



2016

Annual Report



HALCOR





**94% of consolidated sales
in international markets**



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Halcor in 2016 at a glance



One of the leading companies
manufacturing copper products in
Europe.



11

Multinational Group
comprises 11 companies in
5 different countries.



5

Strong and technologically advance
production base consisted of 5
production plants located in Greece,
Bulgaria and Turkey.



94.4%

Highly extrovert Group with
94.4% of the consolidated revenue
coming from
international markets.



693

Consolidated revenue
of EUR million.



2007

Profitable for the first
time after 2007.



1,100

employees work for
Halcor Group.



8

EUR million
for investments in 2016.

Activities

- Halcor Group produces and trades copper, copper alloy and brass products.
- It ranks first among the copper tube producers throughout Europe.
- It is a multinational Group of Companies that includes 11 legal entities based in 5 different countries (Greece, Bulgaria, Belgium, Romania and Turkey).
- It has a strong production base and operates 5 production plants in 3 different countries and more specifically Greece, Bulgaria and Turkey.
- Its exporting orientation represents one of the axes on which the Group has based its development throughout the years. During the fiscal year 2016, 94.4% of the Group's sales were absorbed by markets outside Greece thus turning the Group into an important entity of the global copper products industry.
- Its wide portfolio consists of copper, copper and brass alloy products and solutions such as copper and brass tubes, copper and brass rolled and extruded products.
- Meeting the needs of its clients is in the centre of the Group's philosophy. A basic tool for the Group in order to be able to meet the constantly increasing demands, is the development of personalised processes and solutions per customer case.
- Parent company Halcor S.A. is a subsidiary of Belgium-based holding company Viohalco S.A./NV.



Message from the General Manager

2016 was a year of very important developments for Halcor Group. First of all, in 2016 Halcor gains one of the top positions among European copper tubes manufacturers. This distinction comes as a confirmation of the Company's long-term strategy as well as an award for the systematic efforts that have been made during the last years.

Halcor Group's consolidated revenue from continuing operations amounted to EUR 693 million compared to EUR 751 million in 2015, showing a decrease of 7.7%. Revenue has been negatively influenced from the downward trends in metal prices, while a positive contribution came from the increase in sales volume by 4.4%. The Groups international orientation was further strengthened with exports representing more than 94% of the consolidated revenue.

Copper's average price during 2016 was EUR 4,399 per ton, compared to EUR 4,952 per ton in 2015. It must be noted that from the beginning of November until the end of the year, the average price recorded a significant increase amounting EUR 5,200 per ton, a face that had particularly positive effect on the metal result of continuing operations of amount EUR 4.9 million, compared to a negative effect in 2015 of EUR 14.7 million.

For 2016, consolidated gross profit from continuing operations increased by 146.3%, amounting to EUR 39.9 million compared to EUR 16.2 million in 2015. This increase is mainly due to the enhancement of the sales mix with products of higher profit margin, thus reflecting the Group's total strategy for focusing on high added value products, and, as already mentioned, due to the positive metal result.

Consolidated earnings before interest, taxes depreciation and amortisation (EBITDA) from continuing operations amounted to profits EUR 35.3 million in 2016, compared to EUR 14.9 million the previous year, while the earnings before interest and taxes (EBIT) from continuing operations, amounted to profits of EUR 19.6 million compared to loss of EUR 3.5 million for the previous fiscal year.

As regards to cost, the optimisation of the production processes lead in a further reduction of industrial cost and assisted in the enhancement of competitiveness of the Group's products abroad. However, the high financial cost continued to have a negative effect on profitability compared to main competitors.

Consolidated earnings from continuing operations in 2016 amounted to loss of EUR 1.0 million compared to losses of EUR 30.4 million in 2015. Finally, the Group is again profitable and the results attributable to the owners of the Company from continuing operations, amounted to profit of EUR 2.0 million compared to loss of EUR 30.8 million in 2015.

Furthermore, during the previous year, the Group exchanged the shares of Hellenic Cables it possessed with shares of Cenergy Holdings, the latter acquiring Hellenic Cables Holdings S.A. and Corinth Pipeworks Holdings S.A. It is a strategic decision for the Group in order to gain access in the forefront of high development sectors such as energy, telecommunications and constructions, sectors where Cenergy Holdings operates. Halcor has a 25% share in the new company.

In parallel, the Group continued to implement its capital expenditure plans throughout 2016. More specifically, investments of total amount of EUR 7.9 million were made that focused on the upgrading of the Oinofyta-based production units of the parent Company, having the Pipework at the epicentre (EUR 4.2 million) and on the enhancement of productivity and manufacture of high added value products of the subsidiary Sofia Med S.A. (EUR 3.7 million).



For 2017, concerning Halcor Group, it is predicted that the demand for industrial products will have an upward trend thus being the pillar of development for the Group. The prospect of exports to countries inside and outside the European Union due to the restart of activity in the energy sector is a source of optimism.

Our strategic goals are the increase of market shares, especially in industrial products and the enhancement of our business in new dynamic markets with development prospects, aiming to exploit our production capacity to the full extend. On a product level, the Company's main orientation will be to provide to its clientele high added value solutions, tailor-made to their needs. Furthermore, the optimal working capital management as well as the reduction of net borrowings are both top priorities for 2017 as well.

Dr. Periklis Sapountzis
General Manager



1. Halcor Group

HALCOR





Halcor produces, processes and sells copper and brass products and alloys as well as copper and brass rolled and extruded products.

Indicatively, the Group's product portfolio includes the following products:

- Copper and brass tubes
- Copper sheets, strips, circles and plates
- Copper and brass special alloys
- Copper and brass bars and rods

The Group's parent company, Halcor S.A., is the leading manufacturer of copper tubes in Europe.

Halcor's vision is to be the leading point of reference in the global market, with products and solutions that are recognised because of their high quality, reliability, competitiveness and innovation. Taking always into account the sustainable development, Halcor aims to predict its customers' needs by developing differentiated products that are based on new technology and at the same time to contribute to the development of the sector while creating more value for its stakeholders.

Halcor's history is very rich since it was founded almost a century ago. Within this period of time the Company has developed a sizeable clientele and is now able and aiming to provide innovative solutions of high added value. It is noteworthy that the Company's products are used in a large number of different sectors and industries such as water supply, heating and air-conditioning, ship building and constructions, telecommunications, industrial production and architecture.

The Group exports its products almost all around the globe and more specifically in 65 countries in five different continents. For 2016 the percentage of the revenue that was created in markets outside Greece amounted to 94.4%. The multinational nature of the Group's operations is supported by a structure of 11 subsidiary companies based in 5 different countries (Greece, Bulgaria, Romania, Belgium and Turkey).

One of the core competitive advantages that enables the Group to be a global leader for decades now is the Group's strong and technologically advanced production base that consists of 5 production units, based in 3 countries (Greece, Bulgaria, Turkey). Cutting-edge technologies that the Group applies in its production plants allow for the implementation of production processes with exceptional quality and technical characteristics that, in turn, lead to the production of products with unique properties that can adequately meet the demands of the clientele, i.e. quality and reliability together with innovation and high added value.

During the many decades of its operation, the Group has introduced a large number of new products in the market, while it constantly seeks ways to improve the production process. As a result, research and development is an integral element of Halcor's philosophy and a necessary tool of its operation. The investments implemented in research and development are continuous and of a significant size. As a result, the Group has managed to set new standards concerning copper processing and also gain the leading position among the European copper products' manufacturers.

An industrial Group of the size and importance of Halcor can be but environmentally sensitive. The protection of the environment and the reduction of the Group's environmental footprint due to its operations are main axes of its strategy concerning sustainable development. After all, the majority of investments implemented in the Group's production units aims, among others, to manufacturing of products that are innovative, highly energy efficient and environmental friendly.



The following companies constitute Halcor Group:

1. Halcor S.A.

This is the Group's parent company with administration and production facilities based in Oinofyta, Viotia. It is the sole producer of copper tubes in Greece.

The company markets a wide variety of products used in various and different sectors such as water supply, heating, cooling - air conditioning and natural gas transportation networks. Indicatively, the following copper tubes are mentioned:



2. Sofia Med S.A.

A subsidiary company based in Sofia, Bulgaria. Sofia Med produces a wide range of rolled and extruded copper products and copper alloy products such as sheets, strips, plates, circles, bars, rods, profiles, components and wires, used in a wide range of construction and industrial applications.

It is characterised of a strong production capacity that was achieved through extensive investments amounting to EUR 173 million between 2001 - 2016.

3. Fitco S.A.

For forty years now, in its Oinofyta-based production unit located in very close proximity to Halcor's plants, Fitco operates in copper alloy extrusion and produces bars, profiles, rods, wires, tubes and mesh. Fitco's products are distributed both in Greece and internationally.

Halcor Group is comprised of the following companies:

Company	Holding (Direct & indirect)	Country	Scope of activity
Halcor S.A.	Parent	Greece	Production and marketing of copper products
Sofia Med S.A.	88.88%	Bulgaria	Production of rolled and extruded copper products and copper alloy products
Fitco S.A.	100.00%	Greece	Production of extruded copper alloy products
Techor S.A.	100.00%	Greece	Production and trading
Elkeme S.A.	25.00%	Greece	R&D in the metal sector
Viexal S.A.	26.67%	Greece	Trade, transportation and agencies
Viener S.A.	20.66%	Greece	Energy
HC Isitma	50.00%	Turkey	Processing and marketing of copper tubes
Techor Pipe Systems	100.00%	Romania	Production and marketing of plastic materials
Cenergy Holdings S.A.	25.16%	Belgium	Holding Company in the sectors of steel wires and tubes
International Trade SA	26.00%	Belgium	Trading





2. Milestones in the history of Halcor Group

1937

1937

Hellenic Copper Industry acquires legal status and Viohalco's newly-built plant in Tavros commences production.

1976

Halcor is founded and operates in the production of billets and slabs in its Oinofyta-based plant.

1981

Halcor acquires rolling and extrusion sectors of VIEM through contribution in kind. Viohalco's know-how is transferred to Halcor.

1990 – 1995

Halcor takes part in a share capital increase of Vektor through contribution in kind. The machinery Halcor contributed enabled Vektor to operate in rolling, extrusion, and cutting of copper products and other alloys.

1996

Vektor's share capital increase is completed and is now listed on the Athens Stock Exchange.

1997

Halcor acquires Vektor and also acquires a 4.99% holding in Hellenic Cables, which is listed on the Athens Exchange.

1999

Hellenic Cables Group acquires control over Icme Ecab, which has its registered offices in Romania and is engaged in the production of cables as well as plastic and rubber compounds.

2000

- Halcor acquires a majority shareholding in Hellenic Cables.
- Sofia Med, a Group subsidiary based in Bulgaria, acquires the fixed assets of KOZM and becomes the production branch of all manufacturing activities of copper and brass rolled products of Halcor Group in its production units.
- Halcor Group launches a wide-scale investment programme aiming at the increase of the production capacity and upgrade of its plants.

2003

The construction of the new plant of Hellenic Cables in Thiva is completed. A high-voltage cable production line begins its operations.

2005

Halcor launches production of titan zinc rolled products in its industrial complex in Tavros, while it launches for the first time the new innovative CUSMART® tubes.

- Halcor is rewarded for its strategy at every level, since it gains the top position among the European copper tubes manufacturers.
- The Group is again profitable.
- The Group contributes its participation in Hellenic Cables to the newly founded company Cenergy Holdings and Halcor becomes the main shareholder with a percentage of 25%.
- Halcor participates in the share capital increase of International trade with contribution of shares it held of the companies Metal Agencies, Alurame, Steelmet Romania, Genecos and Tepro Metall. Halcor acquires 26% of International Trade.
- 11% of Sofia Med is sold to Viohalco and share capital increase of Sofia Med subsidiary by EUR 5 million.
- Cooperation agreement between Sofia Med and Dowa Metaltech for know-how and technology transfer.
- Implementation of investments of amount RUR 7.9 million for upgrading Halcor's tube plant and improvement of productivity of Sofia Med plant.

2016

2008

The construction of the new high and extra-high voltage cable line of 400 kV is completed and Hellenic Cables commences production immediately.

2010

- Subsidiary company Fitco undertakes the production of brass products, after Halcor contributed its brass bars and tubes branch.
- The 10-year investment programme of the Group's is completed successfully, resulting in the considerable enhancement and restructuring of the Group's product portfolio and capacity, thus granting a considerable competitive advantage.

2011

Hellenic Cables Group acquires Fulgor and widens its presence in the segments of submarine cables and high voltage cables.

2012

- Fulgor is fully acquired and a major investment programme is implemented aiming to restructure and strengthen its product mix.
- Halcor launches for the first time the metal-plated copper tubes and Talos® Geotherm copper tube.
- Sofia Med is focusing on the manufacture of high added value products and the relative necessary investments' programme is launched.

2013

Having completed successfully its investment programme, Fulgor is now ranked among the few producers of high voltage submarine cables worldwide.

