval Colour

With 40 years' of experience in manufacture of coating and colour products, Elval Colour is a reliable partner that offers added value services to customers by assisting in product specification and selection that best suit to the needs of the project/application. The production and the product delivery is supported by the customers orientation and dedication that the company demonstrates to it customers.

Continuous R&D in various fields allows steady improvement of technology, quality, and environmental standards.

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 for transportation. A wide range of painted aluminium coils and sheets are also available for guttering, shutters, façades, ceilings, internal and external cladding as well as range of general applications for architectural solutions and special construction purposes.

Elval Colour offers major construction firms special architectural applications across a wide range of products such as painted orofe® panels and strips for ceilings, Ydoral® strips and parts for guttering, and painted strips

and sheets of aluminium for skylights, shading applications and shading systems, Elval ENF Corrugated® sheets, Elval ENF Perforated® sheets, compact aluminium Elval ENF® sheets for building facades and composite aluminium etalbond® panels, and special systems Agraphon® and Arypon®. Elval Colour thus covers the entire range of painted aluminium products for the shell of buildings, focusing on the reduction of their energy footprint. Thanks to this full range of products, the Company aims to offer comprehensive solutions that can bring an architectural vision to life, playing a dynamic role in the development of architecturally innovative spaces where top quality and Sustainability are vital.

Elval Colour's products come in an extensive range of basic colours and painting systems, and tailor-made colours can also be ordered and prepared at the Elval Colour's specially equipped laboratories and then painted on one of the four painting lines, allowing the Company to meet its customers' diverse needs and requirements.

Elval Colour is mainly export-oriented with 99% of its sales carried out beyond Greece. Its most important markets are those of Singapore, India, China, Germany, Italy, Poland, France and Spain in which the company is represented by its subsidiary Elval Colour Iberica.

In 2017, Elval Colour was awarded with the Green Certificates of etalbond®FR and etalbond®A2 by the leading organisation "Singapore Green Building Council SGBC" while certificates were obtained for etalbond A2 for Poland and Ukraine and certificates for Germany and France were expanded with more studies on wind pressure and earthquake resistance.

Elval Colour is a member of the European Coil Coating Association (ECCA), the European Aluminium Association and Hellenic Aluminium Association. Elval Colour's plants are certified as per ISO 9001, ISO 14001 and OHSAS 18001.

8.1.3. Symetal

Established in 1977, Symetal focuses on the production of aluminium foil (from 6 to 200 microns) and flexible packaging aluminium products and offers tailor-made and sustainable foil solutions. Symetal is highly export-oriented with 95% of its sales carried out in over 60 countries across the globe.

The long-standing partnerships concluded with major multinationals is a key factor that has contributed to its successful commercial presence.

The company is a vertically integrated manufacturer and runs two production plants: the rolling plant at Oinofyta, Viotia and an aluminium foil conversion plant in Mandra, Attica.

The company operates two thoroughly fitted out research centres, one in each plant, while collaborating directly with Elkeme on a continuous basis. The Oinofyta-based research centre is engaged in the development and upgrading of new and existing products, while the research centre established in the Mandra-based production plant is involved in the development of new lacquers and colours. Moreover, the Company's human resources are highly experienced and technically qualified to be able to assist in research and development activities.

Symetal is certified as per ISO 9001, ISO 14001 and OHSAS 18001, and is also registered under the European Commission eco-management and audit scheme (EMAS) for environmental management. It is noted that the Mandra-based aluminium foil processing plant is also certified as per ISO 22000. Moreover, certification as per ISO 15378 is being scheduled with respect to the company's lacquered aluminium products which are designed for the pharmaceutical market.

8.1.4. Anoxal

Anoxal operates in metal processing and recycling. More specifically, Anoxal recycles and casts aluminium to produce billets and slabs. The company owns production plants at Oinofyta, Viotia, with an annual production capacity of 49,500 tons.

8.1.5. Vepal

Vepal engages in aluminium coil and sheet coating, having significant experience in coating and colour matching.

Vepal's cutting-edge production plant in Thiva has a total annual production capacity of around 45,000 tons. Aluminium sheets and coils intended for architectural and industrial applications, the automotive industry and food packaging are painted at the Thiva plant using wet and electrostatic painting methods. The unit has implemented a comprehensive environmental management system and utilises zero emission systems for gas and liquid waste.

Vepal produces painting aluminium strips for architectural and automotive applications. The Company's products are marketed by Elval Colour and Elval.

The Company implements management systems certified in line with the ISO 9001, ISO 14001 and OHSAS 18001 standards.

8.1.6. Viomal

Established in 1985, Viomal is a leading aluminium rolling shutters manufacturer based in Greece.

The Company's plant and headquarters are located in Nea Artaki (80 km from Athens) and it operates a branch office and distribution centre in Kalochori, Thessaloniki, which serves customers in Northern Greece and the Balkans. It is noted that the Company has a well-established sales network in many European and non-European countries.

The Company primarily engages in aluminium sheet processing so as to produce rolling shutters for doors, windows and garage doors. Rolling shutters manufacturing is supplemented by the vertically integrated production of accessories such as galvanised octagonal axes, aluminium boxes either with polyurethane insulation or extruded, and accessories from injection plastic machines. In its attempt to respond to evolving customer needs and market trends, Viomal has also invested in the production of aluminium spacer bars for double glazing, insect screen systems, pleated waterproof polyester insect screens, protection systems, home automation systems, and an electrostatic powder coating production unit. Moreover, Viomal S.A. is the exclusive agent for the Greek market of German "Becker" motors and automation systems.

8.1.7. UACJ Elval Heat Exchanger Materials (UEHEM)

UACJ Elval Heat Exchanger Materials (UEHEM) was set up in 2015 and is a joint venture between Elval and the Japanese giant "United Aluminum Company of Japan (UACJ Corp.)", engaged in the sale of heat exchangers for the European automotive industry. UEHEM acquires its products mainly from Elval and markets them to its customers in Europe under the UEHEM brand name. The incorporation of the above joint venture has concretised an agreement of Elval with the internationally acclaimed Japanese firm to join their forces and is a concrete proof of Elval's loyalty to international partnerships.

8.2. Copper segment

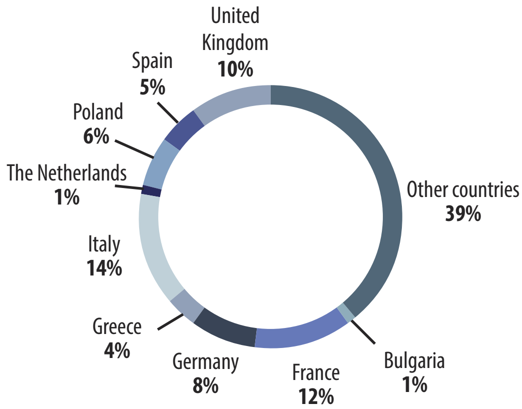
The copper segment comprises the copper tubes division, under the brand name Halcor, and its copper processing subsidiaries.

HALCOR
HELLENIC COPPER INDUSTRY

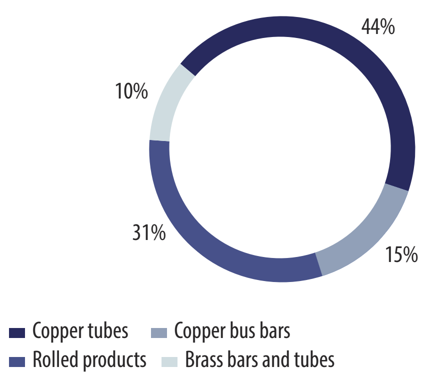
COPPER TUBES DIVISION of: ELVALHALCOR HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.

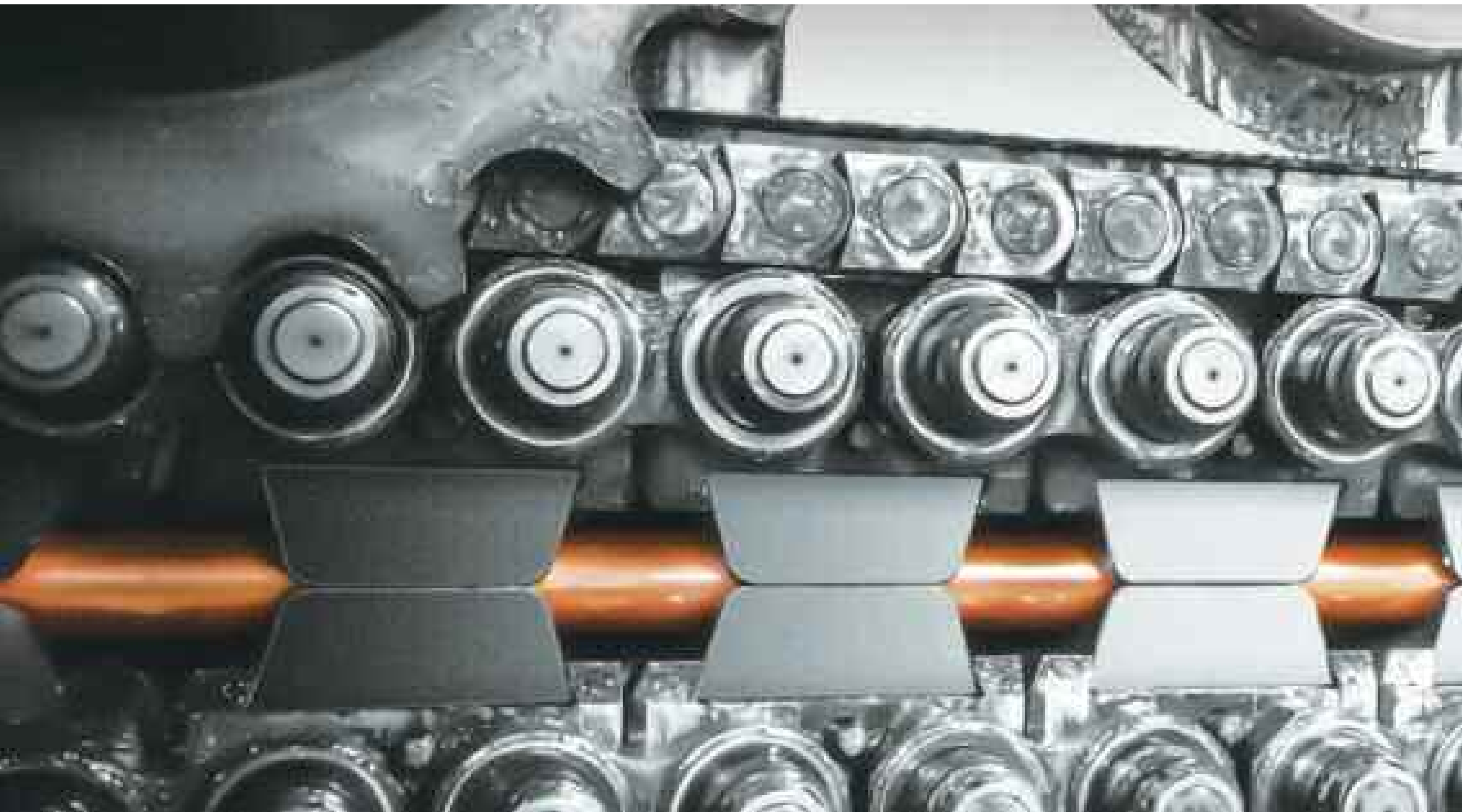
Fitco | Sofia Med | HC Isitma

Copper segment sales per country (in euro)



Copper segment sales per product category (in tons)





The copper segment of ElvalHalcor provides flexible and dynamic copper solutions to international customers. The segment operates 5 industrial plants in 3 countries (Greece, Bulgaria and Turkey). In the copper segment plants, ElvalHalcor manufacturers copper, copper and brass alloy products such as tubes, sheets, strips, bars and discs for various applications such as building and construction, heating, ventilation, air-conditioning and refrigeration, industrial applications, renewable energy sources and fish farming.

The copper segment, like the aluminium segment, carries on international activities. As a result, exports account for 96% of its revenue and are directed to approximately 76 countries.

With respect to the breakdown of revenue by product category, tubes sales accounted for 44%, rolling products for 31% in an uptrend versus the prior year, bus bars and rods for 15%, at prior year level, and brass rods and tubes for 10%.

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

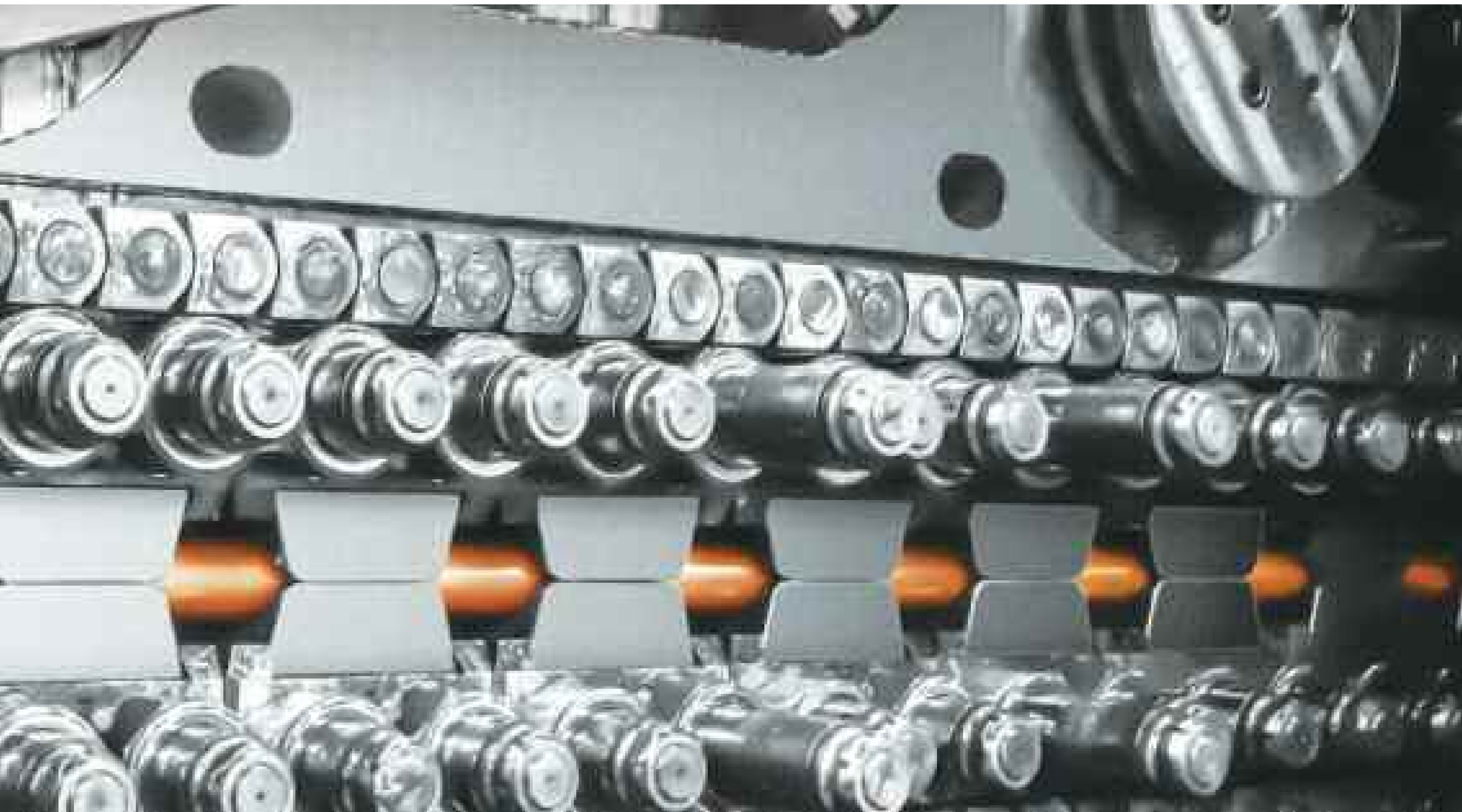
- Halcor's copper tubes plant at Oinofyta, Viotia is the largest and one of the most efficient plants in Europe, Middle East and Africa.
- Modern machinery and applicable quality procedures.
- Sophisticated technical assistance through the innovative tube heat transfer laboratory.
- Extensive sales network.
- Well-established presence in the heating, ventilation, and air-conditioning industry.

8.2.1. Halcor

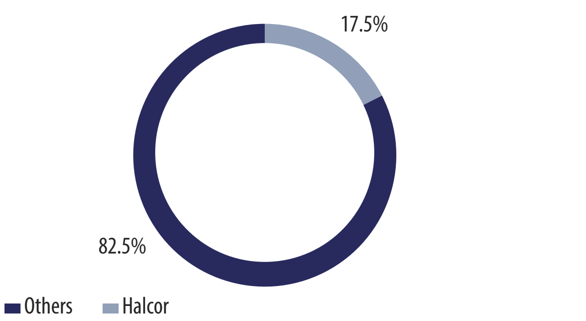
Having 80 years of accumulated experience in copper processing and a successful presence in the market, Halcor is the largest copper tubes manufacturer in Europe and the sole in Greece.

Halcor produces and trades copper products and alloys as well as copper rolled products, offering high added value innovative solutions to a wide international clientele. Indicatively, the product portfolio includes copper tubes as well as copper sheets, strips and discs. Its products are designed and used in numerous different industries such as water supply, heating and air-conditioning networks, construction, renewable energy sources and various industrial applications.

It has two state-of-the-art plants at Oinofyta, Viotia. More specifically, it has a casting - recycling unit and a copper tubes production unit, the largest plant in Europe, Middle East and Africa, while also having one of the three largest extrusion presses worldwide. Its strong and cutting-edge production base is one of Halcor's key competitive advantages, enabling the manufacture of products with top quality and technical characteristics and properties, which can adequately meet customer requirements, i.e. quality and reliability, while also offer innovation and high added value.



European copper market



Halcor's production process is based on two key pillars: transparency and sustainable development in financial, environmental and social terms. With respect to transparency:

- Strategy is communicated to all human resources through the relevant procedure.
- Separate projects in the production field are fully computerised and accessible to all involved parties and general management which is asked to evaluate them. Thus, it is possible to reflect the situation of each investment project and get the result that may be generated.
- Job descriptions are detailed, focusing on the procedures and the relevant key performance indicators (KPIs).

In essence, the production process consists of specific recorded procedures. These procedures have specific owners. The performance of procedure owners is measured using the relevant indicators that have been set. Finally, all procedures are accompanied by an action road map to secure that they will be developed through the following years and will not remain stagnant.

By making strategic investments in research and development, Halcor has set new standards in copper processing and is ranked among the leading industries in the copper products segment on an international scale, focusing on the manufacture of high quality products, while showing respect for the environment and concrete commitment to compliance with sustainable development principles. In light of the above, all production plants capitalise on modern technologies and infrastructures to develop environment-friendly innovative products of high energy efficiency.

Halcor's copper tubes production unit is certified as per ISO 9001:2008, ISO 14001:2004, ISO 18001:2007, OHSAS 18001 and ISO 5000:2011.

8.2.2. Fitco

Fitco was set up approximately 40 years ago and is specialised in the production of semi-finished copper alloy extruded products such as bars, profiles, bus bars, wires, tubes and mesh. Its products are used in a large number of markets such as building and construction, transports, shipbuilding, industrial applications, fish farming, medical applications, etc. Fitco's export oriented activity is illustrated by the exports of the largest part of its products to international markets, in more than 30 countries.

The company has a production plant at Oinofyta, Viotia with particularly flexible production processes, enabling Fitco to provide custom made solutions to its customers.

It has made significant investments in research and development, in its attempt to launch new innovative products in the market and currently more than 20 copper alloys are included in its portfolio. Moreover, Fitco has registered and exploits the following trademarks:

- Free Brass®: It refers to products (alloys) with a low lead content, suitable for contact with potable water.
- UR30®: It is a brass alloy wire used in fish farming cage mesh. This is a highly innovative product, with copper content more than 60%, which keeps copper properties, is anti-fouling, highly environment-friendly, has a long life cycle, and is resistant to corrosion and wear while being a 100% recyclable material.

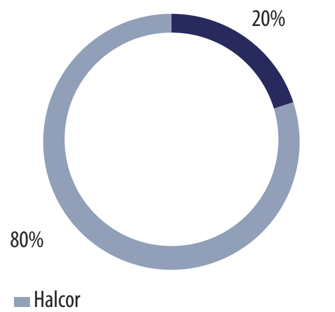
Fitco's brass bars and tubes extrusion plant is certified as per ISO 9001, ISO 14001, ISO 18001 and OHSAS 18001, and is pursuing ISO 50001 certification. The products manufactured in the said industrial plant are certified as per European and American standards such as EN, DIN, BS, NSF, ASTM, SITAK.

8.2.3. Sofia Med

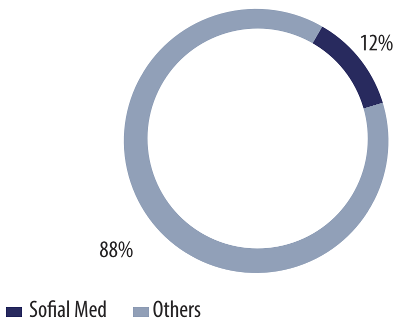
Having its registered office and production plants in Sofia, Bulgaria, it is also a company with 80 years' history. Through the experience gained and the extensive investments implemented, Sofia Med has currently evolved into a modern and competitive manufacturer of copper and copper alloy rolled and extruded products used in building and construction and in numerous industrial applications, while also having a leading position at European level with respect to copper bus bars and copper rolled products for roofing applications.

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

Copper bus bars



Copper rolled products for roofing applications



It has entered into a strategic partnership 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, as well as for the development of new alloys and products.

It is certified as per ISO 9001, ISO 14001 and OHSAS 18001 and complies with the guidelines of ISO 26000 in the field of Corporate Social Responsibility. During 2017, the process of certification as per IATF 16949 for the automotive industry began. 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.

2017 was a very successful and important year for Sofia Med, since the Company recorded gains again. Copper rolled products' sales mainly for industrial use were considerably boosted, primarily due to the higher global demand and the continuing improvement of quality and support to customers by Sofia Med. Moreover, the implementation of a five-year business plan was completed, primarily focused on business operations, product and procedure development, quality procedures, raw materials management and supply, entry to new markets (automotive industry, e-mobility, deep extrusion products), partnership with strategic European partners and increase of market share in existing and new markets (energy, electric applications, e-mobility, decoration).

8.2.4. HC Isitma

It is a joint venture of Halcor with the Turkish company Cantas A.S. The Company was set up in 2015 and became fully operational in the second quarter of 2016. It is engaged in copper coated tubes processing and specifically in the insulation of HVAC tubes, having production facilities in Gebze, Turkey. The key goal of the Company is to trade its products in the Turkish market and the neighbouring countries. The Company's performance to date is deemed satisfactory and is characterised by the expansion of its operations and sales increase.

9. Facilities and production plants

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

Country	Geographical sector	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

9.1. Aluminium segment

9.1.1. Elval | Oinofyta, Viotia

Elval's aluminium rolling plant is located at Oinofyta, Viotia. It stands on a plot of 587,000 m^2 with a built area of 177,000 m^2. Its annual production capacity comes to 280,000 tons.

Following the implementation of extensive investment programs, it is one of the top state-of-the-art aluminium rolling units across the world. This plant manufactures a wide range of aluminium rolled products intended for transports, automotive industry, industrial applications, packaging, building and construction, energy and power networks, domestic appliances, heating, ventilation and air-conditioning (HVA&R) markets.

Elval has been successfully implementing the systematic lean production methodology as the most effective methodology helping to deal with modern problems encountered in industrial manufacturing units. Important goals such as cost reduction, waste reduction and increase of production output are, among others, everyday challenges facing Elval and fall under the scope of lean production processes.

Lean production methodology helps Elval focus on minimising the quantity of resources (including time) used in business activities/ processes, and obtain flawless aluminium products and solutions while while optimising the utilization of its available resources.

9.1.2. Elval Colour | Agios Thomas, Viotia

Elval Colour's plant in Agios Thomas stands on a plot of 31,400 m^2 and manufactures and trades:

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

The above products are used in applications for:

- Building envelope
- Automotive industry
- Corporate identity.

The plant's highly efficient equipment can manufacture aluminium composite panels, aluminium coated strips and coils, as well as perforated and corrugated sheets intended for the building envelope.

9.1.3. Symetal | Oinofyta, Viotia

Symetal's aluminium rolling plant is located at Oinofyta, Viotia. It stands on a plot of 40,000 m^2 with a built area of

22,000 m^2. Its annual production capacity comes to 52,000 tons.

The core activity of this plant is to manufacture aluminium foil in a wide range of thicknesses and alloys for various uses such as flexible packaging, food, cigarettes, pharmaceutical products (blister and cold forming), semi-rigid containers, technical applications (for use in cables, insulation applications, heat exchangers) and domestic applications.

9.1.4. Symetal | Mandra, Attica

The Mandra converting plant has an annual capacity of 26,000 tons. Its facilities cover 14,000 m^2, on a plot of 24,000 m^2.

This particular plant completes Symetal's Oinofyta-based production plant and is engaged in processing the foil manufactured in the Oinofyta plant carrying out paper lamination, lacquer-coating and embossing operations. The products manufactured in the Mandra plant are intended for food packaging, pharmaceutical products (blister and cold forming) and tobacco industries.

More specifically, the Mandra production plant manufactures:

- Paper-laminated products (with or without lacquer coating) such as cigarette inner liners, chocolate, chewing gum and other food packaging foil.
- Bare aluminium (with or without lacquer coating) for chocolate foil, yoghurt and jam lidding foil, pharmaceutical foil, etc.

Following an investment plan of EUR 8 million, Symetal's plant at Mandra is now one of the most technologically advanced plants worldwide.

9.1.5. Vepal | Thiva, Viotia

Vepal's production plant in Thiva has a total annual production capacity of around 45,000 tons and produces painting aluminium sheets and coils. The company's plant is using wet and electrostatic painting methods.

9.1.6. Anoxal | Agios Thomas, Viotia

Anoxal's production plant in Agios Thomas, Viotia, is installed on a plot covering a surface area of 61,000 m^2 with a built area of 10,000 m^2. It has an annual production capacity of 49,500 tons.

This plant engages in aluminium recycling and casting to produce billets and slabs. It operates:

- 1 horizontal casting unit
- 2 melting furnaces and 2 holdings furnaces
- 2 homogenisation furnaces.

9.1.7. Viomal | Nea Artaki, Evia

Viomal's production plant in Nea Artaki, Evia stands on a 36,000 m^2 plot while buildings have a surface area of 9,500 m^2.

The plant is specialised in the production of:

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

9.2. Copper segment

9.2.1. Halcor | Oinofyta, Viotia

Halcor's recycling plant - foundry is located at Oinofyta, Viotia on a 50,000 m^2 plot with a built surface area of 16,300 m^2. Its production capacity is 235,000 tons per year.

The plant is engaged in the production of semi-finished products and in particular billets and slabs made of copper, brass and other alloys, which are supplied to the remaining copper segment's companies.

Halcor’s recycling plant-foundry manufactures billets and copper slabs, brass and other alloys. It operates:

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

These are environment-friendly facilities which operate a copper scrap collection and sorting centre while using natural gas as key fuel, thus achieving very low emissions of gas pollutants.

9.2.2. Halcor | Oinofyta, Viotia

Halcor's Copper Tubes plant at Oinofyta, Viotia is one of the most effective production plants in Europe and the largest plant in Europe, Middle East and Africa, having also one of the largest extrusion presses worldwide. It covers a total surface area of 194,500 m^2 with a built surface area of 72,500 m^2. Its production capacity is 75,000 tons per year.

Halcor's Oinofyta-based copper tubes plant processes primary copper billets and manufactures copper tubes for various applications:

- LWC copper tubes
- Inner grooved copper tubes
- Insulated copper tubes
- Coated copper tubes
- Copper tubes in straight lengths and hard, semi-hard or soft coils
- Copper tubes for industrial applications.

This plant manufactures, among others, inner-grooved copper tubes with very thin walls, which are used in the production of heat exchangers. Halcor is one of the few manufacturers across Europe that is able to manufacture such products.

Given that productivity depends on both machinery and human resources, a number of actions take place in this plant with a view to increasing production, apart from the investments in machinery. For example:

- In 2015, production planning was restructured in the copper tubes production plant which, through targeted actions, resulted in enhanced production capacity.
- From December 2016 onwards, shifts are changed within the entire plant without operations being discontinued.
- Production optimisation activities are carried out on an ongoing basis, focusing on reducing delays.
- Lean 6 Sigma Training methodology is implemented, which includes theoretical and on-the-job training of human resources in the areas of quality, management, production effectiveness as well as project and process management. One of the key goals is to reduce periods of delay so that production can benefit from such savings.
- All procedures are recorded and analysed in detail with a view to be optimised.
- Analyses have been carried out in order to highlight the

Aluminium segment - Plants

corrective actions that have to take place in the context of process improvement.

9.2.3. Fitco | Oinofyta, Viotia

This production unit, located at Oinofyta, Greece, extends over a 58,000 m^2 site and processes copper alloy semi-finished products for industrial and architectural applications. Fitco's alloy bars and tubes extrusion plant has an annual capacity of 40,000 tons.

Fitco's alloy bars and tubes extrusion plant at Oinofyta, Viotia stands on a 58,000 m^2 plot with a built surface area of 25,300 m^2. Its production capacity is 40,000 tons per year. Fitco specialises in the production of extruded alloys:

- Rods
- Tubes
- Profiles
- Wires and mesh
- Wire and UR30® copper alloy mesh for cage farming aquaculture.

Hot or cold extrusion techniques are used to produce the above products with brass scrap as primary raw material.

Fitco's industrial plant applies very flexible production processes and is able to provide custom made solutions to its customers.

9.2.4. Sofia Med | Sofia, Bulgaria

Sofia Med's copper and copper alloy processing plant in Sofia, Bulgaria has a production capacity of 100,000 tons per annum. Total built area of the plant comes to 120,000 m^2 on a 250,000 m^2 plot.

Sofia Med's plant has three production units: a foundry, and rolling and extrusion mills. Sofia Med produces a wide range of rolled and extruded copper and copper alloy products used in a wide variety of building and industrial applications, including:

- Sheets
- Strips
- Plates
- Circles
- Disks
- Bare and plated copper bus bars
- Rods
- Profiles
- Components
- Wires.

This is a plant that stands out for its particularly high production capacity and output, as a result of the significant investment programs of EUR 180 million that were implemented by Sofia Med during 2001-2017.

9.2.5. HC Isitma | Gebze, Turkey

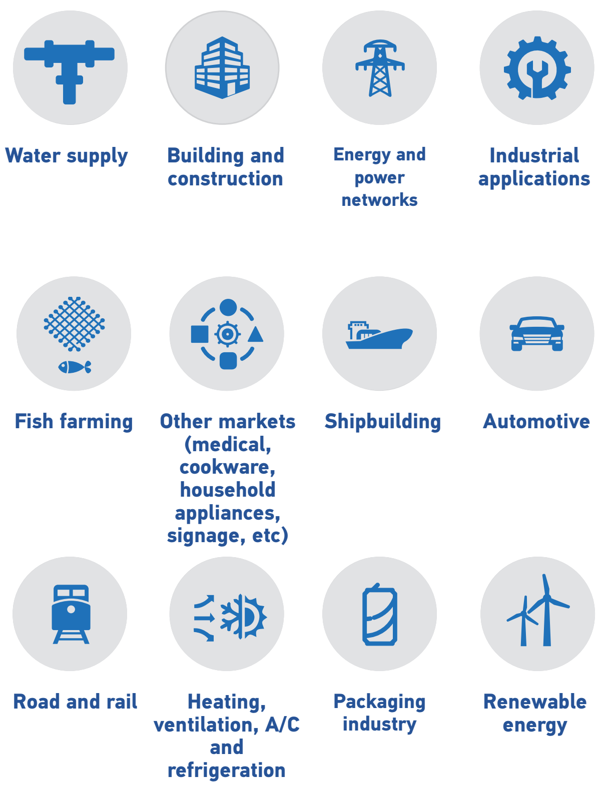
HC Isitma's plant in Gebze, Turkey is engaged in the production of coated tubes. More specifically, this plant manufactures:

- Ecutherm coated copper tubes with a production capacity of 4,200,000 meters of tubes per annum.
- Polypropylene A/C drain hoses with a production capacity of 1,800,000 meters of tubes per annum.

Copper segment - Plants

10. Product solutions

ElvalHalcor offers a wide range of high quality aluminium and copper product solutions. Laying emphasis on innovation, technology, sustainability and cost-effectiveness, the Company seeks to improve its product solutions at all times so as to be able to respond to customer expectations and needs all over the world. The Company operates in numerous complex and highly demanding markets with strong development potential.



10.1. Aluminium segment

10.1.1. Transportation

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

- Road transports: Refrigerated trucks, road tankers, road silos, tipper trucks, emergency vehicles, buses, fuel tanks, livestock vehicles.
- Rail transports: Cargo or passenger trains.
- Shipbuilding: Floors, stairs, ship decks and ramps, mega-yachts, high speed catamarans and fast ferries, patrol and service vessels, fishing boats and pontoons.
- Automotive industry: Various types of trailers, chassis parts, braking systems, structural parts, window sliding frames, heat-insulating covers (heat shields). Brazing sheets generally for heat exchangers and especially for water or oil coolers, car radiators, condensers and evaporators, consisting of single-layer or multilayer alloys with high strength and long life anti-corrosive properties for engines of passenger cars and heavy vehicles.

10.1.2. Heating, ventilation, A/C and refrigeration

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

10.1.3. Packaging

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

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

10.1.4. Renewable energy

The Company markets a range of products adapted to the specific requirements of the developing market of renewable energy sources. More specifically, the Company produces aluminium plates for windmill platforms and nacelles as well as sheets for solar collectors.

10.1.5. Water supply

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

10.1.6. Building and construction

ElvalHalcor offers a wide range of high quality, reliable and innovative aluminium products for the building and construction industry. More specifically the company has in its product portfolio solutions for:

- 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.
- Extruded profiles for rolling shutters for doors, windows and garage doors.
- Aluminium rolling shutters, octagonal axes, accessories for rolling shutters, roller shutters boxes (from aluminium sheets, polyurethane-insulated aluminium, extruded aluminium, PVC), guides, rolling shutter strap guards, hand cranks for rolling shutters for doors, windows and garage doors.
- Insect screen systems (pleated and classic) for doors and windows.
- Aluminium spacer bars, accessories, security railings from stainless steel for doors and windows
- Door sliding security systems
- Aluminium foil for roofing and wall insulation applications, flexible tubes, air ducts and foam panels.

10.1.7. Energy and power networks

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

10.1.8. Industrial applications

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

10.1.9. Signage

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

10.1.10 Household appliances

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

10.2. Copper segment

10.2.1. Water supply

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

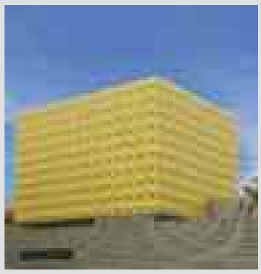
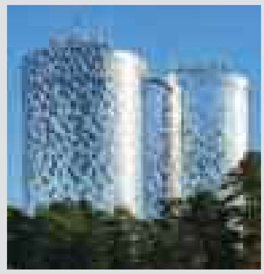
10.2.2. Heating, ventilation, A/C and refrigeration

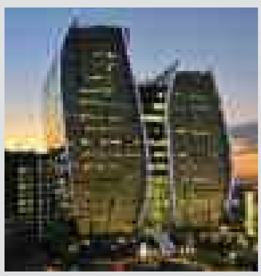
Halcor, the copper tubes division of ElvalHalcor, produces a wide range of copper tubes such as Talos® ACR Linesets tubes used in air conditioning systems, Talos® ACR Inner Grooved tubes designed for the industry of heat exchangers for air conditioners, Talos® ACR EcuthermTM and Talos® ACR EcuthermTM2 tubes used in heating, ventilation, air-conditioning and refrigeration facilities. Moreover, the Company produces copper strips for boilers and heat exchangers, brass strips for heat exchangers as well as polypropylene air conditioner drain hoses.

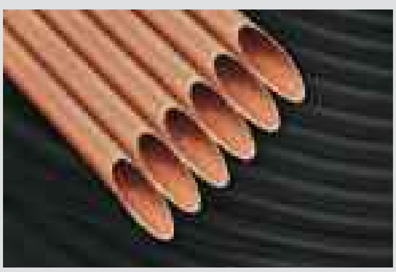
10.2.3. Building and construction

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

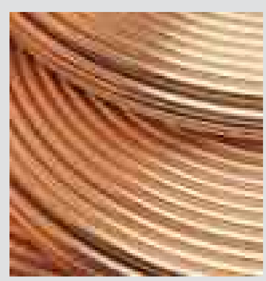


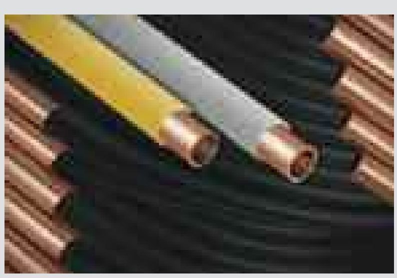
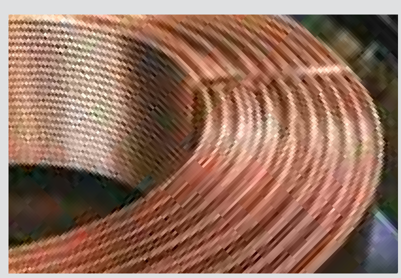








- Talos® copper tubes used in water supply, heating, natural gas, and air conditioning applications.
- Talos® coated copper tubes: they are used in water supply, heating and air conditioning applications.
- Talos® Gas copper tubes: they are used in natural gas internal networks.
- Talos® copper tubes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

10.2.4. Renewable energy

The Company produces 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 as well as copper sheets and strips for solar panels.

10.2.5. Medical applications

The Company's production plants manufacture Talos® Med copper tubes for the construction of medical gas transport and distribution networks used in applications that frequently come into contact with human hands such as door grips, handles, faucets interior surface, taps and sanitary fittings.

10.2.6. Industrial applications

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

10.2.7. Energy and power networks

The Company's product portfolio for 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 and high performance special copper alloys for lighting and electromechanical applications.

10.2.8. Transportation

ElvalHalcor's copper segment produces 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.

10.2.9. Fish farming

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

10.2.10 Other applications

Finally, the Company manufactures products for various other applications such as lead brass wire for bike accessories, brass profiles intended for the furniture industry and various alloys widely used in coin production.

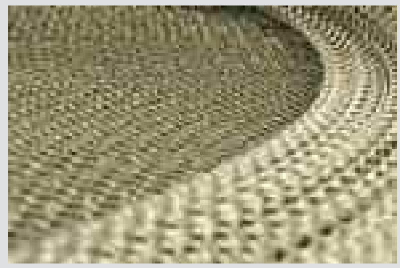
10.3. New products development

ElvalHalcor's rising performance over time is due to a large extent to its pioneering operations and the innovative properties of its products. As a result, the Company is in a position to introduce to the market new product solutions which incorporate the ever-changing requirements and needs of its customers in Greece and abroad. The products brought to the market by the Group in 2017 are presented below:

Elval

- Thick gauge aluminium sheets (plates), mostly applicable in the shipbuilding industry and for industrial uses. This particular product offers Elval the advantage of producing and marketing the full range

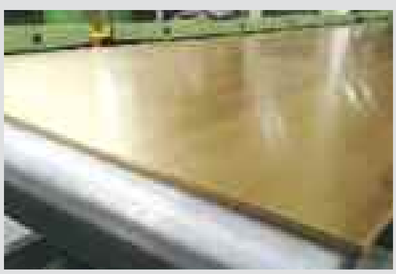














of magnesium products intended for the shipbuilding industry.
- Multilayer tubes applicable in interfloor heating and water supply systems.
- Development of multilayer alloys (brazing) for the market of heat exchangers in cooperation with UACJ Corp.

Elval Colour
During 2017, Elval Colour started developing new products and applications such as:
- New surfaces seeking to imitate natural materials not only in terms of shading but also texture such as GFRC ceramic, wood and marble.
- A revolutionary aluminium substrate that can give coated aluminium products with a life cycle of up to 40 years and Cr-free pre-treatment.
- A new range of composite panels with anodised aluminium surfaces with 20 mm anodisation, a unique product in the field.

Symetal
- Aluminium foil for all types of batteries (battery foil), an innovative product of high added value.

Viomal
Profiles of ventilation aluminium extruded rolling shutters providing abundant natural light while ensuring very easy and swift manufacturing processes.
- Polyester pleated net, 100% waterproof and resistant to adverse weather conditions, extra resistant to UV radiation, available in black and grey.
- Net replacement kit, fit for all pleated insect screen systems, easy-to-repair without using any machinery.
- New vertical Apollo 42mm insect screen system for doors and windows, flexible and fast to install, ensuring noiseless and reliable operation.

Halcor
- **Talos®Color**: A new range of copper tubes for hydraulic and heating installations. Its key advantages consist in the white colour of the tubes which matches perfectly inner surfaces, in the resistant solid electrostatic powder coating (which is characterised by high rigidity, resistance to corrosion, ease of formability and flexibility) and semi-hard properties rendering it flexible.

- **Talos®Ecutherm:** Copper tubes applicable in hydraulic installations as well as air-conditioning and refrigeration installations. The key advantages of these tubes are energy savings, reduced installation time and ease of formability. Vertically integrated production allows customisation in line with technical and commercial requirements. It is noted that the new production line for tubes with foam insulation allows higher durability of the foam around the copper tube.

Fitco
- A new series of special copper alloys (Series 700) for accessories for the automotive industry.

Sofia Med
- Different variations of CuNiSi alloys (copper – nickel – silicon) and CuFe (copper – iron) used in the automotive industry, lighting and mechanical applications. The product portfolio includes thicknesses up to 5mm and sheets up to 1,250 mm.

11. Innovation

ElvalHalcor's philosophy is customer-oriented and focused on meeting their needs, by providing the best-in-class technological solutions all over the world. For this to be attained, first and foremost the Company must understand the requirements of its customers and then apply the know-how it has admittedly gained and its innovative technologies to achieve its goal.

Therefore, the Company has an open communication channel with its customers, being fully aware of their needs and requirements. To ensure full and continuous customer satisfaction, ElvalHalcor never stops to develop its products and solutions so that it can turn from a simple supplier into something more than a valuable associate.

Research and development play a catalytic role in all the above and for this purpose ElvalHalcor has made and still makes investments in three key directions: machinery, human resources and exchange of technology and know-how through various international partnerships such as these with United Aluminium Corporation of Japan (UACJ), Mitsubishi Shindoh and Dowa Metaltech. From time to time, the Company has also entered into partnerships with various research centres.

Through these actions, ElvalHalcor seeks to develop and innovate its plants, by enriching their production with new techniques and technologies and by upgrading the existing practices put in place. In addition, ElvalHalcor carefully chooses its staff who are involved in research and development so that they are experienced, trained and qualified and provides them with cutting-edge technology equipment.

The above actions generate a result that is more than satisfactory since throughout these years the Company has managed to bring to the market a host of new high quality products with unique technical properties, which can cater for the needs of the most demanding customers.

11.1. Elval Technology Centre

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

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

11.2. Elval Metallurgy Centre

Elval Metallurgy Centre is part of the technology centre. The capacity to carry out extensive research and develop new alloys enables Elval to be at the forefront of the next generation alloy development. Alloys are designed having regard to customer needs and technical specifications, especially in terms of resistance to corrosion, mechanical properties and surface properties. What the company gets is cost-effective production of alloys with optimum properties.

The Company's metallurgy centre, an important laboratory of metallurgy research, with top engineers in charge, is a pioneer in alloy design. The centre focuses on new product and process development, product and process monitoring, evaluation of melted metal quality, raw materials control, dealing with any problems encountered in production, customer service and technical assistance in metallurgy, having available all necessary technologies in order to achieve its goals.

11.3. Halcor Tube Heat Transfer laboratory

Halcor has set up a tube heat transfer laboratory aiming at research and development. It also aims at evaluating the thermal performance of both plain and inner-grooved tubes designed for heat exchangers.

The Tube Heat Transfer laboratory is located within Halcor's Oinofyta-based central production plant, where Talos® Inner-Groove Tubes (IGT) and Talos® ACR tubes are manufactured in line with international standards and customer specifications.

IGT copper tubes feature inner grooves whose geometry enhances significantly the amount of heat transferred through the internal medium. The production technology for Talos® IGT copper tubes enables the manufacture of advanced inner-groove designs for a complete range of sizes, from 16mm outside diameter down to the new generation microgroove™ tubes with an outside diameter of 5mm or less. Halcor is one of the few manufacturers worldwide to have this capability.

The tests carried out at the laboratory and the relevant test data enable Halcor to offer specialised technical support to manufacturers of heat exchangers with a view to optimise their heat-exchanger design and achieving higher efficiency. Moreover, the Tube Heat Transfer Laboratory offers a comparative advantage to Halcor customers by giving them the opportunity to establish a mutually beneficial cooperation within an integrated support and product development framework.

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

In developing its research activities, ElvalHalcor is the key shareholder and closely collaborates with Elkeme, seeking to strengthen its position against competitors, and to penetrate new product markets.

Elkeme targets many different areas, which are as follows:

- To enhance innovation in ElvalHalcor's product portfolio seeking to increase added value and competitiveness
- To address effectively any issues and problems encountered at the production level with the ultimate goal to improve the production process
- To upgrade the production and products' technical characteristics so that the Company can offer innovative solutions.

For Elkeme to carry out successfully its mandate and to come up to the expectations of its partners, it has fitted out its facilities with leading-edge technology. Moreover, Elkeme's scientific personnel stand out for their highly skilled training and focus on their dual role, i.e. to carry out research work and to support the production process and in general ElvalHalcor's industrial facilities.

11.5. Hellenic Copper Development Institute (HCDI)

The Hellenic Copper Development Institute (HCDI) was founded and operates with a view to promote and develop copper applications. It is a non-profit organisation and aims to provide responsible updates to specialised users about anything relating to applications and uses of copper and copper alloys.

The HCDI has scientists and technicians as advisors who collaborate for the purpose of implementing different projects including activities such as updates to professionals, training and technical support as well as scientific guidance in relation to issues concerning copper and its alloys. Moreover, its primary concern is to promote the latest developments highlighting the key role of copper in both the environment and health.

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

Through Halcor, ElvalHalcor is one of the founders of the Hellenic Copper Development Institute and is also a member of the European Copper Institute. Concurrently, being an active member, ElvalHalcor participates in the elaboration of its programs, either by making available materials and sites for seminar implementation or by providing funds for implementing programs across Greece.

It is thus ensured that ElvaHalcor is in direct contact with major research with respect to copper and its effect on human health and the environment.


Struers

12. Investments

Throughout its operation, ElvalHalcor has laid emphasis on expanding the range of its products and on strengthening their quality and added value. Dedication to development and streamlining through continuing implementation of extensive and demanding investments is one of the key components specific to ElvalHalcor's philosophy and operation, thus giving a concrete proof of its industrial orientation. The Company has designed and implemented a high number of investment programs, promoting investments as a strong tool that can enhance its competitiveness and, thus, help it be acknowledged as one of the leading aluminium and copper product manufacturers worldwide.

In 2017, ElvalHalcor Group made total investments amounting to EUR 60.8 million, focusing on the adjacent plants at Oinofyta, allocated to the aluminium rolling division by EUR 41.2 million and to the copper tubes division by EUR 6.0 million. Moreover, the copper tubes division's subsidiaries invested EUR 7.4 million and the subsidiaries of the aluminium rolling division invested EUR 6.2 million, seeking to optimise productivity and manufacture high added value products.

Elval

- A new plant adjacent to the Oinofyta plant was acquired and the reallocation of some machinery is currently underway.
- A third continuous casting unit started operation, increasing the production capacity and output of the Oinofyta plant.
- Full operation of the Globus pre-treatment line facilitated a further increase in sales in food packaging and multilayer tubes.
- Certain investments which allow the Company to enhance its presence in thick gauge aluminium sheets (plates), mostly applicable in the shipbuilding industry, were completed.

Halcor

- The implementation of an investment program of EUR 15 million which, among others, will also contribute to an increase in the production capacity by 5,000 tons per annum.

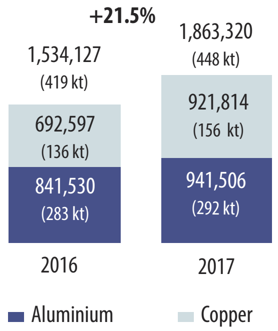
Sofia Med

- Investments totalling EUR 6.7 million were implemented in order to increase production capacity, complete the product portfolio, improve quality and reduce cost. The most important actions concerned the refurbishment of the continuous annealing line, and the conversion of the cutting tools of the surface oxides removal line.

13. Financial data

The Company's consolidated revenue for 2017 on an annualised basis amounted to EUR 1,863 million compared to EUR 1,534 million in 2016, recording a 21.5% increase.

Revenue of ElvalHalcor group (in EUR ,000)



The increase in revenue was supported by the favourable economic circumstances on an international scale and by the increase in metal prices. More specifically, the average copper price in 2017 amounted to EUR 5,453 per ton compared to EUR 4,398 per ton in 2016. The average aluminium price amounted to EUR 1,742 per ton in 2017 compared to EUR 1,451 per ton in 2016. Finally, the average zinc price in 2017 amounted to EUR 2,561 per ton compared to EUR 1,896 per ton in 2016.

The aluminium segment's revenue increased by 13.8%, reaching EUR 959 million. With respect to the sales volumes in the aluminium segment, in 2017 they amounted to 292.0k tons, recording a 3.4% increase, almost reaching the production capacity of the sector. In addition to the increased sales volume, the significant rise in aluminium price contributed to the increase in the segment's revenue.

The copper segment's revenue was increased and reached EUR 923 million. The increase in the average copper price by 24% and in the zinc price by 35% in conjunction with the upward trend of sales volumes contributed to the increase in sales.

More specifically, the volumes of the copper segment were enhanced by 15.4%. Sales of copper tubes continued to grow at a higher rate than the growth rate of demand, despite the anti-dumping duties imposed in Turkey at the end of the year. As a consequence of higher global demand and continued improvements in quality and other services at the subsidiary Sofia Med, sales of copper rolled products and copper alloys used for industrial applications saw significant growth. In contrast, sales of copper rolled products used in roofing applications decreased, as a result of the ongoing substitution of copper for this purpose, which currently accounts for a small part of the Company's total sales. The segment gained a significant share in the market of brass tubes, as a competitor in Italy discontinued its production. The subsidiary Fitco gained the greatest part of these quantities and focused on these and other products of higher added value, while maintaining steady sales of brass bars.