2014

- Daikin Europe awards the "Best Supplier" prize for 2014 to Halcor, thus crowning the long and close collaboration of both companies.
- Investment concerning the increase of the production capacity of Halcor Oinofyta-based tubes plant is completed.
- Sofia Med begins running two new production lines for a scrap fire-refining and tin plating in its plant in Sofia, Bulgaria.
- Hellenic Cables is awarded the submarine cable interconnection project of the Cyclades Islands with the Independent Power Transmission Operator. Project budget amounted to EUR 93 million.
- Copper Talos® tubes for LPG are launched for the first time.

2015

- Halcor Group is now the second largest manufacturer of copper products on a European scale.
- The subsidiary Fulgor SA takes over the cable interconnection of the 73.2 MW wind park on the islet of Agios Georgios, in the sea area to the south of Cape Sounio, which has a budget of EUR 36.4 million.
- The commercial activities and distribution network of the copper segment of Reynolds European S.A. in France are acquired and Reynolds Cuivre SA is set up.
- Halcor cooperates with Turkish company Cantas A.S. and together they found HC Isitma, with primary objective to penetrate the Turkish market as well as those of neighbouring countries.
- The share capital of the subsidiary Fulgor is increased by EUR 14.4 million and the share capital of the subsidiary Sofia Med is increased by EUR 10.0 million.

3. Philosophy and strategy



The continuous improvement of the production process as well as of other processes constitutes an element of the Group's philosophy and also its main concern from the day it was founded. The Group's long-term strategy has been built on specific axes in order to support the decision making process along with the relative initiatives that may arise.

The Group's long term strategy is based on the following axes:

- **People:** It is the most important asset for the Group. Aim is focused on the creation of an environment that ensures health and safety, friendly towards the human - employee, offering at the same time the appropriate chances and abilities for development. In conjunction with the above, emphasis is placed on the support to the local communities where the Group operates.
- **Environment:** Development is pursued through practices that take into account sustainable development, protection of the environment and reduction of the Group's environmental impact from its operation, as well as the increase of recycling.
- **Quality:** A continuous and unhindered quality upgrade of products and services.
- **Extroversion:** Internationalisation of the Group's operations through increased exports and entry into new geographical markets with growth potential.
- **Innovation:** Enhancement of innovation through investments in research and development with the ultimate objective of launching new products with unique technical characteristics, that will contribute to the upgrading of the production capacity and will meet the customers' needs and demands comprehensively.
- **Customer:** Full implementation of the customer-oriented philosophy that is embodied in the Group. Total customer satisfaction and meeting of their needs from the production stage up to after-sales and also on a technical level. Focus on creating, developing and maintaining relationships with industrial customers.

The Group's strategy in the medium term is based on the following axes:

Product and Service Portfolio

- Customer-centred philosophy of the Group. Emphasis on after-sales services.
- Total dedication to continuous improvement of products and services provided.
- Focus on product categories of high profitability and increased demand such as copper and brass rolled products designed for industrial applications, special copper alloys and copper industrial tubes as well as innovative solutions such as Talos® Geotherm, Talos® Form, Talos® ACR Linesets tubes and metal-plated copper tubes.
- Emphasis on creating, developing and maintaining long term relationships with industrial customers (B2B) and more specifically with customers of special applications such as finned tubes and redrawers.
- Capitalising of the increased production capacity and increase of sales.
- Enhancement of the collaboration with Elkeme - Hellenic Research Centre for Metals S.A. and further strengthening of the research and development conducted in Halcor, aiming to the transition of the product mix towards solutions of higher added value and to make better use of the investments made towards this direction.
- Delivery of products to the customers in the shortest and adequately guaranteed length of time as possible from the moment of the order placement.





Commercial development and markets

- Direct access into new geographical markets that demonstrate significant development prospects in Europe, USA, Middle East and North Africa.
- Targeted increase of the Group's human resources in markets with strong growth potential where the Group is already present.
- Enhancement of the Group's presence in markets of strong interest through strategic partnerships.
- Further focus on increasing the Group's international clientele by penetrating new markets and further capitalising on the marketplaces in which the Group has already been operating.
- Increase of the Group's presence in markets of strong interest such as the Do - It - Yourself (DIY) tubes in France, Germany and Belgium and the installation pipes in Italy and Scandinavia.
- Capitalise of the opportunities created due to the concentration of the copper segment taking place worldwide.
- Bypass all intermediate agents/ representatives and direct approach to customers.
- Exploitation of synergies both in Greece and internationally.
- Take actions aiming to boost the stagnant Greek market such as the resumption of the technical courses for plumbers and A/C and refrigeration technicians.

Production activity

- Continuous improvement of the quality of products and services of the Group by implementing specially designed investment programmes.
- Enhancement of the role of information systems (automations, software) aiming to improve the production scheduling by strengthening information, improving management of raw and auxiliary materials, lowering operating costs and reducing the needs for working capital.
- Gradually increase the use of scrap as a raw material and reduce to the highest possible extent the use of primary metals.
- Continuous improvement of the rate of returned products and reduction of returns as much as possible.



4. Products

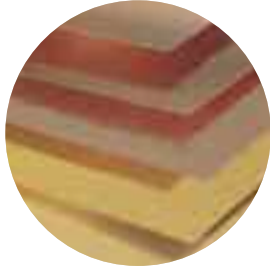


Introduction

The products of Halcor Group are classified in the following categories:



**Copper and
brass tubes**



**Rolled copper, brass
and special alloy products**



**Extruded copper
alloy products**

The product solutions the Group offers are used in a large number of markets such as water supply, heating and air-conditioning systems, ship building, constructions, telecommunications, architectural applications and the automotive industry.

The Group is ranked among the most distinct manufacturers of copper products thanks to its strong commitment to providing quality products and services. Halcor Group's product range is one of the richest and most integrated internationally; as a result, its clientele consists of a large number of international and domestic customers.

High Added Value Products

From incorporation until today, Halcor pursues the increase of its competitiveness and the creation of high added value products through the innovation of its products and services. Some of its products that embody the aforementioned characteristics are:

- **Talos® Ecutherm™:** Coated copper tube which is marketed insulated for heating and cooling applications, having as its main characteristic the high energy saving.
- **Talos® Plated copper tubes:** They are used in the water supply and heating sectors and are suitable for new structures and renovation work. They are highly resistant to corrosion due to copper properties and their external coating and they are regarded as particularly elegant due to their inox-like surface.
- **Talos® ACR Linesets:** The Talos® Linesets product range is used for air-conditioning systems and includes copper tubes with specially formed ends for easier jointing. Basic characteristics of the said product range are high resistance and high performance. Furthermore, they need less installation time compared to other copper tubes and are particularly cost effective.
- **Talos® Form:** They have very specific characteristics and specific requirements in terms of formation. They are particularly popular in the boilers' market and in particular for boiler component manufacturing.
- **Talos® Geotherm:** These are PE-RT insulated copper tubes generating heating in an environment-friendly manner and with similar means. They are used in geothermal applications to ensure building natural heating. They are preferable to plain plastic tubes due to their unique technical specifications.
- **Talos® for LPG:** They are widely spread in the automotive industry for LPG transport which is also their differentiating property.



- **Talos® Inner Grooved:** Their unique combination of technical characteristics such as inner grooves, endow the product with higher performance and less energy consumption. Talos® Inner Grooved are used in the heat exchanger industry for air-conditioners. It is noted that Halcor figures among the few European industries that can produce Inner Grooved tubes with a cross-section of 5 mm using Micro Groove technology in addition to the profiles which have been marketed for a long period of time.
- **Cusmart®:** Cusmart® has been a patented and registered trademark since 2013. The main technical characteristics of the product consist of flexibility and no "memory" effects. Cusmart® copper tube is coated with a special PE-RT that allows for immediate installation and at the same time is particularly cost effective, while maintaining the advantages of using copper tubes.

Strong International Business Presence

Globalisation of the Group's operations and long-term relationship building with its customers, have been the main pillars around which the Group has developed its commercial policy. Throughout the years, the Group has built and strengthen its international reputation as one of the top copper product manufacturers worldwide, based on the unique technical characteristics and quality of its products as well as on integrated solutions that offers to its customers throughout the production cycle of the product and also after sales.

Penetration in new geographical markets that demonstrate high development prospects consists one of the Group's strategic aims. The Group's orientation to international markets is given since during 2016 94.4% of the consolidated turnover was realised abroad. Today, the Group exports in almost 65 different countries worldwide.

Group turnover in 2016

EU Countries (excluding Greece)	65.6%
Other European countries	12.7%
Asia	6.8%
America	6.0%
Greece	5.6%
Africa	3.1%
Oceania	0.2%

The Group's revenue from continuing operations in 2016 in the Greek market accounted for 5.6% of the consolidated revenue with the remaining 94.4% being attained in other countries. Specifically, 65.6% of sales pertained to other EU countries, 12.7% other European countries, 6.8% Asia, 6.0% America, 3.1% Africa and 0.2% Oceania.

The Group's leading position in the European copper products market is reflected in the high market shares that it possesses in separate product categories and more specifically:

- 16.00% of copper bars
- 17.50% of copper tubes
- 17.00% of copper rolled products for roofing applications.

Dedicated to its practice for opening new geographical markets, as well as widening the existing ones on an annual basis, in 2016 the Group entered the African country markets of Egypt, Uganda and Tunis as well as Brazil.

Furthermore, the Group aims to further strengthen its presence in countries of great interest such as the USA, Russia, Ukraine, Saudi Arabia and the Persian Gulf countries in general, as well as the Scandinavian countries.

In the Turkish market, the subsidiary company HC Istim, a joint venture between Halcor and the local company Cantas A.S. became fully operational from the second quarter of 2016. HC Istim is involved in HVAC tube insulation and their marketing on the local market and neighbouring countries.

In order to promote its products more adequately, the Group participated in 2016 in all exhibitions as well as events organized by its customers in Italy, Germany, Belgium, Netherlands and Greece.

Furthermore, in the context of company's image modernisation, Halcor's new website development was completed in 2016. The aim of the new website is to upgrade communication with all stakeholders by reflecting the Company's vision, mission and strategic goals, and at the same time it contains integrated information regarding Halcor and its products.

Product ranges

The Group's product portfolio consists of the following categories:

Tubes

Copper tubes

The Group markets two types of copper tubes under the trademarks Talos® and Cusmart®. They are very popular and are used in a large number of markets such as the construction of water supply, heating, natural gas networks, fire-extinction, industrial installations, heat exchangers, and in various applications such as components, terminals, solar collectors and medical gases.

The main product subgroups of the two trademarks are set forth in the table below:

Copper tubes	Application
Talos®	Water supply, heating, natural gas, fire-extinction networks
Talos® Coated	Water supply, heating,
Talos® Gas	Natural gas networks
Talos® Med	Medical gas networks
Talos® Ecutherm	Water supply, heating, air conditioning and cooling networks, solar systems, industrial networks
Talos® Ecutherm 2	Air-conditioning and cooling facilities
Talos® Ecutherm Solar	Solar installations
Cusmart®	Water supply, heating, floor heating & cooling
ACR Talos®	Air-conditioning and cooling facilities
ACR Talos® Inner Grooved	Heat exchangers
Talos® Solar Plus	Solar absorbers
Talos® Geotherm	Geothermal applications
Talos® for LPG	Automotive industry





Brass tubes

Brass tubes contain the following products:

- Seamed brass tubes: They are used in ship building, automotive industry, chemical industry, and the manufacture of plumbing components and heat exchangers.
- Seamless brass tubes: They are popular in the automotive industry, architectural and decorative applications, furnishing, lamp and metal component manufacturing.

Talos® fittings

They are soldered and pressed copper fittings mainly used in the joints of copper tubes. They are marketed under the trade name Talos® Fittings.

Rolled products

The group of rolled products consists of copper strips, sheets, circles and plates and copper special alloys.

Copper rolled products for architectural applications

The said product group consists of copper sheets and strips used for the exterior cladding of buildings, roofing, gutters, copper rolled products used for solar collectors, boilers as well as electrical and mechanical devices. This product group is widely known and marketed under the trademark Doma®, while its specifications meet the quality criteria of EN 1652 and EN 1172 standards.

Copper and brass rolled products for industrial applications

The product portfolio of copper and brass rolled products for industrial applications consists of brass strips, sheets, circles and plates and are manufactured only on a tailor-made basis.

They are used in the defence, petrochemical, electrical, nuclear, shipbuilding and medical industries, automotive industry, for manufacturing springs, boilers, solar collectors and panels, high-frequency twisted cables, electrical and electronic equipment.

The said product group complies with EN 1652, EN 1653, EN 13599 and EN 1654 specifications.

Special alloys

They include a wide range of alloys and in particular copper-zinc alloys which are used in cups and discs, as well as copper-nickel, copper-nickel-zinc and copper-aluminium-nickel alloys, widely used in the production of coins.

Extruded copper and brass products

They are used in architectural, decorative, electrical and mechanical applications and include copper bars and rods as well as brass bars, rods, wires and profiles plus wire and mesh made of copper alloy for fish farm cages.



5. Halcor Group Production Units



The production units are the cornerstone of Halcor Group. Today, the Group maintains and operates 5 production facilities in 3 different countries, i.e Greece, Bulgaria and Turkey. These are modern and technologically advanced industrial units that are characterised by their innovation. Halcor Group's facilities are set up in a way that supports the Group's competitive advantage, i.e. the provision of high quality products to the clientele, and serves the long-lasting partnerships with its clients that the Group strives to cultivate.

Halcor Group industrial facilities

Production unit	Company	Location	Scope of production
Recycling Plant - Foundry	Halcor	Oinofyta (Greece)	Semi-finished products (billets and slabs), brass ingots
Copper Tubes Plant	Halcor	Oinofyta (Greece)	Copper tubes for heating, water supply, cooling, natural gas transportation, air conditioning and industrial use
Brass Bars and Tubes Extrusion Plant	Fitco	Oinofyta (Greece)	Brass finished products (rods, profiles, bars, wires and tubes)
Copper Processing Plant	Sofia Med	Sofia (Bulgaria)	Rolled and extruded copper products, special alloy products
Coated copper tubes plant	HC Isitma (joint venture with Cantas A.S.)	Istanbul (Turkey)	Production of coated copper tubes for heating, water supply, cooling.

Recycling Plant - Foundry Halcor (Oinofyta, Greece)

Total area:	49,584 m ²
Buildings:	16,264 m ²
Production capacity:	235,000 tons annually

The Halcor recycling plant - foundry in Oinofyta is involved in the manufacture of semi-finished products that are supplied to the Group's other units. More specifically this Oinofyta-based production unit manufactures billets and plates of copper, brass and other alloys.

The recycling plant - foundry operates:

- 2 lines of semi-continuous melting and casting of brass billets (for lead and pure brass).
- 1 line for the production of slabs made of special alloys.
- 1 line of continuous vertical melting and casting of copper billets.
- 1 line of continuous melting, casting and subsequent rolling for the production of Ø8 copper wire.





These are environmental-friendly facilities which run a copper scrap collection and sorting centre and at the same time they use natural gas as main fuel, thus keeping emissions of gas pollutants at very low levels.

The recycling plant - foundry is certified as per ISO 9001:2008, ISO 14001:2004, ISO 18001:2007 and OHSAS 18001.

Halcor Copper Tubes Plant (Oinofyta, Greece)

Total area	194,493 m ²
Buildings	72,406 m ²
Production capacity	75,000 tons annually

Halcor's Oinofyta-based copper tubes plant is primarily processing primary copper billets and manufactures products that are used in general industry, such as:

- Copper tubes in straight lengths and hard, semi-hard or soft coils.
- Coated copper tubes.
- Copper tubes for special uses.

The above copper tubes are particularly popular in markets such as the manufacture of heating, water supply, cooling and natural gas transportation networks.



Being one of the few producers on a European scale having such capacity, the Group manufactures in this production unit, tubes with inner grooves and minimum wall thickness which are used in the heat exchanger manufacturing industry.

The Group's production units are valuable tools for the implementation of its commercial policy. They must satisfy the increased demand for the Group's products, as it is expressed through the increased sales' volumes over time, and also to realise the Group's turn towards the enhancement of the production of products of higher added value.

In this context, the production scheduling has been restructured since 2015 thus leading, through targeted actions, to an increase of the production capacity. Both in 2015 and in 2016 the production plant produced the largest quantities ever since its establishment, always respecting the Group's strong commitment concerning the continuous improvement of the quality of its products.

Taking into account that productivity is related both to the mechanical equipment as well as to the human resources, apart from investment in machinery, a series of other actions take place aiming to increase the production volumes. The following are indicatively presented:

- Since December 2016 the shift changes in the facility are carried out without interruption of works.
- Production improvement works are constantly carried out aiming to reduce delays.
- Lean 6 Sigma Training programme has been widely implemented. It consists of both theoretical and on the job training in order to educate the Group's people on the subjects of quality, administration, production effectiveness and management of works and processes. The main aim is to reduce lag and save time for the production process.
- There is continuous cooperation with external consultants for better implementation of Lean 6 Sigma Training Programme.
- All processes are recorded in detail and analysed in order to be optimised.

Among the results achieved from the implementation of the above is that the plant operates using significantly less raw materials on a daily basis while at the same time the production of finished products increases with a positive effect on the Company's need for working capital.

Halcor's Oinofyta-based copper tubes plant is in fact a modern production unit which, through the use of cutting-edge technologies, realises the Group's aim for the provision of innovative product solutions tailor-made for each customer's needs. In 2016, investments of EUR 4.2 million were made that focused on the upgrading and modernisation of the Oinofyta-based industrial installations of the parent company, having the tube plant at the epicentre.

Furthermore, an investment of EUR 0.5 million was completed that concerned software development for advanced planning and scheduling of the production, aiming to reduce the volume of inventories, to achieve better delivery times for the products and to improve αναγγελία του υλικού. The results of the aforementioned investment are already visible and it must be noted that for the said application Halcor received the Gold Award in the "Special Applications for Companies" category, Processing section in Business ITExcellence (BITE) Awards 2016.

Halcor's copper tubes production unit is certified as per ISO 9001:2008, ISO 14001:2004, ISO 18001:2007 and OHSAS 18001. Furthermore, Halcor has commenced the implementation of Energy Management System and by the end of 2017 the certification as per ISO 5000:2011 is expected.

Fitco Brass Bars and Tubes Extrusion Plant (Oinofyta, Greece)

Total area	57,980 m ²
Buildings	25,334 m ²
Production capacity	46,000 tons annually

Brass Bars and Tubes Extrusion plant of Fitco subsidiary is located very close to Halcor's Oinofyta-based plants. Fitco is the brass products' branch of the Group and produces in its plant:

- Solid and hollow brass rods (round - hexagon - square)
- Solid and hollow brass profiles.
- UR 30 Copper alloy wire and mesh
- Brass wires
- Brass bars
- Brass mesh
- Seamless brass tubes of different cross-sections
- Seamed brass tubes with a circular cross-section (welding with high frequency current)



The aforementioned products are produced using solely brass scrap as raw material after hot and cold rolling process.



Fitco has registered and exploits the following trademarks:

- **Free Brass:** These are products with a low lead content.
- **UR30:** Concerns the brass alloy wire for fish farm cage mesh.

Fitco's production plant is extremely flexible regarding its production process and has also the ability to offer custom made solutions to its clientele. A characteristic example is the development of a new type of fish farm cages which is made of brass wire of two different diameters. The said product was developed after Fitco's initiative and its main advantage is that the cage has become much lighter.

The sales of Fitco's production unit for 2016 demonstrated a downward trend as a result of the significant reduction of the prices of brass bars. Already since 2015, when the downward trend was noted for the first time, Fitco's management made the strategic decision to focus its product mix in solutions of high added value such as special alloy brass wire, bars and rods as well as brass tubes. The positive effects of the product mix restructuring were reflected in the 2016 financial statements where, despite the decrease of revenue, losses were significantly contained.

Fitco's Brass Bars and Tubes Extrusion plant is certified as per ISO 9001:2008, ISO 14001:2004, ISO 18001:2007 and OHSAS 18001 while certification as per ISO 50001:2011 pursued. In addition to the above, the products manufactured in the said plant are certified as per European and American quality standards such as EN, DIN, BS, NSF, ASTM, SITAK.



Sofia Med Copper and Alloy Processing Plant (Sofia, Bulgaria)

Total area	250,000 m ²
Buildings	120,000 m ²
Production capacity	125,000 tons annually

Sofia Med Copper and Alloy Processing Plant is producing rolled and extruded copper products and copper alloy products. More specifically, the aforementioned plant located in Sofia, Bulgaria manufactures:

- Sheets • Strips • Plates • Circles • Rods • Bars • Profiles
- Components • Wires

that are used in the construction sector and industry.

It is a unit of particularly high production capacity and very efficient operations which are the result of investments of EUR 173 million that were realised between 2001 and 2016.



Within 2016 and in the context of the strategic shift from the production of commodities to the production of high added value products, Sofia Med concluded a cooperation agreement with the Japanese company Dowa Metaltech for technology and know-how transfer as regards to services of technical assistance concerning the design and quality of rolled products, the respective procedures and equipment. Dowa Metaltech is a leading manufacturer of high performance copper alloy products.

In parallel, the investment programme of EUR 3.7 million aimed to improve the productivity of the production plant and to produce high added value products.

For Sofia Med issues of Sustainable Development such as care for the employees, protection of the environment, of high priority, ensuring health and safety at work and high customer satisfaction, are considered of high priority. As a result, Sofia Med copper and alloy processing plant is certified as per ISO 9001:2008, ISO 14001:2004, ISO 18001:2007 and OHSAS 18001:2007. The Company's wide range of products meets the requirements of the European Standards (EN), as well as those of BS, DIN, ASTM and JIS standards, or any other particular demand that the customer may have. Finally, the Company follows the guidelines of the international standard ISO 26000 on Corporate Responsibility and Sustainable Development.



6. Research and development





The Group's successful course has been based mainly on the nature of the long-term relationships with its customers. The expanded cooperation with the customers presupposes that the Group is having an open dialog with them and is fully updated on their needs and demands on a product level. The full and continuous customer satisfaction is a process of continuous improvement of products and solutions offered, in order for the Group to transform from a plain supplier to a valuable partner.

In order to achieve the above, research and development plays a vital role. Towards this aim, Halcor Group has invested and will continue to invest towards two main directions, i.e. mechanical equipment and human resources.

The aforementioned actions have conferred more than satisfactory results since the Group has achieved to introduce in the market a multitude of new products of high quality and unique technical properties, able to meet the needs of the most demanding customers.

Research and Development in Halcor

It has already been stated that the Group's philosophy revolves around the customer and the satisfaction of its needs. In this context, the Group has enhanced the Oinofyta-based production units with laboratories that focus on research on copper applications, on production enrichment with new techniques and technologies, as well as on upgrading of the existing techniques. All of the above aim to produce new products with innovative properties.

Technology and technological equipment are only one part of the research and development process. The other equally important part is human resources. In order to achieve a more comprehensive outcome, the Group ensures that the personnel working on research and development is experienced, qualified and specialised and has at its disposal the most modern technological tools.

An indicative example of the results of research and development that is worth mentioning is the inner grooved tubes thermal efficiency laboratory within the main facilities of the Company. One hand, it demonstrates the Group's successful strategy and on the other the benefits that both Halcor and its customers enjoy.

The tubes thermal efficiency laboratory enables Halcor to include the test results in a comprehensive framework of technical support to its customers, aiming to further develop profiles of Inner Grooved Tubes according to the demands and need of each application.



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

In the context of developing its research activities, Halcor is cooperating closely with Elkeme (Hellenic Research Centre for Metals), with a view to strengthen its position against competition as well as to penetrate in new product markets.



Elkeme's aims are summarised as follows:

- Enhancement of the element of innovation in Halcor's product portfolio with the aim to increase the added value and competitiveness.
- Effective response to issues and problems arising on a production level, with the ultimate objective of improving the production process.
- Technical upgrade of production and technical characteristics of the products, in order for the Group to be able to provide innovative solutions.

In order for the Elkeme to fulfil its role successfully and meet the expectations of its collaborators, its facilities are equipped with cutting-edge technology. Furthermore, Elkemes scientific personnel stand out for their top training and focus on their dual role:

- To provide research work and
- To support the production process and Halcor's industrial facilities in general.

Halcor and Elkeme have a close collaboration on many levels since there are many cases where Elkeme personnel serve as engineers in Halcor's facilities.



Hellenic Copper Development Institute (HCDI)

Hellenic Copper Development Institute (HCDI) was founded and operates with the aim of promoting and developing copper applications. It is a non-profit organisation aiming to inform responsibly all technical professionals regarding the applications and uses of copper and its alloys.

HCDI was scientific and technical consultants that cooperate in order to realise a dynamic programme. This programme includes activities such as briefing of professionals, training and technical assistance, as well as scientific guidance regarding copper-related topics and its alloys. Furthermore, HCDI's main concern is to promote the latest developments that prove the vital role that copper plays as regards to the environment and health.

HCDI is supported by the International Copper Association - ICA, a global network of 27 Copper Centres that was founded with the aim to promote the use of copper. Members of I.C.A. are:

- the largest copper producers globally
- copper processing industries and
- companies that deal with copper.



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

Halcor is one of the founders of Hellenic Copper Development Institute. As an active member it participates in the shaping of its programmes, either by making available materials and venues for holding seminars or in providing funds to implement programmes all over the Greek territory.

This way Halcor endures its active presence in vital research work regarding the effects of copper on human health and the environment.

New products

The Group's growth is largely attributed to innovation that characterises its operations and to the innovative properties of its products. Research and development is, and has been for years, the area of significant investments on an annual basis.

As a result of the above, the Group is in a position to introduce to the market new product solutions that embody the constantly changing demands and needs of its customers both in Greece and abroad.