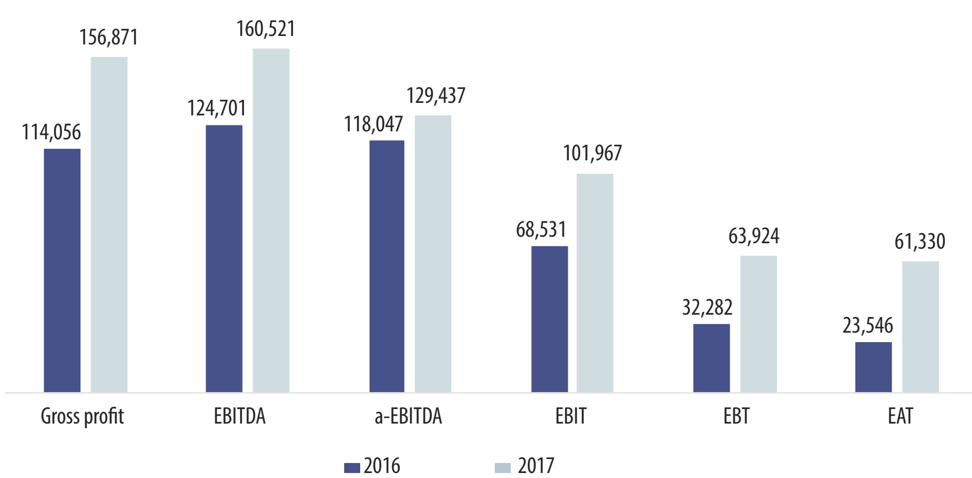
The consolidated gross profit of ElvalHalcor group recorded a 37.4% increase on an annual basis and amounted to EUR 156.9 million compared to EUR 114.1 million in 2016. This increase has arisen from the improved operating results, by optimising manufacturing processes which led to a further reduction of industrial cost and helped boost the competitiveness of the Group's products abroad. Moreover, the increase in gross profit is also attributed to the positive metal price lag with profits of EUR 33.1 million compared to profits of EUR 6.9 million in 2016.

Consolidated earnings before interest, taxes, depreciation and amortisation (EBITDA) on an annual basis amounted to EUR 160.5 million in 2017 compared to EUR 124.7 million last year, i.e. an increase by 28.7%. Adjusted consolidated earnings before interest, taxes, depreciation and amortisation (a-EBITDA), which are restated for metal price lag, restructuring costs, exceptional idle costs, impairment and obsolescence of fixed assets and investments, gains or losses on the sale of fixed assets and investments, if included in operating results and other impairments, amounted to EUR 129.4 million compared to EUR 118.0 million in 2016, thus recording a 9.6% increase.

Consolidated earnings before interest and taxes from continuing operations (EBIT) stood at profits of EUR 102.0 million compared to EUR 68.5 million in 2016. It is noted that the high finance cost continued to have an adverse effect on the Group's profitability compared to key competitors.

Consolidated earnings before taxes from continuing operations on an annualised basis amounted to profits of EUR 63.9 million in 2017 compared to EUR 32.3 million in 2016. Finally, the Group's earnings after taxes were more than double and amounted to EUR 61.3 million from EUR 23.5 million in 2016.

Table of ElvalHalcor group's financial results on an annualised basis (in EUR ,000)



The summary financials of ElvalHalcor group for 2017 are presented in the table below:

	Reported		Annualised	
(amounts in EUR ,000)	2016	2017	2016	2017
Revenue	842,699	1,150,369	1,534,127	1,863,320
Gross profit	74,182	103,566	114,056	156,871
EBITDA	89,412	113,206	124,701	160,521
a-EBITDA	88,120	89,319	118,047	129,437
EBIT	48,915	69,616	68,471	101,967
EBT	33,346	50,674	32,282	63,924
EAT	21,907	33,264	23,546	61,330
Gross profit	8.8%	9.0%	7.4%	8.4%
EBITDA	10.6%	9.8%	8.1%	8.6%
a-EBITDA	10.5%	7.8%	7.7%	6.9%
EBIT	5.8%	6.1%	4.5%	5.5%
EBT	4.0%	4.4%	2.1%	3.4%
EAT	2.6%	2.9%	1.5%	3.3%
Gross profit	n/a	36.5%	n/a	21.5%
EBITDA	n/a	39.6%	n/a	37.5%
a-EBITDA	n/a	26.6%	n/a	28.7%
EBIT	n/a	1.4%	n/a	9.6%
EBT	n/a	42.3%	n/a	48.9%
EAT	n/a	52.0%	n/a	98.0%

(1): That information included in annual financial statements is considered to be reported.

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

(amounts in EUR ,000)	Reported	
ASSETS		
Property, plant and equipment	410,673	842,212
Inventories	232,830	433,498
Trade receivables	194,419	199,025
Cash and cash equivalents	15,198	41,446
Other assets	2,638	9,246
TOTAL ASSETS	**855,757**	**1,525,427**
EQUITY & LIABILITIES		
Share capital	105,750	146,344
Other equity items of Company's shareholders	345,835	509,166
Non-controlling interests	2,118	12,905
Total equity	**453,703**	**668,416**
Non-current liabilities		
Long-term loans	98,813	278,940
Other long term liabilities	77,818	113,782
Total non-current liabilities	**176,632**	**392,724**
Current liabilities		
Short-term loans	109,646	273,016
Other current liabilities	115,777	191,271
Total current liabilities	225,422	464,287
TOTAL EQUITY & LIABILITIES	**855,757**	**1,525,427**

The cash flows of ElvalHalcor group for 2017 are presented below:

(amounts in EUR ,000)	Reported 2016	2017
Cash flows		
From operating activities	52,128	110,651
From investing activities	-36,364	-133,706
From financing activities	-22,287	49,304
Net change in cash	**-6,523**	**26,248**
Cash at beginning of year	21,721	15,198
Cash at year end	**15,198**	**41,446**

The group's key financial ratios (on an annualised basis) for 2017 are presented in the table below:

		2016	2017
LIQUIDITY			
Current ratio	Times	1.07	1.46
Quick ratio	Times	0.51	0.53
ACTIVITY			
Inventories turnover ratio	Days	62	96
Receivable turnover ratio	Days	46	39
Payable turnover ratio	Days	26	40
Cash Conversion Cycle	Days	82	95
SOLVENCY			
Interest coverage ratio	Times	3.09	4.35
Debt-to-equity ratio	Days	0.89	1.28
Long-term bank loans	%	11.55%	18.29%
Short-term bank loans	%	12.81%	17.90%
Fixed asset turnover	Days	1.79	1.22
PROFITABILITY			
Gross profit margin	%	7.43%	8.42%
EBITDA margin	%	8.13%	8.61%
Net profit margin (after-tax)	%	1.53%	3.29%
Return on Equity	%	5.19%	9.18%
Return on Assets	%	2.75%	4.02%

Sales volume	Group	
(kt)	**2017**	**2016**
Aluminium segment	292	283
Copper segment	156	136
Total	**448**	**419**

14. About the share

ELVALHALCOR Hellenic Copper and Aluminium Industry SA (ElvalHalcor) was set up on 30/11/2017 through absorption of Elval by Halcor and the new combined entity that arose from the merger was renamed into ElvalHalcor and is listed on the Athens Stock Exchange. The Company has over 80 years of experience and expertise (Halcor was incorporated in 1976 and Elval in 1973).

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

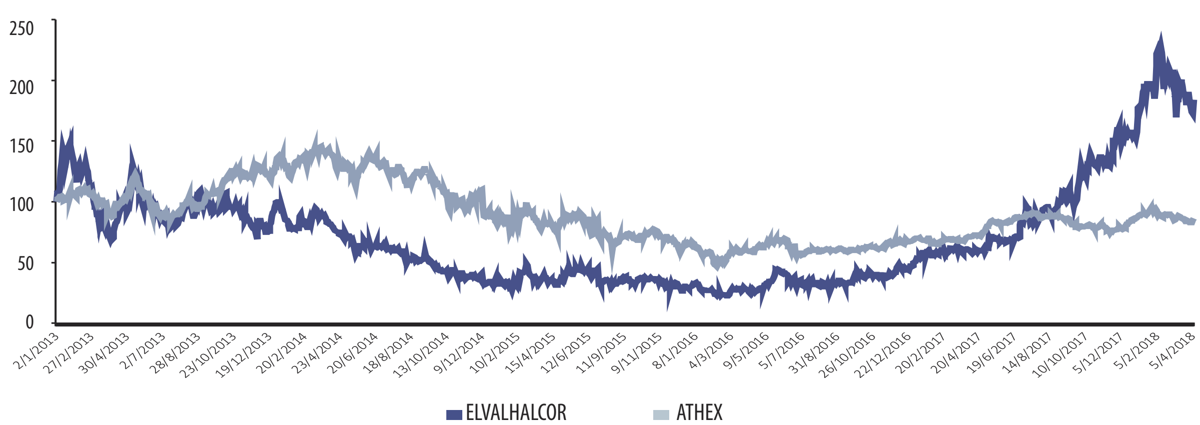
Share capital	EUR 146,344,218.54
Number of shares	375,241,586
Type of shares	Ordinary registered
Nominal value	EUR 0.39
ISIN code	GRS 281101006
Ticker in ATHEX	ΕΛΧΑ
Bloomberg ticker	ELHA:GA
Reuters ticker	ELHA.AT
Trading currency	Euro
Type of shares	Ordinary registered
Market	Athens Stock Exchange
Trading category	Primary market
Segment / Sub-segment	Raw materials / Non-ferrous metals
Indices	Dom
Launch of trading	01/02/2018
Special trading	No
Share price	EUR 1.6450 (10/04/2018)
Capitalisation	EUR 617,272,408.97 (10/04/2018)
High 52 weeks	EUR 1.9250 (23/02/2018)
Low 52 weeks	EUR 0.52 (11/04/2017)
Average 52-week trade volume	55,756 pieces (11/04/2017-10/04/2018)

The key investment ratios are presented in the table below:

		2016	2017
Post-tax earnings per share (as reported)	EUR	0.12	0.08
Nominal value per share	EUR	0.39	0.39
Book value per share	EUR	1.21	1.78
Capitalisation to book value	Times	1.36	0.92
P/E (attributable to owners of the company)	Times	28.09	18.40
Dividend per share	EUR	0.000	0.000
Weighted average number of shares (in ,000)		273,962	282,402
Average price per share	EUR	1,6450	1,6450

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

ELVALHALCOR vs ATHEX (base = 100)



15. Corporate Governance

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

The Board Members are elected for a yearly term from the General Meeting of the Shareholders. The existing Board of Directors of the Company consists of 14 members.

The current Board of Directors of the Company consists of the following:

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

Brief curricula vitae of the members of the Board of Directors are available on the company's website http://www.elvalhalcor.com, section HYPERLINK "http://www.elvalhalcor.com/el/investor-relations/ir-homepage" Investment relations / HYPERLINK "http://www.elvalhalcor.com/el/investor-relations/corporate-governance/" Corporate governance / HYPERLINK "http://www.elvalhalcor.com/el/investor-relations/corporate-governance/board-of-directors/composition" Board of Directors/ Composition.

15.1. ElvalHalcor

Spyridon Kokkolis | CFO of ElvalHalcor

Katerina Kapeleri | Internal Audit Supervisor

Alexandros Kompotis | Investor Relations Officer

15.2. Aluminium rolling division - Elval

Lambros Varouchas | General Manager

Bogos Giakupian | Deputy General Manager, Manufacturing & Marketing Sector

Stavros Voloudakis | Deputy General Manager, Administrative & Financial Sector

Ilias Thanoukos | Technical & New investments Director

Andreas Mavroudis | Technology, Quality & Innovation Director

Pavlos Loukogeorgakis | Manufacturing Director (Hot and Cold Rolling, Finishing Lines and Packaging)

Georgios Koimtzoglou | Manufacturing Director (Aluminium Recycling - Foundries)

Nikolaos Karabateas | Commercial Director

Nikolaos Psyrakis | Financial Director

Stelios Lekkos | Maintenance Director

Theodore Arampatzis | IT Director

Petros Lampropoulos | ALU Supply Chain & Prod. Planning Director

Eleni Liakea | Purchasing Director

Giorgos Papandreou | Personnel Director

Vera Pagkoulaki | Human Resources Director

Emmanouil Fytros | Health & Safety Director

Leonidas Kardaras | Environmental Director

15.3. Copper tubes division - Halcor

Periklis Sapountzis | General Manager

Nick Ellinas – Chief Information Officer

Stylianos Theodosiou | Technical Manager

Apostolos Kaimenopoulos | Tubes Plant Technical Manager

Lambros Karagiorgos | Human Resources Manager

Eftychios Kotsambasakis | Oinofyta Plants Directing Manager

Panagiotis Lolos | Commercial Director

Nikolaos Marinakis | Foundry Technical Manager

George Mavraganis | Strategic Planning Director

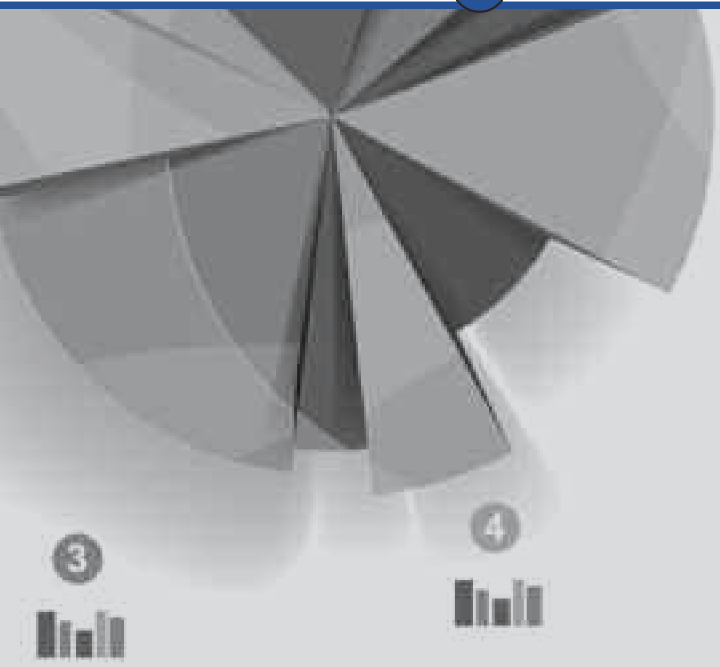
Ioannis Biris – Chief Marketing Officer

George Samartzis | Purchasing Manager

Dionysios Skarmoutsos | Quality Assurance and Environmental Manager

Nikolaos Tarnanidis | Development Manager of New Markets for Extruded Product Exports

Spyridon Hondrogiannis | Health & Safety Manager



Annual Financial Report

as at 31 December 2017
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

TABLE OF CONTENTS

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

STATEMENTS BY MEMBERS OF THE BOARD OF DIRECTORS

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

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

1. Theodosios Papageorgopoulos, Chairman of the Board of Directors
2. Dimitrios Kyriakopoulos, Vice Chairman of the Board of Directors,
3. Nikolaos Koudounis, Board of Directors Member,

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

(a) the attached annual company and consolidated financial statements for the company ELVALHALCOR S.A. for the period from 1 January to 31 December 2017, 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 2017 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 2018

Confirmed by

The Chairman of the Board	The Board-appointed Member	The Board-appointed Member
THEODOSIOS PAPAGEORGOPOULOS	**DIMITRIOS KYRIAKOPOULOS**	**NIKOLAOS KOUDOUNIS**
ID Card No. AE 135393	ID Card No. AK 695653	ID Card No. AE 012572

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 2017 (1 January – 31 December 2017). This report was prepared in line with the relevant provisions of Codified Law 2190/1920, as revised by Law 3873/2010, the provisions of Law 3556/2007 (Government Gazette 91A/30.4.2007) and of L.4374/2016 (Government Gazette 50A/01.04.2016) and the decisions of the Hellenic Capital Market Commission (HCMC) issued pursuant to it, and in particular Decision No. 7/448/11.10.2007 of the Board of Directors of the HCMC.

This report details financial information on the Group and Company of ELVALHALCOR HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A (hereinafter referred to for the purpose of brevity as "Company" or "ELVALHALCOR") for year 2017, 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 companies were faced against and finally sets out the important transactions between the issuer and its affiliated parties. The principal activities of the Group lie in the production and trade of rolling and extrusion products made of copper, aluminium and their alloys, zinc rolling products and cables of all types.

1. Financials - Business report - Major events

Throughout 2017 the recovery in Eurozone trended slightly upwards, a fact which affected positively the sales of the Group. The average price of Copper reached Euro 5,453 per ton for the fiscal year 2017 versus Euro 4,398 per ton in 2016. The average price of aluminium amounted to Euro 1,742 per ton for the fiscal year 2017 versus 1,451 per ton for the fiscal year 2016.

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

Amounts in thousands EURO	31/12/2017 As published (1)	31/12/2016 As published (1)	31/12/2017 For the twelve months	31/12/2016 For the twelve months
Sales	1,150,369	842,699	1,863,319	1,534,127
Cost of Sales	103,566	74,182	156,871	114,056
EBITDA	113,206	89,412	160,521	124,701
п-EBITDA	89,319	88,120	129,437	118,047
EBIT	69,616	48,915	101,967	68,471
Profit before tax	50,674	33,346	63,924	32,282

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

The consolidated turnover from continued operations amounted in 2017 to Euro 1,836 mil. versus Euro 1,534 mil. in 2016 marking an increase of 21.4%. The turnover was positively affected by the increase in prices of metals and positively from the increased volume of sales for the copper as well as the aluminium sector.

In terms of volumes in 2017, the sales of the copper sector were increased significantly, by 15,4% versus 2016. In addition the increase of the price of copper by 24% and of zinc by 35% contributed to further increase in the turnover. Copper tube sales continued to increase, in spite of the imposition of anti-dumping duties in the Turkish market at the end of the year. The rolling products of copper and copper alloys for industrial uses marked significant increases, as a result of the increasing global demand as well as the continuous improvement achieved in quality and other factors of the subsidiary Sofia Med. On the other hand, a declined was marked for the rolling copper products for roofing applications, as a result of the continuous substitution of copper as a material for such applications, which now constitutes a small percentage of our sales. The sector achieved significant amounts in the zinc tubes, as a competitor in Italy seized production in this sector. Our subsidiary Fitco gained those sales and focused on added value products, maintaining brass rods sales at the same levels. The copper tubes consisted of the 44% of sales volumes, rolling products the 31% in an uptrend versus the prior year, bus bars and rods at 15% at prior year levels and brass rods and tubes at 10%.

In regards to the sales volumes of the aluminium sector, in 2017 they rose to 292.0 thousand tons marking an increase of 3.4%, almost reaching the production capacity of the sector. Apart from the increased sales volumes, the significant increase of the aluminium price led to the 13.5% increase of the turnover of the sector which rose to Euro 959 mil. It is noted that the 88% of the sales volumes is directed to the international markets with Europe contributing the 63% and the US the 6%. The 44% of our sales were directed to the food packing industry (rigid and flexible), the 24% to the transportation industry and the 26% to the construction and industrial applications industry. In 2017, by utilizing the passivation line which operated in the prior year, the company increased it's share in the bottle caps and closures market following the increasing trend for the usage of aluminium caps in the wine and spirit bottles.

For 2017, the consolidated Gross profit marked an increase by 37.4% and rose to Euro 156.9 mil. versus Euro 114.1 mil. in 2016. This increase by Euro 42.8 mil. is attributed to the improvement of the operational result as the gross profit was highly affected by the positive metal result of Euro 33.1 mil. versus metal gain of Euro 6.9 mil. in 2016. The consolidated earnings before taxes, interest and depreciation (EBITDA) rose in 2017 to profit of Euro 160.5 mil. versus profit of Euro 124.7 mil. the prior year. The consolidated results from continued operations (profit/loss before taxes) for the twelve month period, amounted in 2017 to profit of Euro 63.9 mil. versus profit of Euro 32.3 mil. in 2016.

As regards to the cost, the optimisation of procedures in production led to a further decrease in production cost and helped in strengthening the competitiveness of Group products abroad. However, the high cost of financing continued to negatively affect the profitability of the Group versus our main competitors.

In 2017 the ELVALHALCOR group as presented after the date of the merger materialized total investments of Euro 44.8 mil. for the fiscal year 2017, out of which the amount of Euro 38.5 mill. were dedicated to the upgrade of the parent company facilities in Oinofyta, at the adjacent facilities of the merging companies. From 01.01.2017 the total investments in annualized basis reached the amount of Euro 60.8 mil. focusing on the adjacent facilities in Oinofyta distributed in Euro 41.2 mil. for the aluminium industry and Euro 6.0 mil. for the copper industry. Finally, the subsidiaries of the copper sector invested Euro 7.4 mil. and the aluminium subsidiaries invested Euro 6.2 mil. aiming at the improvement of the production as well as the 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 from Statement of Financial Position. For the Group and the Company for the closing year and the comparative prior year are as follows:

GROUP €'000		31/12/17		31/12/16	
Liquidity	Current Assets Current Liabilities	678,720 464,287	1.46	445,084 414,399	1.07

COMPANY €'000		31/12/17		31/12/16	
Liquidity	Current Assets Current Liabilities	507,157 308,643	1.64	346,456 196,243	1.77

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 2017 and 2016 were as follows:

GROUP €'000		31/12/17		31/12/16	
Leverage	Equity Loans & Borrowings	668,416 568,241	1.18	453,703 217,088	2.09

COMPANY €'000		31/12/17		31/12/16	
Leverage	Equity Loans & Borrowings	660,919 452,894	1.46	443,413 217,088	2.04

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 2017 as the prior year the calculation for the Group and the Company was as follows:

GROUP €'000		31/12/17		31/12/16	
Return on Invested Capital	Operating profit / (loss) Equity + Loans & Borrowings	69,616 1,236,657	5.6%	48,915 670,791	7.3%

COMPANY €'000		31/12/17		31/12/16	
Return on Invested Capital	Operating profit / (loss) Equity + Loans & Borrowings	59,067 1,113,812	5.3%	39,677 631,773	6.3%

Return on Equity: It is as measure of return on equity of the entity and is measured by the net profit / (loss) 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 year 2017 and 2016 were as follows:

GROUP €'000		31/12/17		31/12/16	
Return on Equity	Net Profit / (Loss)	33,264	5.0%	21,907	4.8%
	Equity	668,416		453,703	

COMPANY €'000		31/12/17		31/12/16	
Return on Equity	Net Profit / (Loss)	33,324	5.0%	18,585	4.2%
	Equity	660,919		443,413	

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 it was calculated as follows:

€ '000	GROUP		COMPANY	
From Continued operations	**2017**	**2016**	**2017**	**2016**
Operating profit / (loss)	**69,616**	**48,915**	**59,067**	**39,677**
Adjustments for:				
+ Depreciation	44,805	42,031	35,516	34,154
+ Amortization	578	246	301	221
- Amortization of Grants	(1,793)	(1,780)	(1,180)	(1,299)
EBITDA	**113,206**	**89,412**	**93,704**	**72,753**

For the period including the financial standing of the merging groups in an annual basis, as if the merger had happened on 01.01.2016:

For the 12 months

€ '000	GROUP	
From Continued operations	**2017**	**2016**
Operating profit / (loss)	**101,967**	**68,531**
Adjustments for:		
+ Depreciation	59,333	57,199
+ Amortization	1,108	966
- Amortization of Grants	(1,888)	(1,995)
EBITDA	**160,521**	**124,701**

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 From Continued operations	GROUP 2017	 2016	COMPANY 2017	 2016
EBITDA	113,206	89,412	93,704	72,753
Adjustments for:				
+ Loss / - Profit from Metal Lag	(24,048)	(1,292)	(22,132)	(3,678)
+ Restructuring Expenses	162	-	-	-
a - EBITDA	89,319	88,120	71,572	69,075

For the period including the financial standing of the merging groups in an annual basis, the a-EBITDA was as follows:

€ '000 From Continued operations	GROUP 2017	 2016
EBITDA	160,521	124,701
Adjustments for:		
+ Loss / - Profit from Metal Lag	(33,135)	(6,886)
+ Restructuring Expenses	162	232
+ Valuation of Fixed Assets	1,890	-
a - EBITDA	129,437	118,047

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 2017	 2016	COMPANY 2017	 2016
(A) Value of Metaln in Sales	733,663	446,211	497,068	380,115
(B) Value of Metal in Cost of Sales	(710,408)	(442,403)	(475,403)	(374,587)
(C) Result of Hedging Investments	794	(2,516)	467	(1,849)
(A+B+C) Metal Result in Gross Profit	24,048	1,292	22,132	3,678

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

€ '000	GROUP 2017	 2016
(A) Value of Metaln in Sales	1,397,111	1,066,510
(B) Value of Metal in Cost of Sales	(1,361,933)	(1,053,997)
(C) Result of Hedging Investments	(2,043)	(5,627)
(A+B+C) Metal Result in Gross Profit	33,135	6,886

3. Corporate Social Responsibility and Sustainable Development

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

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

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

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

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

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

4. Main risks and uncertainties

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

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

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

When monitoring the credit risk of customers, the latter are grouped according to their credit characteristics, the maturity characteristics of their receivables and any past problems of collectability they have shown. Trade and other receivables include mainly wholesale customers of the Group. Any customers characterized as being of "high risk" are included in a special list of customers and future sales must be received in advance and approved by the Board of Directors. Depending on the background of the customer and his properties, 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.

Investments

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

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

Guarantees

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

Liquidity risk

Liquidity risk is the inability of the Group to discharge its financial obligations when they mature. The approach adopted by the Group to manage liquidity is to ensure, by holding the necessary cash and having adequate credit limits from cooperating banks, that it will always have adequate liquidity in order to cover its obligations when they mature, under normal or more difficult conditions, without there being unacceptable losses or its reputation being jeopardized. The average maturity of loans stands at three years while the cash and cash equivalents on 31 December 2016, amounted to Euro 23.8 million at consolidated level and Euro 8.4 million at company level.

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

Market risk

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

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

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

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

Exchange rate risk

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

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

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

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

Interest rate risk
The Group finances its investments and its needs 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.

Interest rate risk is mitigated since part of the Group borrowing is set at fixed rates either directly or using financial instruments (interest rate swaps).

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.

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 said 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 the ElvalHalcor Group's operations, as exporting by the greater part, indicatively at Group level at Group level for the fiscal year and at an annualized basis the 92.6% of the turnover was exported,
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 material which are necessary for the production. The availability and the prices of the basic material follow the international market and are not affected by the domestic situation in Greece or any other country.

In regards to the situation of the United Kingdom exiting the European Union, we don't see our position to be marginalized by the result of the Brexit. Most of our competitors in the Copper market operate within the Eurozone and will react to the fluctuations of the currency. Moreover, in regards to the imposition of import tariffs on the imports of aluminium products, the Group and the Company management follows the developments closely and is evaluating the parameters. The sales of aluminium directed to the United States for 2017 rose to €54 mil. which constitutes the 3% of the Group sales in an annualized basis.

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

5. Outlook and prospects for 2018

For 2018 the Group and the Company considering the international economic developments maintain their optimism, as demand for industrial products is forecasted to move upwards, it is expected to be throughout 2018 the pillar for the Group's development. Furthermore, the Group has already started to reap the rewards of the investments of last three years and there is considerable optimism based on the prospects that are provided for exports within and outside the European Union due to the resumption of the activity in the energy sector, as well as the initiatives of the European Union for reduction of the emissions, which will increase the demand for the Company's products.

In overall, for 2018, given the difficult conditions still prevailing in the domestic market, the Group will continue to have the primary strategic objective of increasing market share in industrial products and high added-value products and strengthen their activity in new markets. In addition, in the current fiscal year the use of the optimal management of the working capital and net debt reduction are our main priority.

More specifically the Aluminium sector after the signing of the agreement with the European Investment Bank on 20 December 2017 amounting of Euro 70 mil., will focus of the materialization of the five-year investment plan. As a consequence, the sector signed a contract with SMS group GmbH, based in Germany for the procurement of a four-stand tandem aluminium hot finishing mill for the production unit in Oinofuta, Viotia. This action is included in the broader investment program of Euro 150 mil. for machinery and infrastructure, which has been announced by the sector and the Company. This investment will double the core production capacity of the aluminium sector of the parent company, and directly increase by 20% the capacity of finished products, as well as improving the cost and quality. To further increase the final production further investments will be needed, which will be decided at a later stage. In regards to the commercial targets of the aluminium sector, new prospects open for the market shares increase in new products by facilitating the recent investments introduced in the production units, the cooperation with UACJ Corp. More specifically, there is planning for the introducing innovative alloys for the demanding market of heat exchangers, further penetration in the market of multilayer tubes and the production of thicker aluminium sheets (especially for the shipping industry)

In regards to the Copper sector after the signing of the agreement for the acquisition of 50% of the share capital of Nedzink B.V. based in the Netherlands, according to which ElvalHalcor will contribute Euro 15 mil., the company aims at creating a joint-venture with the goal to develop the production in the field of titanium zinc, by increasing the production capacity of the lines in combination with Nedzink, and by combining the long standing experience of Nedzink in zinc rolling with that of ElvalHalcor in continuous melting, casting and rolling of zinc and other metals.

6. Important transactions with related parties

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

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

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

Company	Sales of Goods, Services and Assets	Purchases of Goods, Services and Assets	Receivables	Payables
SOFIA MED	22,871	401	20,074	-
FITCO	1,558	120	14,840	2,984
SYMETAL	132,937	15,061	14,301	1
ANOXAL	467	6,302	499	152
VIOMAL	6,383	113	2,378	45
VEPAL	752	24,893	-	7,565
ELVAL COLOUR	15,980	981	10,663	-
TECHOR	-	16	4	455
TOTAL	**180,949**	**47,887**	**62,759**	**11,201**

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

Fitco SA buys from Halcor raw materials. ElvalHalcor processes Fitco's materials and deliver back semi-finished products. It also provides Fitco with administrative support services.

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. sell final aluminum products to Viomal which constitute the raw material and Viomal sells back to ElvalHalcor the returns for it's production process.

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

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

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

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

Company	Sales of Goods, Services and Assets	Purchases of Goods, Services and Assets	Receivables	Payables
CENERGY GROUP	3,710	1,453	543	331
STEELMET GROUP	34	5,198	840	1,601
INTERNATIONAL TRADE	217,175	28	15,852	28
REYNOLDS CUIVRE	1,609	14	2,840	63
STEELMET ROMANIA	1,367	219	50	2,321
METAL AGENCIES	8,626	85	5,070	58
TEPRO METALL	14,987	2,695	956	637
MKC	4,304	28	6,026	43
VIENER	69	769	28	123
METALVALIUS	-	-	-	-
HC ISITMA	1	-	153	171
TEKA SYSTEMS	5	7,585	34	2,449
VIEXAL	-	1,892	-	109
VIOHALCO	62	65	262	127
ELKEME	170	701	72	376
UACJ ELVAL CONSULTING	-	-	-	-
ANAMET	300	5,855	1,721	-
UEHEM Gmbh	34,304	90	7,705	4
ETEM BULGARIA	44,766	11,051	20,709	680
ETEM S.C.G d.o.o	257	5	50	0
METALVALIUS LTD (Bulgaria)	-	1,370	10	539
ETEM COMMERCIAL	139	283	12	-
ETEM ALBANIA	-	-	50	-
GENECOS	3,059	624	685	151
BRIDGNORTH LTD	83	-	60	1
ALURAME SpA	725	734	113	360
BASE METALS	-	573	-	260
SOVEL	155	22	4,112	-
ETIL	4	305	84	-
SIDMA	9	319	14	199
SIDENOR S.A.	238	167	4,810	259
OTHER	288	649	2,204	61
TOTAL	**336,448**	**42,778**	**74,989**	**10,875**

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

Steelmet S.A. 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 merchant - central distributor of ElvalHalcor Group in Great Britain.

MKC GMBH trades ElvalHalcor products in the German market.

Steelmet Romania trades ElvalHalcor products in the Romanian market.

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

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

Viexal SA provides ElvalHalcor with travelling services.

CPW America CO trades ElvalHalcor products in the American market.

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

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

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

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

ETEM BG purchases from ElvalHalcor aluminium billets and in return sells aluminium scrap from it's production process to ElvalHalcor.

UACJ ELVAL HEAT EXCHANGER MATERIALS purhases from ElvaHalcor finished aluminium products and distributes them in the international markets.

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

Company	Sales of Goods, Services and Assets	Purchases of Goods, Services and Assets	Receivables	Payables
CENERGY GROUP	4,187	2,473	967	438
STEELMET GROUP	61	5,926	842	1,760
INTERNATIONAL TRADE	245,741	68	18,154	68
REYNOLDS CUIVRE	10,295	28	4,981	40
STEELMET ROMANIA	4,356	322	423	2,402
METAL AGENCIES	30,040	116	10,904	74
TEPRO METALL	19,067	3,495	1,120	940
MKC	15,460	65	6,531	56
VIENER	69	2,884	29	194
METALVALIUS	-	39	6	-
HC ISITMA	1	-	153	171
TEKA SYSTEMS	7	8,194	34	2,757
VIEXAL	-	2,785	1	150
VIOHALCO	62	246	262	132
ELKEME	170	1,023	72	517
UACJ ELVAL CONSULTING	-	-	-	-
ANAMET	467	5,959	2,052	196
UEHEM Gmbh	34,304	90	7,705	4
ETEM BULGARIA	45,924	11,816	20,801	816
ETEM S.C.G d.o.o	309	46	58	1
METALVALIUS LTD (Bulgaria)	323	25,318	22	8,049
ETEM COMMERCIAL	156	514	16	63
ETEM ALBANIA	-	-	50	-
GENECOS	6,178	792	1,294	310
BRIDGNORTH LTD	85	35	60	1
ALURAME SpA	743	916	113	537
BASE METALS	3,048	946	214	409
SOVEL	155	22	4,113	-
ETIL	4	348	7	(71)
SIDMA	9	547	14	272
SIDENOR S.A.	238	167	4,811	259
OTHER	446	1,592	872	345
TOTAL	**421,908**	**76,771**	**86,680**	**20,888**

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 management executives & Board members	2,367	1,879

7. Subsequent events

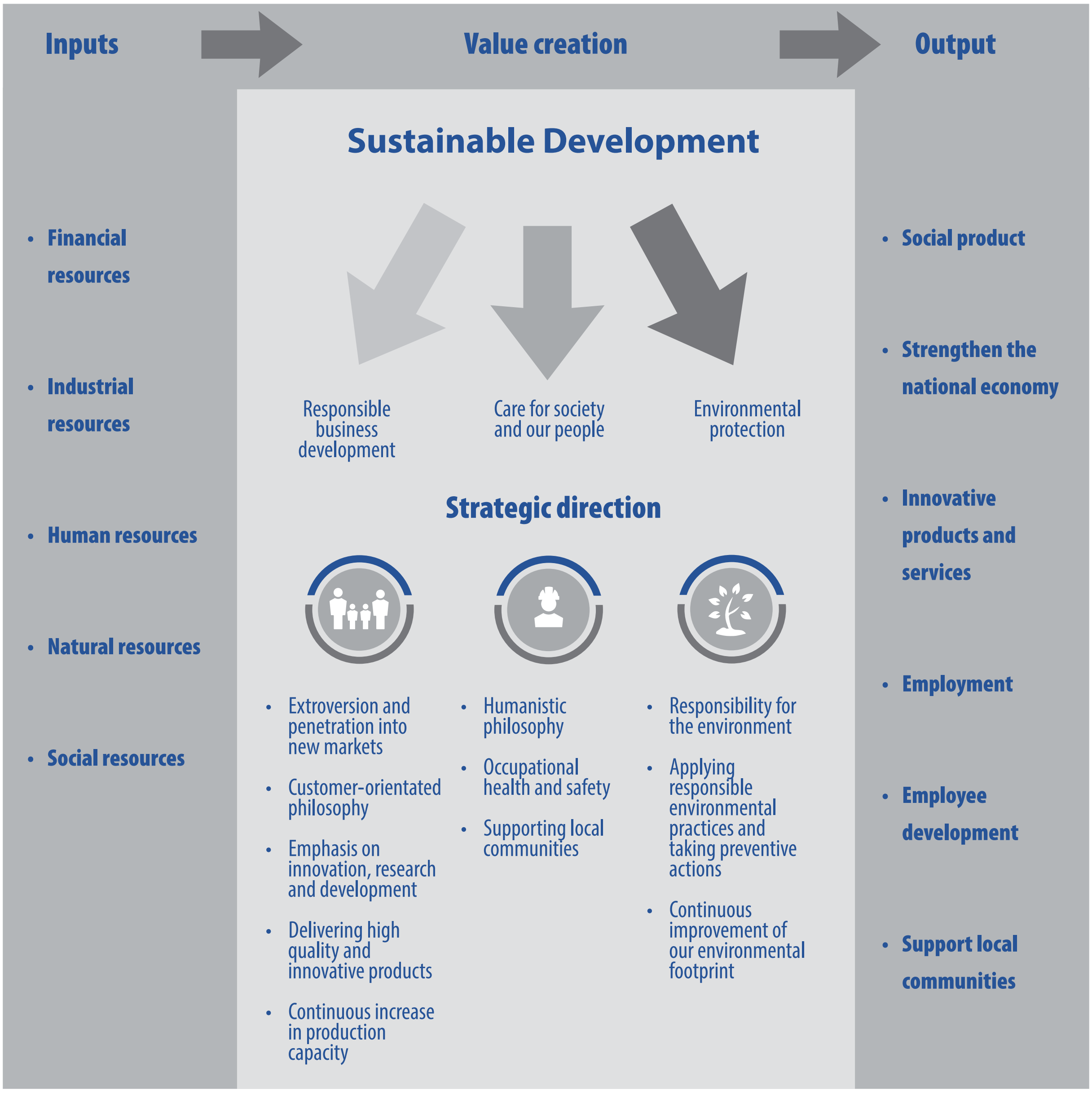
1. On 03.01.2018 ElvalHalcor signed an agreement for the acquisition of 50% of the share capital of Nedzink B.V. which is based in the Netherlands. According to the agreement ElvalHalcor will contribute about Euro 15 mil.
2. On 01.02.2018, 273,961,959 common, dematerialized, anonymous shares with voting rights were introduced to the Athens Stock Exchange. The shares were created after the merger by absorption of "ELVAL HELLENIC ALUMINIUM INDUSTRY S.A." by "HALCOR METAL WORKS S.A.", which was completed within 2017 with the 22.11.2017 decisions of the General Assemblies and the 131569/30-11-2017 decision of the Ministry of Economy and Development.
3. ElvalHalcor signed an agreement with SMS group GmbH based in Germany for , the sector signed a contract with SMS group GmbH, based in Germany for the procurement of a four-stand tandem aluminium hot finishing mill for the production unit in Oinofuta, Viotia. This action is included in the broader investment program of Euro 150 mil. for machinery and infrastructure, which has been announced by the sector and the Company in the context of the agreement with the European Investment Bank for funding, on 20th December 2017.

NON FINANCIAL REPORTING

Business model

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

ElvalHalcor operates in the aluminium and copper segments, boasting experience and know-how spanning 80 years and offering innovative solutions of high added value perfectly suited to the modern requirements of its international customers. ElvalHalcor's success is derived from its commercial export orientation, customer-focused philosophy and innovation which comes through continuous investments in research and technology, driven by its customer-oriented philosophy. 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, thus accomplishing its goal for continuous innovation at both domestic and international level.



Management of Sustainability matters

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

Policies and Systems

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

- Internal Operational Regulation
- Sustainability Policy
- Health and Safety Policy
- Environmental Policy
- 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 international standard).
- Environmental Management System (ISO 14001).
- Energy Management System (ISO 50001).
- Occupational Health and Safety Management System (OHSAS 18001).

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

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

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

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

Labour and social issues

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

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

In 2017, ElvalHalcor managed not only to maintain but also to increase jobs by 5.1% in relation to the previous year. In addition, the subsidiaries of the aluminium and copper segments recorded a 5.1% and 4.3% increase in jobs, respectively.

Labour KPI's (key performance indicators)

(ElvalHalcor S.A.)	2016	2017
Turnover rate	7.5%	8.2%
Percentage of women in total workforce	7.8%	8.3%

Aluminium segment processing main subsidiaries

(Symetal S.A., Elval Colour A.E., Vepal S.A.)	2016	2017
Turnover rate	6.7%	6,2%
Percentage of women in total workforce	9.8%	10.4%

Copper segment processing main subsidiaries

(Fitco S.A., Sofia Med S.A.)	2016	2017
Turnover rate	16.9%	17.5%
Percentage of women in total workforce	18.8%	18.3%

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

On average, Company employees are 44 years old. The age range of the Company's employees is a key advantage as the majority of ElvalHalcor human resources (more than 68%) is less than 50 years old.

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

We believe that the training and development of our people is an investment in the long-term sustainable development of the Company. In 2017, overall 20,246 training man-hours were provided at ElvalHalcor.

Total training hours	2016	2017
ElvalHalcor S.A.	12,812	12,812
Aluminium segment processing subsidiaries	2,984	2,984
Copper and copper alloy segment processing subsidiaries	6,915	6,915

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

Equal opportunities and respect for human rights

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

As a result of the control policies, procedures and mechanisms put in place, during 2017 like also in previous years, no incident of child or forced labour was identified and no incident related to violation of human rights has taken place.

Occupational Health and Safety

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

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

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

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

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	
	2016	2017	2016	2017	2016	2017
ElvalHalcor S.A.	4.28	4.87	90.6	112	0	0
Aluminium segment processing subsidiaries	15.24	10.11	201	226	0	0
Copper and copper segment alloy processing subsidiaries	6.84	7.02	241	300	0	0

LTIR: Lost time incident rate (number of LTI incidents per 10^6 working hours)
SR: Severity rate (number of lost work days per 10^6 working hours)

Social matters

The Company wishes to have its business activities interact in a positive and constructive manner with the communities in which it operates, contribute to the overall economic development of Greece and benefit local communities by creating jobs and offering business opportunities. It is worth indicating that 55% of ElvalHalcor total workforce come from local communities (broader region of Viotia and Evia). In addition, the Company boasts a long tradition in boosting local entrepreneurship as it seeks to cooperate, when possible, with local suppliers.

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

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

Anti-corruption and bribery-related issues

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

The Company is fully opposed to any type of corruption and it is committed to operate in an ethical and responsible manner. Even though the risk of corruption is low, the Company takes all necessary preventive measures and implements procedures and controls in order to ensure the combating of corruption cases. Furthermore, seminars on anti-corruption issues have been implemented where executives and employees of the Company have received relevant training. As a result of the Company's practices and policies, during 2017, as in previous years, no incident of corruption or bribery was recorded or reported.

Environmental matters

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

- implements an Environmental Management System (ISO 14001) 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 50001:2015), the Company aims at the integrated management of energy matters and seeks to develop a continuous improvement culture.

Specific energy consumption (GJ/t of product)

	2016	2017
ElvalHalcor S.A.	8.12	8.26
Aluminium segment processing subsidiaries	3.92	4.12
Copper and copper alloy processing segment subsidiaries	8.23	7.44

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

Specific water consumption (m^3/t of product)

	2016	2017
ElvalHalcor A.E.	1.75	1.73
Aluminium segment processing subsidiaries	0.43	0.47
Copper and copper alloy segment processing subsidiaries	9.49	8.10

Responsible management of the supply chain

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

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

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

Non-financial risks and dealing with such risks

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

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

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

NOTE:
The non-financial ratios for 2017 which are presented in this report are compliant with the Sustainability Reporting Guidelines of Global Reporting Initiative (GRI-Standards). These ratios were chosen strictly on the basis of their relevance to the Company's business (according to the materiality analysis conducted by the Company).

Details on the performance in terms of sustainable development, and the actions of the Company's responsible operation will be set forth in the 2017 Sustainability Report of ElvalHalcor (May 2018). The Sustainable Development Report is an important tool as it reflects the way in which the Company responds to major issues and to the expectations of all its stakeholders.

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

BOARD OF DIRECTORS' EXPLANATORY REPORT

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

1) Structure of share capital

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

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

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

2) Restrictions on the transfer of Company shares

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

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

The major holdings (over 5%) known on 31 December 2017 were as follows:

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

4) Shares granting special rights of control

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

5) Restrictions on voting rights

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

6) Agreements between Company shareholders

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

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

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

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

- Article 6(1) of the Company's Articles of Association states that only the General Shareholders Meeting with a 2/3 quorum of the paid-up share capital has the right to decide on a share capital increase of the Company with the issuance of new shares, such decision requiring the 2/3 of represented voting rights.

- The Articles of Association of the Company do not allow the transfer to the Board of Directors or to some of its members of any right falling under the competence of the General Meeting regarding the issuance of shares and share capital increase.
- The Board of Directors may acquire own shares in implementation of a decision of the General Meeting taken under Article 16(5) to (13) of C.L. 2190/20.
- In pursuance of Article 13(9) of C.L. 2190/1920 and a decision of the General shareholders Meeting made on 20 June 2002, during the month of December of years 2006-2013 the Board of Directors of the Company shall increase the Company's share capital without amending its Articles of Association by issuing new shares in the context of implementation of an approved Stock Option Plan, details of which are laid down in Note 26 of the Financial Statements.

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 HALCOR 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 staff

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

CORPORATE GOVERNANCE STATEMENT

Corporate Governance Code

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

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

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

- **Part A.II (2.2, 2.3 & 2.5): Size and composition of the BoD**. The independent non-executive members of the current Board of Directors are two (2) out of twelve (12) and therefore, their number is less by one third, in contrast to what is indicated in the Code. An independent non-executive member has served on the Board for more than 12 years from the date of the first election. It was judged, at this juncture, that the enhancement of the number of independent members or the limitation of the service of a member would not improve the efficiency of the company's operation.
- **PartA.III(3.3): Role and qualities required from the Chairman of the Board**. The Vice Chairman of this Board has not the status of independent non-executive member, although the Chairman is an executive member. It was judged, at this juncture, that the status of an independent member in the position of Vice Chairman beyond the aforementioned status as non-executive, would not provide more guarantees regarding the efficient operation of the company.
- **Part A.V(5.4, 5.8): Nomination of Board members**. Until the time of the current statement's compilation, it has not been established a committee regarding the nomination of the members for the same reasons as above.
- **Part A.V (7.1. – 7.3): Evaluation of Board of Directors and its Committees**. Until the time this Statement was drafted, the Company had not chosen any specific method to evaluate the effectiveness of the Board of Directors and its Committees.
- **Part C.I (1.6- 1.11)**. Level and structure of remuneration. Until the time that this Statement was compiled, there has not been established a Remuneration Committee as well as the remuneration policy of the executive members of the Board and the method of evaluation of the Board's members are not published. The matter will be reviewed shortly.

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 features and elements of the Internal Audit and Risk Management Systems in relation to the preparation of the 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, and also for the purpose of publication 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 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 2017, "PriceWaterHouseCoopers Auditing Company SA" (AM SOEL 113) (268 Kifisias Av. PC:15232, Chalandri, tel: 2106874400), who have been elected by the Ordinary General Assembly of the Company's Shareholders on 26.05.2017, the Fees are analyzed as follows:

€ '000	GROUP	COMPANY
Fees for audits	172	162
Fees for tax compliance	46	43
Fees for assurance services	82	82
Other fees	25	25
Total	**325**	**312**

iv. Internal Auditor

The Issuer has awarded as Internal Auditor Mrs. Aikaterini Kapeleri. Mrs. Kapeleri is an Economist, holding a bachelors degree from the University of Piraues departmet of business management and holds a postgraduate degree from National Technical Univeristy and works for Halcor since 2000 in various positions.

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.

General Meeting of the Shareholders and rights of shareholders

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

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

Roles and responsibilities of the Board of Directors

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

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

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

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

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

- 58 are executive members (Chairman, Vice-Chairman& 3 Members)
- 4 are non-executive members (Other Members)
- 2 are independent, non-executive members (Other Members)

The current Board of Directors of HALCOR S.A.-METAL PROCESSING consists of the following:

- THEODOSSIOSPAPAGEORGOPOULOS, Chairman and executive member
- DIMITRIOS KIRIAKOPOULOS, Vice-chairman and executive member
- NIKOLAOS KOUDOUNIS, executive member
- PERIKLES SAPOUNTZIS, executive member and General Manager
- GEORGIOS KATSAMPAS, non-executive member
- IOANNIS PANAYIOTOPOULOS, non-executive member

- LAMBROS VAROUCHAS, executive member
- KONSTANTINOS KATSAROS, executive member
- STAVROS VOULOUDAKIS, executive member
- PATRICK KRON, non-executive member
- ILIAS STASINOPOULOS, non-executive member
- EFTIHIOS KOTSAMBASAKIS, executive member
- ANDREAS KIRIAZIS, Independent non-executive member
- NIKOLAS GALETAS, Independent non-executive member

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

The Board of Directors convened 66 times for Elval, 67 at Halcor and 31 as ElvalHalcor in 2017.

Audit Committee

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

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

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

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

More specifically, the Audit Committee has the following responsibilities:

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

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

- Extraordinary reports
- Semi-annual financial audit reports
- Ordinary annual audit reports
- Corporate Governance Reports
- Stock exchange reports
- Inventory-counting reports
- Productivity Efficiency reports
- Audit Opinion

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

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

ii. Evaluation of effectiveness and performance of the Committee

Until the time of this Statement's compilation, no special procedures had been established to evaluate the effectiveness of the Board's Committee. Company's Management will establish such procedures in the future.

CURRICULUM VITAE OF THE BOARD MEMBERS

Theodossios 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 in Halcor SA from 1973 to 2004. Between 2004 and this date he is the Chairman of the Board of Halcor SA.

Kiriakopoulos Dimitrios, Vice-Chairman, executive member
Mr. Kyriakopoulos studied Business Administration at AUEB and holds a Diploma in Business Studies from the City of London College and Marketing from the British Institute of Marketing. The starting point of his professional career was Procter and Gamble, and since 1975 he has started a long-term partnership with Warner Lambert assuming Managerial positions. In 1983, after spending two years at Warner Lambert headquarters in the US as Director of Consumer Products in Europe, he took over the Chairman, Chief Executive Officer and General Manager positions of the company in Greece. Since 1985 he has assumed the positions initially of Regional Director of Middle East / Africa and then as Regional President of Consumer Products of Italy / France / Germany. In the period 2000-2003 he was appointed CEO of Europe / Middle East / Africa of ADAMS (Confectionery Division of Pfizer). In 2004 he was appointed Deputy Managing Director of Duty Free SA. In 2006 he was appointed Vice Chairman of Non-Ferrous Metals at Steelmet SA and since June 2007 he is Vice-Chairman of the Board of Directors of Elval.

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

Perikles Sapountzis, executive Member and General Manager
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. Between 2008 and currently holds the position of General Director and Board Member of Halcor SA.

Georgios Katsambas, non-executive member
Mr. Katsambas holds an MBA degree from Strathclyde University in Glasgow. She 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 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 Halcor's Board of Directors.

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

Lambros Varouchas, executive member
Mr. Varouchas is a Electrical Engineer of NTUA and he has been working in Elval companies since 1969. In Elval SA 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 Elval SA. At the same time, he is a member of the BoD and Technical Officer of Bridgnorth Aluminium Ltd.

Konstantinos Katsaros, executive member
Mr. Katsaros is a Mechanical and Electrical Engineer of the National Technical University of Athens. He is an Aeronautical Engineer of the Ecole Nationale Superieure d 'Aeronautique (Paris) and a Ph.D. Engineer of the University of Paris. He has been working in Elval since 1974 and he is mainly engaged in the international development of the Company. Previously he worked in Pechiney in France for 6 years. He is a member of the Board of Directors of many companies of the Group, 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 Sector of Elval SA. He has worked in Elval and its subsidiaries since 2003.

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

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

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

Eftyhios Kotsambasakis, 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.

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

The Chairman of the Board of ELVALHALCOR S.A.
Theodossios Papageorgopoulos

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
"Elvalhalcor Hellenic Copper 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 Copper and Aluminium Industry SA" which comprise the separate and consolidated statement of financial position as of 31 December 2017, the separate and consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flow statements 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 31/12/2017, their separate and consolidated financial performance and their separate and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the statutory requirements of Codified Law 2190/1920.

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

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

Independence
During our audit we remained independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017 and of Regulation (EU) No 537/2014, that are relevant to the audit of the separate and consolidated financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, Regulation (EU) No 537/2014 and the requirements of the IESBA Code.

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

The non-audit services that we have provided to the Company and its subsidiaries, in the period from 1 January 2017 to 31 December 2017 during the year ended as at 31 December 2017, 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 matter	How our audit addressed the key audit matter

Business Combination (For Consolidated and Separate Financial Statements)

Key audit matter	How our audit addressed the key audit matter
As disclosed in Note 33 of the attached financial statements, "Halcor Metal Works S.A." (Halcor) was merged by absorption with "Elval Hellenic Aluminium Industry S.A." (Elval). As a result, the Group Management determined this transaction to be a business combination and accounted for it as a reverse acquisition where the accounting acquiree is Halcor and the accounting acquirer is Elval. In accordance with IFRS 3 "Business Combinations", the Group performed the purchase price allocation exercise and determined the identifiable assets and liabilities as well as their fair values. The purchase price allocation required a significant amount of management estimation.The valuation methodologies, as well as the inputs and assumptions used in the models, determined the fair value of the assets acquired, such as property plant and equipment, goodwill, brand name, customer relationships and the deferred tax liability. For these reasons, we consider this area to be a key audit matter.	We examined the Merger Agreement Scheme and assessed the appropriateness of the accounting of the merger as a reverse acquisition and determined that it was appropriately performed in accordance with the definition set out in IFRS 3 "Business Combinations". As of the acquisition date, we performed audit procedures over the acquired opening balance sheet of Halcor, including amongst others agreeing the balances of the acquired assets and liabilities to Halcor's accounting records and other substantive audit procedures in revenue and expenses accounts, so as to determine that revenue and cost of sales have recorded in the correct period. In relation to the recognition of the brand name and the customer relationships, we assessed that it complies with the criteria set out in IAS 38 Intangible Assets. In addition, with the assistance of our in-house valuation experts, we determined that the models and methodologies used are appropriate and that the discount rate is in line with the Group's weighted average cost of capital. We evaluated the cash flow projections of the models by comparing them to historical cash flows and examined the future growth rates used. In regards with the valuation reports for property plant and equipment, we engaged our valuation experts to assist us in assessing the methodologies, assumptions and conclusions of the Group's independent external valuers. We found that the key assumptions were based on available market data and that the cost method was appropriately applied. We examined the calculation of goodwill being the difference between the purchase consideration and the fair value of the net identifiable assets. With the assistance of our tax specialists, we assessed that the recognition of deferred tax asset of Euro 17,9mil on tax losses carried forward and "thin capitalization" was supported by the future business plans in relation to the entity's taxable profits. As a result of our work, we found no material exceptions at the allocation of the purchase price to the identifiable acquired assets and liabilities. Finally, we determined that the disclosures included in Note 33 of the attached financial statements were sufficient.

Loan Liabilities (For Consolidated and Separate Financial Statements)

As disclosed in Note 22 of the attached financial statements, the Group as at 31 December 2017 had loan liabilities amounting to Euro 568mn, of which amount Euro 142mn related to instalments of long-term and syndicated loans and finance lease liabilities, expiring in the short-term as at the balance sheet date.

The contracts of the syndicated loans contain financial covenants and other terms, such as change of control clauses.

As disclosed in Note 22 of the attached financial statements, the Group in 2017 completed the restructuring of its main syndicated loans.

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

We performed the following 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 of the new and amended contract of the main syndicated loans.
- We assessed management's estimate as regards the adequacy of future cash flows for the repayment of loan liabilities of the Group.

As a result of our work, we did not identify material 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 Matter

The separate and consolidated financial statements of the merged companies "Halcor Metal Works S.A." and "Elval Hellenic Aluminium Industry S.A." for the year ended 31 December 2016 were audited by other Certified Auditor Accountants who issued the reports dated 30 March 2017, 15 May 2017 and 31 October 2017 expressing unmodified opinion on those statements.

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 Statements of Board of Directors members and the Board of Directors Report (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 Codified Law 2190/1920 and the Corporate Governance Statement required by article 43bb of Codified Law 2190/1920 has been prepared.

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

- The information given in the the Board of Directors' Report for the year ended at 31 December 2017 is consistent with the separate and consolidated financial statements,
- The Board of Directors' Report has been prepared in accordance with the legal requirements of articles 43a and 107A of the Codified Law 2190/1920,

- The Corporate Governance Statement provides the information referred to items c and d of paragraph 1 of article 43bb of the Codified Law 2190/1920.

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

Responsibilities of Board of Directors and those charged with governance for the separate and consolidated financial statements
The Board of Directors is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Codified Law 2190/1920, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, 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.

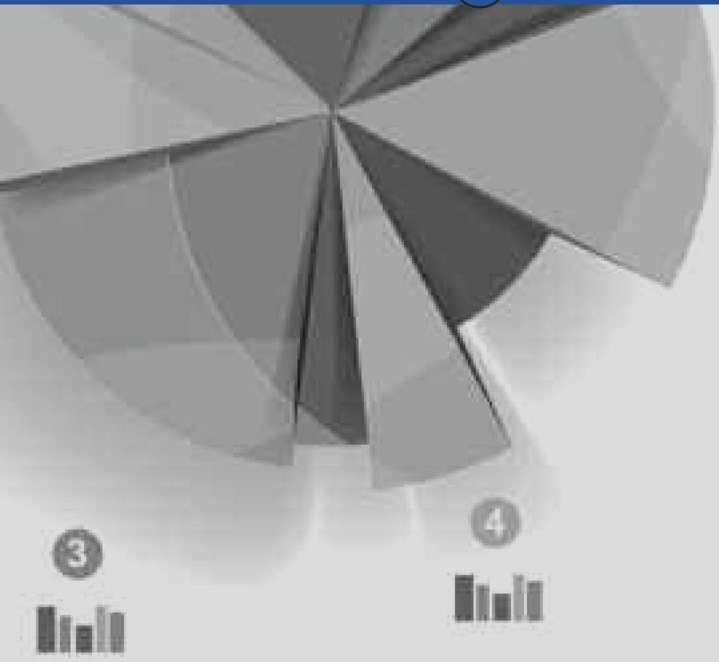
Report on other legal and regulatory requirements

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 26/05/2017.

PricewaterhouseCoopers S.A.
Certified Auditors - Accountants
268, Kifissias Avenue
152 32 Halandri
SOEL Reg No 113

Athens, 12 March 2018
The Certified Auditor Accountant
Konstantinos Michalatos
SOEL Reg No 17701



Annual Financial Statements (Group and Company)

as at 31 December 2017
according to International Financial Reporting Standards

THE CHAIRMAN OF THE BOARD OF DIRECTORS	VICE-CHAIRMAN OF THE BOARD OF DIRECTORS	THE GENERAL MANAGER OF THE COPPER TUBES DIVISION AND MEMBER OF THE BOARD	THE GROUP FINANCIAL MANAGER
THEODOSSIOS PAPAGEORGOPOULOS ID Card No. AE 135393	DIMITRIOS KYRIAKOPOULOS ID Card No. AK 695653	PERIKLIS SAPOUNTZIS ID Card No. AK 121106	SPYRIDON KOKKOLIS ID Card No. X701209

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

TABLE OF CONTENTS

I. Statement of Financial Position

€ '000		GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
ASSETS					
Non-current assets					
Property, plant and equipment	10	687,479	404,827	423,549	297,294
Intangible assets and goodwill	11 & 33	74,547	1,043	70,801	913
Investment property	12	7,076	-	20,809	16,477
Investments in subsidiaries	13	0	-	242,471	118,571
Investments in associates	13	64,186	1,879	65,339	1,608
Other Investments	14	3,771	1,545	3,771	1,545
Deferred income tax assets	15	2,267	-	-	-
Derivatives	18	262	-	260	-
Trade and other receivables	17	2,624	1,379	2,423	1,230
		842,212	**410,673**	**829,425**	**437,637**
Current Assets					
Inventories	16	433,498	232,830	281,004	176,248
Trade and other receivables	17	199,025	194,419	190,723	159,561
Derivatives	18	4,751	2,638	2,856	2,302
Cash and cash equivalents	19	41,446	15,198	32,574	8,344
		678,720	**445,084**	**507,157**	**346,456**
Held For Sale	34	4,495	-	-	-
Total assets		**1,525,427**	**855,757**	**1,336,582**	**784,093**
EQUITY					
Capital and reserves attributable to the Company's equity holders					
Share capital	20	146,344	105,750	146,344	105,750
Share premium	20	65,030	-	65,030	-
Other reserves	20	282,340	209,976	293,926	209,812
Retained earnings/(losses)		161,796	135,859	155,618	127,850
Equity attributable to owners of the company		**655,511**	**451,586**	**660,919**	**443,413**
Non-Controlling Interest		12,905	2,118	-	-
Total equity		**668,416**	**453,703**	**660,919**	**443,413**
LIABILITIES					
Non-current liabilities					
Loans and Borrowings	22	278,940	98,813	278,414	83,954
Obligations under financial lease	22	13,993	7,819	13,973	7,819
Derivatives	18	51	-	2	-
Deferred tax liabilities	15	61,825	39,597	50,233	32,448
Employee benefits	23	14,946	10,627	10,761	7,828
Grants	24	21,557	19,775	12,378	12,388
Provisions	25	1,410	-	1,260	-
		392,724	**176,632**	**367,020**	**144,437**
Current liabilities					
Trade and other payables	26	179,172	98,123	141,577	85,993
Current tax liabilities	15	7,641	15,723	5,002	12,761
Loans and Borrowings	22	273,016	109,646	158,216	95,777
Obligations under financial lease	22	2,291	810	2,291	810
Derivatives	18	2,005	1,121	1,446	902
Provisions	25	162	-	110	-
		464,287	**225,422**	**308,643**	**196,243**
Total liabilities		**857,011**	**402,054**	**675,663**	**340,680**
Total equity and liabilities		**1,525,427**	**855,757**	**1,336,582**	**784,093**

The notes on pages 48 to 103 constitute an integral part of these Financial Statements.

II. Income Statement

€ '000		GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Revenue	**6**	**1,150,369**	**842,699**	**895,786**	771,013
Cost of sales	8	(1,046,804)	(768,517)	(819,614)	(715,281)
Gross profit		**103,566**	**74,182**	**76,172**	**55,732**
Other Income	7	7,892	5,981	8,304	6,792
Selling and Distribution expenses	8	(12,506)	(11,616)	(5,241)	(6,208)
Administrative expenses	8	(25,535)	(18,252)	(17,375)	(15,887)
Other Expenses	7	(3,801)	(1,379)	(2,793)	(751)
Operating profit / (loss)		**69,616**	**48,915**	**59,067**	**39,677**
Finance Income	9	118	102	75	94
Finance Costs	9	(17,767)	(15,395)	(13,080)	(14,219)
Dividends		0	-	1,722	1,504
Net Finance income / (cost)		**(17,649)**	**(15,293)**	**(11,283)**	**(12,621)**
Share of profit/ (loss) of equity-accounted investees, net of tax	13	(1,293)	(276)	-	-
Profit/(Loss) before income tax		**50,674**	**33,346**	**47,784**	**27,056**
Income tax expense	15	(17,410)	(11,439)	(14,461)	(8,471)
Profit/(Loss) for the year		**33,264**	**21,907**	**33,324**	**18,585**
Attributable to:					
Owners of the Company		33,549	21,978	33,324	18,585
Non-controlling Interests		(285)	(71)	-	-
		33,264	**21,907**	**33,324**	**18,585**
Shares per profit to the shareholders for period (expressed in € per share)					
Basic and diluted	21	0.1188	0.0802	0.1180	0.0678

The notes on pages 48 to 103 constitute an integral part of these Financial Statements.

III. Statement of Comprehensive Income

€ '000	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Profit / (Loss) of the period from continued operations	**33,264**	**21,907**	**33,324**	**18,585**
Items that will never be reclassified to profit or loss				
Remeasurements of defined benefit liability	(1,314)	1,003	(1,013)	837
Related tax	372	(291)	294	(243)
Total	**(942)**	**712**	**(720)**	**594**
Items that are or may be reclassified to profit or loss				
Foreign currency translation differences	197	-	-	-
Gain / (Loss) of changes in fair value of cash flow hedging - effective portion	4,498	1,516	3,737	1,400
Gain / (Loss) of changes in fair value of cash flow hedging - reclassified to profit or loss	(2,851)	1,516	(2,435)	1,516
Related Tax	(190)	(879)	(378)	(846)
Total	**1,654**	**2,153**	**924**	**2,070**
Other comprehensive income / (expense) after tax				
Total comprehensive income / (expense) after tax	**33,976**	**24,772**	**33,529**	**21,249**
Attributable to:				
Owners of the company	33,514	24,843	33,529	21,249
Non-controlling interests	462	(71)	-	-
Total comprehensive income / (expense) after tax	**33,976**	**24,772**	**33,529**	**21,249**

The notes on pages 48 to 103 constitute an integral part of these Financial Statements.

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 2016	**105,750**	**-**	**-**	**179,654**	**148,478**	**-**	**433,882**	**2,189**	**436,071**
Net Profit / (Loss) for the period	-	-	-	-	21,978	-	21,978	(71)	21,907
Other comprehensive income	-	-	-	2,153	712	-	2,865	(0)	2,865
Total comprehensie income	**-**	**-**	**-**	**2,153**	**22,690**	**-**	**24,843**	**(71)**	**24,772**
Transactions with the shareholder's directly in equity									
Transfer of reserves	-	-	-	28,169	(28,169)	-	(0)	-	-
Dividend	-	-	-	-	(6,673)	-	(6,673)	-	(6,673)
Liquidation of subsidiaries	-	-	-	-	(467)	-	(467)	-	(467)
Total transactions with the shareholders	-	-	-	28,169	(35,309)	-	(7,140)	-	(7,140)
Balance as at 31 December 2016	**105,750**	**-**		**209,976**	**135,859**	**-**	**451,586**	**2,118**	**453,703**
Balance as at 1 January 2017	**105,750**	**-**	**-**	**209,976**	**135,859**	**-**	**451,586**	**2,118**	**453,703**
Net Profit / (Loss) for the period	-	-	-	-	33,549	-	33,549	(285)	33,264
Other comprehensive income	-	-	-	1,457	(1,689)	197	(35)	747	712
Total comprehensie income	**-**	**-**	**-**	**1,457**	**31,860**	**197**	**33,514**	**462**	**33,976**
Transactions with the shareholder's directly in equity									
Capitalization of Share Premium	2,108	(2,108)	-	-	-	-	-	-	-
Transfer of reserves	-	-		1,123	(1,123)	-	-	-	-
Dividend	-	-		-	(4,800)	-	(4,800)	-	(4,800)
M&A Effect	38,486	67,138	69,588	-	-	-	175,212	10,325	185,537
Total transactions with the shareholders	40,594	65,030	69,588	1,123	(5,923)	-	170,412	10,325	180,737
Balance as at 31 December 2017	**146,344**	**65,030**	**69,588**	**212,556**	**161,796**	**197**	**655,511**	**12,905**	**668,416**

The notes on pages 48 to 103 constitute an integral part of these Financial Statements.

COMPANY € '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 2016			**105,750**	**-**	**-**	**179,654**		**143,433**	**428,836**
Net Profit / (Loss) for the period			-	-	-	-		18,585	18,585
Other comprehensive income			-	-	-	2,070		594	2,664
Total comprehensie income			**-**	**-**	**-**	**2,070**		**19,179**	**21,249**
Transactions with the shareholder's directly in equity									
Transfer of reserves			-	-	-	28,088		(28,088)	(0)
Dividend			-	-	-	-		(6,673)	(6,673)
Total transactions with the shareholders			**-**	**-**	**-**	**28,088**		**(34,761)**	**(6,673)**
Balance as at 31 December 2016			**105,750**	**-**	**-**	**209,812**		**127,850**	**443,413**
Balance as at 1 January 2017			**105,750**	**-**	**-**	**209,812**		**127,850**	**443,413**
Net Profit / (Loss) for the period			-	-	-	-		33,324	33,324
Other comprehensive income			-	-	-	-		205	205
Total comprehensie income			**-**	**-**		**-**		**33,529**	**33,529**
Transactions with the shareholder's directly in equity									
Capitalization of Share Premium			2,108	(2,108)	-	-		-	-
Transfer of reserves			-	-	-	961		(961)	-
Dividend			-	-	-	-		(4,800)	(4,800)
M&A Effect			38,486	67,138	83,153	-		-	188,777
Total transactions with the shareholders			**40,594**	**65,030**	**83,153**	**961**		**(5,761)**	**183,977**
Balance as at 31 December 2017			**146,344**	**65,030**	**83,153**	**210,773**		**155,618**	**660,919**

The notes on pages 48 to 103 constitute an integral part of these Financial Statements.

V. Statement of Cash-Flows

€ '000		GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Cash flows from operating activities					
Profit / (loss) after taxes		33,264	21,907	33,324	18,585
Adjustments for:					
Tax		17,410	11,439	14,461	8,471
Depreciation and Amortization		43,590	40,498	34,637	33,076
Depreciation of tangible assets	10	44,754	42,031	34,458	33,598
Depreciation of intangible assets	11	578	246	301	221
Depreciation of Investment Property		51	-	1,058	556
Depreciation of grants		(1,793)	(1,780)	(1,180)	(1,299)
Finance Income		(118)	(102)	(75)	(94)
Dividends		(0)	-	(1,722)	(1,504)
Share of profit/ (loss) of equity-accounted investees, net of tax		1,293	276	-	-
Interest charges & related expenses		17,767	15,395	13,080	14,219
(Profit) / loss from sale of tangible assets		199	(151)	(21)	(249)
Impairment/ (Reversal of Impairment) on fixed assets		299	-	-	-
Loss from assets and investment property write off		1	1,051	-	1,051
Impairment/ (Reversal of Impairment) of receivables		377	292	124	265
(Other provisions)/Reversal of provisions		14	-	7	-
		114,095	**90,605**	**93,814**	**73,819**
Decrease / (increase) in inventories		(43,219)	2,278	(33,851)	7,771
Decrease / (increase) in receivables		68,420	3,172	43,689	(27,775)
(Decrease) / Increase in liabilities (minus banks)		16,970	(27,992)	4,148	(2,367)
		42,170	**(22,543)**	**13,987**	**(22,371)**
Interest charges & related expenses paid		(21,953)	(15,264)	(15,865)	(14,099)
Income tax paid		(23,662)	(671)	(21,804)	(671)
Net Cash flows from operating activities		**110,651**	**52,128**	**70,131**	**36,680**
Cash flows from investing activities					
Purchase of tangible assets	10	(44,458)	(37,443)	(38,466)	(30,280)
Purchase of intangible assets	11	(330)	(175)	(31)	(110)
Proceeds from sales of fixed assets	10	463	975	20	3,335
Dividends received		151	300	1,873	1,504
Interest received		-	102	75	94
Acquisition of AFS investments	41	(387)	(5)	(387)	(5)
(Increase in participation)/share capital decrease in subsidiaries, associates and joint-ventures		-	(117)	-	2,981
Cash outflow from merges/absorbions	33	(89,145)	-	(90,668)	-
Net Cash flows from investing activities		**(133,706)**	**(36,364)**	**(127,584)**	**(22,481)**
Cash flows from financing activities					
Dividends paid		(4,800)	(6,673)	(4,800)	(6,673)
Loans received		240,915	10,000	239,915	10,000
Loans settlement		(195,662)	(16,986)	(162,259)	(9,432)
Finance leases settlement		8,828	(8,629)	8,828	(8,629)
Proceeds from grants		24	-	-	-
Net cash flows from financing activities		**49,304**	**(22,287)**	**81,684**	**(14,734)**
Net (decrease)/ increase in cash and cash equivalents		**26,248**	**(6,523)**	**24,230**	**(535)**
Cash and cash equivalents at the beginning of period		15,198	21,721	8,344	8,879
Cash and cash equivalents at the end of period		**41,446**	**15,198**	**32,574**	**8,344**

The notes on pages 48 to 103 constitute an integral part of these Financial Statements.

VI. Notes to the Financial Statements as at 31 December 2017

1. Incorporation and Group Activities:

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

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

These Financial Statements (the "Financial Statements") of the Company for the year ended on 31 December 2017 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.

As explained in note 33, due to the reverse merger of Halcor by Elval for accounting purposes, the comparative information of 2016 as well as the period until 30.11.2017 are those of Elval while from 30.11.2017 until the end of the fiscal year of ElvalHalcor.

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

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

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

2. Basis of preparation of the Financial Statements

(a) Compliance note

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

The financial statements ended 31 December 2017 were approved for publication by the Company's Board of Directors on 12th of March, 2018.

(b) Measurement basis

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

(c) Functional exchange rate and presentation

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

(d) Application of estimates and judgments

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

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

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

Significant Estimates

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

Significant Judgements

- *Valuation of the accounting treatment between Elval and Halcor as reverse acquisition*: The Group put judgement as to the evaluation of the criteria provided by IFRS. For details see note 33.

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 1.1.2017. 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

There are no new standards, amendments to standards and interpretations that are mandatory for periods beginning on 1.1.2017.

Standards and Interpretations effective for subsequent periods

IFRS 9 "Financial Instruments" and subsequent amendments to IFRS 9 and IFRS 7

(effective for annual periods beginning on or after 1 January 2018)

IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model used today. IFRS 9 establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39. The Group is currently investigating the impact of IFRS 9 on its financial statements.

IFRS 15 "Revenue from Contracts with Customers"

(effective for annual periods beginning on or after 1 January 2018)

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

IFRS 16 "Leases"
(effective for annual periods beginning on or after 1 January 2019)
IFRS 16 has been issued in January 2016 and supersedes IAS 17. The objective of the standard is to ensure the lessees and lessors provide relevant information in a manner that faithfully represents those transactions. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. The Group is currently investigating the impact of IFRS 16 on its financial statements. The standard has not yet been endorsed by the EU.

IFRS 17 "Insurance contracts"
(effective for annual periods beginning on or after 1 January 2021)
=IFRS 17 has been issued in May 2017 and supersedes IFRS 4. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard and its objective is to ensure that an entity provides relevant information that faithfully represents those contracts. The new standard solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner. Insurance obligations will be accounted for using current values instead of historical cost. The standard has not yet been endorsed by the EU.

IAS 12 (Amendments) "Recognition of Deferred Tax Assets for Unrealised Losses"
(effective for annual periods beginning on or after 1 January 2017)
These amendments clarify the accounting for deferred tax assets for unrealised losses on debt instruments measured at fair value. The amendments have not yet been endorsed by the EU.

IAS 7 (Amendments) "Disclosure initiative"
(effective for annual periods beginning on or after 1 January 2017)
These amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments have not yet been endorsed by the EU.

IFRS 2 (Amendments) "Classification and measurement of Shared-based Payment transactions"
(effective for annual periods beginning on or after 1 January 2018)
The amendment clarifies the measurement basis for cash-settled, share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. It also introduces an exception to the principles in IFRS 2 that will require an award to be treated as if it was wholly equity-settled, where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority. The amendments have not yet been endorsed by the EU.

IFRS 4 (Amendments) "Applying IFRS 9 Financial instruments with IFRS 4 Insurance contracts"
(effective for annual periods beginning on or after 1 January 2018)
The amendments introduce two approaches. The amended standard will: a) give all companies that issue insurance contracts the option to recognise in other comprehensive income, rather than profit or loss, the volatility that could arise when IFRS 9 is applied before the new insurance contracts standard is issued; and b) give companies whose activities are predominantly connected with insurance an optional temporary exemption from applying IFRS 9 until 2021. The entities that defer the application of IFRS 9 will continue to apply the existing financial instruments standard—IAS 39. The amendments have not yet been endorsed by the EU.

IAS 40 (Amendments) "Transfers of Investment Property"
(effective for annual periods beginning on or after 1 January 2018)
The amendments clarified that to transfer to, or from, investment properties there must be a change in use. To conclude if a property has changed use there should be an assessment of whether the property meets the definition and the change must be supported by evidence. The amendments have not yet been endorsed by the EU.

IFRIC 22 "Foreign currency transactions and advance consideration"
(effective for annual periods beginning on or after 1 January 2018)
The interpretation provides guidance on how to determine the date of the transaction when applying the standard on foreign currency transactions, IAS 21. The Interpretation applies where an entity either pays or receives consideration in advance for foreign currency-denominated contracts. The interpretation has not yet been endorsed by the EU.

IFRIC 23 "Uncertainty over income tax treatments"
(effective for annual periods beginning on or after 1 January 2019)
The interpretation explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. IFRIC 23 applies to all aspects of income tax accounting where there is such uncertainty, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. The interpretation has not yet been endorsed by the EU.

Annual Improvements to IFRSs 2014 (2014 – 2016 Cycle)
The amendments set out below describe the key changes to two IFRSs. The amendments have not yet been endorsed by the EU.

IFRS 12 "Disclosures of Interests in Other Entities"
The amendment clarified that the disclosures requirement of IFRS 12 are applicable to interest in entities classified as held for sale except for summarised financial information. The amendment is effective for annual periods beginning on or after 1 January 2017.

IAS 28 "Investments in associates and Joint ventures"
The amendments clarified that when venture capital organisations, mutual funds, unit trusts and similar entities use the election to measure their investments in associates or joint ventures at fair value through profit or loss (FVTPL), this election should be made separately for each associate or joint venture at initial recognition. The amendment is effective for annual periods beginning on or after 1 January 2018.

Disclosures about the adoption of IFRS 9 and IFRS 15
IFRS 15
This new standard will replace IAS 18 which covers revenue arising from the sale of goods and the rendering of services and IAS 11 which covers construction contracts. The new standard is based on the principle revenue recognition when control of a good or service transfers to a customer. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

The Group and the Company will adopt the new standard from 1 January 2018, when it becomes mandatory. The Group and the Company intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 January 2018 and that comparatives will not be restated.

No significant impact is expected with the new rules which will align the accounting used by the Group and the Company with the standard's provisions.

IFRS 9
Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The Group and the Company have decided to adopt IFRS 9 on 1 January 2018 with the practical expedients permitted under the standard.

The Group and the Company do not expect the new guidance to have a significant impact on the classification and measurement of its financial assets for the following reasons:

- The debt instruments that are currently classified as available-for-sale (AfS) financial assets appear to satisfy the conditions for classification as at fair value through other comprehensive income (FVOCI) and hence there will be no change to the accounting for these assets.
- A FVOCI election is available for the equity instruments which are currently classified as AfS.
- Debt instruments currently classified as held-to-maturity and measured at amortised cost appear to meet the conditions for classification at amortised cost under IFRS 9.

There will be no impact either on the Group's or the Company's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the group does not have any such liabilities. The derecognition rules have been transferred from IAS 39 and have not been changed.

The new hedge accounting rules will align the accounting for hedging instruments more closely with the Group's and the Company's risk management practices, as the standard introduces a more principles-based approach. The Group's and the Company's existing hedge relationships appear to satisfy the provisions of IFRS 9. As a consequence, the Group and the Company do not expect a significant impact from the hedge accounting treatment.

In regards to the new impairment model which requires the recognition of impairment provisions based on expected credit losses (ECL), the Group and the Company performed a test for the provision for credit losses on the 2017 figures under which an additional provision of € 150-200 thousand at Company level and € 400-500 thousand at Consolidated level would affect the profit and loss of the period before taxes.

Finally, the new standard also introduces expanded disclosure requirements and changes in presentation; these are expected to change the nature and extent of the both the Group's and the Company's disclosures financial statements about its financial instruments particularly on the first adoption of the new standard.

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

(c) Subsidiaries

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

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

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

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

In the Company's financial statements, investments in associates are recorded at cost.

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

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

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

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

4.3 Financial assets

(a) Non-derivative financial instruments

Financial instruments excluding derivatives consist of equities and other securities, receivables and other receivables, cash and cash equivalents, loans and long-term liabilities, trade and other payables. These items are classified by the Company pursuant to the purpose for which they were acquired. The Management decides on adequate classification of the investment at the time of acquisition. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial assets are initially recognized at fair value plus acquisition cost save those recognized at fair value. Assets are measured as per their classification.

(b) Trade and other receivables

Receivables from customers are initially booked at their fair value and are subsequently valued at their non-depreciated 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.

(c) Cash and cash equivalents

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

(d) Available-for-sale financial assets

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

The accumulated losses carried forward is the difference between the acquisition value after depreciation over the effective rate and the current fair value minus the depreciation already charged to the profit from previous years. Impairment losses recognized in profit or loss statement are not reversed through the income statement for equity financial assets. The Group looks for evidence of impairment that for the shares are listed in Stock Exchange is a mandatory or prolonged decline in fair value below its cost, which in such case recorded in the results.

(e) Fair Value

The fair values of financial assets traded on active markets are designated based on current market price. In the case of assets not so traded, fair values are designated using valuation techniques such as recent transaction analysis, reference to comparable and cash flow discounts.

(f) 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.

4.4 Derivatives and hedge accounting

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

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

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

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

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

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

4.6 Property, plant and equipment
(a) Recognition and measurement
Land, buildings, machinery and equipment are shown at fair value, based on valuations by external independent assessors, less subsequent depreciation. Valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any positive effect from the revaluation of land, building and machinery is recognized in the Statement of Comprehensive Income and transferred to the equity in a special reserve, unless the amount is reversing a prior year loss for impairment that was formerly recognized in the Income Statement. The loss from the impairment of land, buildings, machinery is recognized in the Income Statement unless it reverses a prior year positive effect that was recognized in a revaluation reserve in the Equity. Transportation means and other equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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

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

(b) Depreciation

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

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

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

4.7 Intangible assets

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

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

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

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

4.8 Investment property

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

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

4.9 Inventories

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

4.10 Impairment

(a) Non-derivative financial assets

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

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

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

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

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

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

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

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

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

Impairment is recognized in the Income Statement.

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

4.11 Employee benefits

(a) Short-term benefits

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

(b) Defined-contribution Plans

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

(c) Defined-Benefit Plans

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

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

Actuarial gains and losses arising from historical data adjustments exceeding 10% of the accumulated liability.

(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.

(e) Plans for participation in profits and benefits

The Group records a liability and a corresponding expense for benefits and profit participation. This amount is included in post-tax profits less any reserves stipulated by law.

4.12 Provisions

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

4.13 Income

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

(d) Income from dividends
Dividends are recognised as income when the right of the Group to receive payment is established.

(e) Income from rents
Rents are recognized as revenue on a straight course in the lease.

(f) Contracts for projects under construction
The Group is engaged in execution of contracts which mainly cover construction and installation of high voltage cables terrestrial and submarine. A construction contract is a contract made specifically for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

The costs relating to the contract are recognized when incurred.

When the outcome of a construction contract cannot be estimated reliably, as income from the contract is recognized only the cost incurred and expected to be collected.

When the outcome of a construction contract can be estimated reliably, revenue and expenses of the contract is recognized over the term of the contract, respectively, as revenue and expense. The Group uses the percentage of completion method to determine the appropriate amount of income and expense to be recognized in a given period. The stage of completion is measured based on the costs incurred up to the balance sheet date in relation to the total estimated costs for each contract. The criteria which define the stage of completion of each project objective are as follows:
- During the production stage of the cables, the estimation for completion, depending upon the type of contract, based on either a) the relationship between the number of hours on realized production and total budgeted hours or b) the quantity of produced and tested cable lengths compared to the total amount of lengths provided the contract.
- During the stage of installation of cables, the percentage of completion is based on the schedules of the contracts depending on the works, such as the transfer of cables, metres that have been installed and their connection with the network.

When it is probable that total contract costs will exceed total revenue, the expected loss is recognized immediately in the income statement as an expense.

To determine the cost incurred by the end of the period, expenses related to future work regarding the contract are excluded and shown as work in progress. The cost of works in progress during the production process includes the direct cost of borrowing. All the costs incurred and the profit / loss recognized on each contract are compared to the invoiced part until the end.

When realized expenses plus net profits (less loss) recognized exceed the invoiced, the difference appears as a receivable from contract customers in the account "Trade and other receivables". Where progress billings exceed costs incurred plus net earnings (net of losses), the balance is shown as amounts due to customers in the account "Suppliers and other liabilities".

4.14 Government grants
Government grants for investments in assets are recognised as accrued income where there is a reasonable assurance

that the grant will be received and the Group will comply with all relevant conditions. Government grants relating to the purchase of fixed assets are credited to the income statement on a straight-line basis over the expected useful lives of the related assets.

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

4.15 Leases

Leases of property, plant and equipment, which the Group substantially maintains all the risks and benefits of ownership are classified as financial leasing. Financial leasing is capitalised from the moment the lease begins at the lower amount between the fixed asset's fair value and the present value of the minimum lease payments. Financial leases net of financial expenses are classified on 'Liabilities'. The part of financial expenses that concerns financial leasing is recorded in profit and loss during the term of the lease. Items of property, plant and equipment that were acquired through financial leasing are depreciated over the shorter period between the useful lives thereof and the term of their lease.

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

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

4.16 Income tax

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

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

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

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

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

4.17 Segment reporting

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

4.18 Earnings per share

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

4.19 Borrowing Cost

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

4.20 Rounding

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

5. Operating segments

An operating segment is based on the structure of the information to the Group's management and internal reporting system. The Group is organized into business centers and business units based on the production of copper and copper alloys. In particular, it has three reportable operating segments and the third sector has resulted from aggregation of smaller operating segments. The operating segments of the Group are as follows:

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

For the closing period 31.12.2016

€ '000	**Aluminium**
Revenue	**842,699**
Intrasegment revenue	-
Cost of sales	(768,517)
Gross profit	**74,182**
Other Income	5,981
Selling and Distribution expenses	(11,616)
Administrative expenses	(18,252)
Other Expenses	(1,379)
Operating profit / (loss)	**48,915**
Finance income	102
Finance Costs	(15,395)
Net Finance income / (cost)	**(15,293)**
Share of profit / (loss) of equity-accounted investe	(276)
Profit/(Loss) before income tax	**33,346**
Income tax expense	(11,439)
Profit/(Loss) for the year	**21,907**
Total Assets	855,757
Total Liabilities	402,054
Investments in Fixed assets	37,443
Investments in Intangible assets	175
Total	**37,619**
Depreciation of Fixed Assets	(42,031)
Amortization of Intangible Assets	(246)
Depreciation in Investement Property	-
Total Depreciation and Amortization	**(42,278)**

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

For the closing period 31.12.2017

€ '000	Copper	Aluminium	Total
Revenue	**209,051**	**958,756**	**1,167,807**
Intrasegment Sales	(124)	(17,250)	**(17,374)**
Cost of sales	(200,517)	(846,351)	(1,046,867)
Gross profit	**8,411**	**95,155**	**103,566**
Other Income	1,868	6,024	7,892
Selling and Distribuition expenses	(1,390)	(11,115)	(12,506)
Administrative expenses	(3,100)	(22,435)	(25,535)
Other Expenses	(2,459)	(1,342)	(3,801)
Operating profit / (loss)	**3,329**	**66,287**	**69,616**
Finance Income	48	70	118
Finance Costs	(4,065)	(13,702)	(17,767)
Net Finance income / (cost)	**(4,016)**	**(13,633)**	**(17,649)**
Share of profit / (loss) of equity-accounted investees, net of tax	(1,525)	231	(1,293)
Profit/(Loss) before income tax	**(2,212)**	**52,885**	**50,674**
Income tax expense	(300)	(17,110)	(17,410)
Profit/(Loss) of the year	**(2,511)**	**35,775**	**33,264**
Total Assets	702,596	822,831	1,525,427
Total Liabilities	396,426	460,584	857,010
Capital Expenditure			
Fixed Assets	3,312	41,146	44,458
Intangible Assets	104	226	330
Total	**3,416**	**41,372**	**44,788**
Depreciation of tangible fixed assets	(305)	(44,449)	(44,754)
Amortization of intangible assets	(235)	(342)	(578)
Depreciation of investments in real estate	-	(51)	(51)
Total depreciation and amortization	**(541)**	**(44,842)**	**(45,383)**

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

In a twelve month basis for the period 01.01.2017-31.12.2017

€ '000	Copper	Aluminium	Total Group
Revenue	**922,772**	**958,756**	**1,881,527**
Intrasegment Sales	(958)	(17,250)	(18,207)
Cost of sales	(861,056)	(845,393)	(1,706,448)
Gross profit	**60,758**	**96,113**	**156,871**
Other Income	8,755	6,024	14,779
Selling and Distribution expenses	(8,697)	(11,115)	(19,812)
Administrative expenses	(15,238)	(22,435)	(37,673)
Other Expenses	(10,857)	(1,342)	(12,199)
Operating profit / (loss)	**34,722**	**67,245**	**101,967**
Finance Income	50	70	119
Finance Costs	(23,167)	(13,702)	(36,870)
Dividends	-		-
Net Finance income / (cost)	**(23,118)**	**(13,633)**	**(36,750)**
Share of profit / (loss) of equity-accounted investees, net of tax	(1,525)	231	(1,293)
Profit/(Loss) before income tax	**10,079**	**53,843**	**63,923**
Income tax expense	14,516	(17,110)	(2,594)
Profit/(Loss) for the year	**24,596**	**36,733**	**61,330**

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

Geographical Segment

	GROUP		COMPANY	
€ '000	**2017**	**2016**	**2017**	**2016**
Revenue				
Greece	148,461	87,463	241,532	183,307
European Union	697,233	532,955	494,530	430,205
Other European countries	107,370	88,741	36,589	46,212
Asia	90,540	44,351	47,960	29,958
America	76,350	78,609	60,199	75,463
Africa	19,665	9,663	5,755	5,028
Oceania	10,814	916	9,221	841
Total	**1,150,433**	**842,699**	**895,786**	**771,013**
Property Plant Equipment				
Greece	550,856	404,827	423,549	297,294
International	136,623	-	-	-
Total	**687,479**	**404,827**	**423,549**	**297,294**
Intangible assets and goodwill				
Greece	74,242	1,043	70,801	913
International	305	-	-	-
Total	**74,547**	**1,043**	**70,801**	**913**
Investment property				
Greece	7,076	-	20,809	16,477
International	-	-	-	-
Total	**7,076**	**-**	**20,809**	**16,477**
Capital expenditure				
Greece	43,676	41,309	38,497	34,079
International	1,112	-	-	-
Total	**44,788**	**41,309**	**38,497**	**34,079**

6. Income

€ '000	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Sale of goods	360,798	344,311	390,045	381,905
Rendering of services	733,663	446,211	497,068	380,115
Construction Contract revenue	37,120	36,442	5,414	5,220
Other	18,852	15,735	3,259	3,772
Total	**1,150,433**	**842,699**	**895,786**	**771,013**

7. Other operating income and expenses

Other operating income & expenses

€ '000	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Other Income				
Grants of the Fiscal Year	23	94	19	94
Amortization of Grants	1,793	1,780	1,180	1,299
Rental income	369	200	323	1,552
Foreign Exchange Gains	1,647	126	9	-
Income from fees	1,033	161	851	-
Income from costs recharged	625	-	3,062	-
Damage Compensation	395	456	286	198
Gain from sale of Fixed assets	36	155	21	251
Income from consulting services	266	129	-	159
Other Income	1,705	2,879	2,551	3,239
Total	**7,892**	**5,981**	**8,304**	**6,792**
Other Expense (-)				
Loss from fixed assets write off	1	5	(0)	5
Production cost non allocated to cost of goods sold	266	-	-	-
Loss from sale of Fixed assets	235	5	-	1
Foreign Exchange Losses	1,690	105	86	-
Penalties	2	-	1	-
Depreciation and amortisation	1,239	-	1,089	-
Expenses recharged	-	-	1,439	-
Other Income	370	1,266	177	745
Total	**3,801**	**1,379**	**2,793**	**751**
Other Operating Income - Expenses (Net)	**4,091**	**4,601**	**5,511**	**6,040**

8. Expenses by nature

The breakdown of expenses by nature was as follows:

€ '000	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Cost of inventories recognized as an expense	108,125	83,089	156,201	143,998
Metal Cost	710,408	442,403	475,403	374,587
Employee benefits	68,801	59,938	39,349	39,954
Energy	30,732	27,690	21,442	21,706
Depreciation and amortisation	44,144	42,278	34,728	34,375
Taxes - duties	5,747	5,591	4,971	5,512
Credit insurance expenses	1,352	3,493	766	-
Other insurance expenses	3,186	-	1,838	2,711
Rental fees	3,554	3,435	1,253	1,282
Transportation	30,435	30,230	20,691	24,579
Promotion & advertising	1,251	1,288	377	462
Third party fees and benefits	33,728	61,035	57,754	55,304
Impairment losses on receivables	377	301	124	265
Other provisions	14	-	7	-
Gains/(losses) from derivatives	(884)	3,391	(1,173)	4,060
Storage	170	79	3	1
Packing	2,246	316	913	80
Commissions	9,049	8,328	6,047	6,690
Foreign exchange differences	1,790	-	1,411	-
Maintenance expenses	13,988	20,756	11,528	-
Travel expenses	2,569	361	1,915	-
Royalties	53	-	53	-
BOD Fees	2,367	2,671	1,879	2,196
Shared utility expenses	98	-	-	-
Other expenses	11,608	1,710	4,751	19,615
Total	**1,084,908**	**798,386**	**842,230**	**737,376**

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

Employee benefits

€ '000	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Employee remuneration & expenses	49,932	43,356	27,934	27,932
Social security expenses	12,800	10,194	7,127	6,888
Defined benefit plan expenses	699	920	386	598
Other employee benefits	5,370	5,468	3,902	4,537
Total	**68,801**	**59,938**	**39,349**	**39,954**

The number of staff employed by the Company at the end of the current year was: 1,268 (2016: 1,205) and as for the Group: 2,595 (2016: 2,491).

9. Finance income and cost

The breakdown of financial income and expenses is as follows:

€ '000	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Interest Income	118	22	75	14
Other Finance income	-	80	-	80
	118	**102**	**75**	**94**
Interest expenses	15,719	15,144	11,334	13,969
Other Finance Expense	2,048	251	1,746	251
	17,767	**15,395**	**13,080**	**14,219**

10. Property, plant and equipment

GROUP € '000	Fields - Plots	Buildings	Machinery	Leased machinery	Transportation equipment	Furniture & other equipment	Fixed assets under construction	Total
Cost								
Balance as at 1 January 2016	**50,617**	**114,506**	**573,249**	**-**	**12,711**	**13,059**	**39,685**	**803,828**
Additions	3,425	3,837	2,730	-	276	583	30,282	41,133
Disposals	-	-	(798)	-	(124)	(3)	(150)	(1,075)
Write offs	(5)	-	-	-	-	(3,814)	-	(3,819)
Other reclassifications	-	955	33,217	8,642	-	-	(44,300)	(1,485)
Balance as at 31 December 2016	**54,037**	**119,299**	**608,399**	**8,642**	**12,863**	**9,824**	**25,518**	**838,581**
Accumulated depreciation								
Balance as at 1 January 2016	**-**	**(55,252)**	**(318,563)**	**-**	**(10,537)**	**(11,524)**	**-**	**(395,875)**
Depreciation of the period	-	(5,545)	(35,273)	-	(558)	(655)	-	(42,031)
Write offs	-	-	-	-	-	3,814	-	3,814
Other reclassifications	-	-	86	-	-	-	-	86
Balance as at 31 December 2016	**-**	**(60,797)**	**(353,620)**	**-**	**(10,975)**	**(8,363)**	**-**	**(433,755)**
Carrying amount as at 31 December 2016	**54,037**	**58,502**	**254,779**	**8,642**	**1,888**	**1,461**	**25,518**	**404,827**

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

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

The line “Mergers and absorptions” includes fixed assets from the acquisition of Halcor Group and Sofia Med S.A.

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COMPANY € '000	Fields - Plots	Buildings	Machinery	Leased machinery	Transportation equipment	Furniture & other equipment	Fixed assets under construction	Total
Cost								
Balance as at 1 January 2016	**42,630**	**95,775**	**532,052**	**-**	**11,659**	**12,079**	**38,356**	**732,552**
Additions	3,425	3,733	1,433	-	137	311	24,931	33,970
Disposals	-	-	(791)	-	(103)	(3)	(2,421)	(3,318)
Reclassification to Investment Property	(2,089)	(9,465)	-	-	-	-	-	(11,554)
Write offs	(5)	-	-	-	-	(3,814)	-	(3,819)
Division/ segment spin off	(2,157)	(7,427)	(81,549)	-	(898)	(2,526)	(1,582)	(96,139)
Other reclassifications	-	899	28,562	8,642	-	-	(38,456)	(353)
Change in accounting policy	-	0	(18)	-	-	-	(1,115)	(1,133)
Balance as at 31 December 2016	**41,804**	**83,516**	**479,688**	**8,642**	**10,796**	**6,047**	**19,713**	**650,206**
Accumulated depreciation								
Balance as at 1 January 2016	**-**	**(46,107)**	**(302,350)**	**-**	**(9,805)**	**(10,715)**	**-**	**(368,978)**
Depreciation of the period	-	(4,359)	(28,386)	-	(436)	(415)	-	(33,598)
Disposals	-	-	129	-	103	2	-	233
Reclassification to Investment Property	-	4,518	-	-	-	-	-	4,518
Write offs	-	-	-	-	-	3,814	-	3,814
Division/ segment spin off	-	2,798	35,918	-	606	1,776	-	41,098
Balance as at 31 December 2016	**-**	**(43,150)**	**(294,690)**	**-**	**(9,533)**	**(5,539)**	**-**	**(352,912)**
Carrying amount as at 31 December 2016	**41,804**	**40,365**	**184,998**	**8,642**	**1,263**	**508**	**19,713**	**297,294**

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

(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, 2017.

(c) Capitalization of Borrowing costs

For the fixed asset of the Group as well as the company Euro 100 thousand was capitalized, which stands for the cost of loans which were drawn for the funding of those assets.

11. Intangible assets

GROUP € '000	Goodwill	Cost of development	Trademarks and licenses	Software	Other	Total
Cost						
Balance as at 1 January 2016	**-**	**114**	**-**	**12,075**	**167**	**12,356**
Additions	-	-	-	175	-	175
Write-offs	-	(114)	-	(2,830)	(95)	(3,039)
Other reclassifications	-	4	-	353	(4)	353
Balance as at 31 December 2016	**-**	**4**	**-**	**9,773**	**68**	**9,845**
Accumulated amortization and impairment						
Balance as at 1 January 2016	**-**	**(114)**	**-**	**(11,314)**	**(167)**	**(11,595)**
Amortization for the period	-	-	-	(246)	-	(246)
Write-offs	-	114	-	2,830	95	3,039
Other reclassifications	-	(4)	-	-	4	-
Balance as at 31 December 2016	**-**	**(4)**	**-**	**(8,730)**	**(68)**	**(8,803)**
Carrying amount as at 31 December 2016	**-**	**-**	**-**	**1,043**	**-**	**1,043**

GROUP € '000	Goodwill	Cost of development	Trademarks and licenses	Software	Other	Total
Cost						
Balance as at 1 January 2017	**-**	**4**	**-**	**9,773**	**68**	**9,845**
Additions	-	-	-	330	-	330
Mergers and absorptions	22,120	36	50,470	7,529	4	80,158
Other reclassifications	-	-	-	84	-	84
Balance as at 31 December 2017	**22,120**	**40**	**50,470**	**17,716**	**72**	**90,417**
Accumulated amortization and impairment						
Balance as at 1 January 2017	**-**	**(4)**	**-**	**(8,730)**	**(68)**	**(8,803)**
Amortization for the period	-	-	-	(578)	-	(578)
Mergers and absorptions	-	(36)	(41)	(6,409)	(4)	(6,490)
Balance as at 31 December 2017	**-**	**(40)**	**(41)**	**(15,717)**	**(72)**	**(15,870)**
Carrying amount as at 31 December 2017	**22,120**	**-**	**50,429**	**1,998**	**-**	**74,547**

The line “Mergers and absorptions” includes intangible assets from the acquisition of Sofia Med S.A. and the Halcor Group.

COMPANY € '000	Goodwill	Cost of development	Trademarks and licenses	Software	Other	Total
Cost						
Balance as at 1 January 2016	**-**	**114**	**-**	**11,911**	**167**	**12,192**
Additions	-	-	-	110	-	110
Write-offs	-	(114)	-	(2,830)	(95)	(3,039)
Division/ segment spin off	-	-	-	(906)	(72)	(978)
Other reclassifications	-	-	-	353	-	353
Balance as at 31 December 2016	**-**	**-**	**-**	**8,637**	**-**	**8,637**
Accumulated amortization and impairment						
Balance as at 1 January 2016	**-**	**(114)**	**-**	**(11,183)**	**(167)**	**(11,464)**
Amortization for the period	-	-	-	(221)	-	(221)
Write-offs	-	114	-	2,830	95	3,039
Division/ segment spin off	-	-	-	850	72	922
Balance as at 31 December 2016	**-**	**-**	**-**	**(7,725)**	**-**	**(7,725)**
Carrying amount as at 31 December 2016	**-**	**-**	**-**	**913**	**-**	**913**

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

12. Investment property

€ '000	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Balance as at January 1	**-**	**-**	**16,477**	**9,997**
Reclassifications from PPE	1,688	-	1,688	7,036
Additions from M&A	5,439	-	3,702	-
Depreciation	(51)	-	(1,058)	(556)
Balance as at December 31	**7,076**	**-**	**20,810**	**16,477**

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

13. Investments

Investments in Subsidiaries:

COMPANY € '000	2017	2016
Balance as at January 1	**118,571**	**46,063**
Additions	101,200	75,606
Loss of Control/Disposal of subsidiary	22,700	-
Share capital reduction (-)	-	(3,097)
Balance as at December 31	**242,471**	**118,571**

On July 31, 2017 Elval group acquired 2,190,455 shares of Sofia Med S.A. for the amount of euro 101,200 thousand from Halcor Group.

The amount of Euro 22.7 mil. corresponds to the fair value of Halcor's participations, to Fitco S.A., Techor S.A. which were acquired from the accounting acquirer at the transaction date of the merger, ie. on 30.11.2017.

More information on subsidiaries with significant non-controlling interests in the following table.

2017 € '000	VIOMAL S.A.	SOFIA MED S.A.	Total
Percentage of Non-Controlling Interest	**50.00%**	**11.12%**	
Non-Current Assets	3,479	137,401	
Current Assets	5,882	94,928	
Non-current Liabilities	1,374	2,203	
Current Liabilities	4,478	129,850	
Net Assets	**3,509**	**100,276**	
Attributable to NCI	**1,754**	**11,151**	**12,905**
Revenue	11,724	175,423	
Profit / (Loss)	(728)	713	
Other Comprehensive Income	2	6,709	
Total Comprehensive Income	**(726)**	**7,422**	
Total OCI of NCI	**(363)**	**825**	**462**
Cash-Flows from Operating Activities	89	(69)	
Cash-Flows from Investing Activities	326	(1,760)	
Cash-Flows from Financing Activities	(433)	(11,275)	
Effect on Cash and Cash equivalents	**(18)**	**(13,104)**	

2016 € '000	VIOMAL S.A.	-	Total
Percentage of Non-Controlling Interest	**50.00%**	**-**	
Non-Current Assets	4,284	-	
Current Assets	6,003	-	
Non-current Liabilities	1,995	-	
Current Liabilities	4,057	-	
Net Assets	**4,235**	**-**	
Attributable to NCI	**2,118**	**-**	**2,118**
Revenue	12,166	-	
Profit / (Loss)	(142)	-	
Other Comprehensive Income	(0)	-	
Total Comprehensive Income	**(143)**	**-**	
Non-contolling interest in Comprehensive income	**(71)**	**-**	**(71)**
Cash-Flows from Operating Activities	143	-	
Cash-Flows from Investing Activities	(616)	-	
Cash-Flows from Financing Activities	(162)	-	
Effect on Cash and Cash equivalents	**(636)**	**-**	

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

	GROUP		COMPANY	
€ '000	2017	2016	2017	2016
Balance as at January 1	**1,879**	**2,339**	**1,623**	**1,610**
Effects from Foreign Exchange	(271)	-	-	-
Share in profit / (loss) after taxes	(1,293)	(276)	-	-
Additions	-	117	-	117
Mergers and absorptions	63,550	-	63,550	-
Dividends received	(243)	(300)	-	-
Reclassifications	563	-	-	(104)
Other changes	-	-	166	-
Balance as at December 31	**64,186**	**1,879**	**65,339**	**1,623**

The amount of Euro 63.5 mil. at Company and Consolidated level is transfer from the accounting acquire Halcor to the accounting acquirer Elval.