In 2016, the new products launched onto the market by the Group are presented below:

- **Talos Ecutherm XL-PE:** An insulated tube with modern technical characteristics and properties. It is a highly competitive product that enables the Group to enter market segments where it was not operating before while also helping to increase the plant's production capacity.
- **CuNiSiMg alloy:** An antimicrobial alloy that is solely used in automotive industry.
- **CuZnAlCo brass alloy:** It replaces the more expensive bronze alloy that is used in κρύας διαμόρφωσης and high conductivity electrical wires. It is available in the form of strips, sheets and circles. It is widely used in electrical and electronic applications.
- **Bare and electrolytically manufactured components:** Integrated solutions that include bare, tin-planted, electrolytically silver-plated and silver-plated copper bars. These components are widely used in the manufacturing of electric panels, switchboards, routing equipment, power transformers and barre omnibus.



7. Financial figures



Consolidated revenue

Consolidated revenue from continuing operations for 2016 amounted to EUR 692.9 million compared to EUR 751.1 million in 2015, showing a decrease of 7.7%.

The positive effect of the increase of sales volume by 4.4% was offset by the drop of the average price of copper which was formed at EUR 4,399 per ton in 2016, compared to EUR 4,952 per ton in 2015, reduced by 11.1%. During the last two months of 2016, the average price of copper amounted to EUR 5,200 per ton. The effect of this increase on the Group's results from the metal result of continuing operations was positive and rose to EUR 4.9 million compared to a negative effect in 2015 of EUR 14.7 million.

In terms of sales volumes from continuing operations in 2016, tube sales represented 48% and remained at the same level compared to the previous year, rolled products increased to 27% from 23% the previous year, copper bars represented 15% and remained at the same level compared to the previous year and brass rods decreased slightly to 10% compared to the 13% of the previous year.

Group Profitability

Consolidated gross profit from continuing operations increased significantly and amounted to EUR 39.9 million compared to EUR 16.2 million in 2015. This rise is attributed to the improvement of sales mix with products of higher profit margin as well as to the metal result of EUR 4.9 million compared to loss of EUR 14.7 million from continuing operations in 2015.

Consolidated earnings before interest, taxes, depreciation and amortisation (EBITDA) from continuing operations in 2016 amounted to profits of EUR 35.3 million compared to loss of EUR 14.9 million in 2015. Earnings before interest and taxes (EBIT) from continuing operations in 2016 amounted to profits of EUR 19.6 million compared to loss of EUR 3.6 million in 2015.

As regards to cost, the optimisation of the production processes lead in a further reduction of industrial cost and assisted in the enhancement of competitiveness of the Group's products abroad. However, the high financial cost continued to have a negative effect on the Group's profitability compared to its main competitors.

Consolidated earnings before taxes from continuing operations in 2016 amounted to loss of EUR 1.0 million compared to losses of EUR 30.4 million in 2015. Finally, results attributable to the owners of the Company from continuing operations, amounted to profit of EUR 2.0 million or EUR 0.0196 per share, compared to loss of EUR 30.8 million or EUR 0.3045 per share in 2015.

During the General Assembly of the subsidiary Hellenic Cables on December 2016, it was decided to exchange Hellenic Cables' shares that Halcor possessed, with shares of the company Cenergy Holdings. On a consolidated level, the result of the exchange was a profit of EUR 0.6 million and was included in the results of the period from discontinued operations.



In addition, during the first semester of 2016 the share of the companies Metal Agencies, Alurame, Steelmet Romania, Genecos and Tepro Metall were contributed to International Trade and the Group received shares of International Trade in return. Halcor participates in International Trade with a percentage of 26.00%. The result of the trade was profit of EUR 3.9 million and was posted directly in Equity as a common control transaction with book-value accounting. An additional profit of EUR 0.9 million that was recorded at consolidated level during the publication of the 6M financial statements, was reclassified to discontinued operations after the aforementioned exchange of shares of Hellenic Cables and Cenergy Holdings.

As a result of the above actions Hellenic Cables Group and the companies Steelmet Metal Agencies, Alurame, Steelmet Romania, Genecos and Tepro Metall are henceforth not consolidated in the Group's financial results, whereas the companies Cenergy Holdings and International Trade are consolidated using the equity method.

For comparability reasons, the financial information concerning items of the income statement and other comprehensive income statement of the year in comparison 2015, have been restated in the present document pursuant to the provisions of IFRS 5 "Discontinued Operations".

Consolidated financial results

(amounts in thousand euro)	2015	2016
Continuing operations		
Revenue	751,060	692,898
Gross profit	16,190	39,934
Earnings/(Loss) before interest, taxes, depreciation and amortisation and metal result (EBITDA)	29,647	30,594
Earnings/(Loss) before interest, taxes, depreciation and amortisation (EBITDA)	14,943	35,289
Earnings/(Loss) before interest and taxes (EBIT)	(3,566)	19,616
Earnings/(Loss) before taxes	(30,437)	(966)
Profit/(Loss) after taxes	(30,838)	1,720
Earnings/(Loss) attributable to the owners of the Company	(30,838)	1,980
Discontinued operations		
Earnings/(Loss) after taxes from discontinued operations	(1,989)	(9,092)
Total Profit/(Loss) after taxes	(32,827)	(7,373)
Total Earnings/(Loss) after taxes attributable to the owners of the Company	(32,509)	(4,837)

Evolution of figures (%)

Continuing operations	2016
Revenue	-7.7%
Gross profit	146.7%
Earnings/Loss before interest, taxes, depreciation and amortisation and metal result (EBITDA)	3.2%
Earnings/Loss before interest, taxes, depreciation and amortisation (EBITDA)	136.2%
Earnings/Loss before interest and taxes (EBIT)	Turnaround
Earnings/Loss before taxes	Negative
Earnings/Loss attributable to the owners of the Company	Turnaround

Profit Margins (%)

Continuing operations	2015	2016
Gross Profit	2.2%	5.8%
Earnings/Loss before interest, taxes, depreciation and amortisation and metal result (EBITDA)	3.9%	4.4%
Earnings/Loss before interest, taxes, depreciation and amortisation (EBITDA)	2.0%	5.1%
Earnings/Loss before interest and taxes (EBIT)	-0.5%	2.8%
Earnings/Loss before taxes	-4.1%	-0.1%
Earnings/Loss after taxes	-4.1%	0.2%
Earnings/Loss attributable to the owners of the Company	-4.1%	0.3%

Consolidated Statement of Financial Position (thousand euro)

	2015	2016
ASSETS		
Non-current assets	574,750	374,664
Inventories	209,937	119,259
Trade receivables	145,360	48,655
Cash and cash equivalents	34,786	23,843
Other assets	35,482	934
TOTAL ASSETS	1,000,315	567,355
EQUITY & LIABILITIES		
Share Capital	38,486	38,486
Other equity items of Company shareholders	44,123	51,676
Non-controlling interest	25,058	9,386
Total equity	107,667	99,549
Long-term liabilities		
Long-term loans	394,509	239,604
Other long-term liabilities	83,740	36,894
Total long-term liabilities	478,249	276,498
Short term liabilities:		
Short-term loans	236,180	106,742
Other short-term liabilities	178,219	84,566
Total short-term liabilities	414,399	191,308
TOTAL LIABILITIES AND EQUITY	1,000,315	567,355

**Condensed Consolidated Statement of Cash Flows (thousand euro)**

(amounts in thousand euro)	2015	2016
Cash flows		
From operating activities	15,140	41,255
From investment activities	-24,088	-17,957
From financing activities	25,132	-34,236
Net change in cash and cash equivalents	16,184	-10,938
Cash and cash equivalents at beginning of the year	18,579	34,786
Effect of foreign exchanges differences	23	-5
Cash and cash equivalents at end of the year	34,786	23,843

Financial ratios

		2015	2016
LIQUIDITY			
Current ratio	Times	1.03	1.01
Quick ratio	Times	0.52	0.38
ACTIVITY			
DIO	Days	67	68
DSO	Days	54	26
DPO	Days	54	47
Cash Conversion Cycle	Days	67	47
EFFICIENCY AND LEVERAGE			
Interest coverage ratio	Times	0.56	1.41
Debt/Equity	Times	8.29	4.70
Long-term bank borrowing	%	39.44%	42.23%
Short-term bank borrowing	%	23.61%	18.81%
Asset turnover ratio	Times	0.75	1.22
PROFITABILITY (CONTINUING OPERATIONS)			
Gross profit margin	%	2.16%	5.76%
Operating profit margin	%	1.99%	5.09%
Net profit margin (attributable to the owners of the Company)	%	-4.11%	0.29%
Return on equity	%	-30.19%	1.99%
Return on assets	%	-3.25%	0.35%

Market Strength

INVESTMENT (CONTINUING OPERATIONS)		2015	2016
Pre-tax earnings per share	Euro	-0.30	-0.01
Post-tax earnings per share	Euro	-0.32	0.02
Face value per share	Euro	1.38	1.38
Book value per share	Euro	1.06	0.98
Capitalisation to book value	Times	0.30	0.31
P/E (attributable to the owners of the Company)	Times	-1.01	15.61
Dividend per share	Euro	0.000	0.000

Share Information

	2015	2016
Weighted average number of shares (in thousand)	101,280	101,280
Average price per share	0.3227	0.3051

The ratios were calculated using the average share price during each fiscal year and the weighted number of shares.

Average price per share 2016: euro 0.3051

Number of shares: 101,279,627

Share Tickers:

XAKOP (HELEX)

XAKO.AT. (Reuters)

XAKO:GA (Bloomberg)





8. Halcor Management executives

The Company has adopted the practices of Corporate Governance in the way it is managed and operates as these are specified in the applicable institutional framework and the Code of Corporate Governance published by the Hellenic Corporate Governance Council (HCGC) (hereinafter the “code”).

http://www.ecgi.org/codes/documents/hellenic_cg_code_oct2013_gr.pdf

As part of compilation of the Annual Management Report of the Board of Directors, the Company reviewed the Code. Based on this review, the Company concluded that it applies the special practices applicable to listed companies, which are set forth and described in the Corporate Governance Code of the HCGC save the following practices for which the corresponding explanations are provided:

- **Part A.II. (2.2, 2.3 & 2.5):** Size and composition of the Board. Independent non-executive members of the current Board of Directors are 2 out of a total of 11 members and, thus, their number is less than one third contrary to the recommendations of the Code. An independent non-executive member has been on the Board of Directors for more than 12 years from the date of first election. Under the present circumstances, it was not considered that raising the number of independent members or limiting members’ term of office would improve the efficiency of the Company's operation.
- **Part A.III. (3.3):** Role and profile of the Chairman of the Board. The vice-chairman of this Board of Directors does not have the capacity of independent non-executive member although the Chairman is an executive member. Under the present circumstances, it was not considered that appointing an independent vice-chairman of the Board, in addition to the capacity of non-executive member, would further guarantee the company's more efficient operation.
- **Part A.V. (5.4-5.8):** Nomination of Board members. Until this Statement was compiled, no nomination committee was functioning for the same reasons as per the foregoing.
- **Part A.VII. (7.1.-7.3):** Evaluation of Board and its Committees. Until this Statement was compiled, the Company had not chosen any specific collective procedure to evaluate the effectiveness of the Board of Directors and its Committees.
- **Part B.I (1.4):** Establishment of Audit Committee. An Audit Committee consists solely of non-executive members who, in their majority, are not independent. This option was chosen to obtain the know-how required for the Committee's adequate functioning through the persons making it up.
- **Part C.I (1.6):** Level and structure of remuneration. Until this Statement was compiled, no Remuneration Committee was functioning. The issue will soon be reviewed.

The Company's Management did not deem necessary to adopt further corporate governance practices as indicated in the Code given the current negative circumstances.

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

The Annual Financial Report of 2016 and the Company's website (www.halcor.com) provide all the necessary information about the application of all the above.

Halcor Board of Directors

Theodosios Papageorgopoulos	Chairman, Executive Member
Nikolaos Koudounis	Vice Chairman, Executive Member
Periklis Sapountzis	Executive member
Eftychios Kotsambasakis	Executive member
Tasos Kasapoglou	Executive member
Georgios Passas	Non-executive member
Konstantinos Bakouris	Non-executive member
Ioannis Panagiotopoulos	Non-executive member
Andreas Katsanos	Non-executive member
Andreas Kyriazis	Independent, non-executive member
Nikolaos Galetas	Independent, non-executive member

Halcor Management executives

Periklis Sapountzis | General Manager

Mr. Sapountzis is a chemical Engineer, graduate of the Technical University of Munich, holder of a doctor's degree (TUM). He has been working for the Group since 1995.

Nikolaos Ellinas | IT Manager

Mr. Ellinas is a graduate of Business Administration and Computer Science Faculty of the Pacific States University in Los Angeles, USA. He has been working for the Group since 2015.

Stylios Theodosiou | Technical Manager

Mr. Theodosiou is an electrical-mechanical engineer, graduate of the National Technical University of Athens. He has been working for the Group since 1969.