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

2016 € '000 Company	Country	Business	Assets	Liabilities	Revenue	% of participation
ANAMET S.A.	Greece	Commercial	42,654	5,188	155,751	26.67%
UEHEM GmbH	Germany	Commercial	7,169	112	23,102	49.00%
ELKEME S.A.	Greece	Metallourgical Research	1,524	0	1,718	67.50%
AFSEL S.A.	Greece	Services	496	0	462	50.00%
			51,843	**5,300**	**181,033**	

2017 € '000 Company	Country	Business	Assets	Liabilities	Revenue	% of participation
UEHEM GmbH	Germany	Commercial	8,106	7,128	36,263	49.00%
ELKEME S.A.	Greece	Metallourgical Research	2,052	427	2,018	92.50%
AFSEL S.A.	Greece	Services	223	119	197	50.00%
INTERNATIONAL TRADE S.A.	Belgium	Commercial	107,137	78,347	664,536	27.97%
VIENER S.A.	Greece	Energy	1,782	1,114	7,155	41.32%
STEELMET S.A.	Greece	Services	8,414	7,436	22,776	29.50%
VIEXAL S.A.	Greece	Commercial	1,391	1,096	10,212	26.67%
			129,106	**95,668**	**743,157**	

The Group does not control Elkeme S.A. as the management is being appointed directly by Viohalco. Elkeme is consolidated in full by Viohalco S.A.

In regards to the participation in Cenergy, which is listed in Euronext as well as the Athens Stock Exchange, the financial statements have not yet been published until the day of the preparation of these financial statements and as a result the financial information remain confidential until published.

14. Other investments

Other investments include the following:

€ '000	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Listed Securities				
- Greek Equity instruments	39	149	39	149
Unlisted Securities				
- Greek Equity instruments	3,301	833	3,301	833
- International Equity instruments	432	563	432	563
Total	**3,771**	**1,545**	**3,771**	**1,545**

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 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Balance as at January 1	**1,545**	**1,434**	**1,545**	**1,434**
Additions	387	5	387	5
Change in Fair Value	-	2	-	2
Impairment	(111)	-	(111)	-
Reclassifications	(563)	104	(563)	104
M&A Effect	2,509	-	2,509	-
Other effects	5	-	5	-
Balance as at December 31	**3,771**	**1,545**	**3,771**	**1,545**

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.

Amount of Euro 563 thousand is the participation of Elval to International Trade with was reclassified to the equity accounted investees as consequence of the merger.

15. Income tax

€ '000		GROUP 2017		GROUP 2016		COMPANY 2017		COMPANY 2016
Amounts recognised in profit or loss								
Current tax expense		(20,759)		(15,161)		(17,410)		(12,488)
Deferred tax expense/(income)		3,350		3,722		2,949		4,017
Tax expense		**(17,410)**		**(11,439)**		**(14,461)**		**(8,471)**
Reconciliation of tax expense and the accounting profit multiplied by the domestic tax rate for 2017 and 2016:								
Accounting Profit/loss (-) before income tax		**50,674**		**33,346**		**47,784**		**27,056**
Tax rate in the country of residence	-29%	(14,695)	-29%	(9,670)	-29%	(13,857)	-29%	(7,846)
Non-deductible expenses for tax purposes		(5,652)		(721)		(4,448)		(721)
		(4,797)		-		(4,797)		-
Tax-exempt income		-		(715)		-		27
Recognition of previously unrecognised tax losses		8,652		-		8,652		-
Current-year losses for which no deferred tax asset is recognised		(280)		-		-		-
Other taxes		16		319		(10)		245
Permanent Differences		(661)		(652)		-		(177)
Derecognition of previously recognised deferred tax assets		10		-		-		-
Changes in tax related to prior years		(3)		-		-		-
	-34%	**(17,410)**	**-34%**	**(11,439)**	**-30%**	**(14,461)**	**-31%**	**(8,471)**
Income tax expense reported in the statement of profit or loss		**(17,410)**		**(11,439)**		**(14,461)**		**(8,471)**

The company has received by the tax authorities an audit request for the fiscal year 2012. The audit is undergoing since 25/01/2018. It is noted that for this fiscal year, the Company was audited in the context of para. 5 of article 82 of L.2238/1994 and the relative compliance report has been issued by KPMG S.A..

The deferred tax assets that arise from the losses carried forward are recognized only if it is possible that they will be recovered with future profits according to the Groups business plan. For the losses carried forward for the Group, deferred tax asset has been calculated of Euro 9.7 mil. which corresponds to losses of Euro 34 mil..

In 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 € 8.2 mil.

For 2017, 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 2017. The result of the audit is not expected to significantly affect the financial statements.

In 2017, the Italian tax authorities notified Elval S.A. & Halcor S.A. (together herein "the Company") tax imposition for "Permanent Installation" for auxiliary sales support functions of the related Alurame SpA for the years 2009-2014. The Company, denying the case of "Permanent Installation" or any other violation came to an agreement with the tax authority. Through the agreement it was achieved to pay the amount in four years, minimizing the effect on the cash flow of the Company. The total amount was €6.5 mil. out of which €4.8 mil. was posted on the current year profit and loss and €1.7 mil. was posted on prior year profit and loss 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 2016	Recognised in profit or loss	Recognised in OCI	Mergers and absorptions	Net Balance at 31 December 2016	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	**(47,651)**	4,092	-	-	**(43,560)**	-	(43,560)
Intangible assets	**364**	(74)	-	-	**289**	289	-
Investment property	**198**	-	-	-	**198**	198	-
Available-for-sale financial assets	**-**	-	-	-	**-**	-	-
Thin Capitalisation	**-**	-	-	-	**-**	-	-
Derivatives	**440**	-	(879)	-	**(440)**	-	(440)
Inventories	**210**	71	-	-	**281**	281	-
Loans and borrowings	**-**	-	-	-	**-**	-	-
Employee benefits	**3,031**	(50)	(291)	-	**2,690**	2,690	-
Provisions	**734**	63	-	-	**797**	797	-
Deferred income	**-**	-	-	-	**-**	-	-
Other items	**-**	146	-	-	**146**	146	-
Carryforward tax loss	**526**	(526)	-	-	**-**	-	-
Tax assets/(liabilities) before set-off	**(42,149)**	**3,722**	**(1,170)**	**-**	**(39,597)**	**4,402**	**(43,999)**
Set-off tax					-	(4,402)	4,402
Net tax assets/ (liabilities)					**(39,597)**	**-**	**(39,597)**

GROUP € '000	Net balance at 1 January 2017	Recognised in profit or loss	Recognised in OCI	Mergers and absorptions	Net Balance at 31 December 2017	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	(43,560)	2,848	-	(29,063)	**(69,775)**	-	(69,775)
Intangible assets	289	(18)	-	(14,142)	**(13,871)**	-	(13,871)
Investment property	198	(1)	-	(1,216)	**(1,019)**	-	(1,019)
Available-for-sale financial assets	-	-	-	254	**254**	254	-
Thin Capitalisation	-	-	-	-	**-**	-	-
Derivatives	(440)	207	(190)	(318)	**(740)**	-	(740)
Inventories	281	30	-	(68)	**243**	243	-
Loans and borrowings	-	(526)	-	(109)	**(635)**	-	(635)
Employee benefits	2,690	87	372	709	**3,859**	3,859	-
Provisions	797	(103)	-	858	**1,551**	1,551	-
Deferred income	-	-	-	(27)	**(27)**	-	(27)
Other items	146	827	-	1,738	**2,711**	2,711	-
Carryforward tax loss	-	-	-	17,891	**17,891**	17,891	-
Tax assets/(liabilities) before set-off	**(39,597)**	**3,350**	**182**	**(23,494)**	**(59,559)**	**26,509**	**(86,068)**
Set-off tax					-	(24,243)	24,243
Net tax assets/ (liabilities)					**(59,559)**	**2,267**	**(61,825)**

COMPANY € '000	Net balance at 1 January 2016	Recognised in profit or loss	Recognised in OCI	Mergers and absorptions	Net Balance at 31 December 2016	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	**(45,680)**	3,901	-	-	**(35,804)**	-	(35,804)
Intangible assets	**363**	(47)	-	-	**268**	268	-
Investment property	**-**	-	-	-	**-**	-	-
Available-for-sale financial assets	**-**	-	-	-	**-**	-	-
Derivatives	**440**	-	(846)	-	**(406)**	-	(406)
Inventories	**210**	183	-	-	**281**	281	-
Loans and borrowings	**-**	-	-	-	**-**	-	-
Employee benefits	**2,673**	(123)	(243)	-	**2,028**	2,028	-
Provisions	**734**	70	-	-	**711**	711	-
Deferred income	**-**	-	-	-	**-**	-	-
Other items	**334**	33	-	-	**475**	475	-
Carryforward tax loss	**-**	-	-	-	**-**	-	-
Tax assets/(liabilities) before set-off	**(40,927)**	**4,017**	**(1,088)**	**5,551**	**(32,448)**	**3,763**	**(36,211)**
Set-off tax					-	(3,763)	3,763
Net tax assets/ (liabilities)					**(32,448)**	**-**	**(32,448)**

COMPANY € '000	Net balance at 1 January 2017	Recognised in profit or loss	Recognised in OCI	Mergers and absorptions	Net Balance at 31 December 2017	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	(35,804)	3,114	-	(24,877)	**(57,567)**	-	(57,567)
Intangible assets	268	(6)	-	(13,765)	**(13,503)**	-	(13,503)
Investment property	-	(1)	-	(712)	**(713)**	-	(713)
Available-for-sale financial assets	-	-	-	254	**254**	254	-
Derivatives	(406)	161	(378)	(51)	**(673)**	-	(673)
Inventories	281	25	-	(38)	**269**	269	-
Loans and borrowings	-	(526)	-	(102)	**(628)**	-	(628)
Employee benefits	2,028	10	294	504	**2,835**	2,835	-
Provisions	711	(94)	-	421	**1,038**	1,038	-
Deferred income	-	-	-	(27)	**(27)**	-	(27)
Other items	475	266	-	(150)	**591**	591	-
Carryforward tax loss	-	-	-	17,891	**17,891**	17,891	-
Tax assets/(liabilities) before set-off	**(32,448)**	**2,949**	**(84)**	**(20,652)**	**(50,234)**	**22,878**	**(73,112)**
Set-off tax					**-**	(22,878)	22,878
Net tax assets/ (liabilities)					**(50,234)**	**-**	**(50,233)**

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

GROUP € '000	2017 Before Tax	Tax (expense) / Benefit	Net of Tax	2016 Before Tax	Tax (expense) / Benefit	Net of Tax
Amounts recognized in the OCI						
Remeasurements of defined benefit liability	(1,314)	372	(942)	1,003	(291)	712
Foreign currency translation differences	197	-	197	-	-	-
Gain / (Loss) of changes in fair value of cash flow hedging - effective portion	4,498	(1,016)	3,482	1,516	(440)	1,077
Gain / (Loss) of changes in fair value of cash flow hedging - reclassified to profit or loss	(2,851)	827	(2,024)	1,516	(440)	1,076
Total	**530**	**182**	**712**	**4,035**	**(1,170)**	**2,865**

COMPANY € '000	2017 Before Tax	Tax (expense) / Benefit	Net of Tax	2016 Before Tax	Tax (expense) / Benefit	Net of Tax
Amounts recognized in the OCI						
Remeasurements of defined benefit liability	(1,013)	294	(720)	837	(243)	594
Gain / (Loss) of changes in fair value of cash flow hedging - effective portion	3,737	(1,084)	2,653	1,400	(406)	994
Gain / (Loss) of changes in fair value of cash flow hedging - reclassified to profit or loss	(2,435)	706	(1,729)	1,516	(440)	1,076
Total	**289**	**(84)**	**205**	**3,753**	**(1,088)**	**2,664**

16. Inventories

€ '000	GROUP 2017	2016	COMPANY 2017	2016
Merchandise	2,561	226	1,680	2
Finished goods	120,511	125,381	76,776	107,469
Semi-finished goods	82,486	-	79,515	-
By-products & scrap	15,670	-	14,462	-
Work in progress	37,820	5,701	1,075	-
Raw and auxiliary materials, consumables and packaging materials	174,450	101,523	107,495	68,778
Total	**433,498**	**232,830**	**281,004**	**176,248**

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

At the closing of the fiscal year at Group ElvalHalcor level measurement at the Net Realizable Value of the Inventory that negatively affected the negatively affected the profit and loss for the period of Euro 295 thousand was recognized.

17. Trade and other receivables

€ '000	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Trade receivables	81,007	124,157	35,713	85,539
Less: Impairment losses	(6,960)	(3,514)	(4,847)	(3,097)
Net trade receivables	**74,047**	**120,643**	**30,865**	**82,442**
Down payments for the purchase of stocks	356	-	-	-
Other down payments	5,302	378	5,270	308
Receivables from related entities	86,679	49,809	137,748	67,444
Tax assets	23,666	16,697	11,445	7,340
Other debtors	9,426	7,255	5,845	2,391
Receivables from dividends	78	-	78	-
Less: Impairment losses	(528)	(363)	(528)	(363)
Total	**199,025**	**194,419**	**190,723**	**159,561**
Non-current assets				
Non-current receivables from related parties	432	-	432	-
Other non-current receivables	2,192	1,379	1,991	1,230
Total	**2,624**	**1,379**	**2,423**	**1,230**
Total receivables	**201,649**	**195,798**	**193,147**	**160,791**

The provison for doubtful customers is created for the outstanding balances for which the Management of the Group considers as impaired less the expected remuneration from the insurance. At the closing of 2017 the Group recognized provision of Euro 377 thousand and reversed unused provision of Euro 23 thousand. At company Level provision of Euro 123 thousand were recognized.

18. Derivatives

€ '000	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Non-current assets				
Forward foreign exchange contracts	2	-	1	-
Future contracts	259	-	259	-
Total	**262**	**-**	**260**	**-**
Current assets				
Forward foreign exchange contracts	308	499	265	164
Firm Commitments	9	-	9	-
Future contracts	3,634	2,139	2,582	2,139
Other	800	-	-	-
Total	**4,751**	**2,638**	**2,856**	**2,302**
Non-current liabilities				
Forward foreign exchange contracts	51	-	2	-
Total	**51**	**-**	**2**	**-**
Current liabilities				
Forward foreign exchange contracts	575	892	198	673
Future contracts	1,430	229	1,249	229
Total	**2,005**	**1,121**	**1,446**	**902**

For the Group and the Company results from settled financial risk management operations recorded in the Income Statement during years 2017 and 2016 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 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Cash in hand and Cash in bank	148	26	38	8
Short-term bank deposits	41,298	15,172	32,536	8,336
Total	**41,446**	**15,198**	**32,574**	**8,344**

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 INDSUTRY S.A." by "HALCOR METAL WORKS S.A.", the share capital of the Company amounts to Euro 146,344,218 (2016: Euro 38,486,258) divided to 375,241,586 (2016: 101,279,627) common anonymous shares of nominal value of 0.39 (2016: Euro 0.38) each traded at the Athens Stock Exchange.

The share premium of Euro 65,030,285 is considered a part of the share capital that rose from the issuance of shares for cash in a value greater than the nominal.

ElvaHalcor's capital was created as follows:

The share capital of Halcor amounted to Euro 38,486,258.26 divided to 101,279,627 common shares with voting rights, of nominal value of €0.38 each. The share capital of Elval amounted to € 105,750,180.62 divided to 27,046,082 anonymous shares of nominal value € 3.91 each.

The Merger had as a result the increase of Halcor's capital by:

- Amount of € 105,750,180.62 which corresponds to Elval share capital,
- Amount of € 2,107,779.66 which corresponds to the capitalization of share premium for rounding of the share price of the merged company.

As a result the present share capital of "ELVALHALCOR HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A." increased from € 38,486,258.26 to €146,344,218.54 with the issuance of 273,961,959 new share in favor of Elval's share holders and the total number of shares amounted to 375,241,586 shares with nominal value of €0.39.

b) Reserves

€ '000	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Statutory Reserves	3,616	2,493	3,373	2,412
Hedging Reserve	2,534	1,077	994	994
Special Reserves	23,229	23,229	23,229	23,229
Tax exempt reserves	176,463	176,463	176,463	176,463
Extraordinary Reserves	6,713	6,713	6,713	6,713
Other reserves	69,588	-	83,153	-
Foreign exchange difference	197	-	-	-
Total	**282,340**	**209,976**	**293,926**	**209,812**

Statutory Reserve
Under Greek trade law, companies must transfer at least 5% of their annual net profits to a statutory reserve until that reserve is equal to 1/3 of the paid-up share capital. Distribution of Statutory Reserve is prohibited. No statutory reserve will be set aside during this year due to losses.

Untaxed and special reserves
Untaxed and special reserves concern non-distributed profits that are exempt from taxation pursuant to special provisions of incentive laws (under the condition that companies have sufficient profits to form these reserves). Reserves from income exempt from taxation and reserves taxed pursuant to special laws concern income from interest for which a tax has been withheld at the source. In addition to any prepaid taxes, these reserves are subject to taxation in case they are distributed. No deferred taxes have been accounted for as regards the above untaxed reserves in case they are distributed.

Exchange rate differences on consolidation
Exchange rate differences on consolidation arise from translating the financial statements of subsidiaries which are denominated in foreign currency, to the currency of the Parent Company which is in Euro.

Reserves from revaluation at fair value
This reserve is accounted after the positive effect of the revaluation of Land, buildings and machinery to fair value. This reserve cannot be distributed to shareholders until it is moved to results carried forward account through depreciation or after the recognition of profit through the sale of an asset.

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

The Group examines the separation of the results carried forward to those that can be distributed and those that cannot, with tax and without tax liability.

21. Earnings per share

	GROUP		COMPANY	
	2017	**2016**	**2017**	**2016**
Profits that correspond to the shareholders of the parent company (in thousands of EURO)	33,549	21,978	33,324	18,585
Weighted average number of shares	282,401,928	273,961,959	282,401,928	273,961,959
Basic profits per share (EUR per share)	0,1188	0,0802	0,1180	0,0678

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 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Non-Current				
Bank Loans	2,209	7,819	1,683	5,096
Obligations under financial lease	13,993	7,819	13,973	7,819
Bond Loans	276,731	90,994	276,731	78,858
Total	**292,934**	**106,633**	**292,387**	**91,773**
Current				
Bank Loans	133,263	80,486	120,468	70,663
Current portion of long term debt	80,458	-	1,000	-
Current portion of Bonds	59,295	29,159	36,748	25,114
Obligations under financial lease	2,291	810	2,291	810
Total	**275,307**	**110,455**	**160,507**	**96,586**
Total	**568,241**	**217,088**	**452,894**	**188,360**

€ '000	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Between 1 and 2 years	38,564	93,553	38,028	78,693
Between 2 and 5 years	250,572	9,880	250,561	9,880
Over 5 years	3,797	3,199	3,797	3,199
Total	**292,934**	**106,633**	**292,387**	**91,773**

In 2017, in the context of the loan restructuring of the two consolidating groups, each of the Merging companies negotiated the refinancing of the their Bond loans. On the one hand, Halcor a bond loan of €162.5 million maturing in 2018, negotiated the extension of its maturity in a five year's time, ie 2022 with partial repayment total worth of €35.0 million. On the other hand Elval repaid two bond loans for the amounts of €33.7 and €65.3 million with the issuance of a new bond loan of €199.0 million maturing in 2022. The refinancing improved the overall liquidity of the Group in order to serve the investment programs of the production facilities. Moreover, the Aluminium sector paid loans of €20.0 mil.

Amount of €139.5 mil. is the part of the long-term debt that is payable within the next fiscal year. In addition amount of €2.3 mil. corresponds to obligations under financial lease payable within the next fiscal year.

The fain value of the loans is approximating the book value.

Obligations under financial leasing are as follows:

GROUP 2016 € '000	Finance Lease Obligations- minimum leases	Finance Lease Obligations- minimum leases	Total
Up to 1 year	1,231	(421)	810
Between 1 and 5 years	7,720	(1,218)	6,503
Beyond 5 years	1,365	(48)	1,317
Total	**10,316**	**(1,687)**	**8,629**

GROUP 2017 € '000	Finance Lease Obligations- minimum leases	Finance Lease Obligations- minimum leases	Total
Up to 1 year	3,032	(741)	2,291
Between 1 and 5 years	11,975	(1,800)	10,175
Beyond 5 years	3,983	(165)	3,818
Total	**18,991**	**(2,706)**	**16,285**

COMPANY 2016 € '000	Finance Lease Obligations- minimum leases	Finance Lease Obligations- minimum leases	Total
Up to 1 year	1,231	(421)	810
Between 1 and 5 years	7,720	(1,218)	6,503
Beyond 5 years	1,365	(48)	1,317
Total	**10,316**	**(1,687)**	**8,629**

COMPANY 2017 € '000	Finance Lease Obligations- minimum leases	Finance Lease Obligations- minimum leases	Total
Up to 1 year	3,032	(741)	2,291
Between 1 and 5 years	11,975	(1,800)	10,175
Beyond 5 years	3,963	(165)	3,797
Total	**18,970**	**(2,706)**	**16,264**

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

	GROUP		COMPANY	
€ '000	**2017**	**2016**	**2017**	**2016**
Bond Loans	4.80%	4.99%	4.80%	5.01%
Bank lending in EUR	5.71%	6.17%	6.07%	6.17%
Bank lending in USD	6.77%	6.13%	6.89%	6.13%
Bank lending in GBP	4.23%	-	-	-

For the Group's bank loans, mortgages on properties totaling Euro 484 million have been set up (Euro 385 million is the amount for parent company).

For the bank loans of the Group and the Company that have been assumed from banks, there are clauses of change of control that provide the lenders with an early redemption clause.

There was no incident in the fiscal year which could lead to a breach of the terms of the loans of the Group.

23. Liabilities for employee's retirement benefits

The Group has fulfilled its obligations for pension plans set out by law. According to the Greek labor law, employees are entitled to compensation in case of dismissal or retirement, the amount of which varies depending on salary, years of service and the manner of termination (dismissal or retirement).Employees who resign are not entitled to compensation. The compensation payable in case of retirement equals 40 % of the compensation which would be payable in case of unjustified dismissal. The Group believes this is a defined benefit and it charges the accrued benefits in each period with a corresponding increase in the pension liability. Any payments made to retirees each year are charged against this liability. The displayed personal benefit obligation of the Company and the Group as at 31 December 2017 and 2016 is as follows:

€ '000	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Balance at 1 January	**10,627**	**11,062**	**7,828**	**9,692**
Amounts recognized in profit or loss				
Current service cost	337	336	174	197
Past service credit	88	194	19	65
Settlement/curtailment/termination loss	106	179	70	101
Interest cost/income (-)	168	211	123	235
Total P&L Charge	**699**	**920**	**386**	**598**
Amounts recognized in OCI				
Remeasurement loss/gain (-):				
- Actuarial loss/gain (-) arising from:				
Demographic assumptions	44	-	-	-
Financial assumptions	380	207	128	150
Experience adjustments	891	(1,210)	885	(987)
Total amount recognized in OCI	**1,314**	**(1,003)**	**1,013**	**(837)**
Other				
Mergers and absorptions	2,609	-	1,717	-
Benefits paid	(302)	(352)	(184)	(1,625)
	2,307	**(352)**	**1,533**	**(1,625)**
Balance at 31 December	**14,946**	**10,627**	**10,761**	**7,828**

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

	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Discount interest rate	1.50%	1.60%	1.50%	1.60%
Future salary increases	1.75%	1.75%	1.75%	1.75%

The aforementioned results depend on assumptions (financial and demographic) of the actuarial study. Therefore, if a discount rate less by 50 basis points was used then the liability would be higher by 6.21% and if an assumption of a future salary increase of 50 basis points annually was used (instead of 1.75% annually), then the liability would be higher by 5.93%.

24. Grants

€ '000	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Opening balance	**19,775**	**21,555**	**12,388**	**19,751**
Collection of grants	296	-	-	-
Amortisation of grants	(1,793)	(1,780)	(1,180)	(1,299)
Mergers and absorptions	3,280	-	1,171	(6,064)
Closing balance	**21,557**	**19,775**	**12,378**	**12,388**

Depreciation of grants corresponding to fixed assets depreciation is posted in the account “Other income” of the income statement.

Grants have been provided for the purchase of tangible assets.

25. Provisions

The movement in provisions was as follows:

€ '000	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Long-term Liabilities				
Balance as at 1 January 2017	**-**	**-**	**-**	**-**
Additional provisions of the fiscal year	1,170	-	1,170	-
Mergers and absorptions	240	-	90	-
Balance as at 31 December 2017	**1,410**	**-**	**1,260**	**-**
Short-term Liabilities				
Balance as at 1 January 2017	**-**	**-**	**-**	**-**
Additional provisions of the fiscal year	162	-	110	-
Balance as at 31 December 2017	**162**	**-**	**110**	**-**

Amount of Euro 1.2 mil. is related to provision for unaudited fiscal years.

26. Trade payables and other liabilities

€ '000	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Suppliers	110,494	66,317	80,730	52,415
Notes payable	17,997	-	17,997	-
Down payments from customers	2,440	1,428	645	816
Social Security funds	3,944	2,614	2,418	1,550
Amounts due to related parties	20,909	19,415	22,076	25,847
Sundry creditors	11,275	2,483	8,105	1,292
Accrued expenses	8,859	3,881	7,305	2,659
Other Taxes	3,255	1,984	2,300	1,415
Total	**179,172**	**98,129**	**141,577**	**85,993**

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 2017, the Group had an amount of Euro 41.4 million and the Company amount of Euro 32.6 million as cash and the necessary credit lines that are approved but are not used so as to meet its short-term and medium-term obligations easily. For serving the investments the Group and the Company make sure for the securing the necessary funding when needed (see also note 35). Moreover, the Group is in talks with the banks for the on time refinancing of the maturing loans.

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

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

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

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

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

Interest rate risk
The Group finances its investments and its needs for working capital from bank and bond loans with the result that interest charges reduce its results. Rising interest rates have a negative impact on results since borrowing costs for the Group rise.

Interest rate risk is mitigated since part of the Group borrowing is set at fixed rates either directly or using financial instruments (interest rate swaps).

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.

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:

	GROUP		COMPANY	
€ '000	**2017**	**2016**	**2017**	**2016**
Trade & Other receivables (Current)	175,359	177,722	179,278	152,221
Trade & Other receivables (Non-current)	2,624	1,379	2,423	1,230
Total	**177,983**	**179,101**	**181,701**	**153,451**
Available for sale financial assets	3,771	1,545	3,771	1,545
Cash and cash equivalents	41,446	15,198	32,574	8,344
Derivatives	5,012	2,638	3,116	2,302
Total	**50,230**	**19,381**	**39,462**	**12,191**

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

	GROUP		COMPANY	
€ '000	**2017**	**2016**	**2017**	**2016**
Neither past due nor impaired	162,070	163,946	178,696	144,507
Overdue	-	-	-	-
- Up to 6 months	14,960	14,107	2,800	8,108
- Over 6 months	953	1,048	205	837
Total	**177,983**	**179,101**	**181,701**	**153,451**

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

	GROUP		COMPANY	
€ '000	**2017**	**2016**	**2017**	**2016**
Balance as at 1 January	**3,878**	**3,586**	**3,461**	**3,501**
Impairment loss recognized	377	301	124	265
Amounts written off	-	(48)	-	(22)
Impairment loss reversed	(23)	39	-	39
Mergers and absorptions	3,257	-	1,791	-
Division/ segment spin off	-	-	-	(322)
Balance as at 31 December	**7,488**	**3,878**	**5,375**	**3,461**

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

€ '000	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Greece	28,982	27,789	65,460	41,637
Other EU Member States	111,277	118,448	97,694	90,935
Other European countries	14,032	10,152	7,774	2,748
Asia	10,532	5,206	3,963	2,380
America (North & South)	7,710	15,880	4,652	14,994
Africa	5,152	1,308	2,074	512
Oceania	299	318	85	245
Total	**177,983**	**179,101**	**181,701**	**153,451**

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

b) Liquidity risk

GROUP € '000	2016	Up to 1 year	1 to 2 2 years	2 to 5 years	Over 5 5 years	Total
Liabilities						
Bank loans	88,305	88,283	8,479	2,404	633	**99,799**
Finance lease obligations	8,629	1,231	1,675	4,635	2,781	**10,323**
Bond issues	120,154	29,904	87,841	3,945	-	**121,689**
Derivatives	1,121	1,121	-	-	-	**1,121**
Trade and other payables	88,216	88,216	-	-	-	**88,216**
	306,425	**208,755**	**97,994**	**10,984**	**3,414**	**321,148**

GROUP € '000	2017	Up to 1 year	1 to 2 2 years	2 to 5 years	Over 5 5 years	Total
Liabilities						
Bank loansς	215,930	213,521	2,787	585	-	**216,892**
Finance lease obligations	16,285	3,042	3,092	8,894	3,963	**18,991**
Bond issues	336,026	66,574	39,625	268,989	-	**375,188**
Derivatives	2,056	2,005	51	-	-	**2,056**
Trade and other payables	160,675	160,675	-	-	-	**160,675**
	730,972	**445,817**	**45,555**	**278,469**	**3,963**	**773,803**

COMPANY € '000	2016	Up to 1 year	1 to 2 2 years	2 to 5 years	Over 5 5 years	Total
Liabilities						
Bank loans	75,759	77,499	5,433	2,404	633	**85,969**
Finance lease obligations	8,629	1,231	1,675	4,635	2,781	**10,323**
Bond issues	103,972	25,541	75,475	3,945	-	**104,961**
Derivatives	902	902	-	-	-	**902**
Trade and other payables	79,554	79,554	-	-	-	**79,554**
	268,815	**184,727**	**82,583**	**10,984**	**3,414**	**281,709**

COMPANY € '000	2017	Up to 1 year	1 to 2 years	2 to 5 years	Over 5 5 years	Total
Liabilities						
Bank loans	123,151	121,602	1,153	585	-	**123,341**
Finance lease obligations	16,264	3,032	3,092	8,883	3,963	**18,970**
Bond issues	313,479	43,526	39,625	268,989	-	**352,140**
Derivatives	1,448	1,446	2	-	-	**1,448**
Trade and other payables	128,909	128,909	-	-	-	**128,909**
	583,251	**298,515**	**43,872**	**278,457**	**3,963**	**624,808**

c) Exchange rate risk

GROUP € '000	EURO	USD	2016 GBP	BGN	Other	Total
Trade and other receivables	169,286	22,124	4,387	-	1	195,798
Loans and Borrowings	(212,958)	(4,130)	-	-	-	(217,088)
Trade and other payables	(90,562)	(7,585)	76	-	(52)	(98,123)
Cash & cash equivalents	11,967	2,888	343	-	-	15,198
	(122,267)	**13,297**	**4,806**	**-**	**(51)**	**(104,215)**
Derivatives for risk hedging (Nominal Value)	-	(6,363)	(3,863)	-	-	(10,226)
Total risk	**(122,267)**	**6,934**	**943**	**-**	**(51)**	**(114,441)**

GROUP € '000	EURO	USD	2017 GBP	BGN	Other	Total
Trade and other receivables	172,202	17,874	11,052	580	(59)	201,649
Loans and Borrowings	(562,565)	(4,520)	(1,129)	(3)	(23)	(568,241)
Trade and other payables	(161,998)	(13,151)	(224)	(3,705)	(94)	(179,172)
Cash & cash equivalents	38,534	2,622	286	-	5	41,446
	(513,827)	**2,825**	**9,984**	**(3,129)**	**(172)**	**(504,318)**
Derivatives for risk hedging (Nominal Value)	-	(4,574)	(440)	-	2	(5,011)
Total risk	**(513,827)**	**(1,749)**	**9,545**	**(3,129)**	**(169)**	**(509,329)**

COMPANY € '000	EURO	USD	2016 GBP	BGN	Other	Total
Trade and other receivables	141,864	17,995	930	-	1	160,791
Loans and Borrowings	(184,230)	(4,130)	-	-	-	(188,360)
Trade and other payables	(83,087)	(3,000)	146	-	(52)	(85,993)
Cash & cash equivalents	7,409	767	169	-	-	8,344
	(118,044)	**11,632**	**1,245**	**-**	**(51)**	**(105,218)**
Derivatives for risk hedging (Nominal Value)	-	(7,115)	-	-	-	(7,115)
Total risk	**(118,044)**	**4,517**	**1,245**	**-**	**(51)**	**(112,333)**

COMPANY € '000	EURO	USD	2017 GBP	BGN	Other	Total
Trade and other receivables	179,299	8,049	5,799	-	1	193,147
Loans and Borrowings	(449,136)	(3,758)	-	-	-	(452,894)
Trade and other payables	(138,064)	(3,213)	(211)	-	(90)	(141,577)
Cash & cash equivalents	30,142	2,149	283	-	-	32,574
	(377,759)	**3,227**	**5,872**	**-**	**(89)**	**(368,749)**
Derivatives for risk hedging (Nominal Value)	-	(5,069)	-	-	-	(5,069)
Total risk	**(377,759)**	**(1,842)**	**5,872**	**-**	**(89)**	**(373,818)**

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

	Average		At year end	
	2017	**2016**	**2017**	**2016**
USD	1.1297	1.1069	1.1993	1.0541
GBP	0.8767	0.8195	0.8872	0.8562
RON	4.5688	4.4904	4.6585	4.5390

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 2016 € '000	Profit or loss Strengthening	 Weakening	Equity, net of tax Strengthening	 Weakening
USD (10% movement in relation to EUR)	(1,209)	1,477	578	(707)
GBP (10% movement in relation to EUR)	(437)	534	351	(429)

GROUP 2017 € '000	Profit or loss Strengthening	 Weakening	Equity, net of tax Strengthening	 Weakening
USD (10% movement in relation to EUR)	(321)	321	(228)	228
GBP (10% movement in relation to EUR)	(847)	847	(601)	601

COMPANY 2016 € '000	Profit or loss Strengthening	 Weakening	Equity, net of tax Strengthening	 Weakening
USD (10% movement in relation to EUR)	(1,057)	1,292	(104)	127
GBP (10% movement in relation to EUR)	(113)	138	(80)	98

COMPANY 2017 € '000	Profit or loss Strengthening	 Weakening	Equity, net of tax Strengthening	 Weakening
USD (10% movement in relation to EUR)	(333)	333	(236)	236
GBP (10% movement in relation to EUR)	(521)	521	(370)	370

d) Interest rate risk

€ '000	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
Fixed-rate instruments				
Financial liabilities	3,976	5,429	1,000	2,000
	3,976	**5,429**	**1,000**	**2,000**
Variable-rate instruments				
Financial liabilities	564,265	211,659	451,894	186,360
	564,265	**211,659**	**451,894**	**186,360**

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

€ '000	GROUP 2017	GROUP 2016	COMPANY 2017	COMPANY 2016
0.25% increase	(1,411)	(529)	(1,130)	(466)
0.25% decrease	1,411	529	1,130	466

28. Fair value of financial assets

The different levels have been defined as follows:
- *Level 1*: consists of exchange traded derivatives and shares which are based on market prices.
- *Level 2*: consists of OTC derivatives that are based on prices from brokers.
- *Level 3*: Includes unlisted shares. They come from estimates of the Company as there are no observable market data.

The financial information concerning Level 3 refers to holdings in domestic and foreign companies with a stake of less than 20%. These holdings which are not quoted and the fair value cannot be reliably measured, they are valued at cost and are subject to impairment testing (see Note 14).

GROUP € '000	Level 1	Level 2	2017 Level 3	Total
Available-for-sale financial assets	39	-	3,733	**3,771**
Financial instruments at fair value	-	-	-	**-**
Derivative financial assets	3,893	1,119	-	**5,012**
Derivative financial liabilities	(1,430)	(627)	-	**(2,056)**

GROUP € '000	Level 1	Level 2	2016 Level 3	Total
Available-for-sale financial assets	149	-	1,396	**1,545**
Financial instruments at fair value	-	-	-	**-**
Derivative financial assets	2,139	499	-	**2,638**
Derivative financial liabilities	(229)	(892)	-	**(1,121)**

COMPANY € '000	Level 1	Level 2	2017 Level 3	Total
Available-for-sale financial assets	39	-	3,733	**3,771**
Financial instruments at fair value	-	-	-	**-**
Derivative financial assets	2,841	275	-	**3,116**
Derivative financial liabilities	(1,249)	(199)	-	**(1,448)**

COMPANY € '000	Level 1	Level 2	2016 Level 3	Total
Available-for-sale financial assets	149	-	1,396	**1,545**
Financial instruments at fair value	-	-	-	**-**
Derivative financial assets	2,139	164	-	**2,302**
Derivative financial liabilities	(229)	(673)	-	**(902)**

The derivatives of level 1 comprise of futures traded in 'London Metal Exchange – LME' for which there is an observable market price for all prompt dates on which the contract is settled. The mark-to-market valuations of the futures are based on evening evaluations of LME, as well as the counterparties valuations in contracts, which are LME brokers. The derivatives of level 2 comprise of forward FX contracts. The valuation stems from the counterparty banks based on a valuation model.

(b) Fair Value in Level 3

The movement in Level 3 was as follows:

€ '000	GROUP 2017	2016	COMPANY 2017	2016
Balance at 1 January	**1,396**	**1,389**	**1,396**	**1,285**
Additions	387	5	387	5
Reversal of Impairment	-	2	-	2
Mergers and absorptions	2,509	-	2.509	-
Reclassifications	(558)	-	(558)	104
Balance at 31 December	**3,733**	**1,396**	**3,733**	**1,396**

During the fiscal year, there were no reclassifications of financial assets between levels.

The financial assets classified in Level 3 are valuated with the discounted cash flow method. The valuation model calculates the present value of the net cash flows that the Cash Generating Unit is creating. (CGU)

The expected cash flows have been discounted using rates as follows:
- Risk-free rate: 0,9%
- Market risk premium: 5,10%
- Expected income tax rate: 29%
- Levered beta: 0.90

For the most significant investment the WACC used was 7,5%.

The expected fair value will increase (dercrease) if:
- The expected market development increases (decreases)
- The expected cash flows increases (decreases)
- The discount rate decreases (increases)

29. Commitments

	GROUP		COMPANY	
€ '000	**2017**	**2016**	**2017**	**2016**
Tangible assets	7,670	586	1,999	586

The future payments from operational leases are as follows:

Future minimum lease payments	GROUP		COMPANY	
€ '000	**2017**	**2016**	**2017**	**2016**
Less than one year	1,265	796	711	510
Between one and five years	2,530	1,708	1,284	999
More than five years	3	2	3	2
Total	**3,798**	**2,506**	**1,998**	**1,511**

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	Indirect	Method of Consolidation	Undaudited year	Audited under L.4174/2013
ELVALHALCOR S.A.		GREECE	Industrial	-	-	Parent	2009-2010	2011-2017
FITCO A.E.	(1)	GREECE	Industrial	100.00%	0.00%	Consolidated in Full	-	2011-2017
SOFIA MED S.A.	(1)	BULGARIA	Industrial	88.88%	0.00%	Consolidated in Full	-	-
TECHOR S.A.	(1)	GREECE	Industrial	100.00%	0.00%	Consolidated in Full	2010 & 2014 - 2016 & 2017	-
VIEXAL S.A.	(2)	GREECE	Services	26.67%	0.00%	Equity Method	2010-2011	2012-2017
VIENER S.A.	(2)	GREECE	Energy	41.32%	0.00%	Equity Method	2010-2011	2012-2017
CENERGY HOLDINGS S.A.	(2)	BELGIUM	Holdings	25.16%	0.00%	Equity Method	-	-
INTERNATIONAL TRADE	(2)	BELGIUM	Commercial	27.97%	0.00%	Equity Method	-	-
TECHOR PIPE SYSTEMS	(3)	ROMANIA	Industrial	0.00%	100.00%	Consolidated in Full	-	-
HC ISITMA	-	TURKEY	Industrial	50.00%	0.00%	Equity Method	-	-
STEELMET S.A.	(2)	GREECE	Services	29.50%	0.00%	Equity Method	2010	2012-2017
SYMETAL S.A.	(1)	GREECE	Industrial	100.00%	0.00%	Consolidated in Full	2010	2011 – 2017
ELVAL COLOUR S.A.	(1)	GREECE	Industrial	100.00%	0.00%	Consolidated in Full	2011-2014	2015 – 2017
VEPAL S.A.	(1)	GREECE	Industrial	100.00%	0.00%	Consolidated in Full	2013 & 2014	2011 – 2013 & 2015– 2017
ANOXAL S.A.	(1)	GREECE	Industrial	100.00%	0.00%	Consolidated in Full	-	2011 – 2017
VIOMAL S.A.	(1)	GREECE	Industrial	50.00%	0.00%	Consolidated in Full	2008-2010	2011 – 2017
ELVAL COLOUR IBERICA	(1)	SPAIN	Commercial	0.00%	100.00%	Consolidated in Full	-	-
ANAMET S.A.	(2)	GREECE	Commercial	26.67%	0.00%	Equity Method		
UACJ ELVAL HEAT EXCHANGER MATERIALS GmbH	-	GERMANY	Commercial	50.00%	0.00%	Equity Method	-	-
ELKEME S.A.	(2)& (4)	GREECE	Metallourgical Research	92.50%	0.00%	Equity Method	2010 & 2016	2011-2017
UACJ ELVAL S.A. (former AFSEL)	-	GREECE	Services	50.00%	0.00%	Equity Method	-	-

(1)Subsidiary of ELVALHALCOR S.A.
(2) Subsidiary of Viohalco S.A.
(3) Subsidiary of Techor S.A.
(4) Full consolidation by Viohalco 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.

	GROUP		COMPANY	
€ '000	**2017**	**2016**	**2017**	**2016**
Sale of goods				
Subsidiaries	-	-	179,107	109,840
Equity accounted investees	311,915	22,409	283,384	22,329
Other	108,229	85,014	51,406	69,136
	420,144	**107,423**	**513,897**	**201,305**
Sale of services				
Subsidiary companies	-	-	2,522	2,196
Equity accounted investees	1,002	484	967	484
Parent	62	-	62	-
Other	699	752	629	707
	1,763	**1,236**	**4,180**	**3,387**
Sale of fixed assets				
Subsidiary companies	-	-	1	2,535
Other	1	150	1	798
	1	**150**	**2**	**3,333**
Purchase of goods				
Subsidiary companies	-	-	16,208	11,033
Equity accounted investees	3,894	4,181	1,224	4,181
Other	49,784	11,104	20,796	10,049
	53,678	**15,285**	**38,229**	**25,263**
Purchase of services				
Subsidiary companies	-	-	32,130	32,834
Equity accounted investees	3,930	1,339	3,262	1,099
Parent	246	-	65	-
Other	12,142	15,541	11,211	13,425
	16,318	**16,880**	**46,668**	**47,358**
Purchase of fixed assets				
Subsidiary companies	-	-	3	-
Equity accounted investees	29	-	20	-
Other	6,746	13,641	6,199	12,501
	6,775	**13,641**	**6,222**	**12,501**

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

	GROUP		COMPANY	
€ '000	**2017**	**2016**	**2017**	**2016**
Receivables from related parties:				
Subsidiary companies	-	-	62,759	23,267
Equity accounted investees	34,803	7,283	32,502	7,205
Joint Ventures	153	-	153	-
Parent	262	-	262	-
Other	51,461	42,526	42,072	36,971
	86,680	**49,809**	**137,748**	**67,444**
Liabilities to related parties:				
Subsidiary companies	-	-	11,201	7,548
Equity accounted investees	3,244	1,653	2,956	1,518
Joint Ventures	171	-	171	-
Parent	132	-	127	-
Other	17,362	17,763	7,621	16,781
	20,909	**19,415**	**22,076**	**25,847**

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.

	GROUP		COMPANY	
€ '000	**2017**	**2016**	**2017**	**2016**
Fees-benefits to the members of the Board of Directors and executives	2,367	2,671	1,879	2,196
	2,367	**2,671**	**1,879**	**2,196**

32. Auditor's fees

The fees of the Group's and the Company's auditors (PWC SA) for the year 2017 were as follows:

€ '000	**GROUP**	**COMPANY**
Fees for audits	172	162
Fees for tax compliance	46	43
Fees for assurance services	82	82
Other fees	25	25
Total	**325**	**312**

33. Acquisition Accounting

“HALCOR METAL WORKS S.A.” and “ELVAL HELLENIC ALUMINIUM INDUSTRY S.A.” were under Viohalco S.A. control and pursuant to the application of articles 10-12 of IAS 8 choose to use the accounting treated of IFRS 3 “Business Combinations”. IFRS 3 defines that every business combination is addressed using the “acquisition method”. Pursuant to the aforementioned the two companies proceeded to define the acquirer under the IFRS 10 and IFRS 3 (par. 6-7 and B13-B17).

More specifically, in regards to the provisions of paragraph B15.d of IFRS 3, the Merging decided for the management considering the spectrum of the business activity of the new entity key management personnel to be retained as is.

In regards to the examination of the criteria of paragraph B16 of IFRS 3, “relative size of combining entities” were as follows:

From the one hand Halcor reported a consolidated turnover 692.9 million euro for the fiscal year 2016 compared to 842.7 million euro for the consolidated turnover of Elval for the respective fiscal year. From a profitability standpoint Halcor achieved 1.7 million euro profit after tax for 2016 at consolidated level versus 21.9 million euro for Elval for the respective fiscal year. For the closing of 2016 the consolidated Total Equity of Halcor amounted to 99.5 million euro compare to 453.7 mllion euro for Elval. The total assets at the closing of 2016 at the consolidated statement of financial position of Halcor amounted to 567.4 million euro compared to 855.8 million euro for the consolidated statement of financial position of Elval. Finally, the consolidated net debt for the fiscal year 2016 amounted to 322.5 million euro for Halcor versus 193.3 million euro for Elval.

Considering the aforementioned as well as the fact that according to the Athens Exchange regulation the combination is indirect listing and according to the provisions of IFRS 3, the merger is a reverse acquisition with accounting acquirer for accounting purposes Elval and accounting acquire Halcor. Moreover it is mentioned that the Merger aims at the creation of economies of scale and synergies.

Date of Acquisition
The date of acquisition is determined as the closest to the monthly closing, after the approval from the General Assembly and taking into consideration the decision by the Ministry of Economy and Development, is set at 30.11.2017.

Calculation of Goodwill
As a consequence of the above mentioned, at the acquisition date, which is defined as the closest monthly closing time, after securing the necessary approvals from the General Assembly, Elval valuated the assets and liabilities of Halcor at fair value according to paragraph 18 of IFRS 3.

Determination of consideration
The paid-in capital of Halcor is divided to 101,279,627 share and the paid-in capital of Elval is divided to 27,046,082 shares, and with the 26.09.2017 decisions of the Board of Directors the proposed of the share exchange was determined at 0.0987220346164922 shares of Elval for one (1) share of the Issuer as resulted by the Merger. Under the provisions of paragraph B20 of IFRS 3, at the acquisition date the fair value of the shares which is transferred from the accounting acquirer for the participation to the accounting acquiree, is based on the number of share with the legal subsidiary would have been obliged to issue in order to give to the shareholders of the legal acquired the same percentage in rights the merged entity that will come out of the reverse acquisition. The fair value of the rights calculated this way can be used as the fair value of the consideration transferred for the acquiree. As a result, the new shares that Elval would issue would be 9,998,531. The fair value of those according to Merger agreement rises to 18.88047495197270, per share. As a consequence the fair value derived rises to €188,777,011.

On 30.11.2017 the Fair values of Halcor Group were as follows:

€ '000	30.11.17
ASSETS	
Non-current Assets	
Property, plant and equipment	156,077
Intangible assets and goodwill	51,140
Investment property	5,439
Equity-accounted investees	65,931
Trade and other receivables	888
	279,476
Current Assets	
Inventories	88,327
Trade and other receivables	61,392
Derivatives	439
Cash and cash equivalents	10,990
	161,147
Total assets	**440,623**
LIABILITIES	
Non-current liabilities	
Loans & Borrowings	137,850
Deferred tax liabilities	26,130
Employee benefits	2,030
Grants	1,738
Provisions	90
	167,839
Current liabilities	
Trade and other payables	49,657
Current tax liabilities	2,187
Loans & Borrowings	53,952
Derivatives	330
	106,125
Total liabilities	**273,964**
Fair Value of Net Assets Acquired	**166,659**
Net Assets Acquired Attributable to Shareholders of ElvalHalcor	166,659
Consideration for the Business Combination	188,777
Goodwill	22,118

In regards to the allocation of the price we mention the following:

(a) In "Intangible Assets" amount of €670 thousand was posted for patents of products under the trade name CUSMART. The valuation technique is the discounted cash flows. The valuation models considers the present value of the net cash flows that Cash Generating Unit creates. The expected cash flows were estimated according to Management's estimates of Halcor and the updated business plans.

(b) Furthermore, a value for the trade name for products under the brand name TALOS, which is legally patented is recognized for €24.6 million. The valuation was conducted with the discounted cash flow method and particularly with the Relief from Royalty method using respective contracts for royalty rate for comparative industrial products and the

Issuer's historical data. The expected cash flows were estimated according to Management estimates of Halcor and the updated business plans.

(c) In regards to client relationships €25.1 million has been recognized.
The aforementioned intangible assets fulfill the criteria of separability and the legal-contractual. According to IFRS 3 an intangible can be recognized if it fulfills either the separability criterion or the contractual-legal criterion. The aforementioned criteria are recognized by IAS 38 as well. For the aforementioned intangible assets, the Management has not determined the useful life until this balance sheet date, due to the fact that the acquisition was completed on 30.11.2017 and the determination of the useful life would not affect the result of the Group.

(d) Finally, the goodwill of €22.1 was posted at the "intangible assets and goodwill" and the respective equity reserves. The Goodwill represents the consolidation of the two adjacent plants which will allow the maximization of the operational capacity of the production facilities through the reorganization and expansion of the production lines and the auxiliary units.

(e) In the line "Equity accounted investees" adjustment of €8.7 million is posted for the valuation of Halcor's participations to the fair value. For the valuations of the fair values the discounted cash flow method was used with the exceptions of Halcor's participation in Cenergy holdings S.A., for which the observable market data was used for 100% at the date of the transaction. Specifically the closing price of 30.11.2017 at the Athens Exchange was used and which was €1.10 per share.

(f) Pursuant to the provisions of IAS 12 and specifically paragraph 37: "At the end of each reporting period, an entity reassesses unrecognised deferred tax assets. The entity recognises a previously unrecognised deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. For example, an improvement in trading conditions may make it more probable that the entity will be able to generate sufficient taxable profit in the future for the deferred tax asset to meet the recognition criteria". Halcor, at the closing of 2016, a deferred tax asset for the amount of €1.8 million corresponding to losses €6.0 million euro. For the accumulated tax losses of the Group, a deferred tax asset has been recognized of Euro 9.7 mil. which corresponds to losses of 34 mil. In addition for interests due to thin capitalization, a deferred tax asset was recognized for the amount of € 8.2 mil.