Apostolos Kaimenopoulos | Tubes Plant Technical Manager

Mr. Kaimenopoulos is a mechanical engineer, graduate of the University of Patras Polytechnic Faculty. He has been working for Halcor since 1998.

Katerina Kapeleri | Internal Audit Supervisor

Mrs Kapeleri is an economist, graduate of the University of Piraeus and postgraduate of the National Technical University of Athens. She has been working for the Group since 2000.

Spyridon Kokkolis | CFO of Halcor Group

Mr. Kokkolis is an economist, graduate of the Athens University of Economics and Business. He has been working for the Group since 1993.

Eftychios Kotsambasakis | Oinofyta Plants Directing Manager

Mr. Kotsambasakis is an economist. He has been working for the Group since 1965.

Panagiotis Lolos | Commercial Manager

Mr. Lolos has a degree in Political Sciences and International Studies of Panteion University, a M.A. from North Carolina State University, USA and an M.B.A. from Piraeus University. He has been working for the Group since 2001.



Nikolaos Marinakis | Foundry Technical Manager

Mr. Marinakis is a chemical engineer from the Polytechnic Faculty of the University of Patras and has a Master's degree in Metallurgy from RWTH-Aachen University, Germany. He has been working for Halcor since 2006.

Georgios Mavraganis | Strategic Planning and Sustainable Development Manager

Mr. Mavraganis is a chemical engineer holding a MEng from Swansea University. He also has an M.B.A. from the Cardiff Business School, United Kingdom. He has been working for the Group since 2008.

Ioannis Biris | Marketing Manager

Mr. Biris is a qualified architect-engineer. He has been working for Halcor since 2002.

George Samartzis | Supplies Manager

Mr. Samartzis is an economist, graduate of the University of Piraeus, Department of Business Organisation and Administration. He has been working for Halcor since 2000.

Dionysios Skarmoutsos | Quality Assurance and Environment Manager

Mr. Skarmoutsos is a chemical engineer and holds a MSc degree in the science of materials from the University of Patras . He has been working for the Group since 2004.

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

Mr. Tarnanidis is an economist, graduate of the University of Piraeus. He has a Master's degree in Economic Sciences from the University of London. He has been working for the Group since 1987.

Giorgos Tzortzos | Human Resources Manager

Mr. Tzortzos is an economist. He has been working for Halcor since 2008.

Spyridon Hondrogiannis | Health & Safety Manager

Mr. Hondrogiannis has a BSc of Mechanical Engineering and the respective MSc of Electronics Manufacture from the University of Sunderland. He has been working for the Group since 2001.





Sustainable Development

As an enterprise we are an entity that is inextricably linked to the community in which we operate; we influence and are being influenced from the present situation and the environment in which we operate. We have the obligation to recognise our responsibility towards the society and the environment. The Sustainable Development of the Greek society and the creation of added value for all stakeholders are the basic operational principle and fundamental value for Halcor.

“ With respect to human values, with respect to the environment we inherited: we seek to follow a responsible corporate development ”

Our vision for Sustainable Development is characterized by our constant strive for responsible corporate operation and stable effort for the creation of added value for all our stakeholders. Implementing practices of responsible functioning is our strategic choice, laying emphasis and focusing over time on substantial topics and crucial pillars of corporate responsibility: our people, the environment, the local community, our business evolution and development.



Concern for our people

With a sense of responsibility, Halcor seeks to offer its employees a work environment of equal opportunities that respects our employees, and invests systematically, in their training and development.

As a company firmly focused on human values, we strive to implement responsible HR practices focusing on issues such as:

- safeguarding of Health and Safety of our people and associates
- creating a work environment of fair remuneration, respect of human rights and diversity.
- maintaining jobs and supporting local employment
- providing equal opportunities for all employees
- implementing objective evaluation systems
- continuous training and education of our employees
- Provision of additional benefits.



Occupational Health and Safety

Safeguarding our employees' health and safety and that of our associates is a top priority for us. It is also a commitment and a crucial factor for successful day to day operation. To us, "zero accident" is a constant objective.

To this direction we make every possible effort, by:

- effective implementation of the Occupational Health and Safety Management System (OHSAS 18001:2007).
- constant investment projects implemented annually.
- regular controls and audits conducted by various levels of managers, either on a daily or monthly basis in all departments.
- the health and safety programs we implement.
- the constant improvement programs, such as the 5S system.
- the constant training, awareness and active participation of all employees.



Environmental Protection

Our operations respect the environment, aiming to reduce our environmental footprint at all times. Implementing a number of practices, procedures and control systems, the Company achieves systematic and integrated management of the impact on natural environment in an effective manner. In this context:

- We implement and certified Environmental Management System (ISO 14001:2004)
- We invest in new infrastructure to constantly improve our environmental performance.
- We focus on our employees' training and awareness raising on issues of environmental management.
- We implement targeted programs concerning environmental protection, such as:
 - We use scrap for raw material
 - Energy saving actions (e.g. energy saving programme of gradual replacement of light bulbs, implementation and certification of the Company's Energy Management System according to ISO 50001 in the Recycling - Casting, Copper Tubes plant facilities)
 - Actions for efficient water use (e.g. recycling practices)
 - Practices to reduce air emissions (e.g. use of fuels that create less greenhouse gas emissions per energy produced, such as natural gas, frequent and proper maintenance and calibration of equipment and automations)
 - Management and recovery of waste by implementing management practices in accordance with the relevant legislation and the Best Available Techniques.



Customer-oriented approach and supply chain responsibility

We build relationships of trust with our customers and partners. Our customer-orientated approach is confirmed by our high customer satisfaction. For us, ensuring high quality products and reliable solutions is a strategic choice, a competitive advantage as well as a matter of corporate responsibility.

To further improve our customer satisfaction:

- we place particular emphasis on consistency, our response time to customer's demands and the completeness of our product support services.
- we cooperate with research organisations and institutions aiming at the research and development of new technologies, products improvement and the meeting of modern requirements.
- we invest systematically in research and development aiming to provide innovative solutions and products of highest quality.
- we conduct customer satisfaction surveys, we evaluate the survey results and plan improvements where necessary.

We seek to make supplies with the aim to maximize their positive impact on the environment, economy and society. Furthermore, we promote corporate responsibility practices in our supply chain.



Responsibility for Society

On the basis of mutual benefit and harmonious cooperation, we stand by our local community, offering new jobs, encouraging local entrepreneurial activity and systematically supporting local organisations, clubs and schools. Our goal is to contribute to the development and viability of local communities.

Details on the Company's actions per pillar of Corporate Responsibility are laid down in the 2016 Report of Sustainable Development of Halcor which is a separate section in this report.



NOTICE

Notice of Annual General Meeting to the shareholders

of the company under the name

HALCOR METAL WORKS S.A.

G.E.M.I. No 303401000 (Gen. Electronic Commercial Reg.)

In compliance with the provisions of the Law and the Articles of Association of the Company, the Shareholders of HALCOR, METAL WORKS S.A. are hereby invited, by the Board of Directors, to attend the Company's Ordinary General Meeting, to be held on Friday, May 26, 2017, at 10:00 am at the WYNDHAM GRAND ATHENS, 2 Meg. Alexandrou Street, Athens, in order to discuss and take decision on the following agenda:

AGENDA

1. To approve the annual financial statements for the Company's financial year 2016, as well as the reports of the Directors and the Certified Auditors on them.
2. To discharge the Directors and the Certified Auditors from all responsibility for damages for the financial year 2016.
3. To appoint Certified Auditors, as well as their alternates, for the financial year 2017 and approve their remuneration.
4. To elect the members of a new Board of Directors.
5. To appoint the members of the audit committee, according to article 44 of Law 4449/2017.
6. To approve Directors' remuneration, according to article 24, par. 2 of Codified Law 2190/1920.
7. Sale of shares of the company "SOFIA MED S.A." exclusively owned by HALCOR S.A. Provision of special permission for the conclusion of the sale agreement according to article 23a, paragraph 2 of of C.L.2190/1920 as in force.
8. Various announcements.

RIGHT TO ATTEND THE GENERAL MEETING

Anybody appearing as a shareholder in the file of the Dematerialised Securities System, managed by "HELLENIC EXCHANGES, S.A." (former Central Securities Depository), in which the company's shares are kept has the right to attend the General Meeting. A certificate in written form issued by the above entity should be used as proof of the capacity to act as a shareholder, or alternatively the direct access to the electronic files of the entity. This capacity should exist on 21.05.2017 (Registration date), namely at the beginning of the fifth (5th) day before the date of the General Meeting and the pertinent written certificate, regarding the capacity of shareholder, has to reach the company on 23.05.2017 at the latest, namely on the third (3rd) day before the holding of the General Meeting.

The company considers as a shareholder having the right to attend the General Meeting and vote only whoever has the capacity as a shareholder on the respective Registration Date. In the case the provisions of article 28a of C.L. 2190/1920 have not been followed, the shareholder in question attends the General Meeting only following its relevant permission.

To exercise the rights in question does not presuppose that the shares of the beneficiary should be blocked or another similar procedure should be followed, limiting the possibility for sale and transfer of the shares during the period of time between the Date of Registration and the General Meeting

PROCEDURE TO BE FOLLOWED IN ORDER TO EXERCISE VOTING RIGHTS THROUGH A PROXY

The shareholder attends the General Meeting and votes in person or through proxies. Each shareholder can appoint up to three (3) proxies. Legal entities can attend the General Meeting by appointing as their proxies up to three (3) natural persons. Nevertheless, in the case the shareholder holds shares of a company appearing in more than one securities account, the above restriction does not prevent the shareholder from appointing different proxies for the shares appearing in each securities account in respect with the General Meeting. A proxy acting on behalf of more shareholders can give

different votes regarding each shareholder. The proxy of a shareholder has to inform the company, before the General Meeting starts, about any specific fact, which can be useful to the shareholders in assessing the risk that the proxy could serve the interests of parties other than the shareholder. According to the present paragraph a conflict of interests could happen especially where the proxy:

- a) Is a shareholder controlling the company or another legal body or entity, which is controlled by this shareholder.
- b) He is a Board of Directors member or in the Company's management, in general, or a shareholder, who exercises control of the Company or other corporate body or entity controlled by a shareholder, who exercises control over the company.
- c) He is an employee or certified auditor of the company or a shareholder having control of the Company or other corporate body or entity controlled by a shareholder, who has control of the company.
- d) He is married to or he is a first degree relative of one of the natural persons mentioned in the cases (a) to (c).

The appointment or recall of the shareholder's proxy is executed in writing and notified to the Company, through the same procedure, at least three (3) days before the date of the General Meeting.

The Company will make available the form to be used for the appointment of a proxy, on its web site www.halcor.gr. This form is to be submitted, filled and signed by the shareholder to the Company's Investors Relations Service at the address: 16, Himaras Street, 15125 Maroussi or faxed at 210 6861347 at least three (3) days before the date of the General Meeting. The beneficiary is asked to take care to confirm successful delivery of the proxy appointment form to the Company at the phone number 210 6861349, Mr. Konstantinos Kanellopoulos.

Each share issued by the Company has one voting right.

The Company's Articles of Association do not provide the possibility to attend the General Meeting through electronic means, without the natural presence of the shareholders in the place where it is held or the possibility to participate in voting at a distance.

MINORITY SHAREHOLDERS RIGHTS

According to the provisions of article 26 of C.L. 2190/1920, as it is in force today, the Company informs its shareholders about their rights, according to par. 2, 2a, 4 and 5 of article 39 of the above law, which are the following:

- a) Following an application of shareholders representing 1/20 of the company's paid up share capital the company's Board of Directors has the obligation to include in the Agenda additional items, in the case the pertinent application reaches the Board until 11.05.2017, namely at least fifteen (15) days before the General Meeting. The application for the registration of additional items in the Agenda should be accompanied by a relevant justification or a draft resolution for approval by the General Meeting. The revised Agenda is published in the same way with the previous agenda, namely on 13.05.2017, thirteen (13) days before the date of the General Meeting and at the same time it is made available to the shareholders at the Company's web site together with the justification and the draft decision submitted by the shareholders, according to the provisions of art. 27 par. 3 of C.L. 2190/1920
- b) Following an application of shareholders representing 1/20 of the paid up share capital the Board of Directors makes available to the shareholders, according to the provisions of art. 27 par. 3 of C.L. 2190/1920, at the latest by 20.05.2017 namely six (6) days before the date of the General Meeting, the draft resolutions regarding the items included in the initial or the revised agenda, if the application reaches the Board of Directors by 19.05.2017, namely at least seven (7) days before the date of the General Meeting.
- c) Following an application submitted to the Company by any shareholder by 20.05.2017, namely at least five (5) full days before the General Meeting, the Board of Directors has to provide to the General Meeting the specific information requested, regarding the Company's affairs, to the extent it could be useful to a substantial estimation of the items of the agenda.



The Board of Directors can provide a uniform answer to shareholders' applications having the same contents. There is no obligation to provide information already available in the Company's web site, especially in question – answer form.