(g) The valuations to the fair value of PPE of Halcor were performed on 30 November 2017 by independent valuators which have no relation with the Group. The independent valuators are members of bodies and have the necessary experience and knowledge for the measurement of fair value of machinery.

The fair value of land has been determined using the market approach, which reflects on the recent prices of transactions for comparable land in the area where the land of Group and the Company in located. The observable data have been adjusted for certain characteristics of each land plot.

The fair value of buildings has been determined using the cost approach, which reflects the cost that a participant in an active market would have to pay to construct a comparable asset, adjusted for impairment. The main parameters that were considered for the determination of the value of buildings include the estimated construction cost, additional expenses required and the impairment factor on the total estimated cost of construction.

The fair value of production machinery was determined using the cost approach, which reflects the cost that a participant in an active market would have to pay to acquire a comparable asset adjusted for impairment through use and technological advancements. The main parameters considered in the determination of the value of production machinery include the estimated cost of replacement, the residual value and the impairment factor on the total cost of construction.

The fair value of the land and buildings was estimated with the market approach which reflects the prices of assets for comparable property in the area where the assets of the Group and the Company are located. The observable data were adapted to the specific characteristics of each land plot.

Acquisition of Sofia Med

On 31.07.2017 the exchange of the participation of Sofia Med S.A. took place between the two merging companies for the price of Euro 101.2 mil. From the transaction no goodwill was created.

The cash and cash equivalents at the acquisition amounted to Euro 1.1 mil.

The most significant asset and liabilities acquired are the PPE of Euro 134 mil., Intangible Assets of Euro 0.4 mil., loans and borrowings of Euro 104 mil., inventory of Euro 68.3 mil. and non-controlling interests of Euro 11 mil.

In the table that follows are included:

1. In the firs column the results of Halcor Group and Sofia Med from 01.01.2017 until the acquisition date
2. In the second column the financial results as presented in the statement of profit and loss.
3. The third column represents the total of the two prior columns presenting the profit and loss of ELVLHALCOR Group as the if the transaction was materialized on 01.01.2017
4. The Fourth Column presents the comparative pro-forma for the Group for the fiscal year 2016.

GROUP € '000	**Until the acquisition date**	**From the acquisition date**	**12 months 2017**	**12 months 2016**
Revenue	**712,951**	**1,150,369**	**1,863,320**	**1,534,127**
Cost of sales	(659,645)	(1,046,804)	(1,706,448)	(1,420,071)
Gross profit	**53,306**	**103,566**	**156,871**	**114,056**
Other Income	6,887	7,892	14,779	13,668
Selling and Distribution expenses	(7,306)	(12,506)	(19,812)	(19,647)
Administrative expenses	(12,138)	(25,535)	(37,673)	(31,186)
Other Expenses	(8,398)	(3,801)	(12,199)	(8,418)
Operating profit / (loss)	**32,351**	**69,616**	**101,967**	**68,471**
Finance Income	1	118	119	3,989
Finance Costs	(19,103)	(17,767)	(36,870)	(40,412)
Dividends	-	-	-	-
Net Finance income / (cost)	**(19,101)**	**(17,649)**	**(36,750)**	**(36,423)**
Share of profit/ (loss) of equity-accounted investees, net of tax	-	(1,293)	(1,293)	234
Profit/(Loss) before income tax	**13,250**	**50,674**	**63,923**	**32,282**
Income tax expense	14,816	(17,410)	(2,593)	(8,736)
Profit/(Loss) for the year	**28,066**	**33,264**	**61,330**	**23,546**

In the following table the financial performance of the acquired sector is presented from the acquisition date until 31.12.2017:

€ '000	**Acquired Sector**
Revenue	**208,988**
Cost of sales	(200,577)
Gross profit	**8,411**
Other Income	1,868
Selling and Distribution expenses	(1,390)
Administrative expenses	(3,100)
Other Expenses	(2,459)
Operating profit / (loss)	**3,329**
Finance Income	48
Finance Costs	(4,065)
Dividends	-
Net Finance income / (cost)	**(4,016)**
Share of profit/ (loss) of equity-accounted investees, net of tax	(1,525)
Profit/(Loss) before income tax	**(2,212)**
Income tax expense	(300)
Profit/(Loss) for the year	**(2,511)**

Moreover for the purposes of the company's financial statements, the assets of the company Halcor were valued at fair value:

HALCOR **€ '000**	**30.11.2017**
ASSETS	
Non-Current Asset	
PPE	123,938
Intangible Assets	48,040
Investment Property	3,702
Participations	88,723
Other assets	849
	265,252
Current Assets	
Inventory	70,905
Trade and Other receivables	73,584
Cash and cash equivalents	10,532
	155,021
Total Assets	**420,273**
Total Equity	**166,659**
LIABILITIES	
Non-Current liabilities	
Loans & Borrowing	128,751
Deferred tax	20,650
Other liabilities	2,963
	152,364
Current liabilities	
Trade and other payables	53,335
Loans & Borrowing	47,915
	101,250
Total liabilities	**253,614**
Total liabilities & Equity	**420,273**

The allocation of goodwill to cash generating units has not been completed at the balance sheet date.

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 Sector. 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 2018.

35. Subsequent events

1. On 03.01.2018 ElvalHalcor signed an agreement for the acquisition of 50% of the share capital of Nedzink B.V. which is based in the Netherlands. According to the agreement ElvalHalcor will contributed Euro 15 mil.

2. On 01.02.2018, 273,961,959 common, dematerialized, anonymous shares with voting rights were introduced to the Athens Stock Exchange. The shares were created after the merger by absorption of "ELVAL HELLENIC ALUMINIUM INDUSTRY S.A." by "HALCOR METAL WORKS S.A.", which was completed within 2017 with the 22.11.2017 decisions of the General Assemblies and the 131569/30-11-2017 decision of the Ministry of Economy and Development..

3. ElvalHalcor signed an agreement with SMS group GmbH based in Germany for , the sector signed a contract with SMS group GmbH, based in Germany for the procurement of a four-stand tandem aluminium hot finishing mill for the production unit in Oinofyta, Viotia. This action is included in the broader investment program of Euro 150 mil. for machinery and infrastructure, which has been announced by the sector and the Company in the context of the agreement with the European Investment Bank for funding, on 20th December 2017.

Information under article 10 of Law 3401/2005

No	DESCRIPTION	WEBSITE ADDRESS	WEBSITE MAP
1.	Interim Financial Statements H1 2017	http://www.elvalhalcor.com/el/investor-relations/reports-presentations/financial-statements/	Home Page > Investor relations > Reports and Presentations > Financial Statements
2.	Annual Financial Report 2017	http://www.elvalhalcor.com/el/investor-relations/reports-presentations/financial-statements/	Home Page > Investor relations > Reports and Presentations > Financial Statements
3.	Press releases during 2017	http://www.elvalhalcor.com/el/investor-relations/regulatory-news/	Home Page > Investor relations > Announcements – Publications > Press releases
4.	Announcements to the Stock Exchange during 2017	http://www.elvalhalcor.com/el/investor-relations/regulatory-news/	Home Page > Investor relations > Announcements – Publications > Announcements

ELVALHALCOR
HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.

2017 Sustainability Report

ELVAL
HELLENIC ALUMINIUM INDUSTRY

HALCOR
HELLENIC COPPER INDUSTRY

Contents

In case of any discrepancy, the Greek version will prevail.

At a glance

12

State of the art production plants in 3 countries

102

Sales in 102 countries

ElvalHalcor is active in many dynamic, growing markets:

- Shipbuilding
- Automotive
- Road and rail
- Heating, ventilation, air conditioning and refrigeration (HVAC&R)
- Packaging
- Renewable energy

14
Subsidiaries and affiliated companies

21
Strong commercial network in 21 countries

80
Years' experience

Water supply

Building and construction

Energy and power networks

Industrial applications

Fish farming

Other markets (medical, cookware, household, appliances, signage, etc.)

Global presence

A leading global industrial producer of aluminium and copper

Manufacturing sites

Commercial network

Market presence

Headquarters

ElvalHalcor group at a glance
(2017 consolidated results)

1,863
EUR million
revenue

1,721
EUR million
total exports

92.4%
exports

60.8
EUR million
capital expenditure plan

Chairman's statement

Strengthening our Company's future

Utilising merger synergies across all sectors, and by meeting each challenge as an opportunity, we are well-placed to respond to any such challenge responsibly.

Theodosios Papageorgopoulos
Chairman of the Board of Directors

With a common sustainability strategy and vision, Elval and Halcor, two leading Greek industrial companies, merged in December 2017. Elval, one of the largest European aluminium rolling companies, and Halcor- the largest copper tubes producer in Europe, joined forces and ElvalHalcor was created. A landmark year for us, 2017 signals the beginning of a new, even more dynamic era. The first important step was made with the merger, and the second with the signing of a contract with the German company SMS Group GmbH for the supply of a new, four-stand tandem aluminium hot rolling mill, which signals the beginning of the Company's wider EUR 150 million five-year investment plan, aiming to double our aluminium rolling production capacity. To fund this investment plan, a EUR 70 million loan agreement was signed in late 2017 with the European Investment Bank and, in early 2018, a EUR 65 million loan agreement was also signed with Commerzbank Aktiengesellschaft.

Remaining committed to communicating our strategic priorities and initiatives, we proudly present the tenth consecutive edition of our Company's Sustainability Report. In this report we present our sustainability goals and initiatives, based on our responsible business operation striving to sustainable development, and driven by transparent and informative communication with our stakeholders. For us, operational responsibility is not a compliance obligation, but a strategic choice that ensures our Company's sustainable development.

Dealing successfully with the challenges of an ever-changing business environment, the Company is following a stable growth course, creating added value for all stakeholders. It is worth noting that over the past decade, which includes the eight difficult years of the economic crisis, ElvalHalcor's investments in Greece reached over EUR 360 million. In 2017, the direct economic value generated and distributed to stakeholders ("social product") reached approximately EUR 1,190 million. ElvalHalcor managed to not only safeguard but also increase jobs, by 5.1%. In addition, ElvalHalcor's Aluminium Rolling Division (Elval) increased sales volume by 2.6%, while the Copper Tubes Division (Halcor) saw an increase of 4.6%. We also increased our market share, and sales outside Greece surpassed EUR 1,721 million. To further increase the Company's competitiveness and also increase the production capacity of our facilities, our investment programme in 2017 surpassed EUR 47 million. The Company's positive financials in 2017 not only confirm our dynamic presence today, but also point to a very promising future.

The long-term relationships of trust and cooperation we have developed over the years with our customers in a highly competitive international environment, prove that we are moving in the right direction with our customer-centric approach, ensuring that we meet each customer's needs, no matter how specialised. We grow alongside our customers, sharing the challenges and opportunities of today's market, and chart, together, a common, dynamic future course.

We recognise our people's integral contribution to our business success. Our people's experience, high level of expertise and technical know-how, creativity and solid dedication to our common vision ensure ElvalHalcor's stable and continuous growth. For this reason, we invest substantially and consistently in our people, placing an emphasis on their training and professional development, providing a safe and healthy workplace which respects each employee's individuality and personality.

We operate responsibly, following a holistic approach to managing the environmental impact of our operations; we work methodically and effectively, striving to continually reduce our environmental footprint. Accordingly, our facilities have been recently certified according to ISO 50001 for energy management. Further demonstrating our strong commitment in this area through our projects and initiatives, we completed another year of a major environmental protection programme worth over EUR 6.7 million.

Since 2003, we have the Aluminium Cans Recycling Center (CANAL) to raise awareness about aluminium recycling, with the aim of changing attitudes and increasing the low recycling rate of aluminium cans in Greece. Today, we are very proud that this voluntary initiative by Elval - the CANAL - has been operating and improving aluminium recycling, for 15 years.

With a sense of responsibility towards society, we always support local communities, including local authorities, organisations and schools, striving to contribute to their sustainable development. We consider our contribution important, as 51% of our employees come from the wider Viotia and Evia region. At the same time, supporting and strengthening local entrepreneurship, purchases from local suppliers reached over EUR 29 million.

Looking towards the future, we expect the next five years to hold many challenges, however we have all the resources and ability needed to face them, manage them responsibly, and turn them into opportunities. We are proud of everything we have achieved so far. With the corporate responsibility that has always defined us, we will continue to dynamically pursue progress, focusing on innovation in all areas, on the growth and professional development of our people, and on ensuring social cohesion and environmental protection through effective initiatives. Our many years of experience and technical know-how, our high-tech production facilities, the market share we have gained and our large investment programmes, constitute, among others, the strong foundation from which to showcase ElvalHalcor as a key player in the non-ferrous metals industry.

Theodosios Papageorgopoulos
Chairman of the Board of Directors

Materiality assessment

We focus our attention on the most important sustainability issues (material issues)

The Company identifies the most important issues for its sustainable development by analysing and assessing its material issues. This process is, for us, continuous and important (and is carried out in accordance with the GRI Standards and AA1000). We make good use of the results of the materiality assessment, both in deciding on our corporate strategy and in planning actions and taking decisions that will promote ElvalHalcor's Sustainability.

We integrated and mapped out the material issues of ElvalHalcor's Aluminium Rolling Division (Elval) and Copper Tubes Division (Halcor) for 2017. In 2018, we will conduct a new survey among all ElvalHalcor's stakeholders to assess material issues, the results of which will be used in the next Sustainability Report.

Materiality assessment

STEP **1**

Identifying material issues

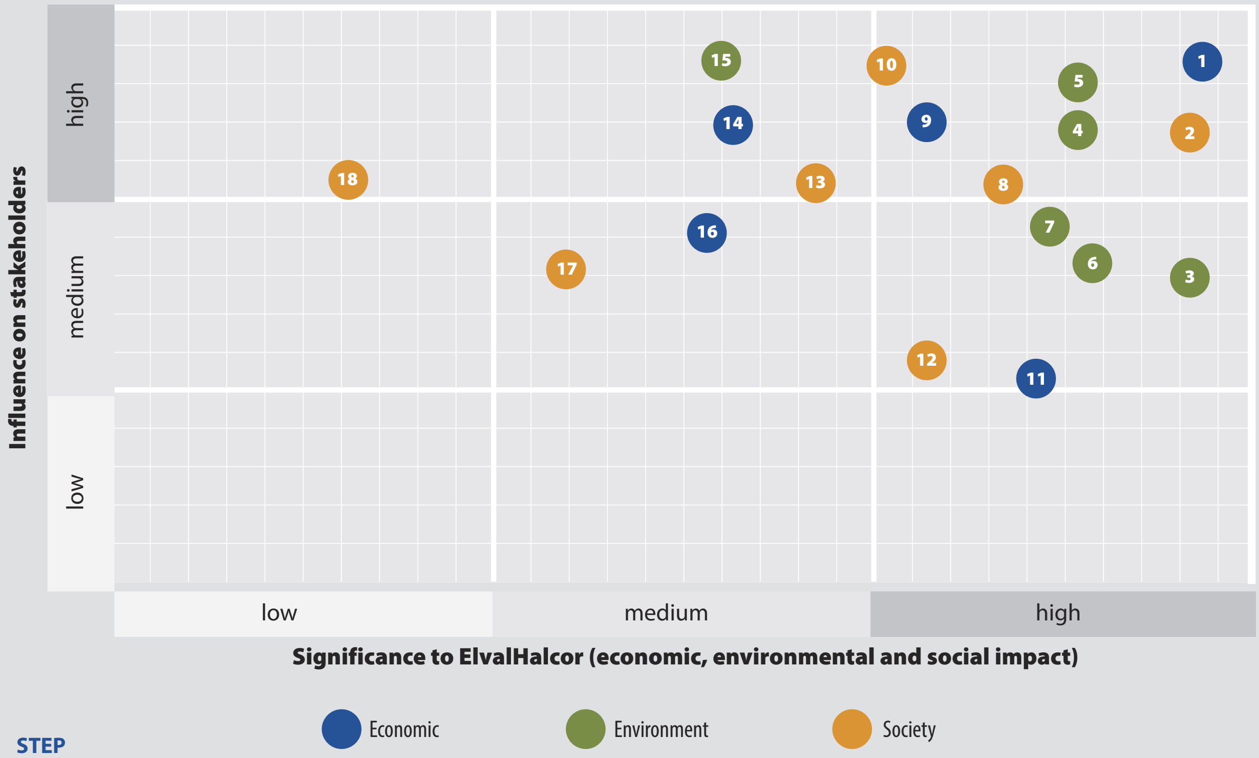
We have extensively examined areas and important points specified by the relevant standards, guidelines or other sources (e.g. GRI Standards, AA1000, ISO 26000, SDG's).

STEP **2**

Prioritising material issues

According to the relevant evaluation of all issues, we have reached 18 most material issues for us, on which we focus in this Report. We prioritised sustainability issues, according to their importance for ElvalHalcor, our stakeholders, society and the environment. ElvalHalcor's top management validated the results of the materiality assessment.

In this report, we present our performance focus on our material issues



STEP
3

Mapping our material issues

Material issues identification for our Sustainability report

	Impact within ElvalHalcor	Impact outside ElvalHalcor	Page
Occupational Health and Safety (2)	✓		72-75
Waste management (3)	✓	✓	76, 82
Supply chain responsibility (10)	✓		60-62
Energy consumption and saving (4)	✓	✓	76, 79-80
Customer satisfaction (14)	✓	✓	46-50
Raw materials use (5)	✓	✓	76-79
Water use (6)	✓	✓	76-79
Air emissions (7)	✓	✓	76, 80-81
Supporting local communities (8)	✓	✓	84-86

	Impact within ElvalHalcor	Impact outside ElvalHalcor	Page
Employee training and development (13)	✓		64, 67
Company's financial performance (1)	✓	✓	6, 11-18, 101
Promote aluminium and copper recycling (15)	✓		62, 76, 78
Equal opportunities (17)	✓	✓	64-66
Anti-corruption (18)	✓		94
Innovation and products quality (16)	✓	✓	50
New investments and market share (11)	✓	✓	11-12, 18
Legal and regulatory compliance (9)	✓	✓	19,57,72,75
Employment ensurance (12)	✓	✓	64-65

1. About ElvalHalcor

ElvalHalcor, is a leading global manufacturer of aluminium and copper products in the international market

ElvalHalcor Hellenic Copper and Aluminium industry S.A. (ElvalHalcor), is a leading global manufacturer of aluminium and copper products.

The Company was formed in December 2017 via the merger of Elval, a leading European aluminium rolling company, and Halcor, the largest copper tubes producer in Europe. It is listed on the Athens Stock Exchange.

ElvalHalcor is an important player in the non-ferrous metals industry, with global presence and high expertise in aluminium and copper segment. ElvalHalcor's success is derived from its commercial export orientation, customer-focused philosophy and innovation which comes through continuous investment in research and development (R&D).

ElvalHalcor is active in the aluminium industry through its aluminium rolling division, under the brand name Elval. Alongside ElvalHalcor provides its global customers with high added value copper solutions through its copper tubes division under the brand name Halcor and its copper processing subsidiaries.

ELVALHALCOR
HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.

Elval –Aluminium rolling division

50 years'
experience serving a global customer base

60 countries
sales in more than 60 countries

advanced technology
innovative and high value-added solutions

state-of-art facilities
sustainable products designed for life

Reliable and dynamic aluminium solutions provider

Through continuous investment in R&D and an established global commercial network, Elval offers reliable, innovative and competitive solutions that meet the most demanding requirements of global customers.

Elval processes, manufactures and markets flat rolled aluminium products and solutions for diverse and demanding applications. With years of experience in aluminium rolling division, it is one of the most important aluminium industries in the European and international markets.

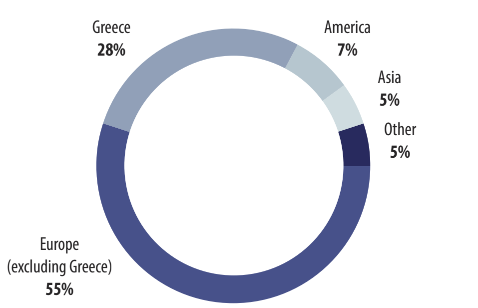
Elval serves dynamic markets including:

- Packaging
- Sea, road and rail transportation, automotive, shipbuilding
- Building and construction
- Energy and power networks
- Cookware
- HVAC&R (heating, ventilation, air conditioning and refrigeration)
- Renewable energy.

In 2017, ElvalHalcor's aluminium rolling division showed a 2.6% increase in sales volume, compared to the previous year.

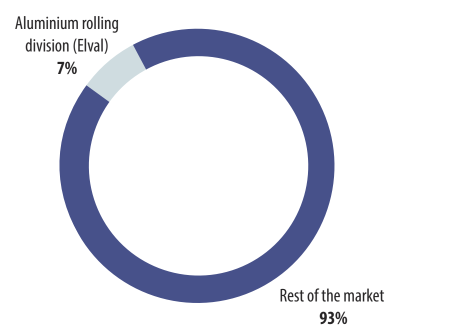
↑2.6% of aluminium products sales volume

Aluminium rolling division - Sales (%) in value



It is noted that a large part of the domestic sales are attributed to the subsidiary Symetal SA which is highly export-oriented, with direct and indirect exports accounting for 85% of total sales.

European aluminium product market shares (aluminium rolling products) *



** Based on company data*

Halcor – Copper tubes division

Market leader in Europe (in copper tubes industry)

80 years'
experience in copper processing

58 countries
sales in more than 58 countries

advanced technology
innovative and high value-added solutions

state-of-art facilities
copper tube plant most efficient in Europe and biggest in EMEA region

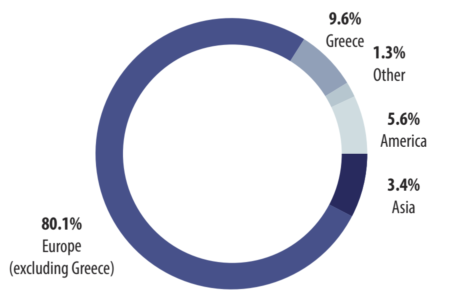
↑4.6%
of sales volume in the copper tubes division

With 80 years' experience in copper processing Halcor is a leader in the European copper tubes market. Halcor is a leader in the European copper tubes market and the sole copper tubes producer in Greece and its products are available in more than 58 countries around the world.

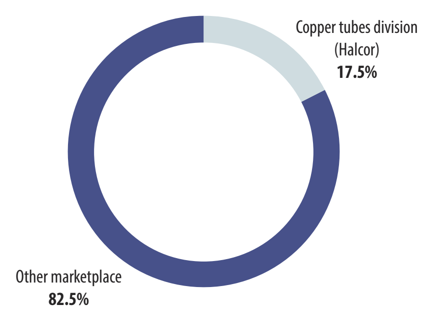
Halcor-Copper tubes division offers innovative and high value-added solutions to meet wide-ranging customer demands in areas such as plumbing, heating, HVAC&R, renewable energy and industrial production.

In 2017, ElvalHalcor's copper tubes division showed a 4.6% increase in sales volume, compared to 2016.

Copper tubes division - Sales (%) in value



European market shares (copper tubes) *



** All the above are based on data of the Company and studies by international copper-related organisations (European market shares).*

Halcor seeks to expand its presence in existing markets, and also enter new markets. In this context, in 2017 it significantly increased its actives in the Scandinavian countries and was the top importer of copper tubes in Russia.

Export-orientated profile
ElvalHalcor is an export-oriented company and therefore it greatly reduces its reliance from developments in the Greek market. Our turnover is mostly directed to foreign markets. In the fiscal year 2017 and on an annualized basis, ElvalHalcor's sales to non-Greek markets accounted for 80% of the turnover.

State-of-art production plants
ElvalHalcor has three industrial complexes at

Oinofyta, Viotia. With a vertically integrated manufacturing process and a wide and diversified product portfolio, our state-of-art production plants reflect the Company's investment philosophy of continuous modernisation and innovation. The investment strategies for research and development it has implemented in recent years have allowed ElvalHalcor to rank among the top industries in the sector internationally, creating new standards in aluminium and copper processing.

Aluminium rolling division - Elval

Solutions for a complete range of coated aluminium products used in the packaging industry (food and beverage), sea, road and rail transportation, energy, building and construction and industrial applications.

Capacity:
280,000 tons/year

Certifications: ISO 9001, ISO 14001, OHSAS 18001, IATF 16949, ISO 50001

Copper tubes division – Halcor

Copper tubes plant: copper tubes for heating, water supply, cooling, natural gas transport, air conditioning and industrial use.

Capacity:
75,000 tons/year

Certifications: ISO 9001, ISO 14001, OHSAS 18001, ISO 50001

Foundry producing: semi-finished copper products (billets and slabs)

Capacity:
235,000 tons/year

Certifications: ISO 9001, ISO 14001, OHSAS 18001, ISO 50001

High added value products

Thanks to state-of-the-art technologies that are applied in our facilities, we are able to produce high quality products with technical features and unique characteristics that meet our customers' high standards. ElvalHalcor's products are distinguished for their high quality, reliability, innovative features and high added value. With this competitive advantage, among others, we have succeeded in gaining international recognition, making ElvalHalcor a global leader in aluminium and copper processing.

We focus in dynamic, growing markets

Aluminium rolling division - Elval	Copper tubes division – Halcor
Flat rolled aluminium products and solutions for: • Packaging • Sea, road and rail transportation • HVAC & R • Building and construction • Cookware • Energy • Industrial applications markets	Copper tubes with or without plastic coating or industrial insulation for: • Water supply and heating networks • Underfloor heating – cooling • Air conditioning • Refrigeration • Solar energy and geothermy • Natural and medical gas distribution networks
www.elval.com info@elval.com	www.halcor.com info@halcor.com

More information about ElvalHalcor's products, see 2017 Annual Report /10 section. Also you can visit our corporate website www.elvalhalcor.com.















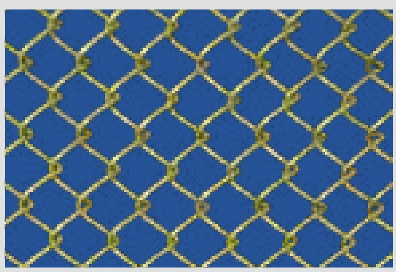
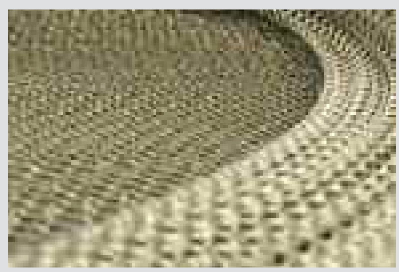


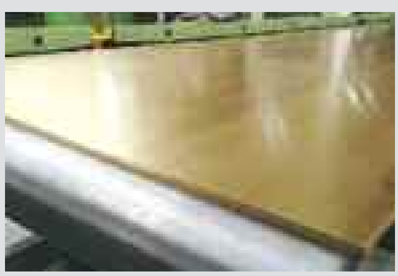












Large investments of more than EUR 360 million (2011-2017)

We are moving forward with new continuous investments

Large investments in research and development of new technologies form an important part of the Company's investment plan, along with investments in producing high added value products. In 2017 (on an annualized basis), ElvalHalcor made total investments of EUR 47.2 million. The strong investment policy of the Company is evident in the fact that over the past decade, the aluminium rolling division has implemented extensive investment projects worth more than EUR 300 million, while the copper tubes division has completed investments of EUR 60 million, for upgrading and expanding its facilities and for creating state-of-the-art infrastructure.

During the next five years, EUR 150 million will be invested in equipment, technology and infrastructure. This investment plan aims to initially raise ElvalHalcor's aluminium rolling production capacity by over 20% and, at the same time, it sets the stage, with further investments in the future, to increase twofold production capacity.

This investment allows ElvalHalcor to strengthen its current position in the aluminium product markets for packaging, transportation, industrial and architectural applications and to further expand in the automotive and aerospace industries. Under this investment plan, the industry announced the signing of a contract for the installation of a new four-stand tandem aluminium hot finishing mill, for the Oinofyta plant.

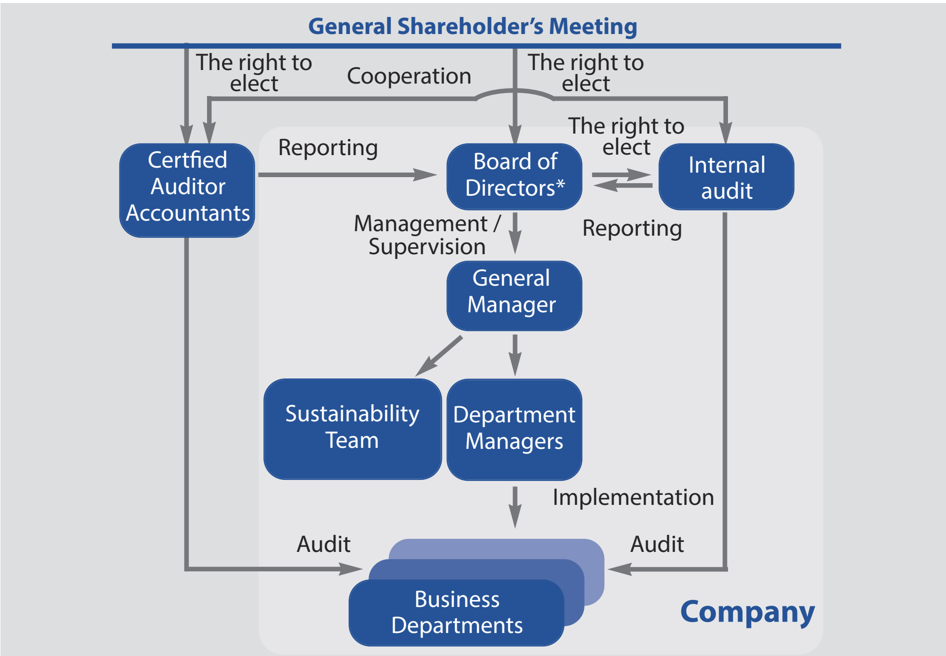
More information on ElvalHalcor Financial figures is available in our 2017 Annual Report, the Annual Financial Report 2017 and on our corporate website www.elvalhalcor.com, (Investor Relations section).

Governance structure

A sound and strong corporate governance is an integral part of the Company's core values and supports its Sustainability vision. ElvalHalcor's corporate governance system aims to ensure transparent, sound and effective Company Management, which in the long run leads to business and financial success. The Company follows best practices and international standards, to maximize shareholder value and, generally, create value for all stakeholders and society as a whole.

Our goal is to maximise shareholder value and create value for all stakeholders

Corporate Governance Diagram



* The Board of Directors has an audit committee

As a listed company, it complies with the relevant national and international laws on corporate governance, incorporating regulations and compliance practices into its mode of operation. Furthermore, to enhance corporate transparency and audit mechanisms, effective management and optimal operational performance:

- we have voluntarily adopted the Hellenic Corporate Governance Code (EKED)(1)
- we implement an Internal Operating Regulation(2)
- we have established and implement a Code of Conduct and Business Ethics(2).

(1) The Corporate Governance Code (EKED) is available online at WWW.SEV.ORG.GR/KODIKASETAIRIKISDIAKIVERNISIS.GR. More information on the Code is provided in the Company's 2017 Annual Financial Report, p. 26.

(2) The Internal Operating Regulation is approved by the Board of Directors and the Code of Conduct and Business Ethics is binding for all employees, has been communicated to all human resources and is available in the company website www.elvalhalcor.com.

Corporate Governance bodies

Board of Directors: 57% executive members

43% non-executive members

General Meeting
Functions as a direct communication channel between shareholders and the Company's management.

Board of Directors
The Board was established as a body on 22/11/2017 and was elected by the regular. General Meeting. It has 14 members: 8 executive members, 4 non-executive members, 2 independent nonexecutive members.

Audit Committee
It was elected and operates in accordance with Law 4449/2017 (article 44). It supports the work of the Board.

Internal Audit Department
Informs the Board regularly on the implementation of the Company's internal operating regulation.

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 2017 (p. 52), the Annual Financial Report 2017 (p. 29-34), and in the company website www.elvalhalcor.com (Investor Relations / Corporate Governance / Board of Directors section).

Risks and opportunities management
The Company operates in an economic and social environment characterised by various financial and non-financial risks (all financial risks are reported in the Risks and Uncertainties section of the 2017 Board of Directors Report). In this context, the Company has established procedures for controlling and managing non-financial risks. The main categories of non-financial risks for the Company are environmental risks and risks related to Occupational Health and Safety. Managing these risks is considered highly important by the Company's Management, as they involve the risk of affecting (directly or indirectly) the Company's smooth operation.

ElvalHalcor's Internal Regulation (approved by the Board of Directors) clearly outlines risk areas and includes specific procedures that have been developed on the basis of the Principe of Prevention for managing Health and Safety and environmental issues.

Additionally, relevant risks are assessed on an annual basis through the certified Management Systems that the Company implements. Our aim is to reduce the probability and significance of risks in these areas. In this effort, the Company takes preventive measures, it plans and implements specific programs and takes action and monitors its performance through the relevant indicators it has set (quality, environmental, occupational health and safety). In addition, the Company carries out all the risk assessments that are required by law and implements operational and safety criteria that are in line with Greek and European law. Furthermore, it develops a contingency plan and works closely with the local authorities and the Fire Brigade to rapidly and effectively deal with potential incidents.

Distinctions - Awards

ElvalHalcor is recognised and rewarded for having sustainable development as its ultimate goal while it proceeds with investment in modern business practices and a focus on quality and innovation. We are proud of the awards and distinctions we have received so far, as they are a reward for the efforts we make, and motivate us to reach even higher goals.

Sustainability Performance Directory highlights ElvalHalcor between the 21 “Most Sustainable Companies in Greece”. Moreover ElvalHalcor was ranked a Sustainability Leader for 2017

Aluminium rolling division - Elval	Copper tubes division - Halcor
2017	
• Elval’s top distinction for its participation in the Transport & Logistics Awards 2017 • Creative Greece Awards 2017 - Elval’s distinction • Diamonds of the Greek Economy 2017 - Elval’s distinction	• Made in Greece Awards 2017- 1st award in category “Industrial Excellence” • «Greek Exports Awards» - 2nd award as a «Top Greek Export Company 2017» • Halcor “Supplier of the Year 2017” • Creative Greece Awards 2017 - Halcor’s distinction • Diamonds of the Greek Economy 2017 - Halcor’s distinction
	
2016	
• Elval won the top innovation prize for its product Elval Grain at the 3rd Applied Research and Innovation Competition ‘Greece Innovates! • Elval received the True Leader Award from ICAP • “Diamonds of the Greek Economy 2016” - Elval's distinction • Active Greece Awards 2016	• Business IT Excellence (BITE) Awards 2016 - Gold Award in the category “Special Applications for Companies”, in the manufacturing industry. • Creative Greece Awards 2016 - Halcor’s distinction • Diamonds of the Greek Economy 2016 - Halcor’s distinction
2015	
• Elval as a ‘True Leader' for 2014 • Elval's distinction at the Bravo Sustainability Awards (Bravo Environment category) • Elval received a partner’s award from Denso at the annual suppliers’ conference	• Double distinction at “Ethos Sustainability Awards 2015”. Halcor won: - the 1st prize in the category “CSR Report 2015” - the 3rd prize in the category “Corporate Social Responsibility Group 2015”

Aluminium rolling division - Elval	Copper tubes division - Halcor
2014	
• Elval as a 'True Leader' for 2013 • Elval's distinction at the Business IT Excellence (BITE) Awards 2014 in the Advanced Supply Chain Planning and Optimisation category • Elval's distinction at the "Diamonds of the Greek Economy 2017"	• Distinction at the "Business Awards HRIMA - George Ouzounis 2014". • Distinction for Halcor at the Greek Exports Awards 2014. • Best Supplier Award 2014.
2013	
• Honorary distinction for the 2012 Sustainability Report from the University of the Aegean • True Leader Award from ICAP	• Exporter of the year - Top distinction for Halcor at the Greek Exports Awards 2013. • IASON 2013: Premier Greek Exports Award at the Greek Exports Awards 2013. • Honorary distinction for our 2012 Corporate Responsibility and Sustainable Development Report from the University of the Aegean.
2012	
• Distinction for Elval's 2010 Report in the Sustainability Index (BRAVO process) • 3rd award for Elval's 2011 Sustainability Report from the University of the Aegean • True Leader Award from ICAP • 3rd place at the CEO & CSR Awards 2012 -Money Conferences	• Halcor was praised awarded by the University of the Aegean for the high ranking its "2011 Sustainability Report" • Dual distinction for Halcor's 2011 Sustainability Report at the "Bravo 2012" (Perception Index and Sustainability Index).
2011	
• A commendation from the University of the Aegean for Elval's 2011 Sustainability Report • True Leader Award from ICAP	• Halcor among the "Strongest Companies in Greece" (based on the rating performed by the Icap Group). • Halcor was chosen as Greece's Country Representative during evaluation of the Greek participations in the European Business Awards 2011.
2010	
• A commendation from the University of the Aegean for Elval's 2009 Sustainability Report. • 1st Clean Technology award for Elval's delacquering furnace, at the Hellenic Association of Environment Protection Enterprises (PASEPPE) Awards	• Honorary distinction for Halcor's 2009 Sustainability Report from the University of the Aegean. • The Icap Group rated Halcor as one of the "Strongest Companies in Greece".
2009	
• International Activity Award at the ACCI 2009 Awards • Elval came 14th in the Corporate Social Responsibility rating by Accountability Rating Greece	• Export Leader in the "2009 Export Turnover" category by Helexpo and Statbank in September 2009. • Halcor came 22nd in the Corporate Social Responsibility rating by Accountability Rating Greece.

Participations in networks and organisations

We recognise the importance of sharing experiences for a sustainable future. In this effort, we seek to cooperate and participate in networks, organisations, associations and sectoral or wider business clubs (both internationally and nationally). At the same time, through our participation in corporate social responsibility collaboration networks, we monitor sustainability trends and developments, with a view to developing responsible practices that will contribute to sustainable development.

ElvalHalcor participates:
- actively in CSR Hellas since 2009 as main member
- as a founding member of the Federation of Recycling and Energy Recovery Industries
- actively in the Hellenic Federation of Enterprises (SEV)
- as ordinary member at Athens Chamber of Commerce and Industry (EBEA)
- as (founding) member in the Federation of Sterea Ellada Industries (SBSE)
- as ordinary member at Hellenic Union of Industrial Consumers of Energy (UNICEN)
- in the Union of ASE Listed Companies.

Halcor - Copper tubes division participates:
- intensively as (founding) member in the Hellenic Copper Development Institute (EIAX)
- as member in the International Copper Association (ICA) since 1996
- as an ordinary member in standard drafting committees of the European Committee for Standardization (CEN)

Elval - Aluminium rolling division participates:
- as a member of the European Aluminium Association
- as a founding member of Aluminium Association of Greece
- as a founding member 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.

Sustainability path requires actions and synergies

Symetal S.A.

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

Symetal has two production facilities - the rolling plant situated at Oinofyta and the converting plant situated at Mandra.

Our products
Aluminium foil and aluminium flexible-packaging materials:

- Converter foil
- Pharmaceutical foil
- Cable wrap foil
- Foil for food containers
- Foil for tea lights
- Foil for heat exchange equipment
- Foil for technical applications
- Household foil
- Hair foil
- Cigarette aluminium foil
- Chocolate aluminium foil
- Chewing gum foil
- Lacquered lidding foil
- Lacquered blister foil
- Lacquered cheese foil

Rolling plant (Oinofyta, Viotia)
The rolling plant produces aluminium foil for various uses, including flexible and pharmaceutical packaging food containers, household and various technical applications (cables, insulations, heat exchangers, etc.). The unit's annual production capacity is 52,000 tons.

Converting plant (Mandra, Attica)
The converting plant carries out aluminium foil coating and/or paper lamination for products used for food and pharmaceutical packaging and cigarette inner liners. The unit's annual production capacity is 26,000 tons.

Following an EUR 8 million investment plan, the plant is now one of the most advanced in the world.

With 40 years' experience in aluminium foil rolling and processing, Symetal offers tailor-made and sustainable foil solutions. Symetal is highly export-oriented with 95% of its sales carried out in over 60 countries across the globe. Symetal follows a dynamic commercial policy focused on expanding into markets where demand is particularly attractive, such as the pharmaceutical foil packaging market.

Symetal's customer base includes large multinationals such as Amcor, Constantia, Imperial Tobacco, Japan Tobacco International and Wrigley.

Symetal follows a business development model that is based on Sustainability principles and is characterised by a continuous improvement and development approach. It is worth noting that since the beginning of its activity until today, the Company has managed to increase the size of the production facility over thirty times. This is mainly thanks to its investment policy and philosophy. An important part of Symetal's investment plan are large investments focused on optimising production processes and manufacturing of high added-value products. More specifically, in 2017, Symetal made investments totalling EUR 2.5 million.

Symetal's products and services stand out for their top quality. The Company makes continuous investments to promote the constant improvement of production processes and product control and to improve the services it provides, highlighting their high quality as a competitive advantage. In this context, Symetal implements a certified Quality Management System, in accordance with the international ISO 9001 standard.

Business IT Excellence Awards 2017/ WITSA ICT Excellence Awards 2017

Symetal received a Gold Award for its participation in the Business IT Excellence (BITE) Awards 2017. The Company participated in the category "Special Applications for Companies by Business Sector - Processing / Manufacturing".

The award-winning project concerned the implementation of an Advanced Supply Chain Planning and Optimisation system, using Quintiq software. The project's aim is to optimize the production process, in which raw materials and production capacity are optimally delivered to meet demand.

In addition, Symetal stood out at the WITSA (World Information Technology and Services Alliance) Awards, for the implementation of the Slitting Optimization system. This was achieved by developing and applying a specialized algorithm which is combined with the use of an already available software and the development of in-house applications. This achievement could not have been completed without the full prior implementation of a number of applications in the Advanced Planning Systems range.

Made in Greece Awards 2017

Symetal received a distinction during the Made in Greece Awards 2017 in the category "Export Excellence in Industrial Product" for its product "Foil for pharmaceutical packaging".

Economic performance
We consider our overall contribution to the country's economic and social development as important as Symetal's activities create value for all stakeholders (e.g. paying direct and indirect taxes, suppliers, employees, social security contributions, implementing investment projects, by being an export-oriented company, etc.).

Key financial figures	2015	2016	2017
Revenue (EUR million)	205.0	202.8	220.3
EBT (EUR million)	8.4	5.8	5.1
Earnings after taxes (EUR million)	5.3	4.4	3,4
Capital expenditure plan (EUR million)	10.0	2.3	2.5
Operating cost (EUR million)	196.1	196.5	214.6
Wages and employee benefits (EUR million)	12.2	12.3	12.8
Sales volume (thous. tn)	62.7	65.2	65.8

Care for our people
Symetal recognizes the importance of the contribution of its people to its successful business path. In this context, we manage human resources responsibly, by implementing an equal opportunities policy, avoiding all kinds of discrimination and respecting labour and human rights. We strive to provide and maintain a safe working environment that supports responsible labour practices.

Workforce data (31/12)

10.3%
women in total workforce

	Women	Men
2017	36	313
2016	34	310
2015	34	308

349 employees

52% employees from local community

Symetal is constantly committed to its growth strategy and saw again, in 2017, an 1.5% increase in jobs. In this context, we support and strengthen local employment, as more than half of our employees (180 employees in total) come from the local communities where we operate (in the wider area of Viotia, Evia, Thiva, Livadia, Aspropyrgos, Elefsina, Mandra and Megara).

	Women	Men
Managers	-	3.2%
Senior executives	1.7%	9.2%
Office staff	7.2%	17.2%
Other staff	1.4%	60.2%

In 2017, Symetal welcomed 28 new employees, 12 of whom came from the local community. The turnover rate stood at 6.3%.

Workforce age profile

Age	Women	Men
18-30	12	59
31-50	20	211
51+	4	43

New employee hires (breakdown by age group and gender)

Age	Women	Men
18-30	2	15
31-50	2	9
51+	-	-

76.8%
of our workforce was trained

We consistently invest in our people, utilizing the most up-to-date skills development systems and tools, focusing on continuous training, designing and implementing high added value training programs. Our training plan for 2017 included 161 seminars, totaling 4,476 hours, and the average training time per employee was 12.8 hours. In total, 268 employees were trained at least once, i.e. 76.8% of our human resources.

Training hours (by employment category)

	Women	Men	Total
Managers	-	302	319
Senior executives	96	835	914
Office staff	190	1,016	1,206
Other staff	59	1,978	2,037
Total	345	4,131	4,476

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.

Strengthening our internal communication

In 2017, we launched an internal newsletter, called "Symetal's world". This publication will be issued annually and will communicate any information related to our priorities, achievements and corporate goals, while special mention will be made of the Company's Sustainable Development issues.

Employee satisfaction survey

In 2017, the Company completed its employee satisfaction survey. The employee satisfaction survey is considered as an important internal feedback tool for the Company. In this survey, the employee participation rate was quite high.

Symetal's people in the Athens Classic Marathon

For the first time, Symetal participated in the 35th Athens Classic Marathon, held on Sunday, 12 November 2017. The Company running team participated in the 5 and 10 km races.

Occupational Health and Safety

At Symetal we have special respect for the protection of human life and our priority is to design measures to predict and prevent accidents. We demonstrate our commitment in this area by designing and implementing a specific investment program on an annual basis to constantly improve Occupational Health and Safety management, while also focusing on training and engaging our people in relevant issues. We implement a certified Occupational Health and Safety Management System (OHSAS 18001), in whose context serious and systematic efforts are made to continuously improve Health and Safety issues at our facilities. In 2017, multiple initiatives and actions were implemented at the Company's factories.

Rolling plant (Oinofyta, Viotia)	Converting plant (Mandra, Attica)
• Pilot implementation of L.O.T.O (LockOut TagOut) system during maintenance work. Theoretical and practical training. • Installation of a semi-automatic packing machine. • Ergonomic improvement of work positions (preventing musculoskeletal disorders). • Improving the pedestrianization of outdoor spaces for the safe arrival and departure of employees. • Setting truck parking spaces.	• Installation of a new foam fire extinguishing system in the flammable store. • Renovation of employees' changing rooms. • Creation of a second charging station for forklift trucks.

26%
LTIR

Lost time incident rate (LTIR)	
2017	9.8
2016	13.3
2015	4.9

Severity rate (SR)	
2017	216
2016	125
2015	220

Total training hours (H&S issues)	
2017	1,665
2016	974
2015	711

**LTIR: Lost time incident rate (number of LTI incidents per 10^6 working hours)*

***SR: Severity rate (number of lost work days per 10^6 working hours)*

Environmental protection

For us, environmental protection is inextricably linked to the Company's Sustainability and is a key pillar of our business strategy. Our responsible operation in this area is demonstrated through targeted, systematic, everyday practices that combine responsible environmental management with the effort to reduce our environmental footprint.

We have established and implement a specific environmental policy, that is translated into action by:

- implementing a certified Environmental Management System (in accordance with the international ISO 14001 standard) in all of our production units,
- our commitment to ensuring environmental protection,
- implementing targeted programs and actions, which aim to continuously improve the Company's performance in this area.

Total CO_2 emissions (Kg CO_2/tn of product)	
2017	403
2016	359
2015	332

Water consumption (m^3/tn of product)	
2017	0.585
2016	0.555
2015	0.465

For the calculation of the indirect CO_2 emissions for the years 2016, 2017, the coefficient 0.58415 kg CO_2/KWh has been used (source: European Residual Mixes 2016, AIB).

All of us together and each one of us, must promote environmental protection through action. To strengthen this culture, at Symetal we place 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.

Eliminating waste from rolling oils

Over the past two years, Symetal took action to eliminate, at the Oinofyta plant, waste from rolling oils in the production process. In 2017, the redesign of the sealing of roller bearings was completed, while the newly designed seals were made of special, high-tech materials. We thus succeeded in eliminating the contamination of rolling oils, which meant that their total replacement was no longer necessary. More specifically, in the first phase (2016), there was a reduction in the quantities of relevant waste by 88%, from 3.88 kg of waste per tonne of aluminium produced (average over the past five years, before this action was taken) to 0.47 kg of waste per tonne of aluminium produced. This action was completed in 2017 when the complete elimination of waste was achieved (second phase). Overall, with this action, we managed to avoid the production of 165tn of hazardous waste per year.

We focus on waste reduction and elimination practices

Optimising production processes - Reducing waste

At the Mandra plant, particular emphasis was placed on optimizing the production process. Our aim is to reduce internal returns during production by reducing the production of waste in paper, aluminium and aluminium foil laminated to paper. A 5% decrease in waste materials per product was achieved both by optimizing the raw materials size (aluminium, paper) and by reducing machines' frequency and set-up time aluminium.

Responsibility towards society

We consider it our obligation to consciously coexist and to actively support the local communities and the environment of the regions where we operate. It is worth noting that 52% of our human resources come from local communities.

At the same time, in 2017, we supported and strengthened local entrepreneurship, and managed to increase our cooperation with local suppliers by 45%. We collaborated with 196 local suppliers, while payments to them amounted to EUR 196.3 million.

Symetal supports local organisations and sports associations, on an annual basis, through various sponsorships, and stands by the school community.

With heightened sensitivity and an increased sense of responsibility, Symetal stood by the residents affected by the devastating floods in Mandra, Attica, towards the end of 2017. Meal distribution (door to door) was carried out for approximately a week in cooperation with the Dipnosofistirion Catering social responsibility agency "Excess Heart".

Symetal standing by the residents affected by the devastating floods in Mandra, Attica

Elval Colour S.A.

Elval Colour is a leading European coil coater and aluminium composite panel producer with green products that contribute to sustainable buildings. The Company manufactures and sells a full range of building envelope products of superior quality and latest technology.

A full range of building envelope products of superior quality and latest technology

With 40 years' of experience in coating and colour matching, Elval Colour is a reliable partner that offers added value services to customers by assisting in product specification and selection to best suit the needs of the project/application. Customer orientation and dedication accompanies production and product delivery.

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 the fields of transport and shipping. A wide range of painted aluminium coils and sheets are also available for guttering, shutters, facades, ceilings, internal and external cladding as well as range of general applications for architectural solutions and special construction purposes.

Elval Colour offers major construction firms special architectural applications across a wide range of products such as painted orofe® panels and strips for ceilings, Ydoral® strips and parts for guttering, and painted strips and sheets of aluminium for skylights, shading applications and shading systems, Elval ENF Corrugated® sheets, Elval ENF Perforated® sheets, compact aluminium Elval ENF® sheets for building facades and composite aluminium etalbond® panels, and Agraphon® and Arypon® functional coating systems. Elval Colour thus covers the entire range of painted aluminium products for the shell of buildings, focusing on the reduction of their energy footprint. Thanks to this full range of products, the Company aims to offer comprehensive solutions that can bring an architectural vision to life, playing a dynamic role in the development of architecturally innovative spaces where top quality and Sustainability are vital.

Elval Colour offers major construction firms special architectural applications across a wide range of products such as painted orofe® panels and strips for ceilings, Ydoral® strips and parts for guttering, and painted strips and sheets of aluminium for skylights, shading applications and shading systems, Elval ENF Corrugated® sheets, Elval ENF Perforated® sheets, compact aluminium Elval ENF® sheets for building facades and composite aluminium etalbond® panels, while in 2016, the "etalbond A2" was added in the etalbond® range. It is a composite aluminium panel with a non-combustible core that meets the most stringent international fire protection requirements for building facades. Elval Colour thus covers the entire range of painted aluminium products for the shell of buildings, focusing on the reduction of their energy footprint. Thanks to this full range of products, the Company aims to offer comprehensive solutions that can bring an architectural vision to life, playing a dynamic role in the development of architecturally innovative spaces where top quality and Sustainability are vital.