In addition, following a request of shareholders, representing 1/20 of the paid up share capital, the Board of Directors should announce to the General Meeting the amounts of remuneration paid, during the last two years, to each Board of Directors member or the managers of the Company, as well as any payment to the above persons for any reason or contract between them and the Company.

In all the above cases the Board of Directors can deny providing the information, due to a substantial reason, which should be mentioned in the minutes.

- d) Following an application of shareholders representing one fifth (1/5) of the paid up share capital, submitted to the Company by 20.05.2017, namely at least five days before the General Meeting, the Board of Directors should provide to the General Meeting information regarding the Company's business and assets. The Board of Directors can refuse to provide the information, due to a substantial reason, which should be mentioned in the minutes.

The above mentioned time limits to exercise the minority rights also apply to Repeat General Meetings.

In all the above mentioned cases the shareholders submitting an application have to prove the fact that they are shareholders of the Company, as well as the number of shares they own, when they proceed to exercise their relative right. Such proof can be a certificate issued by the entity, where the securities are kept or by direct electronic contact between the entity and the Company.

AVAILABLE DOCUMENTS AND INFORMATION

The information provided for by article 27 par. 3 of C.L. 2190/1920 (the text of the Notice for Ordinary General Meeting, the total number of the Company's shares and the respective voting rights, comments of the Company's Board of Directors on the items of the agenda, the form appointing a proxy) shall be available, in electronic form, at the Company's web site, www.halcor.gr.

Copies of the above documents will be available in the offices of the Company's Investors Relations Service, at the address: 16, Himaras Street, 15125 Maroussi.

Athens, 05 May 2017
The Board of Directors



Annual Financial Report

(as at 31 December 2016)

Pursuant to article 4 of L. 3556/2007





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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.halcor.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 HALCOR S.A. - METAL PROCESSING, trading as HALCOR S.A., whose registered offices are in Athens, at 2-4 Mesogeion Avenue:

1. Theodosios Papageorgopoulos, Chairman of the Board of Directors
2. Nikolaos Koudounis, Board of Directors Member,
3. George Passas, 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 HALCOR S.A. for the period

from 1 January to 31 December 2016, 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 2016 for HALCOR 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 HALCOR S.A. contains the true information required by Article 4, paragraphs 6 to 8, of Law 3556/2007.

Athens, 29th of March 2017

Confirmed by

The Chairman of the Board	The Board-appointed Member	The Board-appointed Member
Theodosios Papageorgopoulos ID Card AE 135393	Nikolaos Koudounis ID Card AE 012572	George Passas ID Card Φ 020251

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 2016 (1 January – 31 December 2016). 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 HALCOR S.A. - METAL PROCESSING (hereinafter referred to for the purpose of brevity as "Company" or "HALCOR") for year 2016, 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 and copper alloys, zinc rolling products and cables of all types.

1. Financials - Business report - Major events

Throughout 2016 the recovery in Eurozone trended slightly upwards. Recovery in the US was at slightly higher levels versus prior year, a fact which affected positively the sales of the Group. The average price of Copper reached to Euro 4,399 per ton for

the fiscal year 2016 following the decline during the first six months of the year, versus Euro 4,952 per ton in 2015. Towards the end of the fiscal year, the Group proceeded to the exchange of shares of Hellenic Cables with shares of Cenergy SA incorporated in Belgium, which absorbed Hellenic Cables and Corinth Pipeworks. The new corporate structure, in which Halcor now possesses a 25.16% share, will allow better access to projects in the energy, telecommunication and construction sectors. As a consequence of the exchange was the loss of control of the Group Hellenic Cables with date 31 December 2016 when on that date the assets and liabilities of Hellenic Cables were deconsolidated from the consolidated financial figures of Halcor Group. The results were positively affected by the exchange at Consolidated level by Euro 0.6 mil., while at Company level loss of Euro 8.6 mil. was posted directly in Equity being a common control transaction with book-value accounting. Furthermore, during the first half of 2016 shares of Metal Agencies, Alurame, Steelmet Romania, Genecos and Tepro Metal, which were the commercial branches of the Group to the markets of Europe, were contributed to International Trade. The Group received as exchange shares of International Trade. Halcor participates in International Trade with a 26.00% share. The result of the transaction reached to profit of Euro 3.9 mil. and at Company level it was posted directly in Equity as common control transaction with book-value accounting, while the same amount of Euro 3.9 mil. affected the results of the Group. In addition, profit of Euro 0.9 mil. that was posted at consolidated level



during the publication of the interim six month financial statements was reclassified to discontinued operations after the aforementioned exchange of shares of Hellenic Cables Group with Cenergy.

For comparability reasons financial information of the statement of profit and loss and other comprehensive income have been restated for 2015 pursuant to the implementation of IFRS 5 "Discontinued operations".

The consolidated turnover from continued operations amounted in 2016 to Euro 693 mil. versus Euro 751 mil. in 2015 marking a decline by 7.7%. The turnover was negatively affected by the declining prices of metals and positively by the 4.4% increase of the volume of sales.

In terms of volumes in 2016 from continued operations, the sales of tubes consisted of 48% at prior year level, rolling products to 27% in an upward trend from 23% of prior year, bus bars and rods at 15% at prior year levels and brass rods to 10% slightly decreased from the 13% of 2015.

For 2016, the consolidated Gross profit from continued operations marked an increase by 146.3% and rose to Euro 39.9 mil. versus Euro 16.2 mil. in 2015. This increase by Euro 23.7 mil. is attributed to the improvement of the operational result as the gross profit was highly affected by the positive metal result of Euro 4.9 mil. versus metal losses of Euro 14.7 mil. in 2015 from continuing operations. The consolidated earnings before taxes, interest and depreciation (EBITDA) from continued operations rose in 2016 to profit of Euro 35.3 mil. versus profit of Euro 15.1 mil. the prior year, hence improved by Euro 20.2 mil., while the results before taxes and interest from continued operations (EBIT) rose to profit Euro 19.6 mil. versus losses of Euro 3.5 mil.

the respective prior year. The consolidated results from continued operations (profit/loss before taxes), amounted in 2016 to losses of Euro 1.0 mil. versus losses of Euro 30.4 mil. in 2015. Finally, the result from continued operations after tax and non-controlling interest amounted to profit of Euro 2.0 mil. or Euro 0.0196 per share versus losses of Euro 30.8 mil. or loss of Euro 0.3045 per share in 2015.

Significant improvement for the results of the parent company, as the profit before tax and interest (EBIT) amounted in 2016 to profits of Euro 15.8 mil. versus profit of Euro 7.5 mil. the year before. The results before taxes amounted in 2016 to losses of Euro 22.8 mil., versus losses of Euro 9.4 mil. in 2015 mainly affected by the impairment of the participation to the subsidiary Sofia Med amount of Euro 23.0 mil. If we were to exclude this impairment the results before taxes amounted to profit of Euro 0.2 mil. versus losses of Euro 9.4 mil. in 2015.

Since the beginning of November until the end of the year the average price of Copper rose to Euro 5,200 per ton. The effect of this increase to the Group's results from the metal result of the continuing operations was positive to Euro 4.9 mil. versus negative in 2015 amounting to Euro 14.7 mil. While at Company level the positive influence amounted to Euro 3.3 mil. versus loss Euro 6.5 mil. the year before.

As regards to the cost, the decreases in prices of energy in conjunction with 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.

During the second half of 2016 one of

TABLE 1.1

		12/31/16		12/31/15	
GROUP					
Liquidity =	Current Assets	192,691,091	1.01	425,565,297	1.03
	Current Liabilities	191,307,985		414,398,988	
COMPANY					
Liquidity =	Current Assets	120,297,187	0.82	107,370,949	0.84
	Current Liabilities	147,194,907		127,459,292	

TABLE 1.2

		12/31/16		12/31/15	
GROUP					
Leverage =	Equity	99,548,749	0.29	107,667,225	0.17
	Loans & Borrowings	346,345,732		630,689,588	
COMPANY					
Leverage =	Equity	79,215,415	0.33	105,771,351	0.41
	Loans & Borrowings	240,776,368		260,724,397	

Halcor's competitors in the Turkish market has filed an anti-dumping complaint for the sales of 2015. By the time of the approval of the financial statements no additional tariffs have been imposed. Halcor's exporting activity directed to the Turkish market for 2016 amounted to Euro 39.3 million at company level and Euro 59.3 million from continuing operations at consolidated level while the respective amounts for 2015 were Euro 50.3 million at company level and Euro 72.5 million at consolidated level. The management of the Company cannot reliably estimate the result of the audit.

In 2016 Halcor Group carried out total investments of Euro 7.9 million. For 2016 amount of Euro 4.2 mil. was for upgrading of the production facilities of the parent company in Oinofyta, focusing on the tube plant and amount of Euro 3.7 mil. was for the subsidiary Sofia Med aiming at the production of high added-value products.

2. Financial standing

Halcor'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: **Table 1.1.**

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 2016 and 2015 were as follows: **Table 1.2** (page. p7).

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



TABLE 1.3

		12/31/16		12/31/15	
GROUP					
Return on Invested Capital =	<u>Operating profit / (loss)</u>	<u>19,616,679</u>	4.4%	<u>-3,565,626</u>	-0.5%
	Equity + Loans & Borrowings	445,894,480		738,356,813	
COMPANY					
Return on Invested Capital =	<u>Operating profit / (loss)</u>	<u>15,836,936</u>	4.9%	<u>7,547,188</u>	2.1%
	Equity + Loans & Borrowings	319,991,783		366,495,748	

TABLE 1.4

		12/31/16		12/31/15	
GROUP					
Return on Equity =	<u>Net Profit / (Loss)</u>	<u>1,719,735</u>	1.7%	<u>-30,837,676</u>	-28.6%
	Equity	99,548,749		107,667,225	
COMPANY					
Return on Equity =	<u>Net Profit / (Loss)</u>	<u>-21,002,264</u>	-26.5%	<u>-11,225,730</u>	-10.6%
	Equity	79,215,415		105,771,351	

of financial position. For the fiscal year 2016 as the prior year the calculation for the Group and the Company was as follows:

Table 1.3.

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 2016 and 2015 were as follows:

Table 1.4.

EBITDA: It is the measure of profitability of the entity before taxes, financial, depreciation and amortization. And is calculated by adjusting the depreciation and amortization to the operating profit as this is reported in the statement of profit and loss. (Table 1.5, page. p9).

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

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.

Halcor 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.

TABLE 1.5

EBITDA	GROUP		COMPANY	
	2016	2015	2016	2015
From Continued operations:				
Operating profit / (loss)	19,616,679	(3,565,626)	15,836,936	7,547,188
<i>Adjustments for:</i>				
+ Depreciation	15,168,084	18,100,333	6,576,312	6,602,546
+ Amortization	719,744	639,720	278,253	225,650
- Amortization of Grants	(215,265)	(231,658)	(111,081)	(111,367)
EBITDA	35,289,242	14,942,769	22,580,420	14,264,018

TABLE 1.6

a - EBITDA	GROUP		COMPANY	
	2016	2015	2016	2015
From Continued operations:				
EBITDA	35,289,242	14,942,769	22,580,420	14,264,018
<i>Adjustments for:</i>				
+ Loss / - Profit from Metal Lag	(4,928,017)	14,704,358	(3,310,329)	6,519,074
+ Restructuring Expenses	232,468	-	232,468	-
a - EBITDA	30,593,693	29,647,126	19,502,559	20,783,092

3. Corporate Social Responsibility and Sustainable Development

In regards to the actions and initiatives of the Group and the Company in the area of Corporate Social Responsibility please see the analysis in the respective section of the present.

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 sum of the guarantees provided by Group is of low value and does 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 ad-

equated 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 (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 use hedging instruments for 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 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 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.

**TABLE 1.7 Transactions of the parent company with subsidiaries (AMOUNTS IN THOUSANDS EURO)**

Company	Sales of goods, services & assets	Purchases of goods, services & assets	Receivables	Payables
SOFIGA MED	37,419	1,839	20,183	-
FITCO	17,362	593	3,106	768
OTHER	1	290	6	434
Total	54,782	2,722	23,295	1,201
HELLENIC CABLES	8,342	9,371	1,499	594
STEELMET GROUP	5	2,273	9	218
METAL AGENCIES	45,951	32	3,636	1
Total	54,299	11,676	5,144	813

In Greece in the beginning of 2017 the negotiations with institutions is continuing with the aim of closing the evaluation of the current program. The return to economic stability is largely dependent from the actions and decisions of the institutions in the country and abroad. Considering the nature of Halcor's operations, as exporting on its greater part, namely at Company level 89.2% of the turnover for 2016 was directed to exports versus 87.4% in 2015, while at Group level 94.4% from continued operations was directed outside Greece in 2016 versus 93.9% for 2015, as well as the financial standing of the Company and the Group, any negative developments in the Greek economy are not expected to affect substantially the normal operation of the company. In regards to the production ability of the units problems are not expected considering that exports create adequate cash-flows to cover the imports of raw materials which are necessary to the production. The availability and the prices of the raw materials are determined in the international markets and thusly they are not affected by the domestic situation in Greece.