Elval Colour's products come in an extensive range of basic colours and painting systems, and tailor-made colours can also be ordered and prepared at the Elval Colour's specially equipped laboratories and then painted on one of the four painting lines, allowing the Company to meet its customers' diverse needs and requirements.

More information about the Elval Colour's products can be found on the Company's website http://www.elval-colour.com.

Continuous R&D in various fields allows steady improvement of technology, quality, and environmental standards.

As regards research and development, the etalbond A2 production composition has been optimized and new surfaces have been developed to mimic natural materials not only in shade but also in texture such as GFRC ceramics, wood and marble. Furthermore, painted aluminium products can last up to 40 years with Cr-free passivation. This is achieved through a revolutionary aluminium substrate aluminium. Additionally, the Company launched the new range of composite panels which are unique in the industry, with anodized aluminium surfaces with 20 μm anodizing.

With a strong export orientation, 99% of Elval Colour's sales are made outside of Greece. Key markets include Germany, Italy, Poland, France, Singapore, India and China.

The Company is a member of the European Aluminium Association, and a member of the European Coil Coating Association. ElvalColour has management systems certified in line with the ISO 9001, ISO 14001 and OHSAS 18001 standards.

In September 2017, Elval Colour was awarded with the Green Certificates of etalbond®FR and etalbond®A2, by the world-famous Singapore Green Building Council SGBC.

The Company, through its operation over the years, strives to achieve continuous and responsible growth, based on the principles of Sustainable Development. Elval Colour's efforts are primarily focused on the following axes:

- high quality products and providing comprehensive solutions / services to its customers,
- environmental protection through sound environmental management practices implemented in all productive activities,
- caring for its people, seeking to ensure Occupational Health and Safety and
- cooperation with local communities, responding to their expectations and needs.

Care for our people

A key priority for Elval Colour is ensuring a working environment of fair wages, respect for human rights and diversity and providing equal opportunities to all employees. We systematically invest in our people, placing great emphasis on their continuous training and development.

Workforce data

74 employees

	Women	Men
2017	12	62
2016	12	62
2015	9	49

46.3% employees from local community

	Employee hires	Employee departures
2017	17	14
2016	25	11
2015	4	0

35.3%
of new recruits were people from the local community

Age distribution

Age	Women	Men
18-30	0	11
31-50	12	41
51+	0	10

Elval Colour aims to promote the lifelong learning of its people and to strengthen the professional skills and abilities needed to meet business challenges. The training plan for 2017 comprised a total of 222 training man hours.

Occupational Health and Safety

The protection of the Health and Safety of our employees and associates is a top priority for Elval Colour. The Company aims to constantly improve its performance in this area, by implementing every best practice that will help achieve the goal of "zero accidents". The Company applies a certified Occupational Health and Safety Management System (OHSAS 18001) and also implements targeted programs and actions, such as:

- Introduction of Lockout-Tagout Procedures at the plant.
- 5S training.
- Safety walks.
- Systematic application and extension of the Health and Safety procedures provided by the Occupational Health and Safety Management System.
- Ongoing and targeted employee training on Occupational Health and Safety.
- Stepping up Health and Safety audits and recording near misses.
- Upgrading of fire protection systems.
- Regular external audits by a certified operator.

We focus on health and safety issues by implementing targeted improvement programs

39.9%
LTIFR

Lost time incident rate (LTIR)	
2017	12.8
2016	21.3
2015	0

Severity rate (SR=LDR)	
2017	115
2016	128
2015	0

LTIR: Lost time incident rate (number of LTI incidents per 10^6 working hours)

SR: Severity rate (number of lost work days per 10^6 working hours)

Environmental protection

We are committed to protecting the environment through targeted actions that matter. Striving to constantly reduce our environmental footprint, we continually invest in new infrastructures that strengthen environmental protection. Furthermre, we apply responsible operating practices and implement a certified Environmental Management System (ISO 14001).

Total CO_2 emissions (Kg CO_2/tn of product)	
2017	1,030
2016	945
2015	985

Water consumption (m^3/tn of product)	
2017	0.47
2016	0.24
2015	0.21

For the calculation of the indirect CO_2 emissions for the years 2016, 2017, the coefficient 0.58415 kg CO_2/KWh has been used (source: European Residual Mixes 2016, AIB).

In 2017, a Power Quality Optimisation System (to increase the efficiency of power supply) was installed in the electrical installation of the company's plant. Important environmental benefits, as a reduction in air emissions is achieved. In addition, the Company has developed technology that allows 100% use of post-consumer scrap in both aluminium and grains during their production.

Care for Society

Social responsibility and contribution is an integral part of the Company's culture and strategy. Elval Colour contributes significantly to the economic development of the local area, supporting local employment (giving priority to hiring locally) and entrepreneurship (seeking cooperation with local suppliers).

Elval Colour stands by the local community by systematically supporting programs and actions that affect society. In 2017, we supported:

- The Syrian refugee Shelter, in cooperation with the Arab-Hellenic Chamber of Commerce and Development, with food, toys and everyday care items.
- The Schimatari "Proteas" Basketball Club, providing sports equipment.
- The Faros primary school, through the supply of new computers and software.
- The Youth Symphony Orchestra of Greece, sponsoring their concert.
- The NGOs "Doctors Without Borders" and "The Smile of the Child", through the massive participation by Company employees in the 35th Athens Classic Marathon.
- The program for collecting used sports shoes and clothing by the Team of the World "Institute Team for the World - Environmental Alliance 2004+" organisation, as part of Company employees' participation in the 35th Athens Classic Marathon.

Vepal S.A.

Vepal produces painting aluminium strips for architectural and automotive applications. The Company's products are marketed by Elval Colour and ElvalHalcor's aluminium rolling division.

(For more information about Elval Colour's products, visit our websites: http://www.elval-colour.com and http://www.elvalhalcor.com)

Vepal's cutting-edge production plant in Thiva has a total annual production capacity of around 45,000 tons. Aluminium sheets and coils intended for architectural and industrial applications, the automotive industry and food packaging are painted at the Thiva plant using wet and electrostatic painting methods. The unit has implemented a comprehensive environmental management system, utilises zero emission systems for gas and liquid waste.

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

Implementing responsible operating practices is our strategic choice. In this effort we emphasize and effectively focus our actions on the crucial pillars of corporate responsibility: Economy, Society, Environment. It is our strategic choice to constantly invest in our people. We strive to achieve the goal of zero accidents by constantly improving our working environment. We take care to minimize our environmental footprint and we always stand by the local community where we operate by helping in meeting its needs.

Care for our people

Our human resources are the foundation of our business success. Thus, we are constantly investing in attracting and retaining competent employees, while also investing in our existing human resources by systematically providing incentives and opportunities for continuous skills development. With a sense of responsibility, we strive to offer our people a working environment of equal opportunities that respects employees' personality, promotes meritocracy, dignity, safety at work, and supports creativity.

Workforce data

	Women	Men
2017	8	88
2016	8	85
2015	8	83

	Employee new hires	Employee departures
2017	8	5
2016	6	4
2015	7	3

86.9% of Vepal's employees come from the local area

Occupational Health and Safety

Protecting the Health and Safety of our people and associates is a top priority for us, and we are committed to meeting all necessary safety standards. This is reflected in Vepal's official policy and in the fact that the Company comprehensively manages Health and Safety issues, through a certified Occupational Health and Safety Management System (OHSAS 18001).

Recognizing our responsibility towards our people and striving to further improve workplace safety, we implement a series of initiatives aimed at promoting and strengthening a "safety culture", such as:

- Ongoing training for employees and contractors about health, safety and fire safety.
- Constantly encouraging employees to make suggestions about improving Health and Safety conditions, through the implementation of a relevant suggestion program and rewards.
- Drafting a corporate safety, health and environmental protection manual.
- Constantly improving the Company's procedures with new safe working guidelines.
- Implementing targeted actions to improve working conditions (e.g. noise protection, improved ventilation systems, etc.).
- Scheduled and unscheduled Health and Safety audits, carried out by an extensive number of Company executives.

50.6%
Lost time
incident rate

Occupational Health and Safety indicators

Lost time incident rate (LTIR)	
2017	8.5
2016	17.2
2015	13.1

Severity rate (SR=LDR)	
2017	374
2016	528
2015	22

Environmental protection
As an industry, we always operate with respect for the environment. Aiming at a comprehensive approach to environmental protection, the Company has created appropriate infrastructures and systematically manages environmental issues. The Management's commitment in this area is reflected in the environmental policy established and implemented by Vepal, and is also reflected, in practice, in the implementation of a certified Environmental Management System (in accordance with the international standard ISO 14001). Additionally, significant investments are made, on an annual basis, to improve infrastructures and ensure environmental protection, as well as to continually improve the Company's environmental performance.

Total CO_2 emissions (Kg CO_2/tn of product)	
2017	379
2016	373
2015	412

Water consumption (m^3/tn of product)	
2017	0.22
2016	0.19
2015	0.18

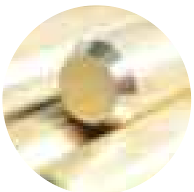
For the calculation of the indirect CO_2 emissions for the years 2016, 2017, the coefficient 0.58415 kg CO_2/KWh has been used (source: European Residual Mixes 2016, AIB).

Vepal's production plant (Thiva, Viotia) was one of the first plants in Greece to implement a comprehensive wastewater recycling system.

Responsibility for society
Firmly committed to strengthening its ties with the local community where it daily operates, Vepal seeks to implement social responsibility practices and actions, so as to contribute to the prosperity of local communities. To this end, the Company strives to meet its needs in human resources through the local labour market. At the same time, the Company supports local entrepreneurship through the selection of suppliers / associates from local communities.

Fitco S.A.

Fitco specialises in producing copper alloys. Fitco has operated commercially worldwide for more than 35 years and its production unit is located at Oinofyta - Viotia, with a capacity of 40,000 tons annually. The Company's products are manufactured through hot or cold extrusion and include the following:

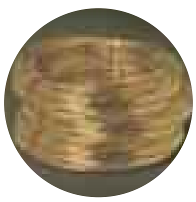


Solid and perforated brass bars (round - hexagonal - squared)

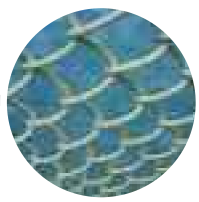
Solid and perforated brass profiles

Brass wires

Brass sheets



Copper alloy wire



UR30® copper alloy wire and mesh for applications in aquaculture

* *The raw materials used come exclusively from recycled copper and brass in billet form.*

For more information about the company's profile and products, you can visit the corporate website www.fitco.gr.

Key financial figures

Fitco is mainly export-orientated, with 73% of production being directed to foreign markets.

Regarding the results of the year 2017, the revenue amounted to EUR 65.5 million while the sales volume amounted to 19,815 tons.

Key performance indicators

Revenue (EUR million)	
2017	65.5
2016	43.7
2015	63.4

Volume of sales (tons)	
2017	19,815
2016	13,673
2015	16,969

Net profit / (loss) after taxes (EUR million)	
2017	(0.1)
2016	(1.9)
2015	(3.5)

Capital expenditure plan (EUR million)	
2017	0.6
2016	0.4
2015	0.7

Operating cost (EUR million)	
2017	65.7
2016	42.4
2015	63.9

Employee wages and benefits (EUR million)	
2017	3.6
2016	3.2
2015	3.1

Note: The data presented in brackets above are negative.

High product and service quality

We strive to continuously improve the quality of our products and services. Our aim is to provide innovative products through new technological processes, so as to maintain a strong competitive position. For this reason we systematically invest in improving production processes and product control.

To ensure products' high quality, we implement a certified Quality Management System (ISO 9001). In addition, we have a fully staffed quality assurance department with qualified and trained personnel, carrying out strict and thorough controls at all stages of production. The quality control procedures applied are validated through frequent inspections by customers and, also, through inspections by independent Greek and international certification bodies.

Compliance with the high quality standards of the CW510L and CW511L alloy products is proven by the NSF certification mark displayed (suitability for use in applications coming into contact with drinking water). Fitco products meet the leading European and American quality standards (EN, DIN, BS, ASTM, JIS).

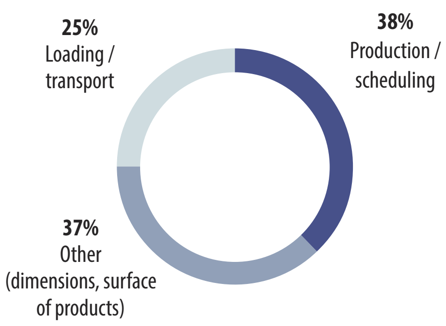
Innovation and development of products and technology

The Company focuses on continuous development, constantly investing in research and know-how to produce innovative products. In this context, it develops new products with innovative applications.

Customer satisfaction
We monitor and record our customer satisfaction levels in a systematic and organised manner through frequent customer satisfaction surveys. We evaluate survey results and plan improvement actions where necessary.

Customer complaints management
Possible complaints are an important source of information for us and, where necessary, an opportunity to further improve and redesign processes. In 2017, complaints received by Fitco were reduced by 22% compared to the previous year. All complaints were answered and handled appropriately and directly.

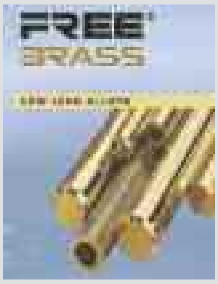
Complaints type / category



Improving bar surface coloring

As a result of some customer complaints, a thorough investigation into the production process of hexagonal brass alloy products was carried out, concerning the coloring of the surfaces of these products. The complaint concerned a demand for a lighter surface colour because surfaces darken when a surface oxide layer is formed (this is a natural consequence of static annealing without a protective atmosphere). After a number of tests this issue was resolved by adding a further process step. More specifically, after the static annealing, deoxidation was performed in a sulfuric acid solution at higher concentration, and then the bar surface was cleaned.

Product innovations: new copper alloys with low lead content (“Free Brass”)



The progressively stricter European and American regulations, combined with studies on lead solubilisation in drinking water, gave rise to the development of lead-free brass alloys with maximum permissible lead content limit of 0.2% by weight.

The new brass alloys with low lead content is certified under the NSF/ANSI 372-201 standard and included in the NSF list. Therefore, the “Free Brass” alloys, CW510L CW511L, are suitable for use in applications where there is contact with drinking water (e.g. faucets, plumbing fittings, forged valves, etc.). Moreover, the scraps and the turnings can be recycled without any problem of mixing with basic leaded alloys.

Antimicrobial copper

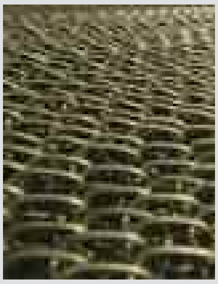
Greek and foreign scientists have documented this property of surfaces made of copper and its alloys, studying their effectiveness in neutralising bacteria hazardous to health, when these come into contact with such surfaces.

The logo of its global trademark consists of the designation “antimicrobial copper” and the sign “Cu^+”.

Antimicrobial Copper Cu^+

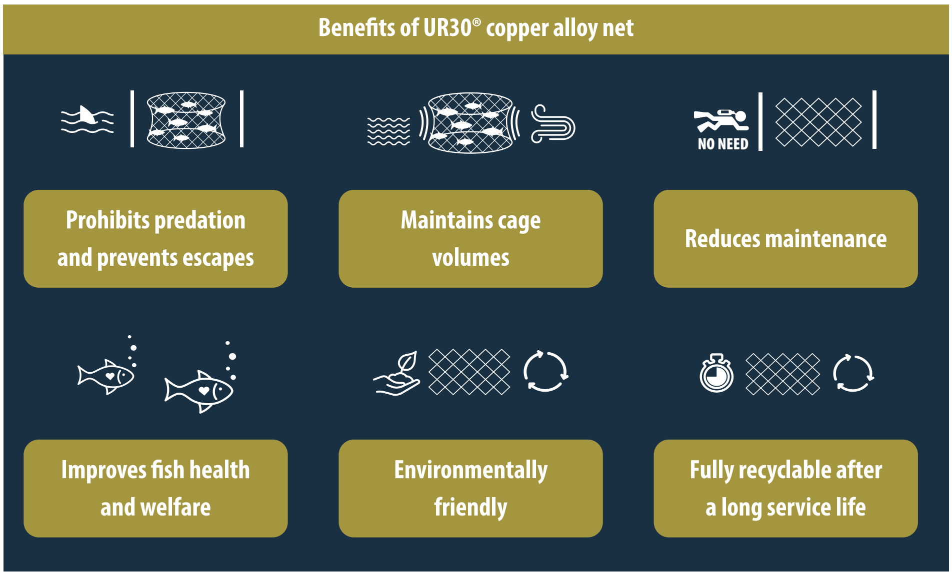
Fitco is certified by Hellenic Copper Development Institute and manufactures copper alloy products with copper content over 60% in a wide range of shapes, sizes and characteristics used for applications such as door handles, handrails, indoor surface facades, taps and bathroom accessories, catering establishments and public transport.

UR30® copper alloy wire and net for aquaculture applications



Fitco produces the UR30® Copper Alloy Net, specifically engineered for aquaculture applications. The net comprises a Cu-Zn-Sn copper alloy material in wire form with diameter ranging from 2mm to 6mm. It is of the “chain-link” type with square openings ranging from 18mm to 100mm.

The UR30® Copper Alloy Net presents an ideal solution for the fish-farming industry addressing key challenges in a sustainable way. Having been deployed in various environmental conditions for the production of several fish species, the UR30® Copper Alloy Net has proved its performance over many years in seawater, yielding better productivity indices, lower life-cycle costs and higher net economic benefits for fish farmers.



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

Supply chain
To support the local community, Fitco chooses, when possible, to collaborate with local suppliers.

An important part of Fitco's raw material supplies is covered by using scrap metals. This results in both protecting natural resources and drastically reducing energy usage to produce the Company's products, over their life cycle.

Supplier categories (number)	2015	2016	2017
Local suppliers	81	76	95
National suppliers	473	454	454
International suppliers	100	86	111
Affiliated companies	21	29	21
Total	675	645	681

24%
of Fitco's employees come from the local area

Care for our people

Firmly oriented to human values, we seek to create a working environment that reflects respect for human rights and provides equal opportunities to all employees.

In 2017, Fitco increased jobs by 5.2%. All employees have employment contracts and work full-time (in 2017, no seasonal or part-time employees were employed by the Company). Women comprised 13.6% of the total workforce.

Workforce data (31/12)

	Women	Men
2017	12	88
2016	13	82
2015	12	76

Workforce breakdown by gender and age group

Age	Women	Men
18-30	1	10
31-50	9	42
51+	2	36

According to the breakdown of our employees by age group, 62% of the workforce belongs to the 18-50 age group.

	Women	Men
Managers	1%	4%
Office staff	6%	9%
Other staff (warehouse staff and workers)	5%	75%

We methodically invest in the continuous training of our employees, to enhance their knowledge and skills, and improve their efficiency.

Distribution of training man-hours by subject

Occupational Health and Safety	50%
Management/Administration	28%
IT issues	13%
Quality and environment	9%

Occupational health and safety management

The goal of "zero accidents" remains our first priority. We apply a certified Occupational Health and Safety Management System (in accordance with OHSAS 18001), in the context of which we implement targeted programs and actions such as:

- Reorganisation of the fire protection system
- Upgrading of personal protection equipment
- Upgrading of safety markings in the plant's outdoor spaces and, indoors, in production areas.

Health and safety indicators

Lost time incident rate (LTIR)	
2017	9.9
2016	8.6
2015	0

Severity rate (SR=LDR)	
2017	122.2
2016	30
2015	668

Total training hours (health and safety issues)	
2017	92
2016	87
2015	42

LTIR: Lost time incident rate (number of LTI incidents per 10^6 working hours)

SR: Severity rate (number of lost work days per 10^6 working hours)

Environmental protection

We implement a certified Environmental Management System (ISO 14001) and invest in new infrastructure to continuously improve our environmental performance, such as:

- rational waste management, with waste prevention as a priority,
- optimization of production processes through the use of Best Available Techniques established by the European Union,
- continuous employee training on environmental management issues and distribution of educational leaflet: "Guidelines for sound environmental behavior" to all employees.

Fitco's approach to waste management is primarily based on waste prevention and reducing waste volume, followed by the implementation of best available recycling and recovery practices.

Total CO_2 emissions (Kg CO_2/tn of product)	
2017	331
2016	269
2015	237

Water consumption (m^3/tn of product)	
2017	2.85
2016	2.80
2015	2.00

For the calculation of the indirect CO_2 emissions for the years 2016, 2017, the coefficient 0.58415 kg CO_2/KWh has been used (source: European Residual Mixes 2016, AIB).

Energy management

Over the past years, Fitco has been implementing energy saving practices and interventions. To continuously improve its energy efficiency, the Company chose to proceed in this area in a more organised way. More specifically, in 2016, Fitco started designing and implementing an Energy Management System in accordance with the requirements of the international standard ISO 50001. It is expected that the System will be certified by an independent Certification Body within 2018.

Supporting local community

Fitco seeks to implement sustainability practices and actions in order to contribute to the prosperity of local communities. On an annual basis, and in cooperation with ElvalHalcor's copper tubes division, Fitco supports actions that are primarily targeted at local communities. In addition, Fitco strives to cover its staffing needs through the local labour market and also supports local entrepreneurship by choosing local suppliers, contractors and associates.

Sofia Med S.A.

Sofia Med, a subsidiary of ElvalHalcor, is based in Sofia, Bulgaria on an area of 250,000 m2 and has three production units: foundry, rolling and extrusion mills. Sofia Med produces a wide range of rolled and extruded copper products, as well as copper alloy products, such as sheets, strips, plates, disks, rods, bare and plated copper bus bars, profiles, components, and wires, used in a diverse range of building and industrial applications.

Sofia Med prioritises Sustainable Development issues, such as care for employees, environment protection, health and safety at work, as well as high customer satisfaction. The company implements an integrated management system for quality, environmental management, and occupational health and safety, in accordance with the requirements of the international standards ISO 9001, ISO 14001, and OHSAS 18001. The wide production range meets the requirements of the European standards EN, and the standards BS, DIN, ASTM, JIS or any other specific customer requirements.

For more information, please visit: www.sofiamed.bg

Sofia Med's high capacity and efficient operations are the result of a major investment plan realised over the last seventeen years, which is EUR 180 million.

key financial figures

	2015	2016	2017
Capital expenditure plan (EUR million)	5.0	3.7	6.8
Gross profit/(loss) (EUR million)	(4.5)	10.5	25.8
Sales revenue (EUR million)	299	287	425
EBITDA (EUR million)	1.3	12.7	25.8
EBIT (EUR million)	(9.5)	4.9	17.8
Working capital (EUR million)	48	39	44.6
Debt / Equity (EUR thousand)	1.33	1.07	0.79
Customers (number)	437	465	517
Employees' wages and benefits (EUR million)	6.6	7.0	8.3

Note: The data presented in brackets in the above table are negative.

The Company core philosophy focuses on commitment to transparency in all its operations, protecting employees' health and safety and minimising its environmental footprint. Sofia Med implements a series of actions, such as:

- keeping customer satisfaction at high levels and quality management of products and services
- advancement 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.

ISO 26000:2010

Sofia Med conforms to the ISO 26000:2010 guidelines in Social Responsibility. In particular, the company received a Letter of Conformity by an independent international certification body for complying to the core guidelines of the following seven thematic sections of the ISO 26000: corporate governance, consumer issues, human rights, employment practices, fair operating practices, environmental protection, cooperation with local communities.

LETTER OF CONFORMITY

3005217

With the following, the undersigned Lead Social Accountability Auditor and Training Manager of Bureau Veritas Certification Bulgaria, 81 A, Bulgaria Blvd., 1404 Sofia, Bulgaria, on behalf of Bureau Veritas Certification Holding SAS attests that SOFIA MED AD, ID Number 130144438, underwent a full review of the implemented Social Accountability Practices in line with ISO 26000:2010 Guidance on social responsibility. The assessment took place in the company premises on May 22nd, 2017.

SOFIA MED AD demonstrated its high standards regarding:

- Organisational governance
- Human Rights
- Labour practises
- Health and Safety Working Conditions
- Environment Protection
- Fair operating practices
- Customers
- Community involvement and development

The company demonstrated af ully developed social accountability system.

30 May 2017
Maritsa Panova
Leadd Social Auditor
Training Manager
Bureau Veritas Certification Bulgaria

Bureau Veritas Certification
81A, Bulgaria Blvd., fl. 4
1404 Sofia, BULGARIA
Tel. +359 2 983 60 00
Fax +359 2 983 60 65

certicication.bulgaria@bg.bureauveritas.com
http://www.bureauveritas.com

For reference:
http://www.sofiamed.bg/en/company/corporate-governance/code-of-conduct
http://www.sofiamed.bg/en/capability/csr

Customer focus

Sofia Med follows a customer-oriented approach, prioritising customer satisfaction. The commitment of the management in this area is described in the Quality Policy implemented. According to the company policy, its objectives are:

- the continuous improvement of customer satisfaction
- a high quality of products to ensure they meet the 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 provides a working environment of equal opportunities that respects the personality, rewards the contribution and supports the continuous growth of every employee. Sofia Med substantially and systematically invests in its people, focusing on their continuous training, personal growth and professional advancement. As a result of the company's growth, in 2017 workforce increased by 4.3% compared to previous year.

Key priority of the Company is to secure a working environment of fair compensation, respect for human rights, diversity and equal opportunities to all the employees.

19.3%
percentage of women in total workforce

Employee data (31/12)

	2015	2016	2017
Men	429	450	471
Women	115	110	113
Total workforce	544	560	584
Employee departures	107	108	115
Employee hires	97	124	139
Training hours per employee	14	12	13

On an annual basis the Company organises social events and educational campaigns for the employees and their families, including:

- Health, safety and environment month
- Summer children's camp
- Christmas children's party.

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 health and safety of Sofia Med's employees and contractors is a top priority. The goal of zero accidents remains Sofia Med' first priority.

Environmental protection

Sofia Med has established and implements an integrated Environmental Policy under which it is committed to environmentally responsible business.

Environmental performance

Total CO_2 emissions (Kg CO_2 / tn of product)	
2017	604
2016	750
2015	810

Water consumption (m^3 / tn of product)	
2017	9.27
2016	11.03
2015	8.45

For the calculation of the indirect CO_2 emissions for the years 2016, 2017, the coefficient 0,48160 kg CO_2/KWh has been used (source: European Residual Mixes 2016, AIB).

Supporting local communities

Sofia Med implements sustainability practices and actions in order to contribute to the prosperity of local communities, such us: elevating in its selection criteria employment and suppliers from the local community, as well as, working with various government agencies, technical colleges and universities and provides professional training to students and university graduates.

Participation in networks and organisations

As part of our sustainability strategy, Sofia Med actively participates in a series of networks, organisations, and associations to jointly identify and promote solutions of sectoral or business interest. Sofia Med is a member of the:

- European Copper Institute – ECI
- Hellenic Copper Development Institute – HCDI
- Bulgarian Association of Metallurgical Industry – BAMI
- Hellenic Business Council in Bulgaria - HBCB
- Bulgarian Association of Recycling – BAR
- Bureau of International Recycling – BIR.

2. Customer-oriented approach

For us, a customer-oriented approach is part of our identity. This is demonstrated by the long-term relationships of trust and cooperation that we have developed over the years with our customers.

We have a strong customer focus

ElvalHalcor's customer-oriented culture and philosophy is based on building reliable and long-lasting relationships with our customers. Our Company's vision is realised through the coexistence of innovation, technological know-how, cooperation, mutual respect, trust and passion for business excellence. Seeing the ever-increasing demands of our customers as a challenge, we take into account their development plan and particular needs, offering high quality services and comprehensive solutions.

Our flexibility and ability to adapt to our customers' demands is our competitive advantage. We tailor our products and services on an individualised basis to meet specific customer needs and demands in a cost-effective way. We cultivate trust and the exchange of views, taking seriously into account the views of our associates, in an open and two-way communication with them.

We grow together, sharing current market challenges and opportunities and plotting, together, a dynamic path for the future. Reliability, trust and cooperation lie at the heart of our efforts to highlight ElvalHalcor as a leader in global and domestic markets.

Customer satisfaction

Following our customer-oriented philosophy, we make good use of our customers' views and possible complaints, as an opportunity to continually improve our services and products. We conduct customer satisfaction surveys on a regular basis. Customer views are recorded and evaluated. Our increased market share, combined with the long-term relationships of trust and cooperation with our customers, are important factors that demonstrate high customer satisfaction.

Innovation

Elval's success and long-term development lies in the power of innovation. Technological innovation is at the core of all our activities, allowing us to overcome challenges and prepare for the future. For this reason, ElvalHalcor invests in research and development (R&D) to enhance its state-of-the-art facilities, introduce technological improvements across various metallurgical applications and offer cutting-edge products and integrated solutions that address specific customer needs. We have a dedicated in-house Research, Development and Technology Departments that allows us to develop unique solutions and value-added aluminium products for our customers.

For more information about ElvalHalcor's innovation, see 2017 Annual Report/ section 12 Innovation or you can visit the corporate website www.elvalhalcor.com (section Our products).

Investing in innovative technologies supports our sustainability path

Elval is dynamically entering the plates market

Following a recent, large investment, ElvalHalcor's aluminium rolling division is now able to produce high quality aluminium plates, strengthening the Company's competitive position in global markets. Plates are thick aluminium sheets, mainly used in shipbuilding, storage tanks, as well as in the tool and mold industry.

One of the most important markets, which the aluminium rolling division is targeting, is that of maritime transport. The addition of plates in the aluminium rolling division's product portfolio is important, as it completes the range of products provided by ElvalHalcor to fully meet the needs of the shipbuilding market. These products are highly durable, have high processing capability, are corrosion resistant and, through the reduction of the overall construction weight, become the ideal building element that ensures the adequacy and viability of every shipbuilding construction.

Elval, having obtained certification for plates by international experts, is continuously improving its production technologies, in order to provide its customers with high quality aluminium products, suitable for their demanding applications.

Edmond and Lily Safra Center

The Endmond and Lily Safra Science Center at the University of Jerusalem is a pioneering center for brain exploration. The Center's building has been designed by the famous architectural agency Fosters and Partners, responsible for some of the most emblematic contemporary projects. Its main feature is the Neuron Screen, intended to visualize the center's scientific activity through the shading technique. The inspiration for the façade design came from a manuscript of Santiago Ramón y Caja, a Nobel Prize-winning pathologist and neuroscientist, depicting a cortical column of cerebral neurons as seen in the microscope, dating back to 1899.

The building's four facades are covered with a pattern of aluminium pieces depicting human brain neurons. Elval is the only supplier of the façade construction project, delivering 90 tons of aluminium sheets. The Neuron Screen consists of 560 unique - non-repeating patterns - aluminium pieces, which, after their proper processing (a process undertaken by the Greek company Mevaco), depict, in their final form, human brain neurons. The construction of the Endmond and Lily Safra Science Center added another flagship architectural project to Elval's portfolio.

Downgauging packaging

Closely monitoring developments in the food industry, Elval is committed to the market trend of reducing the thickness of aluminium in soft drink cans. Thanks to the specialised in-house Technology Center, the aluminium rolling division is able to respond directly to customer demands. The Technology Center managed to reduce the thickness of aluminium supplied for soft drinks cans, fully meeting customer needs while also impacting the environment positively, as with this practice, resource, energy and raw materials conservation is achieved.

Aluminium circles in the automotive industry

ElvalHalcor's aluminium rolling division, with its growing presence in the automotive market, provides high quality products for the construction of passenger and commercial vehicle components, including braking systems, structural components, sliding window and seat frames, thermal insulating covers, and heat exchangers. Aluminium circles are a very important part of the above range of products and are supplied to the largest manufacturers in Europe, in a wide range of thicknesses and diameters. They are mainly intended for the manufacture of brake boosters as well as for pneumatic suspension systems.

Talos® Ecutherm ALU

ElvalHalcor's copper tubes division expanded the Talos® Ecutherm product range with a new type of insulation, which is coated with an aluminium foil. The outer aluminium foil has a multilayer structure, allowing the self-bonding to the insulation from cross-linked polyethylene of high strength (PEX of a reticulated type). The end result provides excellent application on the copper tube, also offering protection from sunlight and mechanical stress and increasing resistance to fire.

Talos® Ecutherm NBR

Expansion of the Talos® Ecutherm range of products with NBR insulation made of Nitrile Butyl Rubber elastomeric material. Pre-insulated copper tubes with NBR insulation provide a comprehensive installation solution that combines energy conservation with ease of installation. Factory-insulated copper tubes allow for a perfect fit between the tube and insulation and are much more effective compared to traditional insulation methods (applying NBR insulation by hand).

Talos® Ecutherm Straight Lengths

We have expanded the Talos® Ecutherm range of products with a new type of pre-insulated straight lengths tube. The provision of pre-insulated copper tubes with cross-linked polyethylene of high strength (PEX of a reticulated type) insulation in straight sections allows for easy and quick installation in central air conditioning systems. In addition, they offer improved aesthetic results in the new trend of installing open-top central air conditioning systems without a false ceiling.

The addition of Talos® Ecutherm ALU, Talos® Ecutherm NBR and Talos® Ecutherm Straight Lengths to the product portfolio completes ElvalHalcor's range of products intended to reduce heat loss in building applications.

Commitment for quality

Offering high quality products and reliable solutions ensures a competitive advantage and is also a matter of corporate responsibility. At all stages of production, ElvalHalcor applies strict and extensive quality control procedures, leveraging the expertise of its highly trained and skilled staff to ensure top quality across the whole range and at all stages of production of its product portfolio.

Actively proving our commitment to high quality products and services, we apply, in all our facilities, a Quality Management System certified according to the requirements of the international ISO 9001 standard. Furthermore, the aluminium rolling division is certified in accordance with the automotive industry's IATF 16949 standard. All Company products comply with European and American standards and bear international organisations' quality marks.

For us quality assurance means:

- applying international quality assurance standards
- strict audits at all stages of production by qualified and trained staff
- continuous improvement of production processes and product audits
- investing in new infrastructure and state-of-the-art equipment.

We systematically invest in the continuous improvement of production processes and controls for all our products, as well as in improving the quality of the services we provide. We focus on providing top quality products and services, immediate service, short delivery times, tailor-made solutions, and appropriately and directly handling possible complaints.

Moreover, all aluminium and copper products of ElvalHalcor comply with the specifications of the European Directive 94/62/EC on the management of packaging waste. All our products are accompanied by various quality marks, certifying adherence to high standards, depending on the use.

(For more information on quality management and quality marks in the copper tubes division, please visit http://www.halcor.com/60/. At www.elval.com/en/technology all the relevant information is available regarding the aluminium rolling division's quality excellence approach.)

Our 2018 goals

- Maintaining a high level of customer satisfaction
- Further increase of existing market shares and entry into new markets
- Further development of new products
- Upgrade of ElvalHalcor's copper division quality control laboratory equipment.

3. Creating value

Sustainability is an integral part of our business model

Our approach

As a Company investing in Sustainability, we are committed to operating and growing following healthy business values and principles, implementing responsible operating practices.

Our sustainability strategy revolves around three main pillars: Economy, Society and the Environment. ElvalHalcor is an export-orientated company that strives for responsible expansion, is focused on strengthening its customer-oriented approach and continually investing in research and development to continue to offer innovative high-quality products and solutions. We are committed to protecting the environment, implementing responsible employment practices, as well as supporting and cooperating with our local communities.

Sustainability is an integral part of our business model, operations and corporate culture.

Inputs → **Value creation** → **Output**

Inputs

- **Financial resources**
- **Industrial resources**
- **Human resources**
- **Natural resources**
- **Social resources**

Sustainable Development

Responsible business development | Care for society and our people | Environmental protection

Strategic direction

Responsible business development

- Extroversion and penetration into new markets
- Customer-orientated philosophy
- Emphasis on innovation, research and development
- Delivering high quality and innovative products
- Continuous increase in production capacity

Care for society and our people

- Humanistic philosophy
- Occupational health and safety
- Supporting local communities

Environmental protection

- Responsibility for the environment
- Applying responsible environmental practices and taking preventive actions
- Continuous improvement of our environmental footprint

Output

- **Social product**
- **Strengthen the national economy**
- **Innovative products and services**
- **Employment**
- **Employee development**
- **Support local communities**

Sustainability issues management

ElvalHalcor operates its Sustainability Policy (www.elvalhalcor.com) in accordance with the Company's values of responsibility, integrity, transparency and innovation. Management is committed to sustainable development.

Sustainability organisational structure

ElvalHalcor's Top Management

- **Elval's General Management**
  Aluminium rolling division
- **Halcor's General Management**
  Copper tubes division

Informs Board of Directors about material issues and Company's Sustainability report

Sustainability Team

- **Elval's Sustainability Team*:**
  Coordinated by the Human Resources Manager
- **Halcor's Sustainability Team*:**
  Coordinated by the Strategic Planning Director

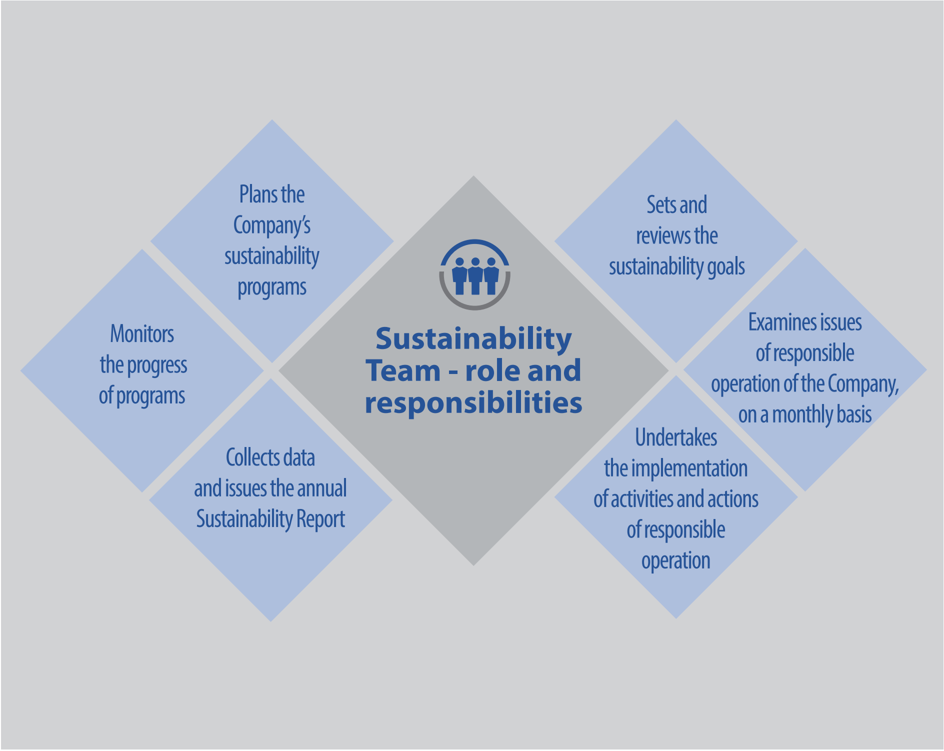
Conveys sustainability management issues to the Board of Directors.

** The Sustainability Team consists of people from the following departments: Strategic Planning Department, Human Resources Department, Financial Department, Internal Audit Department, Administrative Department, Quality Assurance and Environment Department, Health and Safety Department, Supply Chain Department, Marketing Department.*

Halcor's Sustainability Team

Elval's Sustainability Team

The main objective of our team is to create and promote a wider culture of responsibility, seeking to involve increasingly more employees in relevant activities.



Stakeholder communication

We are committed to maintaining systematic, two-way engagement with our various stakeholders. Open engagement with the various stakeholder groups encourages discussion around issues of concern, shaping new ideas that can be further evaluated and put into action, allowing the Company to effectively respond to the challenges and opportunities offered by their operating environment. Our Sustainability Policy involves commitment to transparency and dialogue with our stakeholders, taking into account their views regarding strategy development.

Close operation and open engagement with stakeholders seek to boost transparency and forge strong relations built on trust and partnership with all our stakeholder groups (especially with our key stakeholders):

- Key stakeholders (who are of critical importance for the Company): employees, customers, suppliers,

Stakeholders	Our commitment	Communication channels
Employees	**Occupational health and safety** **Personal and career development**	• Ongoing communication between Management and employees • Communication and updating via the Company intranet • Newsletters on notice boards • Internal newsletter • Christmas event for all employees • Company website
Shareholders/ Investors	**Good corporate governance and transparency in all activities** **Compliance with the legal framework and standards**	• 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 and annual basis to the Board • Constant communication of financial analysts and investors with the Company executives • Investor Relations Officer • Shareholder Relations Officer • Presentation at the Hellenic Fund and Asset Management Association • Annual Report • Annual Sustainability Report
Customers	**High levels of customer satisfaction** **Development of innovative products**	• Sales Department (constant contact, physical, over the phone or by email) • Company website and social media • Customer satisfaction survey • Participation at trade fairs

shareholders/ investors, public and statutory bodies, local community, NGO's and the scientific community.
- Secondary stakeholders (who are affected by Company decisions and activities): The business community, communication firms, the mass media, and relevant professional associations.

Below we present an overview of the dialogue and communication between ElvalHalcor and its stakeholders.

In line with our commitment to sustainability, we publish annual Sustainability Reports that detail our economic, social and environmental activities and performance. We present our sustainability achievements, strategic priorities and future goals as well as information about our commitment to sustainable operations and development. Through this sustainability report we seek a more comprehensive update to all our stakeholders.

Communication frequency	Stakeholder's expectations	ElvalHalcor's response (report's section reference)
• Constant • Constant • Constant • 3-month • Annual • Constant	• Labour and insurance issues • Employee evaluation issues • Human resources personal and career development • Briefings about Company goals and their achievement • Communication with the Management	5. Care for our people
• Annual • Constant • Constant • Regularly • 3-month, 6-month, 9-month and annual basis • Constant • Constant • Constant • Annual • Annual • Annual	• Supporting Company competitiveness • Company profitability • Containing operating costs • Transparent relations with stakeholders • Proper Corporate Governance • Regulatory compliance • Avoidance of incidents that slur the Company's name • Reduction / Elimination of risks/hazards	1. About ElvalHalcor
• Constant • Constant • Annual and every two years • When held	• Excellent standards, high quality products • High level of service • After-sales support • Updating of customers on market developments and about Company products	2. Customer oriented approach

Stakeholders	Our commitment	Communication channels
Suppliers	**Support of local suppliers and responsible practices of selection and evaluation of suppliers**	• ElvalHalcor's Procurement Department (constant communication, both physical and over the telephone) • Attendance at trade fairs and events • Training (on annual basis)
Local communities	**Support for local communities to promote mutual growth**	• Constant communication with local bodies and associations • Participation in activities organised by local bodies and associations
NGOs	**Transparency in all activities**	• Participation in NGO as member • Participation in sectoral and business organisations • Events / Conferences
Governmental and Institutional bodies	**Good corporate governance and transparency in all activities** **Compliance with the legal framework and standards**	• Attendance at conferences and sectoral or other events of general business interest • Consultation with Representatives of the State and Institutional Authorities at a national level
Scientific community	**Investments in research and technology**	• Exchanges of views on issues of joint interest • Events / Conferences on issues of joint interest • Surveys / Studies

Communication frequency	Stakeholder's expectations	ElvalHalcor's response (report's section reference)
• Constant • Constant • When held • Constant	• Objective evaluation based on merit • Support of local suppliers • Updating of suppliers on market developments	4. Sustainability in the supply chain
• Constant • When required	• Company response to local community issues • Recruitment of staff from the local community • Support of local entrepreneurship by supporting local suppliers	8. Care for local communities
• When held • When held • When held	• Support NGO's activities • Partnership with NGO's	8. Care for local communities
• When held • Regularly	• Compliance with the legislative and regulatory framework in force • Support of State actions and programs • New investments • Creating and maintaining jobs • Care for the environment • Transparency and accountability	1. About ElvalHalcor 5. Care for our people 7. Environmental protection
• Constant • When held • Regularly	• Exchanges of views on issues of joint interest • Extended applications of copper and aluminium • Effects of copper and other metals on the human body and the environment	2. Customer oriented approach

4. Sustainability in the supply chain

We are in a continuous dialogue and communication with our partners, to join forces for sustainable development

Our approach

Cooperation relationships with our suppliers are crucial to our Company's Sustainability, as our suppliers significantly impact our business operation and help achieve our business goals.

Over the past years, we started developing a complete responsible supply chain management procedure. Our responsible supply chain management initiatives include, but are not limited to:

- developing a Supplier Code of Conduct
- continuous collaboration, information sharing and raising our suppliers' and associates' awareness about sustainability and responsible operation issues

ElvalHalcor's Supplier Code of Conduct provides a framework that we follow to ensure responsible management of our supplies. The Code outlines our expectations/requirements of our supply chain (suppliers/associates) with regard to sustainability. It covers issues including environmental protection, occupational health and safety, business ethics and anti-corruption, labour practices, transparency, confidentiality, meritocracy and equal opportunities. ElvalHalcor provides this Code to its suppliers and contractors who are expected to adopt common values and principles with regards to sustainability, which we believe generates two-way benefits. We encourage our suppliers to raise awareness of the Code's principles

At a glance

74%
national suppliers

315 EUR million
total payments to all national suppliers (Greek companies)

29.3 EUR million
strengthening local entrepreneurship

14%
we increased our cooperation with local suppliers

across their own suppliers and subcontractors too, further improving the supply chain.

Our partners / suppliers

Due to the nature of our activity, the largest volume of purchases relates to metals, especially copper, and aluminium. The list of our suppliers for 2017 numbers a total of 3,500 active suppliers. Of our total suppliers 74% are domestic (national suppliers) and the remaining 26% are based abroad (international suppliers). The basic categories of our suppliers, including:

- suppliers of metals (domestic and international)
- suppliers of other materials and equipment
- contractors
- energy and fuel companies
- consulting firms.

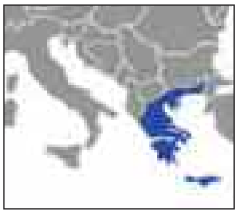
In 2017, we started collaborating with 547 new suppliers. Our supply chain structure did not change significantly in 2017, compared to previous years.

The Company's procurement policy follows a strategy for supporting the local economy, offering business opportunities and employment to local suppliers. During the supplier evaluation and selection process, the locality criterion is positively evaluated.

We seek cooperation with local suppliers

Suppliers expenditures distribution per category	Aluminium rolling division - Elval			Copper tubes division - Halcor		
	Suppliers (number)		EUR million**	Suppliers (number)		EUR million**
International	612	72%	572	367	23%	418
National	1,593	28%	227	1,228	77%	88
Total	2.205	100%	799	1,595	100%	506
Local suppliers	120	7.5%*	12	174	17%*	17.3

** To all national suppliers.*
*** It concerns invoiced amounts in 2017.*



Supporting national entrepreneurship

In 2017, total suppliers expenditures amounted to EUR 1,305 million. Of this amount, EUR 315 million (24%) concerned payments to Greek companies.

Coaching our partners

As our suppliers and partners are an important link in our business chain, we have chosen to be in constant communication and cooperation with them. In addition, by focusing on the need to raise awareness and commit to joint initiatives that will promote the development of responsible supply chain practices, we take care to inform and train our suppliers on wider responsible operation issues. An initiative that we started in 2015 and now implement on an annual basis, as we have received positive feedback from our suppliers on this practice.

At the end of 2017, we held a training seminar for our suppliers' executives regarding the new non-financial reporting legislation. Our ultimate goal is to inform our associates about developments in this area and to promote Sustainability principles in our supply chain.

We monitor the responsible operation of our suppliers

In the context of our certified Management Systems (ISO 9001, OHSAS 18001, ISO 14001, ISO 50001), we implement supplier evaluation processes. We select and evaluate our associates based on the criteria of cost, quality and delivery time. We positively evaluate suppliers / associates, if they maintain environmental management systems. For specific types of suppliers, their environmental performance is considered for their evaluation and subsequent selection or rejection. Similar criteria for compliance with Occupational Health and Safety regulations are in place for the contractors we cooperate with. A prerequisite for employment and cooperation is compliance with our policies (e.g. Environmental Policy, Health and Safety Policy, Sustainability Policy, etc.). Compliance with the relevant legislation is the responsibility of every Company associate and is also a prerequisite for employment and cooperation.

Applying circular economy programs

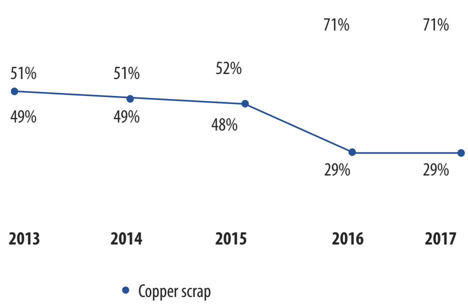
Elval procures primary aluminium as well as scrap aluminium (recycled aluminium), thereby significantly contributing to its recycling and helping build a circular economy with major economic, social and environmental benefits. Elval has been making efforts in this direction for years, mainly by:

- working with its customers for the return of scrap aluminium to the Elval plant
- investing in new, modern technology units that allow for the environmentally friendly and effective melting and casting of recycled aluminium
- operating a model Aluminium Can Recycling Center (CANAL), to promote the recycling of used aluminium cans and to raise public awareness about its benefits.

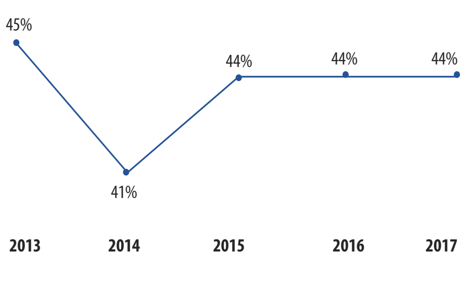
In a similar way, Halcor's main raw material is copper and, accordingly, it ensures that part of its needs in copper is covered by the use of recycled copper (scrap) from used old metals that have reached the end of their life cycle. Copper scrap is an extremely useful secondary raw material of great environmental value.

From 2007 until today we have recycled and reused large quantities of metals. In this way, we have achieved significant savings in natural resources, energy and cost.

Copper scrap proportion to total metal purchases



Percentage use of recycled aluminium scrap*



** % of recycled aluminium compared to all raw materials (aluminium), including in-house re-cycling during the production process.*

Our goals for 2018

- Further increase in scrap use
- Implement a new supplier evaluation process
- Conduct sustainability training for suppliers
- Monitor the responsible operation of suppliers

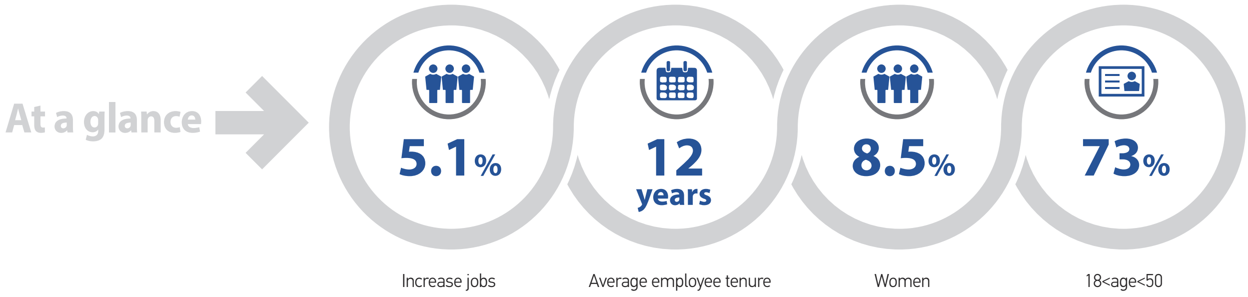
5. Care for our people

"Our people" are the key to our success. Our success is based on the dedication, creativity and know-how of our people.