In the United Kingdom, in spite of the result of the referendum on 23rd of June

of 2016, the growth rates at 2016 closing remained positive by 0.7% versus the third quarter (Q on Q) and +1.8% in relation to 2015. The announcement of the statistics contributed positively to the stabilization of the Sterling and in spite of the initial inertia the retail consumption increased in the last quarter of 2016 and the major retailers did not increase their prices. In regards to the Group activity, 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.

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 2017

For 2017 the Group and the Company considering that the greater part of the sales are direct outside Greece and the fact that the Group has access to source of funding outside Greece, consider that any negative developments in the Greek economy will not negatively affect their smooth operation. Apart from that the management con-

TABLE 1.8 Transactions of the parent company with other affiliated companies (AMOUNTS IN THOUSANDS EURO)

Company	Sales of goods, services & assets	Purchases of goods, services & assets	Receivables	Payables
MKC	33,467	174	4,183	35
REYNOLDS CUIVRE	25,820	170	3,139	20
STEELMET ROMANIA	8,597	15	-	364
INTERNATIONAL TRADE	499	-	279	-
METALVALIUS	-	2,513	-	998
ANAMET SA	453	7,785	714	520
VIANATT	240	-	42	-
HC ISITMA	51	-	149	-
TEKA SYSTEMS	40	641	16	133
VIEXAL-VIENER	1	259	1	19
TEPRO METAL	-	91	-	116
ELVAL	424	2,953	344	1,922
VIOHALCO	178	170	267	173
OTHER RELATED	482	1,984	757	567
Total	70,253	16,756	9,891	4,868

TABLE 1.9 Transactions of Halcor Group with Hellenic Cables and Steelmet (AMOUNTS IN THOUSANDS EURO)

Company	Sales of goods, services & assets	Purchases of goods, services & assets	Receivables	Payables
HELLENIC CABLES	9,580	10,140	1,694	765
STEELMET GROUP	5	2,332	9	218
Total	9,585	12,472	1,704	983

stantly evaluates the situation in order to secure that all necessary and possible measures and actions are taken in time for the minimization of any impacts to the activities of the Group and the Company.

For 2017 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 2017 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.

In overall, for 2016, 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.

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: **Table 1.7** (page. p12).

SofiaMed SA buys from Halcor raw materials and semi-finished products of cop-

**TABLE 1.10 Transactions of Halcor Group with other affiliated companies (AMOUNTS IN THOUSANDS EURO)**

Company	Sales of goods, services & assets	Purchases of goods, services & assets	Receivables	Payables
MKC	54,849	177	7,341	36
STEELMET ROMANIA	11,662	32	21	368
TEKA SYSTEMS	40	891	32	212
ANAMET	468	11,163	788	746
VIEXAL-VIENER	1	543	1	29
CPW	862	190	153	86
VIOHALCO	178	170	267	173
TEPRO METAL	2,382	413	175	318
CORINTH PIPEWORKS	21	3	18	1
METALVALIUS	6,518	58,879	-	6,182
REYNOLDS CUIVRE	35,660	192	3,859	258
HC ISITMA	51	-	149	-
INTERNATIONAL TRADE	499	-	279	-
OTHER RELATED	1,360	7,073	7,119	4,228
Total	114,552	79,726	20,202	12,637

TABLE 1.11 Fees of Executives and Board members (AMOUNTS IN THOUSANDS EURO)

	Group	Company
Total fees of management executives & Board members	3,467	1,821

per and copper alloys, depending on its needs, as well as finished products which distributes to the Bulgarian market. In addition, Halcor provides technical, administrative and commercial support services to Sofia Med. Respectively, Halcor 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. Halcor processes Fitco's materials and deliver back semi-finished products. It also provides Fitco with administrative support services.

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

Steelmet S.A. provides Halcor with administration and organization services.

International Trade acts as merchant - central distributor of Halcor's Group prod-

ucts in countries of Europe where they operate themselves or their subsidiaries.

Metal Agencies LTD acts as merchant - central distributor of Halcor Group in Great Britain.

MKC GMBH trades Halcor products in the German market.

Steelmet Romania trades Halcor 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 Halcor with considerable quantities of copper and brass scrap.

Viexal SA provides Halcor with traveling services.

CPW America CO trades Halcor products in the American market.

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

Teepro Metall AG trades (through its subsidiary MKC) Halcor products and rep-



resents the latter in the German market.

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

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

The transactions of the parent company with associates and other affiliated companies are presented in **Table 1.8** (p. 13)

The transactions of Halcor Group with Hellenic Cables and Steelmet are presented in **Table 1.9** (p. p13).

The transactions of Halcor Group with other affiliated companies are presented in **Table 1.10** (p. p14).

The fees for management executives and Board of Directors are presented in **Table 1.11** (p. p14).

7. Subsequent events

There were no subsequent events after the 31st of December that have to be mentioned.



BOARD OF DIRECTORS' EXPLANATORY REPORT (Article 4(7) and (8) of Law 3556/2007)

1) Structure of share capital

Company share capital stands at Euro 38,486,258 divided into 101,279,627 common unregistered shares with a nominal value of Euro 0.38 each. All shares are traded on the ATHEX Equities Market in the Large Cap category. Company shares are unregistered, dematerialised shares incorporating voting rights.

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

- Right to obtain a dividend from the Company's annual profits. The dividend to which each share is entitled shall be paid to the shareholder within two (2) months from the date of approval by the General Meeting of the financial statements. The right to collect a dividend shall be deleted after the elapse of 5 years from the end of the year in which the General Meeting approved distribution.
- Option in each share capital increase and right to subscribe new shares.
- Right to participate in the General Meeting of Shareholders.
- Ownership of shares automatically entails acceptance of the Company's Articles of Association and the decisions of its bodies taken in accordance with the law.
- Company shares are indivisible and the Company only recognises one owner of each share. All co-owners of a share by entirety as well as those having the usufruct or bare ownership are represented in the General Meeting by a single person that is appointed by the same following agreement. In case of disagreement the share of the afore-

mentioned 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 2016 were as follows:

- VIOHALCO S.A/NV:
68,28 % 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 as for its management and operation, as these are specified under the applicable institutional framework 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_gr.pdf

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

- **Part A.II (2.2, 2.3 & 2.5): Size and composition of the Board.** The independent non-executive members of the current Board of Directors are two (2) out of eleven (11) and therefore, their number is less than the one third of all its members, 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 enlargement of the number of independent members or the limitation of the service of a member would not improve the efficient operation of the company.
- **Part A.III (3.3): Role and qualities required from the President of the Board.** The Vice President of this Board has not the status of independent non-executive member, although the President is an executive member. It was judged, at this juncture, that the status of an independent member in the person of Vice President beyond the aforementioned status as non-executive, would not provide more guarantees in the efficient operation of the company.
- **Part A.V (5.4, 5.8): Nomination of Board members.** There was no committee to nominate members until the time this Statement was drafted 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 B.I (1.4): Composition of Audit Committee:** The Audit Committee is composed entirely of non-executive members, but which in their majority are not independent. The specific choice was made in order that the necessary technical know-how would be achieved for the sufficient operation of the Committee, through the persons that consist it.
- **Part C.I (1.6): Level and structure of remuneration.** Until the time this Statement was drafted, there was no Remuneration Committee. The matter will be reviewed shortly.

The Company's management did not rule that the further adoption of practices as described by the Code is necessary, given the current negative environment.

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

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 main characteristics and details of the Internal Control and Risk Management Systems in relation to the preparation of the consolidated 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 controls 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 situation and the generation of reliable financial statements.

As regards the preparation of financial statements, the Company reports that the financial reporting system of "HALCOR S.A.-METAL PROCESSING" 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 sales, cost/expenses and operating profits as well as other data and indexes. All reports to 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, and to the data of the respective period of the year before the report.

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, reviewed by the Audit Committee and respectively approved in their entirety by the Board of Directors.

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 powers 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 internal reports to Management and the reports required under Codified Law 2190/1920 and by the supervisory authorities are prepared by the Financial Services Division, which is staffed with adequate and experienced executives to this effect. 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 as to how to collect the necessary data from the subsidiary com-

panies, and secures the reconciliation of individual transactions and the implementation of the same accounting principles by the aforementioned companies.

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

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

iii. Provision of non-audit services to the Company by its legal auditors and evaluation of the effect 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 2016, i.e. "KPMG Certified Auditors A.E.", who have been elected by the Ordinary General Meeting of the Company's Shareholders on 26th of May 2016, do not provide non-audit services to the Company and its subsidiaries apart from those prescribed under law.

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.
- Ioannis Panyiotopoulos, non-executive member
 - Andreas Katsanos, non-executive member
 - Andreas Kyriazis, independent non-executive member
 - Nikolaos Galetas, independent non-executive member

The Board Members are elected for a yearly term from the General Meeting of the Shareholders. The current Board of Directors was elected by the Ordinary General Meeting of 26th of May 2016. Upon convening on the 2nd of March 2017 the Board of Directors replaced its resigned member Mr. Christos-Alexios Komninos with Mr. Ioannis Panayiotopoulos and its term expires at the date of the General Assembly of the current year 2017.

The Board of Directors met 62 times during 2016 and all members attended.

The existing Board of Directors of the Company consists of 11 members of whom:

- 5 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:

- Theodoros Papageorgopoulos, Chairman, executive member
- Nikolaos Koudounis, Vice Chairman, executive member
- Perikles Sapountzis, executive member
- Eftyhios Kotsambasakis, executive member
- Tassos Kassapoglou, executive member
- Georgios Passas, non-executive member
- Konstantinos Bakouris, non-executive member

Audit Committee

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

The Audit Committee, which is elected and operates according to Law 3693/2008 (Article 37), consists of three non-executive members of the Board of Directors, one of which is independent, and his main task, in the context of the obligations described by the above law, is to support the Company's Board of Directors to fulfil 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 effectively implement Corporate Governance principles.

More specifically, the Audit Committee has the following responsibilities:

- To examine the effectiveness of all Man-

- agement 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 adequacy as for the attainment of objectives and assess the policy and the programme concerning the activity under review;
 - To control periodically the various functions of different divisions or departments so as to ensure that their various functions are carried out regularly, comply with Management instructions, Company policy and procedures, and that they abide by Company objectives and standards of 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 documentation of the results.

The Audit Committee receives the following reports on audit activity:

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

The Audit Committee examines and ensures the independence of the Company's external auditors and takes cognisance 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 Operation Regulation, the Audit Committee consists of one independent and non-executive member of the Board of Directors and two non-executive members

who have the necessary knowledge and experience for the Committee's work.

The existing Audit Committee consists of the following persons:

- Andreas Kyriazis,
independent non-executive member of the Board
- Georgios Passas,
non-executive member of the Board
- Andreas Katsanos,
non-Executive member of the Board

ii. Number of Committee meetings and frequency of each member's participation in meetings

The Audit Committee met 4 times during 2016 having full quorum.

iii. Evaluation of effectiveness and performance of the Committee

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



CURRICULUM VITAE OF THE BOARD MEMBERS

Theodossios Papageorgopoulos, Chairman (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.

Nikolaos Koudounis, Vice-Chairman (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.THIV 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)

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.

Tassos Kassapoglou, (Executive Member)

Graduate Engineer - Electrical Engineer of National Technical University of Athens. He has been working for the Viohalco Group since 1972. He was Production Manager of Hellenic Cables SA. From 1983 until 2006, he served as Technical Director at the tubes plant of Halcor SA. From middle 2006 until end of 2007 he served as General Manager of Sofia Med. From 2009 he is Board Member of Halcor SA.

Eftyhios Kotsambasakis, (Executive Member)

Mr. Kotsambasakis 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.

Andreas Katsanos, (Non-executive Member)

Mr. Katsanos is a graduate of Piraeus University of Economics and Business and has been working for the Viohalco Group since 1960. He was senior officer in various group companies while from 1978 to 1980 he held the position of General Manager in the company Viotias Cables SA Between 1989 and now is Director of the metals department of Viohalco. Mr. Katsanos was instrumental in the adoption and implementation in Greece, from the Bank of Greece, the Hedging process (hedging of metal price volatility), through the London Metal Exchange (LME). He is also on the Board of Hellenic Cables SA.

**Georgios Passas,
(Non-executive Member)**

Mr. Passas is a graduate of Athens University of Economics and Business. He joined Viohalco in 1969 and has served in senior positions of the Group. From 1973 to 1983 he served as CFO of Elval SA, from 1983 to 1987 as Financial Director of Halcor SA, while from 1987 to 2004 was General Manager of Hellenic Cables SA. Mr. Passas is a member of the Board of Directors in several companies of the Viohalco Group.