Investing in our people

We stand by our people with a sense of responsibility and consistency and we actively support their professional development. Our human resources strategy focuses on empowering employees, strengthening leadership skills, promoting talent and on enhancing a customer-oriented culture. To achieve this, we follow and implement, internally, continuously evolving human resource management systems and practices.

ElvalHalcor invests in its human resources, as it has recognized the important contribution of its people to its business success and to achieving its business goals. A key priority for ElvalHalcor's management is to ensure optimum working conditions and fair rewards, with respect for human rights, diversity and equal opportunities for all employees. Our human resources policies and initiatives are intended to effectively attract, develop and retain employees.



Steadily oriented to human values, the Company strives to implement responsible management practices with regard to human resources. The Company focus on material issues such as:

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

By the end of 2017, ElvalHalcor's big family numbered 1,264 full-time employees. Compared to the previous year, job growth was 5.1%.

Our people's age profile is an important asset, as the majority of ElvalHalcor's workforce is less than 50 years old.

8 DECENT WORK AND ECONOMIC GROWTH

We seek to implement responsible labour practices

Age structure by gender

Elval

Age group	Men	Women	
18-30	57	8	8.3%
31-50	477	59	68.3%
50+	177	7	23.4%

Halcor

Age group	Men	Women	
18-30	28	5	6.9%
31-50	272	19	69.7%
50+	146	9	32.4%

In 2017, the Company recruited 109 new employees, with 39.4% of new recruits being young people under the age of 30. As regards the employee turnover rate in 2017, it stood at 3.9%.

Employee departures and recruitments (2017)

Elval

Age group	Employee recruitments	Employee departures
18-30	21	1 (5.5%)
31-50	22	10 (55.5%)
50+	3	7 (39%)

Halcor

Age group	Employee recruitments	Employee departures
18-30	22 (35%)	9 (39%)
31-50	37 (59%)	9 (39%)
50+	4 (6%)	5 (22%)

We support local recruitment, focusing our efforts on continuously empowering and developing human resources, as well as on staffing our Company with the best employees, to ensure the continuous achievement of our strategic business goals.

Distribution of workforce by geographical sector and gender

Elval Geographical sector	Men	Women	
Attica	316	31	44.2%
Local community*	389	43	55.0%
Rest of Greece	6	0	0.8%

Halcor Geographical sector	Men	Women	
Attica	244	21	55.3%
Local community*	199	12	44.1%
Rest of Greece	3	0	0.6%

** Local community: Greater Viotia and Evia Area*

We constantly strive to increase the participation of women in our workforce

Our recruitment policy provides opportunities to develop local employment. As a result of this policy, at the end of 2017, 51% of the total workforce came from the local communities, reflecting the close ties we seek to maintain with local communities. Additionally, 15% of people in management and senior executive jobs came from the local area. At the same time, 28 out of a total of 109 new recruits came from the wider area of Viotia.

Job opportunities for the younger generation

Our Company offers to many young people (students and non-students), mainly through internships and work experience programs, the opportunity to apply their knowledge to a real work environment. In 2017, Elval gave 76 young people the opportunity to work and do their internships at its premises. Our young colleagues had the chance to get acquainted with the industry, gain work experience, receive on-the-job training and develop skills that will help them perform better in the future. All participants described this work experience very positively. It was a real pleasure for us to hear young people recognize that they are in a positive, cooperative working environment which - at the cutting edge of technological developments - offered them a new perspective on their professional career.

Equal opportunities and respecting human rights

All the human resource management procedures and practices we implement are governed by the principle of non-discrimination and comply fully with relevant national legislation. We actively implement the Code of Conduct (which includes basic rules of conduct, values and principles, such as equality, respect for diversity, integrity, morality, transparency, personal responsibility), by cultivating a working environment of dignity and mutual respect, which accepts and incorporates diversity. Our strategic approach and philosophy includes equal development opportunities and meritocratic development for all employees. Based on our equal opportunities policy, there is no wage discrimination between men and women (pay for men and women holding the same jobs is the same).

As a result of the control policies, procedures and mechanisms put in place, during 2017 like also in previous years, no incident of child or forced labour was identified and no incident related to violation of human rights has taken place.

In our workforce, the participation rate of men is much higher than that of women. This is mainly due to the nature of ElvalHalcor's activities (industry) and the physical demands of such work, as well as to the distance of the production operations from large urban centers. The ratio of men to women employees is approximately 91.5% to 8.5%. As a consequence, the percentage of women in posts of responsibility (Directors and senior executives) is also low, accounting for around 7%. However, it is worth mentioning that there is a good representation of women in administrative posts (26.2%).

Ongoing training and employee development

We believe that the continuous training of our people is an important factor for the sustainability and business development of our Company. We are focusing on the ongoing training of the workforce, implementing integrated training programs that support our people's lifelong development. The training plan is designed and shaped to meet demands at every level and is aligned with the Company's priorities. In 2017, 16,129 hours of training were completed in total and 70.7% of our workforce was trained (893 employees were trained at least once).

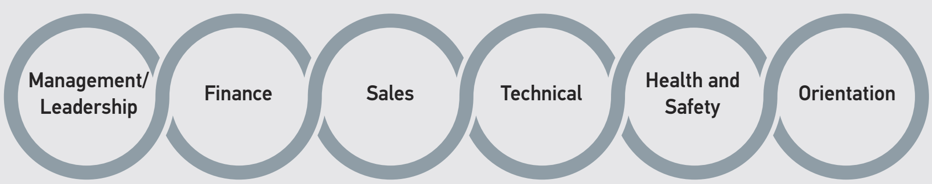
5 GENDER EQUALITY

We maintain a working environment based on an equal opportunities that respects the human rights

Elval Academy - Dedicated to excellence

In 2017, ElvalHalcor's aluminium rolling division created the Elval Academy. This Academy is a key way of creating a common culture within Elval and aligning the organisational needs and goals with the individual ones, offering high quality training programs. The Academy's full scope is to develop effectively employees' skills, knowledge and expertise through various trainings, which are based on structured methodology, customised sessions and material that meet specific needs and cover a wide range of knowledge fields. Elval has also invested on highly skilled trainers – both internal and external – who, thanks to their extensive experience and deep knowledge, are considered a valuable asset to our Company.

The Academy has been structured on four levels and covers fields like:



4 QUALITY EDUCATION

We built our Company's future by investing in our people

Training our partners

On its own initiative, the Company provides training to the employees of partners who work within its premises. The subjects of the training mainly concern Occupational Health and Safety, environmental management, quality, etc. More specifically, in 2017 a total of 3,818 hours of training were completed for our partners. The purpose of these trainings is to raise our partners' awareness, encouraging them to comply with the standards applied by ElvalHalcor and observe the safety rules within our facilities.

We recognise, appreciate and reward the efforts of our people

Additional benefits
Seeking to offer a decent standard of living for all employees, we have established and implement a multiple benefit system (provided to all our employees without any discrimination). 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.

The Company follows a humanistic approach, based on establishing stable and lasting relationships with its workforce. In this context, it always stands by its people when in hardship or facing important health issues, supporting them and their families in every way.

Psychological wellbeing helpline

On 10 October 2017, World Mental Health Day, a psychological wellbeing helpline (free of charge) was launched for all our employees and their families. This provision, confidential and scientifically safe, thanks to the assistance of qualified, certified and independent providers, aims to help mitigate and solve as far as possible personal or family issues that may concern our people or their relatives.

Employee evaluation

The employee performance evaluation system implemented by ElvalHalcor promotes objectivity and transparency during evaluation and consists of procedures that take into account the position, functions and scope of work of each employee.

In 2017, Elval started implementing the new, modern workforce evaluation system, successfully applying it to 100% of the aluminium rolling division's employees and executives. Employee evaluation is carried out annually and all participants have access to the results of their evaluation.

Communication with our people

Internal and multidirectional communication is an important priority for us. Strengthening the climate of trust between employees and Management strengthens corporate culture and promotes employees' collaboration. At the same time, we believe that it greatly enhances the ties of employees and their families with ElvalHalcor (for more information you can visit www.elval.com and www.halcor.com). Seeking to promote an open and two-way internal communication, we implement an "Open Doors" policy at ElvalHalcor, whereby Management is always willing to accept and discuss issues that concern human resources.

Supporting sports

For yet another year, ElvalHalcor's people dynamically participated in the 35th Athens Classic Marathon, held on Sunday, 12 November 2017. With a new record number of entries (42 entries by Elval and 49 entries by Halcor), our teams of runners also ran for the joy of offering, as our Company, for each athlete's participation, made a donation to the NGO Make A Wish and the NGO "The Smile of the Child". All participants enjoyed this racing experience, giving their best, which was also reflected in their performance.

Our people in the Authentic 35th Athens Marathon

Our sports team

Elval is a leader in sports, as it has a soccer and basketball team with active participation in local corporate championships and top performance:

- Elval's football team came 1st in the "Business Champions League" of Schimatari and 1st in the factory championship of Viotia
- Elval's basketball team came 1st in the factory championship of Oinofyta.

Our athletes excel

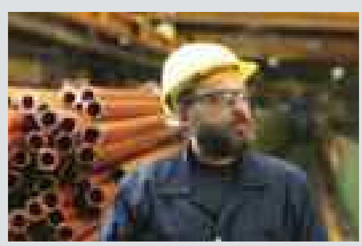
For the third consecutive year, Halcor sponsored the participation of its employee and athlete Vassilis Solidakis in the Youth-Master Formula Windsurfing World Championship, held in Lago di Santa Croce in Italy (27 June -1 July 2017). We are twice as proud, since one of our own won 7th place in the Youth-Master Formula Windsurfing World Championship, while he also won 1st place in the 2017 Greek championship.

Our 2018 goals

- Further employee training/support on six sigma methodology implementation
- Employee training and awareness on sustainability issues
- To develop an intranet for internal information and communication purposes and to promote our sustainability performance.


ΧΑΛΚΟΡ


ΧΑΛΚΟΡ



6. Occupational Health and Safety

3 GOOD HEALTH AND WELL-BEING

Our commitment to protecting the health and safety of our people and associates is an absolute and non-negotiable priority. However, we recognize that we still have a long way to go before we achieve our goal of "zero accidents" hence we work methodically towards it

Strong commitment

Our people and associates health and Safety protection is our priority and primary concern and we are committed to implementing optimum safety standards.

ElvalHalcor's management strong commitment is reflected in the Health and Safety Policy (www.elvalhalcor.com, Sustainability / Health & safety). To implement the Policy, ElvalHalcor applies an Occupational Health and Safety Management System (in accordance with the OHSAS 18001 international standard) in all its production plants. This system:

- is based on prevention,
- aims at the continuous improvement of health and safety conditions at work,
- focuses on the employee to ensure his / her safety in the workplace,
- encourages the participation and contribution by all employees and associates,
- follows strict standards and is certified annually by an independent body.

Employee and contractor safety

Through a systematic effort focused on accident prevention, we aim to continuously improve our performance in this area. We go beyond mere compliance with the national and European legislation in force and apply best practices and standards for occupational health and safety. We are promoting a policy for continuous improvement, with a positive impact on the development of a safety culture, at all levels of our operation.

Our approach to Occupational Health and Safety, includes:

- Continuous investment in infrastructure projects to increase safety at work (zero access policy, life lines, etc.)
- Installation of L.O.T.O (LockOut TagOut) system on plant machines
- Safe conduct audits to establish a "Climate of Safety"
- In-depth investigation and recording of all incidents, as well as near misses by implementing improvement measures aiming to reduce accidents.

- Employee targeted training and awareness raising so as to create a safety culture.
- Continuous improvement of fire safety at work.

Investing on Occupational Health and Safety

We substantially and systematically invest in health protection measures and in infrastructure that increases safety at work. In 2017, we invested both in improving existing infrastructure as regards safety and in installing new systems and processes in all the Company's production plants.

Culture of safety - Reinforcing our mentality

The collaboration and contribution by everyone involved is the basis for creating a climate of safety. At ElvalHalcor we pursue excellence in this crucial area, by developing a culture where responsibility for occupational safety will be part of everyone's mentality. To change mentality towards a safer work behaviour, we focus on constantly raising our people's and associates' awareness in this area by implementing a targeted and extensive training program. In 2017, more emphasis was placed on occupational health and safety training, recording more than 7,300 hours of training. Specifically, 6,359 hours of training were completed for the aluminium rolling division's employees and associates and 1,026 hours of training were completed for the copper tubes division's employees and associates.

7,300
hours of Occupational Health and Safety training

The training completed in 2017 included:

Aluminium rolling division - Elval	Copper tubes division - Halcor
• Working at height • Safe lifting • Rescue from rolling mill basements • Improving the safety mentality • First Aid seminars (rescuer certification) • Machine locking – unlocking.	• Fire prevention and extinguishing • Disease prevention • Occupational Risk Assessment Study • Safe start at work • Safety inside and outside the workplace • Fall protection • Proper handling of cranes and forklifts • Machine locking – unlocking

In an effort for responsibility for safety to go beyond the Management, in 2017 we organised special seminars, always aiming to support the prevention mentality in Occupational Health and Safety.

Aluminium rolling division - Elval	Copper tubes division - Halcor
"In-house school" For yet another year, the "In-house school" was successfully implemented, offering safe handling training for lifting equipment operators and assistants. **Working at height training** Placing special emphasis on employee safety issues, Elval, in collaboration with 3M, held a training seminar on working at height. A special demo vehicle (van type) was used to cover the practical part of the training. During the implementation of relative examples of falls from height, participants were able to fully understand the consequences that a fall might have for both their personal protective equipment (PPE) and their body.	**Health, Safety and Environment month** We annually hold, from 2010 until today, the "Health, Safety and Environment month". During the Month, we promote our priorities in the areas of health, safety and environmental management, through fruitful dialogue, exchange of views and related activities. This information campaign is an important tool for raising awareness and informing our employees and associates on related issues, and we believe that it positively contributes to building a common culture of safe conduct. In the course of the Month in 2017, in collaboration with the NGO "Volunteers against Cancer- AgaliaZO", a brief informative seminar on lung cancer was held, attended by Halcor employees.

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 deeper 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 - Elval	Copper tubes division - Halcor
• Monthly Health, Safety and Environment Council (participate: General Manager, Production plant Manager, Department Managers, Heads of Departments (engineers), Technical Engineer and Contractor representatives) • Weekly and monthly H&S meetings (participate: Head Engineer, Technical Engineer and Health and Safety Division representatives)	• Occupational Health and Safety Council (participate: General Manager, Plant Manager, Department Managers, Heads of departments/ Engineers). • H&S meetings (weekly and monthly basis), participate: Production plant Manager, Technical Engineer, Head of the Environment Division, Heads of departments and the employee representative for occupational health and safety issues.

In these Councils, safety incidents are analyzed and corrective / preventive actions are planned, the progress of Occupational Health and Safety programs is presented, the progress of Health and Safety goals is examined, and proposals / ideas for improvement are presented.

Compliance

In the context of the Occupational Health and Safety Management System we implement, compliance with the relevant applicable legislation is evaluated on an annual basis. Legal compliance with relevant and applicable legislation is evaluated on an annual basis. Regarding the practices we apply for recording, investigating and reporting incidents to the competent bodies, these are in line with relevant legislation. In particular, after an incident has been entered in the Log of accidents kept, on-the-spot investigation of the incident conditions is carried out, so that its root causes are found. Following this, corrective and preventive actions are planned and implemented.

Our performance

We implement internationally applicable and measurable indicators to monitor and evaluate our performance in the field of occupational H&S. Ensuring the Health and Safety (H&S) of our employees, our partners and third parties is a firm priority and commitment of ElvalHalcor.

Health and safety KPI's	Elval			Halcor		
	2015	**2016**	**2017**	**2015**	**2016**	**2017**
Lost time incident rate (LTIR)	4.93	3.58	3.16	7.99	5.16	6.69
Severity rate (SR=LDR)	123.92	90.47	80.00	131.7	90.86	144.21

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 10^6 working hours)*
- *SR: Severity rate =LDR: Lost Work Day Rate: (number of lost work days per 10^6 working hours)*

Our 2018 goals

- Implementation of at least 5,000 hours of training on relevant topics.
- Special prevention / protection training for working at height (Aluminium rolling division).
- Continue the life lines installation program in our facilities
- Incidents analysis using the Fault Tree Method (Copper tubes division).
- Inform employees about health issues (Copper tubes division).

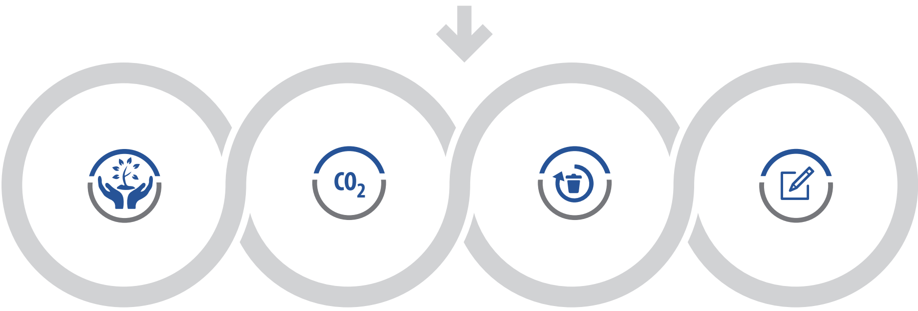
7. Environmental protection

We operate responsibly, following a holistic preventive approach to addressing environmental challenges, incorporating and applying principles of Sustainable Development in all of our operations

Our commitment

Environmental protection is one of the Company's key priorities. At ElvalHalcor, we are promoting environmental responsibility as an integral part of our corporate philosophy, having incorporated the responsible and effective management of environmental issues related to our activity into our strategy. Implementing a number of practices, processes and control systems, the Company manages its environmental impacts in a systematic, complete and effective manner. The Company's management is committed to providing all the necessary means and resources to allow a rational and integrated management of environmental issues.

Environmental management



We have established a specific environmental policy that reflects ElvalHalcor's overall approach to environmental protection and has at its core our commitment to continuously improve our environmental footprint. In order to implement our policy and goals, we apply a certified Environmental Management System (in accordance with the requirements of the international standard ISO 14001) in all of our production facilities. This system provides the means for the identification, evaluation and management of all the Company's environmental issues, focuses on the prevention and mitigation of all potential environmental impacts by taking appropriate and necessary measures, and aims at the continuous improvement of ElvalHalcor's performance in this area.

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 operates in accordance with the principles of circular economy, when possible;
- 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.

ElvalHalcor has established regular internal and external environmental audits in all of its facilities, during which the Company's performance and compliance with environmental procedures and prevention measures are verified. The purpose of the audits is continuous evaluation, to identify possible areas for improvement, which are then thoroughly followed-up until the necessary actions are implemented.

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 Plant to ElvalHalcor's Aluminium rolling division's treatment plant). We have actively demonstrated our strong commitment in this area, by completing an environmental investment program of over EUR 20 million during the period 2008-2017.

more than EUR 6,7 million, our Environmental expenditures and investments in 2017

Environmental training and awareness

Environmental protection stems from the collective endeavours and culture of all employees. We take care to constantly raise awareness and train our people and collaborating contractors on environmental issues, as, in this way, we contribute to the continuous improvement of our environmental performance. The training program for 2017 focused on the following topics:

- Updating/training on the Safety Data Sheets
- Reduce – Reuse – Recycling (waste management)
- CLP Regulation (explanation of graphs)
- Chemical leakage management.

Raw materials

We focus on practices to minimise the efficient use of raw materials. The Company's primary raw materials are aluminium and copper. ElvalHalcor ensures that part of its needs in aluminium and copper is covered by the use of scrap from old metals that have reached the end of their life cycle. Aluminium and copper scrap is an extremely useful secondary raw material of great environmental value.

Benefits of scrap use: reduction in energy consumption, gas emissions and water use

Using scrap and promoting aluminium and copper recycling

In collaboration with its customers, mainly from the packaging sector, ElvalHalcor has developed circular economy programs for aluminium recycling. 11% of the Aluminium rolling division in the production process originated from scrap recycling.

41% of the metal consumed during the Copper tubes division's production process originated from recycled metals.

Water use

Our approach in this area focuses on efforts to minimise water consumption and, when possible, processed waste water is recycled back to production. To date, large water recycling projects have been completed (as well as for the reduction of the amount of waste water disposed to the final water receiving body) and we constantly review potential new ones, aiming at the reduction of water consumption.

Water consumption (m^3/tn of product)

Aluminium rolling division	
2017	1.89
2016	1.93
2015	2.06

Copper tubes division	
2017	1.25
2016	1.20
2015	1.47

Routing network and new equipment for the transfer of treated liquid waste

6 CLEAN WATER AND SANITATION

The overall project concerns the construction of a new waste water pipeline and the installation of new mechanical equipment, from the plant of our subsidiary Fitco SA and the ElvalHalcor's Copper tubes Melting and Casting Plant to ElvalHalcor's Aluminium Rolling Plant. Treated waste water from each of the above production plants is safely routed to ElvalHalcor's Liquid Waste Treatment Plant for further treatment and the production of waste water that meets the strict discharge emission levels to the area's water receiving body, as set by legislation.

Energy consumption

Actions addressing greenhouse gas emissions and the management climate change issues are particularly important, since our production activities require the use of energy (natural gas and electricity).

The Company continuously invests in cutting-edge technological equipment in energy saving projects, while always strives towards the rational use of fuel and the improvement of energy efficiency.

Electric energy consumption (KWh/tn of product)

Aluminium rolling division	
2017	763
2016	741
2015	750

Copper tubes division	
2017	645
2016	675
2015	658

Thermal energy consumption (KWh/tn of product)

Aluminium rolling division	
2017	1,838
2016	1,761
2015	1,938

Copper tubes division	
2017	753
2016	825
2015	793

Energy Management System

13 CLIMATE ACTION

New certification according ISO 50001

Aiming to the continuous improvement of energy efficiency in all its activities, ElvalHalcor proceeded to the design and implementation an Energy Management System in accordance with the requirements of the international standard ISO 50001 and, following a succesful inspection by an external body, completed its certification. In 2017, the Copper tubes division was certified and in early 2018, the certification of our Company's Aluminium rolling division was completed.

To date, the Company has made significant investments to energy saving projects.

Aluminium rolling division - Elval

- A Regenerative Thermal Oxidation (RTO) system in the Coil Coating Line, recovers and reuses a significant amount of thermal energy.
- Melting furnaces and preheating furnaces with regenerative burners, which are highly energy-efficient.
- Installation of new delacquering furnaces that make use of thermal energy originating from the oxidation of organic matter.
- Improved thermal insulation systems and sophisticated automation for the operation of annealing furnaces in the Cold Rolling Department.
- Use of Automation Systems for the operation of Cooling Towers.
- Initiation of a project for the replacement of all lighting bodies with energy saving lamps (mainly of LED type).

Copper tubes division - Halcor

- Reduction of Maximum Demand (Flat electrical energy profile)
- Emptying Induction Furnaces on holding periods (216.000 KWh energy savings per year).
- Inverter installation for speed regulation of large fans (40.000 KWh energy savings per year)
- Capacitor bank compensation.
- HQI lamp replacement with LED lamps (70.000 KWh energy savings per year)
- Eliminate air grid leakages / Reduction of working air pressure.
- Automatic temperature regulation of cooling towers.

Climate change and air emissions

Climate change is one of the greatest challenges of our time. The Company's carbon footprint is largely due to indirect emissions (from electricity consumption) and to a lesser extent to direct ones (from hydrocarbon combustion).

Total direct CO_2 emissions (Kg CO_2/tn of product)

Aluminium rolling division	
2017	797
2016	767
2015	877

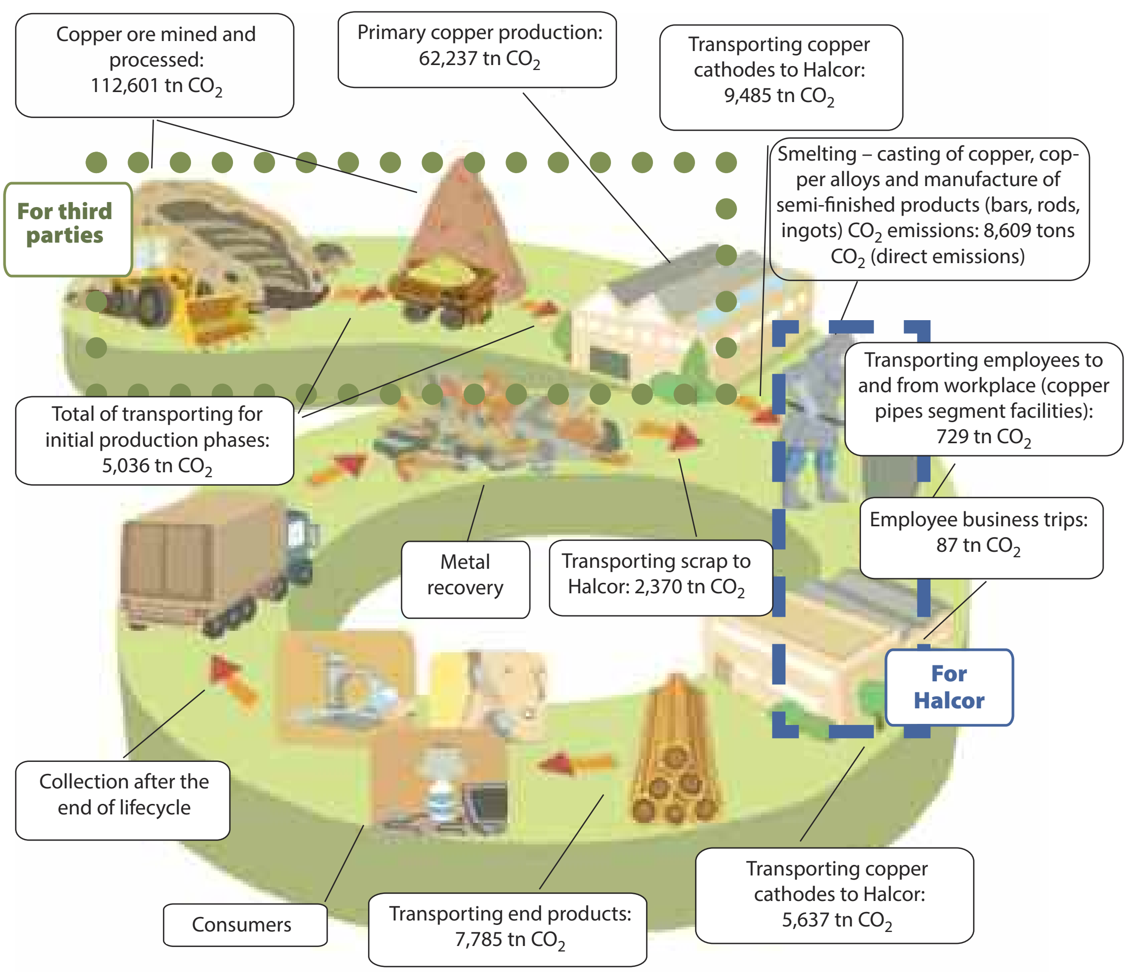
Copper tubes division	
2017	529
2016	545
2015	592

We monitor, record the gas emissions and ensure full compliance with the relevant legislation (to this day, in accordance with the regular measurements made, the permissible limits set by the existing national law and the environmental terms of the plants have not been exceeded). We aim to the continuous reduction of gas emissions, through the implementation of specific actions, such as:

- regular maintenance and proper adjustment of the abatement equipment to minimise air emissions,
- on-line monitoring of the performance of environmental protection measures,
- operation of delacquering furnaces (in the Aluminium rolling division) with after-burners for the environmentally friendly recycling of aluminium,
- operation of a Regenerative Thermal Oxidizer to reduce VOC emissions in the Coil Coating lines of the Aluminium rolling division,
- operation of fume scrubbers to reduce emissions of inorganic compounds in the Coil Coating department of the Aluminium rolling division.

Halcor's product Life Cycle Assessment

The CO_2 emissions of every phase of the "life cycle" of ElvalHalcor's copper tubes division products for 2017 are presented in the following figure.



(More information as regards the formulas, the method of calculation and the assumptions used, is presented in Appendix I and 2016 Sustainability Report page 131)

Waste management

88%
of the waste generated is led to recycling and energy recovery

ElvalHalcor has an integrated waste management system, covering all production stages right up to final waste disposal. Our approach to waste management focuses on techniques for waste volume reduction and reuse, either within the plant or in licensed external partners.

ElvalHalcor applies Best Available Waste Management Techniques and, as a consequence, most of the waste generated is led to recycling and energy recovery.

Special waste production (kg/tn of product)

Aluminium rolling division*	
2017	99
2016	102
2015	94

Copper tubes division	
2017	214
2016	225
2015	223

Waste management method

Aluminium rolling division*	2015	2016	2017
Recycling	77.4%	77.2%	80.9%
Recovery	19.0%	20.2%	17.0%
Landfill	3.6%	2.6%	2.1%

Copper tubes division	2015	2016	2017
Recycling	91.5%	92.6%	92.8%
Recovery	3.9%	5.0%	4.9%
Landfill		4.6%	2.4%

** The figures for 2015 and 2016 have been revised compared to those published last year due to incorrect registration.*

Integrated management of plastic waste (scrap)

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Implementing circular economy programs in plastic waste management

ElvalHalcor's Copper tubes division produces a wide range of high performance polyethylene (PE) and PVC insulation products in various types of plain or foam plastic (TALOS ®). In 2017, the process of separating (at source) the above waste was reorganized, in order to make more recycling possible. Following the legal requirements for waste generated, these quantities were driven to management in plastics manufacturing companies (PE), to be reused (so long as quality requirements allow it) in copper tubes' coatings production. In 2018 this practice will be extended further. Tests will be carried out in various plastic scrap recycling companies and the recording of the quality characteristics of the plastic products produced will begin. In particular, the products to be produced from the various sub-streams of the recyclers will be tested in production and, after passing raw material quality control, will be used in the production process. For this practice, we have defined and implement a special training program for the employees of the respective departments. The effectiveness of this training is proven to us by the fact that the staff involved participates in the management of this practice with enthusiasm and new ideas.

Our goals for 2018 - 2019

- Environmental audit of cooperating companies regarding waste management.
- Installation of new electromechanical equipment to save energy.
- Implementation of a new circular economy program regarding waste management.

8. Care for local communities

11 SUSTAINABLE CITIES AND COMMUNITIES

We stand by the local community and seek to develop a bilateral, constructive cooperation

Our approach

At ElvalHalcor, our business development is dynamically combined with giving back to society and socially responsible behaviour. Accordingly, we make every effort to create added value for society and the country's economy. Committed to supporting the society in which we operate, we seek to support programmes and agencies that contribute to the sustainable development of local communities.

ElvalHalcor covers a significant part of its needs in human resources and suppliers from the local areas in which it operates. Thus, 55% of our employees come from the local community, reflecting the strong ties we seek to maintain with the latter. At the same time, supporting local entrepreneurship and contributing to the national economy, in 2017, a total of EUR 315 million (equivalent to 24% of total payments to suppliers/partners) was paid to Greek companies.

ElvalHalcor's social product

27.5 EUR million	56.2 EUR million	1,042 EUR million	271 EUR thous.	21.8 EUR million
payments to capital providers	wages and benefits	payments to suppliers	ElvalHalcor's investments, sponsorships, donations	payments for taxes

Societal contribution

In the context of our responsible operation for society, we always stand by the local community, systematically supporting local organisations, associates and schools.

We support sports

We supported local sports associations, providing sports material:
- Kapetan Ioannis Liapis Sports Club of Oinofyta
- Ellopiakos Sports Club
- Sports Club of Dilesi
- Sports Club of Neapoli Halcidas (Elval: proud sponsor of Katerina Dalaka)
- Oinofyta Football Club
- Ermis Sports Club of Sximatari

We support the local school community

- We supported the Oinofyta Primary School through the sponsorship of sports material.
- We responded to the needs of the Oinofyta Lyceum and offered school electronic equipment (PC and projector).
- We covered the full cost of renovating the courtyard of the 1st Kindergarten of Oinofyta.
- We support, on an annual basis, educational institutions (e.g. the 4th Renti Laboratory Center, the Chalkida Laboratory Center, the IEK of Neapolis, the SEK of Veria, the SEK of Sindos, the EEEEK of Agios Dimitrios, the Special Professional Lyceum of Aigaleo and Agios Dimitrios , etc.) through the provision of copper products.

We support local associations and bodies

- We supported the Social Grocery Store of the Municipality of Tanagra, through the purchase of food (which is then promoted by the Municipality to poor families in the area)
- We sponsored an event organised by the Cultural and Improvement Society of Oinofyta "The Ampelos"
- We supported events organised by sectoral bodies (e.g. the Association of Thermal Hydraulic Contractors in Thessaloniki, the Hellenic Federation of Refrigeration Professionals, the Association of Hellenic Heat and Energy Companies, the Hellenic Artisan Plumbing Federation)

We support NGO's

- In the context of the participation of Elval and Halcor runners in the Classic Marathon, we sponsored the NGOs "Make a Wish" Greece and "The Smile of the Child"
- We supported the work of the NGO "Volunteers against Cancer- AgaliaZO"
- We supported the Social Grocery Store of the Municipality of Tanagra, through the purchase of food (which is then promoted by the Municipality to poor families in the area)
- We sponsored the work of the following museums: the Benaki Museum, the Goulandris Natural History Museum and the Lavrion Handicraft-Industrial Educational Museum
- We sponsored the actions of the Hellenic Society for the Protection of Nature.
- The copper tubes division supported AIESEC's work (supporting three scholarships for young people and supporting a young person in his first steps as a professional).

We support health

We supported the following health care providers:
- Agios Savvas Hospital (donated an ultrasound machine for the radiology department)
- Oinofyta Health Center (donated an automatic immunoassay analyzer and medical equipment)
- PEDY – Schimatari Health Center (donated an automatic generator)

Children's courtyard for children's smiles

Supporting the local area's school community, Elval came into contact with the 1st Kindergarten of Oinofyta, whose representatives expressed the need to renovate the courtyard, to make it more spacious and safe for children. Elval, with a sense of responsibility towards the young pupils, immediately responded to this need and undertook the renovation of the Kindergarten's courtyard. This action included the installation and supply of safety flooring with relevant certification, as well as the installation and supply of artificial grass. In this way, the Kindergarten's courtyard becomes more suitable for young children attending it, to safely play games that cultivate their creativity and imagination.

“Musical instruments made out of metals”

In 2016/17 we had the opportunity, as an organisation, to work with Halcor and to implement 2 different projects together. Halcor gave Electra the chance to go to Norway and chase her dream career. It was an experience that gave her the opportunity to meet a new culture and make her first steps as a professional. Halcor then offered 3 scholarships to 3 NGOs to participate in AIESEC's Global Volunteer voluntary program, aimed at young people taking action on the SDGs. David from China came to WWF to help, through research he carried out. Sergio from Italy came to help promote NGOs in Lavrion. This project had a real impact on both the young people and the NGOs that received the scholarships, and Greek society.

Supporting the “Global talent” and “Global volunteer” programmes

In 2017, the copper tubes division strongly supported the work of the NGO AIESEC. In particular, Halcor gave Electra the opportunity to go to Norway and chase the career of her dreams, making her first professional steps. In addition, through its partnership with AIESEC, Halcor offered scholarships to three talented young people from abroad, for them to work with NGOs in Greece (whose work focuses on environmental protection) by participating in the AIESEC “Global Volunteer” volunteering programme. This programme aims at informing / sensitising and actively engaging young people on social issues and the achievement of the UN Sustainable Development Goals (SDGs).

Our people's contribution as volunteers

This programme is being implemented for seven consecutive years through our people's continuous contribution as volunteers. In 2017 too, ElvalHalcor's employees worked together for a society of solidarity. The goods collected were donated to the "Agios Vlasios" Chronical Diseases Infirmary of Livadia, in order to be distributed to families in need from the local area. Along with the employees' contribution, Halcor, wishing to support further this initiative, contributed by purchasing twice the amount goods compared to the previous year.

Blood donation program

Elval's people since 2005 and Halcor's people since 2008 actively support the blood donation program. In cooperation with Laiko Hospital of Athens, blood donation programs are scheduled and implemented annually, at both Elval's and Halcor's facilities.

Promoting aluminium recycling

From the first moment we started creating the Aluminium Can Recycling Center (CANAL), we had a very clear orientation in mind: to promote aluminium recycling in Greece, in order to change the mentality and increase the extremely low recycling rate of aluminium in Greece. Today, we are very proud that our voluntary initiative - CANAL - now counts 14 years of operation and contribution in aluminium recycling.

About CANAL

The Aluminium Can Recycling Center (CANAL) was created in 2003 by Elval as part of the overall environmental awareness raising and its strategy for promoting aluminium recycling in Greece. CANAL is a model Recycling Center, unique in Greece, as it combines aluminium recycling with environmental

information and raising students' and the general public's awareness about important environmental issues.

CANAL applies a certified Environmental Management System (in accordance with the international ISO 14001 standard) and has a reception capacity of 2,800 tons of used aluminium cans per year. The CenterCenter buys used aluminium cans from the public at about one euro per kilo, which corresponds to about 75 cans, thus providing an additional financial incentive to boost recycling.

(For more information please visit CANAL's website, www.canal.gr)

Benefits of aluminium can recycling

Aluminium is considered as one of the world's most recyclable materials and is rightly described as a "green" metal. It is an ideal material for recycling because it is easily separated from other materials, so its sorting does not cost much, while its recycling is a process that can be repeated without degrading its properties.

Aluminium recycling is a particularly important and vital practice, since it contributes significantly to saving natural resources and energy. Aluminium can recycling achieves very high energy savings of 95%, compared to the energy required to produce a primary (bauxite) aluminium can. An aluminium can is like an energy bank, as it requires continuous recycling in order to use the saved energy, otherwise this energy is lost.

In general, with aluminium can recycling the following are achieved:

- A cleaner environment for a better quality of life
- Energy savings of 95%
- Raw material conservation (bauxite)
- Reduction of carbon dioxide (CO_2) emissions
- Reduction of waste volume (it has been estimated that, if all cans were recycled, we would need 2.5 million less waste containers)
- Creation of new jobs.

The educational program

17 PARTNERSHIPS FOR THE GOALS

Combining aluminium recycling with environmental information and raising students' and the general public's awareness, CANAL implements an integrated program of environmental information, awareness raising and training the school community on aluminium recycling.

Environmental information in the Center

Within CANAL, the school community is informed with daily seminars in classrooms, where children practically learn about the process and benefits of aluminium recycling. On a daily basis students, mainly from primary schools, visit the premises to learn about the aluminium production process, aluminium recycling and the resulting benefits, as well as responsible environmental behaviour. They also watch the early stages of can recycling, the sorting and compression process. In addition, CANAL hosts and informs interested groups, mainly from Local Authorities and other bodies, as well as the general public.

With a view to increasing the information provided and participation, CANAL organizes, from time to time, educational events and competitions on the Environment and Recycling. CANAL also participates in the relevant efforts of other bodies and in exhibitions and events aimed at promoting recycling.

The educational program in schools

CANAL supports and organises, in cooperation with QualityNet Foundation and its educational section "Viomatiko Scholeio", the "Life without Garbage: reduce, reuse, recycle" educational program in primary schools. This educational program was developed to inform, raise awareness and activate both the educational community and the family on waste management and recycling issues, with environmental protection as the ultimate goal.

The environmental education program is developed through:

- the presentation of experiential activities on the subject of waste management in every school department that shows interest
- the provision of teaching material for the program's continuation by the teacher throughout the year, through the digital educational platform www.lifewithnogarbage.gr
- the implementation of a school competition on recycling for the greater activation of the educational community and a more complete evaluation of the program
- providing the family with information material on the topic and the Aluminium Can Recycling Center.


75 κουτιά ≃
1 κιλό ≃ € 1.10

The educational community has welcomed the "Life Without Garbage" educational program, characterising Elval's and CANAL's initiative for the environmental education of students as very good by 95% and stressing the importance of maintaining the program in the school community by 97%.

During the school year 2016-2017:

127 regions all over Greeceç
we met the subject's educational needs

7,089 students
educated on recycling throughout the year

528 students
educated through experiential learning

1,716 assignments/ photos
developed and posted on the online platform

18,355 students
informed through the online platform

287 teachers
participated in the educational process

4,231 students and
164 teachers participated in the school competition

52,872 people in total
were sensitised

Strengthening the sensitisation of the school community and promoting information, with the contribution of the "Viomatiko Scholeio" pioneering educational programs on the environment and recycling have been carried out, over the last ten years. To date, 52,185 students and their families have been educated through the programs, while a total of 146,118 people have been informed and awakened on the related issues. In addition, in the context of the program, 1,124 experiential actions were implemented by teachers, in cooperation with their students and parents.

Verification of the Educational Program

"Life without garbage: reduce, reuse, recycle"

QualityNet Foundation, the Network of Responsible Organizations and Active Citizens, as a third body, with the present document certifies the results of the educational program which is implemented with the support

of **ELVAL S.A.** and the **Aluminum Can Recycling Center.**

The educational program in question, implemented in elementary schools, represents a significant action on both educational and social level and seeks to raise awareness and mobilize students and their families with regards to waste management and recycling issues.

QualityNet Foundation salutes ELVAL's initiative for the year 2017 to educate future active citizens' on environmental protection issues and affirms the following:
a. the company's long term commitment in promoting Corporate Responsibility by launching programs addressed to the educational community, aiming to form consciences and change attitudes.
b. the development of a comprehensive educational program designed to meet the needs of the specific age group in line with the educational standards and norms, including the experiential program and the supporting educational material through the electronic platform.
c. the provision of informational material for students' families, aiming at raising awareness, creating positive perception and changing attitudes on the subject of recycling through the electronic platform.
d. the effective implementation of the program to **7.089** school students through the electronic platform www.lifewithnogarbage.gr
e. the positive response of the educational community through the wide demand for implementing the program in schools and continuing the program the following year.

The educational Program 'Life without garbage' forms part of the nationwide QualityNet Foundation program-institution for promoting social responsibility "It is the Responsibility of All of Us", under the environmental axis.

The Chairman of the BoD

Spyros Lioukas

CANAL's strategic objective is to promote recycling in order to increase the extremely low aluminium recycling rate in Greece. In this context, from 2004 to 2017, CANAL has collected and forwarded for recycling a total of 5,064,940 kg of used aluminium cans.

108,562 (2004-2017) students have been sensitised through CANAL's educational programs

56,377
students from 1,271 school departments visited and attended CANAL's program

5,064,940
kg of aluminium cans were collected and forwarded for recycling

52,185
students were educated through our collaboration with Viomatiko Scholeio

Recycling of Nespresso coffee capsules

In 2014, in order to increase aluminium recycling and in collaboration with Nespresso, we launched the recycling of used coffee capsules at the Aluminium Can Recycling Center (CANAL), where a specially designed machine for the separation of used Nespresso coffee capsules has been installed. Used coffee capsules are collected in special collection bins at the points of sale (Nespresso Boutiques) and are then transferred to CANAL. There, aluminium capsule packaging is separated from the used coffee. The aluminium collected from the capsules is transferred to Elval's facilities for recycling with environmentally friendly technology, while used coffee is delivered to a licensed composting company.

9. Applying international standards and initiatives

United Nations Global Compact

ElvalHalcor supports UN's Global Compact and ensures the incorporation of these ten principles, in the policies, procedures and systems it applies.

The Global Compact's 10 Principles	ElvalHalcor's systems, policies and practices	GRI Standards	Report's section
Human Rights			
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights. **Principle 2**: Businesses should make sure that they are not complicit in human rights abuses.	The Company respects legislation on internationally enshrined human rights and ensures that the relevant requirements are fully integrated into its operations. Respect for human rights and ensuring compliance with fundamental freedoms is something the Company is committed to, and that much is clearly stated in ElvalHalcor's values and its Code of Conduct and Business Ethics. The Company has also arranged a series of training courses on these matters for office staff and executives.	413-1,413-2 202-1,102-41, 403-1, 403-2, 403-3 403-4, 405-1 405-2, 412-3 412-2,406-1 407-1,408-1 409-1,410-1 411-1,412-1 414-1,414-2 103-2	5. Care for our people
Labour Conditions			
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. **Principle 4**: Businesses should uphold the elimination of all forms of forced and compulsory labour. **Principle 5**: Businesses should uphold the effective abolition of child labour. **Principle 6**: Businesses should uphold the elimination of discrimination in respect of employment and recruitment.	Respecting human rights is integral to ElvalHalcor's corporate culture and its operations. The Company ensures that it offers an equal-opportunity, equal-pay working environment, free from discrimination that respects diversity. Protecting employee health and safety is a top priority for the Company. We implement an OHSAS 18001-certified Occupational Health and Safety Management System. The Company ensures that all subcontractors who agree to carry out works at our premises employ staff who is insured in accordance with the relevant legislation.	102-41, 407-1, 402-1,408-1, 409-1, 102-8, 202-1, 202-2, 401-1, 404-1, 401-3, 405-1, 405-2, 414-1, 406-1 414-1	5. Care for our people

The Global Compact's 10 Principles	ElvalHalcor's systems, policies and practices	GRI Standards	Report's section
Environment			
Principle 7: Businesses should support a precautionary approach to environmental challenges. **Principle 8**: Businesses should undertake initiatives to promote greater environmental responsibility. **Principle 9**: Businesses should encourage the development and diffusion of environmentally friendly technologies.	The Company is committed to growing its business while respecting the environment and ensuring compliance with the principles of Sustainable Development. Its goals are to minimise its environmental footprint, to promote environmental responsibility as part of its corporate culture, to ensure continuous improvements on environmental management issues and to develop know-how that furthers environmentally-responsible Sustainable Development. ElvalHalcor has adopted the precautionary principle towards environmental challenges, taking a series of measures to promote general environmental responsibility, encouraging the development and adoption of environmentally friendly technologies. To ensure it can comprehensively monitor and manage its environmental issues, the Company has put in place a certified Environmental Management System which complies with ISO 14001 and regularly publishes all data relevant to its environmental performance.	201-2,305-5, 301-1, 301-1 301-2,302-1 302-2,302-3 302-4,302-5 303-1,303-2 303-3,304-1 304-2,304-3 304-4,305-1 305-2,305-3 305-4,305-5 305-6,305-7 306-1,306-2 306-3,306-4 306-5,301-3 307-1,308-1 308-2,103-2, 417-1,417-2	7. Environmental protection
Anti-corruption			
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	ElvalHalcor implements an integrated Corporate Governance framework, which ensures transparency in all activities, as well as two-way cooperation relationships with shareholders, customers, human resources and any other group of stakeholders. Transparency in our business activities constitutes a non-negotiable principle for ElvalHalcor's management team. For that reason the Company operates: • transparently in all its business activities, to ensure proper, two-way partnership with shareholders, customers, employees and all stakeholders. • by ensuring compliance with the legislative and regulatory framework and the relevant standards. • by implementing practices that go beyond the requirements laid down by law, while acting with integrity and ethos at all times.	102-16, 102-17, 205-1, 415-1	1. About ElvalHalcor

ISO 26000

International standard ISO 26000 for Social Responsibility

ElvalHalcor, steadily orientated to the principles of responsible business, has incorporated the principles of Corporate Responsibility of the ISO 26000 in its business philosophy and seeks to operate within a specific ethical framework, in cooperation with the wider community within which it operates.

ISO 26000 (the principles)	GRI Standards	Reference / Report section
Organisational Governance	GRI 102 General Disclosures GRI 102-14, GRI 102-15, GRI 102-18	1. About ElvalHalcor
Human rights	GRI 102 General Disclosures: Organisational profile	5. Care for our people
Labour practices	GRI 102 ΓGeneral 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	7. Environmental protection
Fair operating practices	GRI 102: General Disclosures: 2. Strategy (GRI 102-14, GRI 102-15), 3. Ethics and integrity, 4. Governance (GRI 102-18)	1. About ElvalHalcor
Consumer issues	GRI 417-1, GRI 102-43, 44, GRI 417-1	1. About ElvalHalcor 2. Customer oriented approach
Community involvement and development	GRI 203-1, GRI 413 Local community (GRI 413-1, GRI 413-2)	8. Care for local communities

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 52-53, page 19-20
	2. Materiality	page 8-9
	3. Objectives	Section 9/ page 99-100 (performance 2017). Our goals for 2018: page 50, 62, 70, 75, 82
	4. Value chain management	page 53
Process Management	5. Responsibility	page 52-55
	6. Rules & procedures	page 52-55. Section 9 Applying international standards and initiatives
	7. Monitoring	GRI Content Index, Key corporate responsibility indicators. Page 75 Our Health and Safety performance, page 79-82 Our environmental performance
	8. Rewarding schemes and motives for Sustainable Development	page 68
	9. Stakeholders engagement	page 56-59
	10. Responsible products and innovation	page 46-50
Environment	11. Use of natural resources	page 76-82
	12. Management of resources	page 76-82
	13. Climate change and air emissions	page 81-82
Society	14. Employment rights	page 66-67
	15. Equal opportunities	page 66, GRI table (GRI 405-1, GRI 405-2)
	16. Qualifications	page 65-66
	17. Human rights in the supply chain	page 60-62
	18. Corporate citizenship	page 85-88
	19. Initiatives and political influence	page 23
	20. Corruption prevention and fighting	page 19-20,Section 9/ page 95, GRI Content Index (GRI 205-1, GRI 205-2)

The Greek Sustainability Code is developed under a model of 20 Criteria that are based upon international standards such as the Global Reporting Initiative, Global Compact, OECD Guidelines for multinational companies, ISO 26000, GRI, EFFAS, EMAS etc.

Sustainable Development Goals (SDGs)
ElvalHalcor supports and contributes to the achievement of the 17 Sustainable Development Goals (SDGs), to successfully face the most important economic, social, and environmental challenges of our time.

Recognising the importance of taking action to achieve these 17 goals, we have aligned these goals with our Company's material issues, making sure that the policies and practices we are already implementing are moving in this direction.

ElvalHalcor's material issues	Sustainable Development Goals (SDG's)	Sustainability report section
Company's financial performance (1) Innovation and products quality (16) Customer satisfaction (14) Compliance (with standards and regulations) (9) New investments and market share (11)	8, 9, 17	1. Company profile (ElvalHalcor SA) 2. Customer oriented approach
Waste management (3)	15	8. Environmental protection
Energy consumption and saving (4)	7, 13	
Raw materials use (5)	12	
Water use (6)	13	
Air emissions (7)	6	
Promote aluminium and copper recycling (15)	17	
Occupational Health and Safety (2)	3	6. Occupational Health and Safety
Employee training and development (13)	4, 5	5. Care for our people
Employment ensurance (12)	8	
Equal opportunities (17)	5	
Supply chain responsibility (10)	12	4. Supply chain responsibility
Anti-corruption (18)	16	9. Applying international standards and initiatives
Supporting local communities (8)	11	7. Care for local communities

ElvalHalcor will keep track of developments in this area and will be involved in initiatives to work together to achieve these goals at national level

Review of sustainability goals

The key issues for dialogue with each group of stakeholders are where focus our actions and energies on in order to improve our performance. In order to achieve that, we systematically monitor our sustainability performance, while also setting annual targets for each Sustainability area of interest, as we respond to our stakeholder's expectations. The Company's new goals for 2018 are listed at the end of each chapter of this Report.

What we said (2017 goals) Copper tubes division	What we did (performance/target progress)	Correlation with SDG's
Care for our people		
• Further training of workers on 6s methodology.	• In, 2017, more than 250 hours of training and support in the implementation of the methodology were completed.	4
• Training and awareness raising among employees on Sustainability issues of the Company with a view to their active participation.	• In 2017, all employees of Halcor's Procurement Department were trained on Sustainability issues.	
Occupational Health and Safety		
• Re-issue of the Work Guidelines based on the revised Risk Assessment. • Issue and Implementation of Contractor Management Process. • Consultations with heads of departments following incidents. • Carrying out at least 12 OSH audits/head. • Inform employees on health issues. • Performing medical examinations of production workers.	• It is underway, to be completed in 2018 • The process of managing contractors has been completed. • Consultations with heads of departments following incidents. • Carried out at least 12 OSH audits/head. • An informative seminar on lung cancer was carried out at Halcor's facilities (in collaboration with the NGO "AgaliaZO") • In 2017, medical examinations were carried out for 159 (out of a total of 336) production workers.	8 3
Customer oriented approach		
• Further development of new products and services. • Further increase of existing market shares and entry into new markets. • Maintaining a high level of customer satisfaction. • Further reduction of the response time to customer complaints. • Completion of new machines installation in the Quality Control department. • Optimisation of the product mix and coverage of the plant's production capacity.	• Developed new products, such as the Talos®Ecutherm tubes, while we focused specifically on technical support to customers through the thermal testing platform. • The copper tubes division performed exceptionally well in Russia, where it has taken the lead in copper tubes imports and recorded a significant increase in its activities in the Nordic countries. • Overall, we managed to reduce response time to customer complaints by 20% • The new tensile machine was installed in the Quality Control department. • In 2017, we further utilized the production capacity of our plants, focusing on added value products.	9

What we said (2017 goals) Copper tubes division	What we did (performance/target progress)	Correlation with SDG's
Sustainability in the supply chain		
• Promoting the Supplier Code of Conduct, for updating and raising awareness to all our suppliers. • Updating and raising awareness to our suppliers, on Sustainability matters, through special training seminars. • Training of the Procurement Department on corporate responsibility matters. • Suppliers assessment with Sustainability criteria.	• Promoted the Supplier Code of Conduct, for updaiting and awareness raising, to all our suppliers. • Updating and raising our supppliers' awareness about Sustainability issues through special training seminars. • Training of the Procurement Department on corporate responsibility issues. • Suppliers assessment based on Sustainability criteria.	4, 12
Environmental protection (2016-2018)		
• Completion and operation of a new pipeline routing treated liquid waste to the treatment unit of Elval S.A. • Certification of the Company's Energy Management System according to ISO 50001 in all plant facilities. • Replacement to a percentage of 100% of energy-saving lamps with state-of-the-art LED lamps in the interior and exterior areas of plants. • Extending training on environmental issues of general interest. • Certification of the Company's Environmental Management System according to ISO 14001:2015. • Environmental control of cooperating companies, regarding waste management. • Installation of new electromechanical equipment to save energy.	• This project has been completed. • The Energy Management System has been certified (ISO 50001: 2011) at Halcor's facilities (copper tubes division) • The action was completed at the copper tube plant and is underway at 72% at Halcor's foundry. • A total of 151 employees were trained. • The certification of the Environmental Management System is underway, according to the new version of ISO 14001: 2015. • A plastic recycling company was inspected in Aspropyrgos, in accordance with Halcor's internal regulation. • A new continuous annealing furnace with high energy efficiency was installed. The purchase of three transformers from 20KV to 400V of high energy efficiency was completed. Any purchase of a new engine is now compliant with IE3 (energy efficiency). The installation of motion and light sensors in the new TERNA room and on the copper tube plant's awnings has began.	13, 6, 4, 9

Appendix I - Key corporate responsibility indicators

Financial performance

ElvalHalcor S.A.'s key financial figures	2016	2017
Revenue (EUR thousand)	771,013	895,786
Other revenue (EUR thousand)	6,040	5,511
Revenue from financial investments (EUR thousand)	1,598	1,797
Total revenue (EUR thousand)	778,651	903,094
Operating costs (EUR thousand)	697,422	802,880
Employee salaries and benefits (EUR thousand)	39,954	39,349
Payments to capital providers (EUR thousand)	14,219	13,080
Net profit / (loss) (EUR thousand) – before taxes	27,056	47,784
Net profit / (loss) (EUR thousand) – after taxes	18,585	33,324
Net profit / (loss) per share (EUR)	0.068	0.118
Equity (EUR thousand)	443,413	660,919
Total liabilities (EUR thousand)	340,680	675,663
Total assets (EUR million)	784,093	1.336,582

Note: In the table above, the financial results for the fiscal use of 2016, include only the financial results of Elval including the spined-off foil sector and for 2017, include the results of the rolling sector for the twelve-month fiscal use of 2017 plus the results of the copper tubes sector for December 2017.

ElvalHalcor's social product Occurred economic value (EUR thousand)	2015	2016	2017
Payments to suppliers	845,540	908,651	1,042,474
Employee salaries and benefits (including social security contributions)	56,572	57,976	56,223
Payments to capital providers	32,722	29,891	27,510
Company investments	56,523	38,650	41,393
Taxes paid	0	671	21,804
Investments in society	221	244	271
Total	991,578	1,036,083	1,189,675
Occurred economic value	1,236,836	1,176,308	1,386,685
Economic value retained	245,258	140,225	197,010

Corporate Governance

Gender	Total No. of Board members	<30	30-50	50+
Women	-	-	-	-
Men	14	-	-	14
Total	14	-	-	14

Elval's Top Management (breakdown by age and gender)

	18-30	30-50	51+
Men	0 (0%)	7 (29.1%)	15 (62.5%)
Women	0 (0%)	1 (4.2%)	1 (4.2%)
Total	0 (0%)	8 (33.3%)	16 (66.7%)

Halcor's Top Management (breakdown by age and gender)

	18-30	30-50	51+
Men	0 (0%)	5 (36%)	9 (64%)
Women	0 (0%)	0 (0%)	0 (0%)
Total	0 (0%)	5 (36%)	9 (64%)

Copper tubes division (Halcor)

Purchasing

Number of suppliers per category /origin

Suppliers categories	2015	2016	2017
Local suppliers	136	173	166
National suppliers (Greece)	1,016	1,005	1,029
Affiliated companies (Greece)	30	30	30
International suppliers	346	333	357
International affiliated companies	9	9	10
Total (number of suppliers)	1,537	1,550	1,595
Suppliers from the local community (%)	9%	11%	10,4

** Local suppliers: Suppliers from the perfectures of Viotia and Evia.*

Number of suppliers per category /origin

Suppliers categories	2015	2016	2017
Total metal suppliers	102	103	97
National metal suppliers	22	29	20

Suppliers expenditures* distribution per category/origin	2015 (EUR million)	2016 (EUR million)	2017 (EUR million)
Total expenditure on suppliers (total suppliers)	426.3	383.3	506.3
Expenditure on metal suppliers	368.2	334.1	440.3
Expenditure on national metal suppliers (local suppliers)	36.3	21.3	36.1
Expenditure on international metal suppliers	331.9	312.8	404.2
Expenditure on suppliers except metals	58.1	49.3	51.9

** The expenditure on suppliers concerns the invoiced costs.*

Human resources data (31/12)

	2015	2016	2017
Men	392	411	446
Women	35	28	33
Total workforce	427	439	479
Third party employees	67	64	65
Employees of different nationalities	20	21	27

Employee breakdown by category

	Men	Women	Total
Managers	14	0	14
Senior executives	31	2	33
Office staff	66	30	96
Plant personnel	335	1	336
Total workforce	446	33	479

Employment per type	2015		2016		2017	
	Men	Women	Men	Women	Men	Women
Full-time employees (%)	392	35	411	28	446	33
Collective bargaining agreement (%)	100	100	100	100	100	100
Indefnite-term employment contract (%)	100	100	100	100	100	100

Distribution of workforce by geographical sector and gender group

Geographical sector	2015			2016			2017		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Attica	216	27	243	217	27	244	244	21	265
Local community(1)	164	6	170	172	8	180	199	12	211
Rest of Greece	3	0	3	3	0	3	3	0	3

(1) Local community: Greater Viotia and Evia Area

Employment per geographical sector

Geographical sector	2015	2016	2017
Attica	13	14	14
Local community(1)	407	418	458
Rest of Greece	2	2	2
Other (relocation abroad)	5	5	5

Age distribution (2017)	18-30	31-50	51+
Men	28	272	146
Women	5	19	9
Total	33	291	155

Age distribution (%)	18-30	31-50	51+
Men	5.8%	56.8%	30.5%
Women	0%	4.0%	1.9%
Total	5.8%	60.8%	32.4%

New employees hires 2017 (by age and gender group)	18-30	31-50	51+
Men	15 (23.8%)	36 (57.1%)	4 (6.3%)
Women	7(11.1%)	1(3.4%)	0 (0%)
Total	22(34.9%)	37(58.7%)	4(6.3%)

New employees hires 2017 (by geographical sector and age group)	18-30	31-50	51+
Attica	13(20.6%)	18(28.6%)	4(6.3%)
Local community	9(14.3%)	19(30.2%)	0(0%)
Total	22(34.9%)	37(58.7%)	4(6.3%)

Total departures 2017 (by gender and age group)	18-30	31-50	51+
Men	7 (30.4%)	8 (34.8%)	5 (21.7%)
Women	2 (8.7%)	1 (4.3%)	0 (0%)
Total	9 (39.1%)	9 (39.1%)	5 (21.7%)

Total departures 2017 (by geographical sector and age group)	18-30	31-50	51+
Attica	6 (26.1%)	5 (21.7%)	3 (13.0%)
Local community	3 (13.0%)	4 (17.4%)	2 (8.7%)
Total	9 (39.1%)	9 (39.1%)	5 (21.7%)

Breakdown of departures	2015	2016	2017
Dismissals	5	15	4
Resignations	9	9	14
Retirements	4	2	3
Death by natural causes	-	-	2
Total	18	26	23

Employee mobility (%)	2015	2016	2017
Employee hires (number of new employees hired / total number of employees)	6.79%	8.6%	13%
Employee departures (number of employees who left the company / total number of employees)	4.2%	5.9%	5%

Training hours per subject	2015	2016	2017
Health and safety	639	811	1,026
Sales	80	-	-
Management / Administration	1,248	548	64
Quality and environment	64	112	1,435
IT issues	268	573	376
Foreign languages	363	206	230
Technical know-how	-	276	160
Total hours	2,662	2,526	3,291

Position/Rank	Total training hours 2017			Average training hours		
	Men	Women	Total	Men	Women	Total
Managers	56		56	4.0	-	4.0
Senior executives	208	12	220	6.7	6	6.7
Office staff	208	58	266	3.2	1.9	2.8
Plant personnel	288		288	0.9	-	0.9
Total	760	70	830	1.7	2.1	1.7

Position/Rank	Employee assessment (2017)		
	Men	Women	Total
Managers	0	0	0
Senior executives	16	1	17
Office staff	24	10	34
Plant personnel	8		8
Total	48	11	59

Employee absenteeism rate	2015	2016	2017
Work day lost	1,551	1,857	2,266
Absenteeism rate	1.17%	1.39%	1.59%

Contractors absenteeism rate	2015	2016	2017
Work day lost	321	219	0
Absenteeism rate	0.58%	0.36%	0%

1) Absentee days include any absence of employees from work due to any inability (e.g. illness, accident), as well as incidents requiring first aid only. Leaves of any kind (e.g. annual regular leave, maternity/paternity, parenting, education, marriage, birth of a child, loss of a relative, etc.) are not included.

2) Absenteeism rate (AR) = number of days lost from work due to inability to work/ (total number of employees X average working days per employee) X 100.

Occupational health and safety

Occupational health and safety indicators	2015	2016	2017
Lost Time Incidents Frequency rate (LTIFR)	7.99	5.16	6.69
Severity rate / Lost work day rate (SR=LDR)	131.7	90.86	144.21
Occupational disease rate (ODR)	0	0	0
Fatalities	0	0	0

Note: To calculate lost days, counting begins from the next day of the accident.

1) *Injury rate: number of accidents (LTI) X 106 / number of man-hours worked.*
2) *Accident severity rate (SR: Severity rate = LDR: Lost Work Day Rate): number of lost work days X 10^6 / number of manhours worked.*
3) *Occupational Diseases Rate (ODR): number of occupational diseases X 10^6 / number of man-hours worked.*

Environment

Direct energy consumption by type of fuel

Type of fuel	2015 Volume	2016 Volume	2017 Volume
Diesel (lt/tn of product)	2.75	2.72	2.43
Natural gas (Nm^3/tn of product)	66.48	68.92	63.31

Type of fuel	2015 Energy	2016 Energy	2017 Energy
Diesel (GJ/tn of product)	0.106	0.105	0.094
Natural gas (GJ/tn of product)	2.59	2.69	2.47
Total (GJ/tn of product)	2.70	2.79	2.56

**All energy consumption figures are from the Company's energy consumption bills. There is no consumption of energy from renewable energy sources and no energy is sold.*

For 2017, the factors of NIR (National Inventory Report) 2018 were used, p. 117. For the conversion of diesel liters to Kg we used the density (average) as mentioned in Joint Ministerial Decision 355/2000/2001, 1KWh=0,0036Gj

Ministerial Decision 355/2000/2001: min 0,82, max: 0,845, avg. 0,8325.

	2015	2016	2017
Direct emissions (Kg CO_2/tn of product)	144	151	152

*** The quantity of direct emissions is calculated based on natural gas consumption in production and the consumption of oil for the transfer.*

For calculation of the direct emissions for 2017 we used the factor 11,4820958246835 KWh / Nm^3 NG from DEPA. The average of the index tn CO_2 / TJ for 2017 is 55,5619050269 tn CO_2 / TJ, according to Oinofyta spectrometer data.

	2015	2016	2017
Indirect emissions (Kg CO_2/tn of product)	448	394	377

For calculation of the indirect emissions for 2017 we used the factor: 0,58415 kg CO_2/KWh (source: European Residual Mixes 2016, AIB, Greece).

Water consumption by source (%)	2015	2016	2017
EYDAP water supply network	96.3%	96.6%	97.27%
Oinofyta water supply network	3.7%	3.4%	2.73%

All water consumptions are from EYDAP, ElvalHalcor and purchase invoices (for tanker trucks).

Other indirect emissions (2017)	tn CO_2
Business travel	87
Employee transportation (to and from work)	729
Final products transportation	7,785
Transporting copper cathodes to Halcor	9,485
Transporting scrap to Halcor	2,370

Waste management method

Management method	2015		2016		2017	
	Kg	%	Kg	%	Kg	%
Recovery*	713,960	3.9	919,060	5	964,026	4.9
Recycling	16,925,610	91.5	17,211,586	92.6	18,227,854	92.8
Landfill disposal	857,510	4.6	448,960	2.4	450,490	2.3
Total	18,497,080	100	18,579,606	100	19,642,370	100

** Recovery (energy or other form of recovery)*

Waste management method (non hazardous waste)	2017 Kg	%
Recovery	0	0
Recycling	17,783,284	98.2
Landfill disposal	321,860	1.8
Total	18,105,144	100

Waste management method (hazardous waste)	2017 Kg	%
Recovery	964,026	62.7
Recycling	444,570	28.9
Landfill disposal	128,630	8.4
Total	1,537,226	100

Recycled metal consumption (%) in relation to total metal consumption (%) (without internal returns)

Year	Percentage
2015	57%
2016	39%
2017	41%

Recycled metal consumption in relation to total metal consumption

Year	Percentage
2015	65%
2016	50%
2017	52%

Copper recycling and benefits (2008-2017)

Energy saving, compared to the primary production of the same quantity of copper, is calculated as at least 3,061,835 MWh* within a period of 10 years (from 2008-2017), namely the equivalent of annual consumption of a city of 526,000 people (calculated by the EU average).

Energy consumption (MWh) for primary copper production (1tn Cu)	Energy saving due to recycling (%)	Average annual scrap use 2008-2017 compared to 2007 (tn)	Years	Total energy saving (MWh)	Equivalent annual energy of a town (number of people)
27.8	85	12,957	10	3,061,835	526,200

Emissions CO_2 per tn Cu (tn) tn Cu (tn)	Avoidance of CO_2 emissions due to recycling (%)	Average annual scrap use 2008-2017 compared to 2007 (tn)	Years	Avoidance of CO_2 emission (tn)	Equivalent annual CO_2 emissions of a town (number of people)
5.5	64	12,957	10	456,101	42,630

Aluminium rolling division (Elval)

Purchasing

Number of suppliers	2015 (number)	2016 (number)	2017 (number)
International suppliers	657	637	612
National suppliers (Greece)	1,605	1,513	1,593
Local suppliers*	91	85	120
Total (number of suppliers)	2,262	2,150	2,205

** the number of local suppliers (include our total suppliers from Oinofyta, Thiva and Chalkida) are included in the total number of suppliers range.*

Suppliers expenditure distribution per category/origin	2015 (EUR million)	2016 (EUR million)	2017 (EUR million)
Total expenditure on suppliers (total suppliers)	428.3	703	799
Expenditure on international metal suppliers	M/Δ	460	572
Expenditure on national metal suppliers (local suppliers)	M/Δ	243	227
Expenditure on local suppliers (in total of national suppliers)	14.1	13.8	12.1

** The expenditure on suppliers concerns the invoiced costs.*

Human resources data

Total number of employees (31/12)	2015	2016	2017
Men	722	764	711
Women	71	71	74
Third party employees	64	71	71
Employees of different nationalities	20	22	20
Seasonal employees	4	12	65

Position/Rank (2017)	Men	Women	Total
Managers	22	2	24
Senior executives	104	9	113
Office staff	171	54	225
Plant personnel	414	9	423
Total	711	74	785

Employment per type	2015		2016		2017	
	Men	Women	Men	Women	Men	Women
Full-time employees	722	71	764	71	711	74
Collective bargaining agreement (%)	100	100	100	100	100	100
Indefinite-term employment contract (%)	100	100	100	100	100	100

Distribution of workforce by geographical sector and gender group

Geographical sector	2016			2017		
	Men	Women	Total	Men	Women	Total
Attica	270	28	298	316	31	347
Local community(1)	494	43	537	389	43	432
Rest of Greece	-	-	-	6	0	0
Total	764	71	835	711	74	785

(1) Local community: Greater Viotia and Evia Area

Age distribution (2017)	18-30	31-50	51+
Men	57	477	177
Women	8	59	7
Total	65	536	184

Age distribution (2017) %	18-30	31-50	51+
Men	7.3%	60.8%	22.5%
Women	1%	7.5%	0.9%
Total	8.3%	68.3%	23.4%

New employees hires 2017 (by age and gender group)	18-30	31-50	51+
Men	15 (32.6%)	21 (45.7%)	3 (6.5%)
Women	6 (13%)	1 (2.2%)	0 (0%)
Total	21 (45.7%)	22 (47.8%)	3 (6.5%)

New employees hires 2017 (by geographical sector and age group)	18-30	31-50	51+
Attica	12 (26.1%)	9 (19.6%)	2 (4.3%)
Local community	9 (19.6%)	12 (26.1%)	1 (2.2%)
Patra	0 (0%)	1 (2.2%)	0 (0%)
Total	21 (45.7%)	22 (47.8%)	3 (6.5%)

Total departures 2017 (by gender and age group)	18-30	31-50	51+
Men	1 (5.6%)	9 (50%)	7 (38.9%)
Women	0 (0%)	1 (5.6%)	0 (0%)
Total	1 (5.6%)	10 (55.6%)	7 (38.9%)

Total departures 2017 (by geographical sector and age group)	18-30	31-50	51+
Attica	0 (0%)	6 (33.3%)	2 (11.1%)
Local community	1 (5.6%)	4 (22.2%)	5 (27.8%)
Total	1 (5.6%)	10 (55.6%)	7 (38.9%)

Breakdown of departures	2017
Dismissals	7
Resignations	9
Retirements	2
Death by natural causes	0
Total**	18

Employee mobility (%)	2015	2016	2017
Employee hires (number of new employees hired / total number of employees)	6.79%	8.6%	5.86%
Employee departures (number of employees who left the company / total number of employees)	4.2%	5.9%	2.29%

Employee training (2017)

Position/Rank	Total training hours (2017)			Average training hours		
	Men	Women	Total	Men	Women	Total
Managers	580	16	596	26.4	8.0	24.8
Senior executives	5,144	566	5,710	49.5	62.9	50.5
Office staff	3,921	510	4,431	22.9	9.5	19.7
Plant personnel	3,248	288	3,536	7.8	32.0	8.4
Total	12,893	1,380	14,273	18.1	18.7	18.2

Training hours per subject

Subject	hours	Percentage
Health and safety	3,698	26%
IT issues	943	7%
Technical issues	3,339	23%
On the job training	194	1%
Environment	112	1%
Management / Administration	5,131	36%
Quality	218	2%
Postgraduate programs	510	4%
Sales	128	1%
Total hours	14,273	100%

Training our partners (contractors and suppliers)

Training for third party employees

Training course	Number of participants	Training hours
Health and Safety	135	392
Environment	9	15
On the job training/other issues	26	69
Quality	17	10
Total	187	485

Employee absenteeism rate (Elval)

	2015	2016	2017
Work day lost	444	1,155	1,334
Absenteeism rate (AR)	0.2	0.42	0.57

Contractors absenteeism rate (Elval)

	2015	2016	2017
Work day lost	147	221	170
Absenteeism rate (AR)	N/A	N/A	0,09

Occupational health and safety

Occupational health and safety indicators	2015	2016	2017
Lost Time Incidents Frequency rate (LTIFR)	4.93	3.58	3.16
Severity rate / Lost work day rate (SR=LDR)	123.92	90.47	80.00
Occupational disease rate (ODR)	0	0	0
Fatalities	0	0	0

Note: To calculate lost days, counting begins from the next day of the accident.

1) Injury rate: number of accidents (LTI) X 10^6 / number of man-hours worked.

2) Accident severity rate (SR: Severity rate = LDR: Lost Work Day Rate): number of lost work days X 10^6 / number of manhours worked.

3) Occupational Diseases Rate (ODR): number of occupational diseases X 10^6 / number of man-hours worked.

Environment

Direct energy consumption by type of fuel

Type of fuel	2015 Volume	2016 Volume	2017 Volume
Diesel (lt/tn of product)	3.00	3.24	3.24
Natural gas (Nm³/tn of product)	165.43	149.47	157.12

Type of fuel	2015 Energy	2016 Energy	2017 Energy
Diesel (GJ/tn of product)	165.43	149.47	157.12
Natural gas (GJ/tn of product)	6.86	6.21	6.49
Total (GJ/tn of product)	6.97	6.33	6.60

** All energy consumption figures are from the Company's energy consumption bills. There is no consumption of energy from renewable energy sources and no energy is sold.*

For 2017, the factors of NIR (National Inventory Report) 2018 were used, p. 117. For the conversion of diesel liters to Kg we used the density (average) as mentioned in Joint Ministerial Decision 355/2000/2001, 1KWh=0,0036Gj

Ministerial Decision 355/2000/2001: min 0,82, max: 0,845, avg. 0,8325.

	2015	2016	2017
Direct emissions (kg CO_2/ tn of products)	366	335	351

	2015	2016	2017
Indirect emissions (kg CO_2/ tn of products)	511	433	446

For calculation of the indirect emissions for 2017 we used the factor: 0,58415 kg CO_2/KWh (source: European Residual Mixes 2016, AIB, Greece).

Water: At Elval-aluminium rolling division, the data for water consumption are from EYDAP invoices.

Waste management method Management method	2015		2016		2017	
	Kg	%	Kg	%	Kg	%
Recovery*	4,634,037	19.0	5,534,535	20.2	4,669,702	17.0
Recycling	18,925,690	77.4	21,123,354	77.2	22,269,387	80.9
Landfill disposal	876,480	3.6	699,660	2.6	576,470	2.1
Total	24,436,207	100	23,357,549	100	27,067,933	100

** Recovery (energy or other form of recovery)*

Management method by type waste

Waste management method (non hazardous waste)	2017 Kg	%
Recovery	1,108,287	4.9
Recycling	21,092,106	92.6
Landfill disposal	576,470	2.5
Total	22,776,863	100

Waste management method (hazardous waste)	2017 Kg	%
Recovery	3,561,416	75
Recycling	1,177,280	25
Landfill disposal	0	0
Total	4,738,696	100

About this report

Report profile

Aimed at better informing our stakeholders (investors, shareholders, employees, customers, suppliers, etc.), this Report presents our strategic priorities, practices, ElvalHalcor's performance and our future goals in the context of responsible business. This issue covers the calendar year 2017 (01/01/2017 - 31/12/2017).

Since 2008, Aluminium rolling division-Elval and Copper tubes division-Halcor issues Sustainability Reports on an annual basis. For 2017, the Report you hold in your hands is the 10th annual issue and single version for our two divisions. For us, the Sustainability report is an important information tool (as it reflects the way we respond to material issues and expectations) for all our stakeholders.

The Report meets the requirements of the GRI Standards framework (core), as well as the 3 principles of the AA1000APS standard, the ISO 26000 guidelines and 20 criteria of the Greek Sustainability Code

All Sustainability Reports issued by Elval and Halcor to date are available in electronic form (pdf files) on the Company's website (www.elvalhalcor.com), under the section "Sustainability".

Scope and boundary

This Report covers all of the Company's production activity (ElvalHalcor S.A.) in Greece, while the scope of reporting does not include the subsidiaries Symetal SA, Elval Colour SA, Vepal SA, Sofia Med SA and Fitco SA, for which responsible operation information is briefly presented.

All the data presented in this report has been verified by an external auditor

The scope of our Sustainability report 2017 includes the Aluminium rolling division (Elval) and the Copper tubes division of ElvalHalcor SA. The Company has over 80 years of experience aw it was formed in December 2017 via the merger of Elval, a leading European aluminium rolling company, and Halcor, the largest copper tubes producer in Europe. The new entity, ElvalHalcor capitalises on natural synergies in innovation and technology, research and development (R&D), procurement, marketing, infrastructure and environment to produce value-added, high-quality solutions for its customers around the world.

There are no significant changes in the scope or the boundary of performance issues covered or information reviews compared to previous Reports. Similarly, no changes have been made in the evaluation or/and calculations of quantitative performance data of the Company.

Report preparation

The Sustainability Report 2017 was prepared in accordance with the Guidelines of the international Organisation Global Reporting Initiative GRI Standards (core option). At the same time, in the preparation procedure of the Report's sections, the ISO 26000 guideline framework standards were used. We believe this option reflects our commitment to linking our broader strategy to Sustainability issues, focusing on the material issues of our responsible operation. The GRI content index is available at the Company's website www.elvalhalcor.com (Sustainability section), while the statement of the independent body who verified the Report is available in page 116.

Methodology and team work

ElvalHalcor's Sustainability team, among other things, is also responsible for preparing the Sustainability Report. Specifically, ElvalHalcor team executives undertake, on an annual basis, to collect all necessary data concerning Halcor's Sustainability areas, to prepare the relevant Report, in accordance with the requirements of the international standards followed (GRI Standards, ISO 26000, AA1000, etc.).

The team members that cooperated for this edition, are:

Copper tubes division - Halcor	Aluminium rolling division - Elval
Sustainability coordinator: George Mavraganis **Department Representatives - material officers:** Thaleia Aggelidi, Ia Anagnostopoulou, Katerina Kapeleri, Dimitrios Katsikopoulos, Efstratios Kolyfetis, Alexandros Kompotis, Eftychios Kotsabasakis, George Lampousis, George Samartzis, Dionysis Skarmoutsos, Vasilis Solidakis, Natassa Kovani, Spyros Hondrogiannis	**Sustainability coordinator:** Vera Pagoulaki **Department Representatives - material officers:** Aggeliki Angelou, Aggelos Giazitzoglou, Eva Kalavri, Leonidas, Kardaras, Ioanna Koumarioti, Katerina Kotoula, Giannis Koufopanos, Antonis Kritikos, Eleni Liakea, Μανώλης Manolis Fytros, Nikoleta Papakonstantinou

Scientific associate: Tania Takou (data collection, evaluation and creation of the Sustainability Report 2017).

External verification

We recognise the importance of the external verification process, both for the reliability of the Report's information (accountability with transparency to our stakeholders) and for the internal value in improving our procedures. For this reason, we have chosen to verify all ElvalHalcor's data included in this year's Report, cooperating with an external body. The relationship of the Company with the verification body is independent and the body provided no consultation services to the Company for the Report. In the process of continually improving the quality of the Sustainability Reports we issue, we appropriately use the conclusions, comments and suggestions resulting from the external verification process. Pages 116-117 present both the implementation level of the GRI Standards indicators in this Report and the Statement of the independent body who verified the report.

Contact point

With a view to our continuous improvement, always interested and open-minded, we invite you to read our new Sustainability Report and look forward to your views and suggestions on the initiatives and actions we present. Your opinion is of great value to us. We really appreciate your feedback - it will help us to improve our sustainability report and our performance. Please send us your views, by following the link http://www.elvalhalcor.com/el/sustainability/reporting/feedback-form/.

ElvalHalcor SA

Copper tubes division - Halcor

George Mavraganis
Strategic Planning Director and
Sustainability Coordinator
62th km Athens–Lamia National Road,
Oinofyta, Viotia, Greece GR-32011
Tel.: 0030 22620 48856,
Fax: 0030 22620 48910
E-mail: csr@halcor.com,
www.halcor.com

Aluminium rolling division - Elval

Vera Pagoulaki
Human Resources Manager and
Sustainability Coordinator
61th km Athens–Lamia National Road,
Oinofyta, Viotia, Greece GR-32011
Tel.: 0030 22620 53350,
Fax: 0030 22620 53439
E-mail: bpagoul@elval.com,
www.elval.com

Assurance statement for the report

TÜV AUSTRIA Hellas
Independent Assurance Statement for ELVALHALCOR's Sustainability Report 2017

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 2017 ('the Report') of ELVALHALCOR S.A. ('the Company'). The Company was formed in December 2017 via the merger of Elval, an aluminium rolling company, and Halcor, a copper tubes producer. 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 2017 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 2018:

1. Review of the Report against the requirements of:
    - Global Reporting Initiative (GRI) Sustainability Reporting Guidelines, in order to confirm that the GRI-STANDARDS "Core option" requirements are fulfilled and,
    - AA1000 Accountability Principles Standard 2008.
    - Greek Sustainability Code.
2. Verification of the data included in all the chapters of the Report.
3. Site visits as well as interviews with the Sustainability Team and the main executives, at the Company's factories for aluminium rolling, production of copper tubes and the foundry, for the implementation of verification and sampling inspections of files, in order to evaluate:
    - the reliability and accuracy of performance indicators of the Sustainability Report
    - the processes for generating, gathering and managing information included in the Report
    - the adherence to the principles of inclusivity, materiality and responsiveness to stakeholders.

Limitations

The extent of the above collected data and information justify the characterization «moderate assurance», since the objective evidence found were a result of internal sources of the Company and not through contacting external stakeholders.

Conclusions

During the assurance engagement, it was confirmed that the data and information of all the chapters of the Report are accurate and reliable. The accuracy of the disclosed statements and assertions was found to be within acceptable limits. The Company provided a comprehensive and proper presentation of performance on the basis of reasonably documented information as well as that there is an effective data gathering, management and reporting system in place for issues which pertain to sustainable development.

The Provider concurs that the GRI-STANDARDS "Core option", the 3 principles of AA1000 APS requirements and the 20 Criteria of the Greek Sustainability Code have been met.

Opportunities for Improvement

Based on the observations and concluding remarks derived from the assurance engagement, the Provider's recommendations for the improvement of the Company's future Sustainability Reports are as follows:

A. GRI-STANDARDS:

- Assurance of the Report's qualitative information too.
- Provision of information for additional GRI-STANDARDS indicators, in order to fulfill the "Comprehensive option" requirements.

B. AA1000APS:

- The process of stakeholder participation should be ongoing for all stakeholders and should establish ways for stakeholders to be involved in decisions that will improve sustainability performance, build the capacity of internal stakeholders and supports building capacity for external stakeholders to engage and address conflicts or dilemmas between different stakeholder expectations, as well.
- The materiality determination process should be ongoing for all stakeholders and should include criteria and thresholds that are clear and replicable and include a means of addressing conflicts or dilemmas between different expectations regarding materiality.
- The process in place for developing appropriate responses should be ongoing for all stakeholders and should consider the relationship between the maturity of an issue and the appropriateness of a response and document that the responses prioritization criteria take resources requirements into account.
- The process in place to communicate with all stakeholders should be ongoing.

C. Greek Sustainability Code:

- There is not any pending material requirements.

Statement of Independence, Impartiality and Competence

TÜV AUSTRIA Hellas is an accredited certification body which operates a Quality Management System which complies with the requirements of several accreditation standards, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

TÜV AUSTRIA Hellas has implemented a Declaration of Impartiality and Independency and several relevant procedures which ensure that all employees, that work for or on behalf of it, maintain high standards in their day to day business activities. We are particularly cautious in the prevention of conflicts of interest. TÜV AUSTRIA Hellas has a number of existing commercial contracts with ELVALHALCOR regarding management systems certification activities. Our assurance team does not have any involvement in other projects with ELVALHALCOR that would cause a conflict of interest and has never provided any consulting services to the Company.

Note: This Independent Assurance Report has been prepared as a translation of the original Greek version

On behalf of TÜV AUSTRIA Hellas,
Athens, 21st of May 2018

Kallias Yiannis
General Manager

Sifakis Nikolaos
Lead Auditor

AA1000
Licensed Assurance Provider
000-211

The photographs in this Report were taken by the photographers Spyros Haraktinos, Panos Georgiou, and by FBRH Consultants Ltd., Anastasios Liatis, Erietta Papadogianni, Patrik Pollak (SVK1 Sports production).

FSC

The paper from our Report was printed on was produced from FSC forests and plantations and contains 60% recycled paper pulp.

ELVALHALCOR

HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.

GRI Standards Content Index 2017

ELVAL HELLENIC ALUMINIUM INDUSTRY / HALCOR HELLENIC COPPER INDUSTRY

GRI Standard Index (core option)

GRI Standard	Disclosure	Reference (page number) and/or relevant comments	Reason(s) for omission	External assurance
GRI 101 : Foundation 2016				
GRI 102: General Disclosures				
102-1	Name of the organisation	ElvalHalcor Hellenic Copper and Aluminium Industry S.A.		√
102-2	Activities, brands, products and services	Page 10-14, www.elvalhalcor.com See GRI Standard 417-1		√
102-3	Location of headquarters	http://www.elvalhalcor.com/el/contactus/		√
102-4	Location of operations	See pages 9, 10 http://www.elvalhalcor.com/el/who-we-are/global-presence/		√
102-5	Ownership and legal form	ElvalHalcor is a Societé Anonyme, with shares listed on the Athens Stock Exchange (ASE) since 01/02/2018. ElvalHalcor's shareholder structure (31/12/2017): Viohalco SA 91.4% and other shareholders 8.6%		√
102-6	Markets served	p. 12 http://www.elvalhalcor.com/el/activity-markets/overview http://www.elvalhalcor.com/el/our-products/		√
102-7	Scale of the organisation	See pages 6-7, 11, 12, 64, 101. Total sales for the year 2017 were EUR 895,786 (thousand).	ElvalHalcor does not report the quantity of product sales (total tn) due to competition intelligence reasons.	√
102-8	Information on employees and other workers	See pages 64-66 and 103-107		√
102-9	Supply chain	See pages 60-62, 102-103		√
102-10	Significant changes to the organisation and its supply chain	ElvalHalcor Annual Report 2017, See page 6. The quantities that changed due to the merger of the 2 companies: the products portfolio expanded, new markets were created, total workforce increased as a result of the aforementioned merge. Concerning the structure of the new company, it consists of two sections: aluminium rolling division (Elval) and Copper tubes division (Halcor). ElvalHalcor remained an S.A. designated company.		√
102-11	Precautionary principle or approach	See pages 20, 72, 74, 76		√
102-12	External initiatives	See pages 13, 23		√
102-13	Membership of associations	See pages 23		√
Strategy				
102-14	Statement from senior decision-maker	See pages 6-7		√
102-15	Key impacts, risks, and opportunities	See pages 20. Financial Report of the board of Directors 2017 (p. 9-11).		√
Ethics and Integrity				
102-16	Values, principles, standards and norms of behaviour	Vision, Mission, Values: http://www.elvalhalcor.com/el/who-we-are/vision/. The relevant brochure was distributed to the workforce, clients, suppliers and the Board of Directors. The Code of Conduct and Business Ethics were communicated to all workers and is available http://www.elvalhalcor.com/el/sustainability/our-people/. In addition seminars were composed and held for various work groups concerning their conduct and corporate ethics, and suppliers were informed as well.		√

GRI Standard	Disclosure	Reference (page number) and/or relevant comments	Reason(s) for omission	External assurance
Governance				
102-18	Governance structure	See pages 19-20. Financial Report of the 2017 Board of Directors (See pages 26-27). ElvalHalcor Annual Report of 2017/ section 15 Directors for the aluminium rolling division (Elval) as well as the Copper tubes division (Halcor).		√
Stakeholder engagement				
102-40	List of stakeholder groups	See pages 56-59		√
102-41	Collective bargaining agreements	See pages 103, 105 (100%)		√
102-42	Identifying and selecting stakeholders	The process for the definition of the stakeholders that we did follow, was devised directly from the Sustainability Team that firstly did communicate with various parts of the Company and secondly with the stakeholders. See pages 56-59.		√
102-43	Approach to stakeholder engagement	See pages 56-59		√
102-44	Key topics and concerns raised	See pages 56-59		√
Reporting practice				
102-45	Entities included in the consolidated financial statements	Financial Report for the year 2017/Corporate and consolidated report of December the 31st 2017 /VI Annotations of the financial statements		√
102-46	Defining report content and topic boundaries	See pages 112-113		√
102-47	List of material topics	See pages 8-9		√
102-48	Restatements of information	See page 82		√
102-49	Changes in reporting	There were no significant changes		√
102-50	Reporting period	01/01/2017-31/12/2017. See pages 112-113		√
102-51	Date of most recent previous report	Our last report was published in May 2017 (our previous report was published in May 2016) http://www.elvalhalcor.com/el/sustainability/reporting/overview		√
102-52	Reporting cycle	We report on an annual basis		√
102-53	Contact point for questions about the report	See pages 112-113		√
102-54	Claims if reporting in accordance with the GRI Standards	This report was based according to the GRI Standards – "core option". See pages 112-113 and GRI index		√
102-55	GRI content index	http://www.elvalhalcor.com/userfiles/225d38ab-9b23-4522-9e62-a6a900aac8b2/ElvalHalcor_GRI%20Index_SR%202017.pdf		√
102-56	External assurance	See pages 112-113, 114-115		√
GRI 103 Management approach				
103-1	Explanation of the material topic and its boundary	See pages 8-9		√
103-2	The management approach and its components	See pages 8-9		√
103-3	Evaluation of the management approach	See pages 8-9		√
GRI 103 Economic performance				
201-1	Direct economic value generated and distributed	See page 101		√
201-4	Financial assistance received from government	Financial Report for the year 2017/ Financial statements (Group and company) of December the 31st 2017 (section 24 , p. 54) Moreover, the Greek Government does not have any holding in the Company's share capital.		√

GRI Standard	Disclosure	Reference (page number) and/or relevant comments	Reason(s) for omission	External assurance
GRI 202 Market presence				
202-2	Proportion of senior management hired from the local community	See pages 103, 105 15% of the Management team at from the local communities.		√
GRI 203 Indirect economic impacts				
203-1	Infrastructure investments and services supported	See pages 84-93		√
203-2	Significant indirect economic impacts	See pages 101-103		√
GRI 204 Procurement practices				
204-1	Proportion of spending on local suppliers	See pages 60-61, 102-103		√
GRI 205 Anti-competitive behaviour				
205-1	Operations assessed for risks related to corruption	ElvalHalcor 2017 Financial Report - Corporate Governance statement. All business units are being systematically audited. There have been reported no incidents of corruption.		√
205-2	Communication and training about anti-corruption policies and procedures	The total of our workforce has been informed for the Company's Code of Conduct and Business Ethics that references to the relevant subjects. All new employees are thoroughly informed to the relevant subjects of the above topics. In addition in the past, a relevant seminar took place that was attended by employees and executives of the Company.		√
205-3	Confirmed incidents of corruption and actions taken	No such incident was reported for 2017 and for the previous years as well.		√
GRI 301 Materials				
301-2	Materials used by weight or volume	See page 78		√
GRI 302 Energy				
302-1	Energy consumption within the organisation	See page 79-78		√
302-3	Energy intensity	No energy consumed outside the boundaries sets is included in this calculation, see pages 78-79. The indicator of the (energy intensity) of ElvalHalcor for 2017 amounted 2,384 KWh/tn of product (8.58 GJ/tn of product) and in 2016 amounted (8.58 GJ/tn of product). For the energy intensity indicator the formula used is: the amount of total energy used (electric and thermal energy) in KWh divided with the total production of products. The Company isn't using any steam. Also the total energy used for cooling and heating is added in the total amount of electric energy.		√
302-4	Reduction of energy consumption	The Company has made significant investments and actions to reduce its energy consumption. Application of the certified Energy Management System in line with the international Standard ISO 50001:2015 (more than 326 MWh were saved during 2017. This was due to actions taken to save energy in the Copper Tubes Division-Halcor). See page 80.		√
GRI 303 Water				
303-1	Water withdrawal by source	See page 79		√
303-2	Water sources significantly affected by withdrawal of water	See page 79. There are no water sources that are directly affected by the Company's operation. Water is not drawn from bodies of water which experts have acknowledged as rare, endangered or threatened systems. Water is not drawn from wetlands covered		√

GRI Standard	Disclosure	Reference (page number) and/or relevant comments	Reason(s) for omission	External assurance
		by the Ramsar Convention or other similar sources. The Company does not implement water withdrawal from an area designated as protected.		
303-3	Water recycled and reused	Water recycling is applied where feasible, however without being possible to have an exact measuring of the amount being recycled.		√
GRI 304 Biodiversity				
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	The Company does not operate in or adjacent to protected areas. There has been no negative impact on IUCN Red List species and national operations, by operations, list species, since the Company does not operate in such areas. As a matter of fact there is no interaction between Company and eco-system and there was no need to develop a specific program for the biodiversity.		√
304-2	Significant impacts of activities, products, and services on biodiversity	See 304-1		√
304-3	Habitats protected or restored	See 304-1		√
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	See 304-1		√
GRI 305 Emissions				
305-1	Direct (Scope 1) GHG emissions	See pages 80-81, section Environmental protection/ Climate change and Air emissions. For competition reasons, the Company does not want to publish the total production (tn of product) and as a result of that as well we can't publish the number of direct emissions. For this reason, ElvalHalcor published the indicator: Direct emissions per tn of product. See pages 108-110		√
305-2	Energy indirect (Scope 2) GHG emissions	See pages 80-81, 108-110		√
305-3	Other indirect (Scope 3) GHG emissions	See pages 108-110		√
305-4	GHG emissions intensity	See pages 80-81 and annex pages 10-13 Total weight of waste by type and disposal method. The formula that counts the CO_2 emissions (direct or indirect) is: total direct or indirect emissions/total products production.		√
GRI 306 Effluents and waste				
306-2	Waste by type and disposal method	See pages 82, p. 109-110		√
306-3	Significant spills	There were no significant spills.		√
306-4	Transport of hazardous waste	The Company does not transport, import or ship any type of waste. For 2017 all Company's waste were properly managed (see section 8 – Environmental protection/Waste management), from licensed companies operating in the hazardous and non-hazardous processing industry.		√
GRI 307 Environmental compliance				
307-1	Compliance with environmental laws and regulations	See GRI Standard 414-1		√
GRI 308 Supplier environmental assessment				
308-1	New suppliers that were screened using environmental criteria	100% of new suppliers of environmental interest (waste management) is based on environmental criteria. During 2017 we had no new collaboration with a supplier concerning environmental issues. All active suppliers are monitored annually according to the relevant environmental legislation. The total of new suppliers were 547.		√

GRI Standard	Disclosure	Reference (page number) and/or relevant comments	Reason(s) for omission	External assurance
308-2	Negative environmental impacts in the supply chain and actions taken	There were no significant actual and potential negative environmental impacts. No negative effects were recorded in the supplying chain.		√
GRI 401 Employment				
401-1	New employee hires and employee turnover	See pages 65, 104, 106		√
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	See pages 68-69		√
401-3	Parental leave	The Company is overly sensitive in maternal issues. This is proven from the fact that all women returned to work after maternity leave. All women were granted the necessary leave. It is known that all women that gave birth and went back to work stayed for 18 months which is the timespan that law permits them. The Company respects the right of maternity (all employees are entitled to parental leave according to national legislation) and the right to parental leave (we provide parental leaves to all employees who already have child or are about to have one). All employees who receive such a leave continue working in the Company 12 months after they take this leave.	It is not supported by our SAP system to export the number for this indicator.	√
GRI 402 Labour/Management ralations				
402-1	Minimum notice periods regarding operational changes	The Company has not established a specific minimum notice period. However, all legal restrictions are applied. Employees are informed in collective agreements directly by the Company's management for every important issue concerning the Company.		√
GRI 403 Occupational Health and Safety				
403-1	Workers representation in formal joint management–worker health and safety committees	See page 74. 100% of our employees are fully represented in monthly a Health and Safety committees. The Company's Health, Safety Department reports directly to the BoD on relevant issues that may affect the employees.		√
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	See pages 75, 107-108 The figures concern the plants of the aluminium rolling division (Elval) and Copper tubes division (Halcor) at Oinofyta, Viotia. All of our incidents concern men employees. The ratio of injuries (IR) doesn't include the accidents that need only medical assistance. Lost days are considered working days.		√
403-4	Health and safety topics covered in formal agreements with trade unions	There are no relevant agreements - all the relevant regulations are applied.		√
GRI 404 Training and education				
404-1	Average hours of training per year per employee	See pages 67, 104, 107		√
404-2	Programs for upgrading employee skills and transition assistance programs	See page 67		√
404-3	Percentage of employees receiving regular performance and career development reviews	100%. All employees receive regular development reviews.		√

GRI Standard	Disclosure	Reference (page number) and/or relevant comments	Reason(s) for omission	External assurance
GRI 405 Diversity and equal opportunity				
405-1	Diversity of governance bodies and employees	See pages 65, 101-102. All members of the Company's Board of Directors and members of Committees are male (http://www.elvalhalcor.com/el/investor-relations/corporate-governance/board-of-directors/composition). From the 38 Managers and Senior executives are male except 2 women (7% women in the total of Managers and senior executives). No individuals from any ethnic minority or with a disability participate in any Company governance bodies.		√
405-2	Ratio of basic salary and remuneration of women to men	This is no material issue for our Company. ElvalHalcor does not accept any kind of discrimination (wages or other)		√
GRI 406 Non-discrimination				
406-1	Incidents of discrimination and corrective actions taken	No such incidents were reported in 2017. At ElvalHalcor no incidents of discrimination have ever been recorded.		√
GRI 408 Child labour				
408-1	Operations and suppliers at significant risk for incidents of child labour	The Company is committed against child labour – The Company is against child labour, is complies with relevant legislation and implements control procedures of relevant documents during personnel hiring in order to ensure that no child labour occurs. Our employee standards clearly spell out that ElvalHalcor allows employment only for people who are over 18 years old. All contractors are aware of ElvalHalcor's policy against (Supplier Code of Conduct) child labour and they are monitored regularly to safeguard compliance with Company's standards.		√
GRI 409 Forced or compulsory labour				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	The Company is against forced labour and complies with all labor law including work hours. Concerning the suppliers see GRI Standard 408-01.		√
GRI 412 Human rights assessment				
412-2	Employee training on human rights policies or procedures	During 2017 no seminar relevant to human rights took place. Back in 2012 though, such training took place and was attended from all senior executives from all departments/sections of the company (see page 74 Halcor's 2012 Sustainability Report and page 66 Elval's 2012 Sustainability Report)		√
GRI 413 Local communities				
413-1	Operations with local community engagement, impact assessments, and development programs	Collaboration programs with the local communities are applied in the context of the production area of the company (Oinofyta Viotia) and the wider area. However, due to restricted and production activities impact no special study is considered necessary apart from the Environmental Impact Studies that are conducted according to the relevant legislation. The Company reviews the direct and indirect impacts towards local communities during business plans preparation.		√

GRI Standard	Disclosure	Reference (page number) and/or relevant comments	Reason(s) for omission	External assurance
413-2	Operations with significant actual and potential negative impacts on local communities	There are no negative impacts to local communities as the Company takes all the necessary measures and fully complies with the legislative framework.		√
GRI 414 Supplier social assessment				
414-1	New suppliers that were screened using social criteria (%)	All new suppliers (100%) that are contracted in the ElvalHalcor plants and premises are screened using social criteria. During 2017, 13 suppliers-contractors worked in the plants were audited directly in the Company and two suppliers at their premises. As a total, 2.7% of new suppliers were screened using social criteria.		√
GRI 415 Public policy				
415-1	Political contribution	The Company doesn't sponsor any political lobby or Government personnel.		√
GRI 416 Customer Health and Safety				
416-1	Assessment of the health and safety impacts of product and service categories	Non material issue. Copper has a positive impact on Health and Safety of the users and therefore, the company develops products with suitable applications.	Currently, data is not recorded to calculate such an indicator.	√
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There were no such Incidents of non-compliance in 2017.		√
GRI 417 Marketing and labeling				
417-1	Requirements for product and service information and labeling	All promotion and advertising activities reference Company's products are conducted in accordance with existing legislation and relevant regulations. The Company does not sell products that are the object of public consultation or dispute. Furthermore, the Company is voluntarily committed to provide full and clear information, adopting the Hellenic Advertising and Communication Code. https://www.elval.com/el/technology#technology-quality-certificates http://halcor.com/60/el/Poiotita-proionton/		√
417-2	Incidents of non-compliance concerning product and service information and labeling	All Company's products are accompanied with the appropriate documents, signs and quality labels according with relevant regulation and/or law. There have been no incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling in 2017.		√
417-3	Incidents of non-compliance concerning marketing communications	There were no such fines during 2017.		√
GRI 417 Socioeconomic compliance				
419-1	Non-compliance with laws and regulations in the social and economic area	There were no such fines during 2017. The Company fully complies with the relevant laws and regulations. No incidents of non-compliance occurred during 2017 and there were no relevant fines administered.		√

Note: For all Company's material issues, as these are displayed on page 9 of the ElvalHalcor's 2017 Sustainability Report, there is reference (in the report) for each one of these concerning the Management approach - GRI 103 (GRI 103-1, GRI 103-2, and GRI 103-3).

The GRI context index is dependable on the ElvalHalcor's 2017 Sustainability Report. This report was based according to the GRI Standards (2016 edition) –"core option". The Sustainability Report of the company as well as the GRI Index refer to 2017 -the period from 01/01/2017 to 31/12/2017.

In the aforementioned content index, for some indicators there is explanatory information at place, but for others there are references in the page of the ElvalHalcor's 2017 Sustainability Report, otherwise there are references at specified places that all the relevant information and data can be gathered.