**Konstantinos Bakouris,
(Non-executive Member)**

Mr. Konstantinos Bakouris is member on the Boards of ELVAL and HALCOR. Mr. Bakouris has been the Chairman of Corinth Pipeworks since 2005. He started his career in 1968 in ESSO PAPPAS. Two years later he became Financial Manager of UNION CARBIDE in Athens and six years later he became Managing Director. In 1985 he took over the responsibility for the company's consumer products as Europe Vice-chairman. In 1986 he was elected Chairman of RALSTON PURINA for Europe. In 1998 he returned to Greece as Managing Director of the Olympic Games Organizational Committee "Athens 2004". From 2001 to 2002 he was the Chairman of the Hellenic Centre for Investment (EKE). From 2004 to 2008 he also served as Chairman of NET MED N.V., the parent company of NOVA subscribers' television. He is Chairman of International Transparency Hellas and Chairman of the Greek-Russian Business Council. He has a MBA from DE PAUL University in Chicago.

**Panayiotopoulos Ioannis
(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. Since 2005 he is the vice-chairman of ERLIKON SA and also a Board member of SOVEL SA and other companies of Viohalco.

**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.

**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.

**The Chairman of the Board
of HALCOR SA**

Theodossios Papageorgopoulos



**THE CHAIRMAN OF THE
BOARD OF DIRECTORS**

**THEODOSSIOS
PAPAGEORGOPOULOS**
ID Card No. AE 135393

**A MEMBER OF THE BOARD
OF DIRECTORS**

GEORGE PASSAS
ID Card No. Φ 020251

**THE GENERAL
MANAGER**

PERIKLIS SAPOUNTZIS
ID Card No. AK 121106

**THE GROUP
FINANCIAL MANAGER**

SPYRIDON KOKKOLIS
ID Card No. X701209

HALCOR SA
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SEAT: Athens Tower, Building B, 2-4
Mesogeion Avenue



I. Statement of Financial Position		EUR			
	GROUP		COMPANY		
	2016	2015	2016	2015	
ASSETS					
Non-current assets					
Property, plant and equipment	288,749,487	532,663,929	128,732,854	131,821,887	
Intangible assets and goodwill	1,502,276	16,815,649	770,350	455,934	
Investment property	5,443,805	6,426,268	3,697,501	3,742,166	
Equity-accounted investees	71,862,661	9,382,740	39,855,888	5,966,131	
Investments in subsidiaries	-	-	113,866,113	185,149,163	
Other investments	2,508,672	3,396,168	2,508,672	2,854,772	
Deferred income tax assets	3,681,104	3,870,184	-	-	
Trade and other receivables	915,571	2,194,969	857,301	827,370	
	374,663,577	574,749,906	290,288,678	330,817,423	
Current Assets					
Inventories	119,258,774	209,937,102	63,246,954	48,798,460	
Trade and other receivables	48,654,787	180,574,353	48,551,633	46,762,678	
Derivatives	934,132	267,462	51,257	-	
Cash and cash equivalents	23,843,398	34,786,380	8,447,342	11,809,811	
	192,691,091	425,565,297	120,297,187	107,370,949	
Total assets	567,354,668	1,000,315,203	410,585,865	438,188,372	
EQUITY					
Capital and reserves attributable to the Company's equity holders					
Share capital	38,486,258	38,486,258	38,486,258	38,486,258	
Share premium	67,138,064	67,138,064	67,138,064	67,138,064	
Other reserves	149,051,103	178,546,387	103,201,233	105,152,475	
Retained earnings/(losses)	(164,512,637)	(201,561,080)	(129,610,140)	(105,005,446)	
Equity attributable to owners of the company	90,162,789	82,609,630	79,215,415	105,771,351	
Non-Controlling Interest	9,385,960	25,057,595	-	-	
Total equity	99,548,749	107,667,225	79,215,415	105,771,351	
LIABILITIES					
Non-current liabilities					
Loans and Borrowings	239,603,953	394,509,140	155,673,116	174,512,842	
Obligations under financial lease	-	720,584	-	-	
Deferred tax liabilities	30,856,578	46,701,023	25,496,011	27,431,379	
Employee benefits	2,501,083	5,050,801	1,658,441	1,554,450	
Grants	3,446,320	20,703,918	1,257,979	1,369,060	
Provisions	90,000	329,984	90,000	90,000	
Trade and other payables	-	10,233,541	-	-	
	276,497,935	478,248,991	184,175,548	204,957,731	
Current liabilities					
Trade and other payables	82,272,027	168,478,679	60,112,023	39,456,027	
Current tax liabilities	1,207,979	7,071,068	893,988	1,208,201	
Loans and Borrowings	106,741,778	236,180,448	85,103,252	86,211,556	
Obligations under financial lease	-	75,844	-	-	
Derivatives	1,086,200	2,592,949	1,085,645	583,509	
	191,307,985	414,398,988	147,194,907	127,459,292	
Total liabilities	467,805,920	892,647,979	331,370,455	332,417,024	
Total equity and liabilities	567,354,668	1,000,315,203	410,585,865	438,188,372	

The notes in the Annual Financial Report 2016, as it is published, constitute an integral part of those financial statements.

II. Statement of Profit and Loss		EUR			
	GROUP		COMPANY		
	2016	2015	2016	2015	
Continued Operations					
Revenue	692,897,826	751,059,760	420,501,734	451,690,228	
Cost of sales	(652,963,574)	(734,869,505)	(391,378,364)	(432,433,201)	
Gross profit	39,934,252	16,190,254	29,123,370	19,257,027	
Other Income	7,916,002	7,757,559	3,560,333	3,341,585	
Selling and Distribution expenses	(8,031,420)	(7,559,161)	(5,116,674)	(4,989,492)	
Administrative expenses	(13,019,932)	(11,896,258)	(9,078,482)	(8,238,965)	
Other Expenses	(7,182,224)	(8,058,020)	(2,651,611)	(1,822,967)	
Operating profit / (loss)	19,616,679	(3,565,626)	15,836,936	7,547,188	
Finance Income	3,887,113	32,132	42,512	25,287	
Finance Costs	(25,017,333)	(26,749,119)	(15,714,261)	(17,242,935)	
Dividend	37,600	-	78,400	248,658	
Net Finance income / (cost)	(21,092,620)	(26,716,987)	(15,593,348)	(16,968,990)	
Impairment of participations	-	-	(23,016,253)	-	
Share of profit/ (loss) of equity-accounted investees, net of tax	509,953	(154,761)	-	-	
Profit/(Loss) before income tax	(965,987)	(30,437,374)	(22,772,665)	(9,421,802)	
Income tax expense	2,685,723	(400,302)	1,770,401	(1,803,928)	
Profit/(Loss) for the year from continued operations	1,719,735	(30,837,676)	(21,002,264)	(11,225,730)	
Discontinued Operations					
Profit / (Loss) from Discontinued Operations	(9,092,340)	(1,989,720)	-	-	
Total Profit / (Loss) for the period	(7,372,605)	(32,827,396)	-	-	
Attributable to:					
Owners of the Company					
From Continuing Operations	1,980,322	(30,837,676)	(21,002,264)	(11,225,729)	
From Discontinued Operations	(6,816,823)	(1,671,393)	-	-	
Attributable to owners of the Parent	(4,836,501)	(32,509,069)	(21,002,264)	(11,225,729)	
Non-controlling Interests					
From Continuing Operations	(260,586)	-	-	-	
From Discontinued Operations	(2,275,518)	(318,327)	-	-	
Attributable to non controlling interests	(2,536,104)	(318,327)	-	-	
Shares per profit to the shareholders for period					
(expressed in € per share)					
Basic and diluted	(0.0478)	(0.3210)	(0.2074)	(0.1108)	
Shares per profit to the shareholders					
for period (expressed in € per share)					
Continuing Operations					
Basic and diluted	0.0196	(0.3045)	-	-	

The notes in the Annual Financial Report 2016, as it is published, constitute an integral part of those financial statements.



III. Statement of Comprehensive Income				EUR
	GROUP		COMPANY	
	2016	2015	2016	2015
Profit / (Loss) of the period	(7,372,605)	(32,827,396)	(21,002,264)	(11,225,730)
Items that will never be reclassified to profit or loss				
Profit from Revaluation of Fixed Assets to Fair Value	(663,142)	361,910	(663,142)	361,910
Remeasurements of defined benefit liability	(381,064)	154,210	(117,971)	216,397
Related tax	256,257	(1,823,599)	226,523	(1,821,894)
Total	(787,949)	(1,307,480)	(554,590)	(1,243,588)
Items that are or may be reclassified to profit or loss				
Foreign currency translation differences	13,105	-	-	-
Gain / (Loss) of changes in fair value of cash flow hedging - effective portion	4,258,824	(4,119,806)	(36,587)	(1,519,469)
Gain / (Loss) of changes in fair value of cash flow hedging - reclassified to profit or loss	(2,009,806)	829,992	(414,292)	388,615
Gain / (Loss) of changes in fair value of Available-for-sale - net change in fair value	-	(876,000)	-	(876,000)
Related Tax	(437,571)	877,859	130,755	581,988
Total	1,824,552	(3,287,955)	(320,124)	(1,424,866)
Total comprehensive income / (expense) after tax	(6,336,002)	(37,422,831)	(21,876,978)	(13,894,183)
Discontinued Operations				
Other comprehensive income related to discontinued operations (net-of tax)	5,445,331	(1,693,295)	-	-
Total Profit / (Loss) for the period) after discontinued	(890,672)	(39,116,125)	(21,876,978)	(13,894,183)
Attributable to Owners of the company				
- From Continuing Operations	(6,259,185)	(37,422,832)	(21,876,978)	(13,894,183)
- From Discontinued Operations	5,826,421	(1,142,617)	-	-
Attributable to owners of the Parent	(432,764)	(38,565,450)	(21,876,978)	(13,894,183)
Attributable to non-controlling interests				
- From Continuing Operations	(76,817)	-	-	-
- From Discontinued Operations	(381,091)	(550,677)	-	-
Attributable to owners of the Parent	(457,908)	(550,677)	-	-

The notes in the Annual Financial Report 2016, as it is published, constitute an integral part of those financial statements.

IV. Statement of Changes in Equity										EUR
	Share capital	Share premium	Reserves at Fair Value	Other reserves	Reserves for Revaluation of Fixed Assets to Fair Value	Results carried forward	Foreign exchange differences due to consolidation	Total	Non-Controlling Interest	Total Equity
GROUP										
Balance as at 1 January 2015	38,486,258	67,138,064	1,782,335	74,160,759	120,553,816	(174,957,916)	(6,336,214)	120,827,103	26,513,210	147,340,313
Net Profit / (Loss) for the period	-	-	-	-	-	(32,509,070)	-	(32,509,070)	(318,327)	(32,827,398)
Other comprehensive income	-	-	(3,267,229)	-	(1,639,403)	(576,755)	(572,992)	(6,056,379)	(232,350)	(6,288,729)
Total comprehensive income	-	-	(3,267,229)	-	(1,639,403)	(33,085,825)	(572,992)	(38,565,450)	(550,677)	(39,116,127)
Transactions with the shareholder's directly in equity										
Transfer of reserves	-	-	-	(25,160)	(5,900,855)	5,926,015	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	(230,760)	(230,760)
Liquidation of subsidiaries	-	-	-	(208,670)	-	556,646	-	347,976	(674,177)	(326,201)
Total transactions with the shareholders	-	-	-	(233,830)	(5,900,855)	6,482,661	-	347,976	(904,937)	(556,961)
Balance as at 31 December 2015	38,486,258	67,138,064	(1,484,893)	73,926,929	113,013,558	(201,561,080)	(6,909,206)	82,609,630	25,057,595	107,667,225
Balance as at 1 January 2016	38,486,258	67,138,064	(1,484,893)	73,926,929	113,013,558	(201,561,080)	(6,909,206)	82,609,630	25,057,595	107,667,225
Net Profit / (Loss) for the period	-	-	-	-	-	(7,112,019)	-	(7,112,019)	(260,586)	(7,372,605)
Other comprehensive income	-	-	1,603,151	-	(663,142)	(100,281)	13,105	852,834	183,769	1,036,603
Total comprehensive income	-	-	1,603,151	-	(663,142)	(7,212,300)	13,105	(6,259,185)	(76,817)	(6,336,002)
Transactions with the shareholder's directly in equity										
Transfer of reserves	-	-	-	-	(9,722,509)	9,722,509	-	-	-	-
Dividend	-	-	-	-	-	(43,904)	-	(43,904)	(45,696)	(89,600)
Total transactions with the shareholders	-	-	-	-	(9,722,509)	9,678,605	-	(43,904)	(45,696)	(89,600)
Change of participation in subsidiaries										
Increase / (Decrease) and loss of control to participation in subsidiaries	-	-	(886)	(5,282,398)	(22,231,201)	34,582,139	6,788,594	13,856,248	(15,549,122)	(1,692,874)
Total	-	-	(886)	(5,282,398)	(22,231,201)	34,582,139	6,788,594	13,856,248	(15,549,122)	(1,692,874)
Balance as at 31 December 2016	38,486,258	67,138,064	117,372	68,644,531	80,396,707	(164,512,637)	(107,507)	90,162,789	9,385,960	99,548,746
			Share capital	Share premium	Reserves at Fair Value	Other reserves	Reserves for Revaluation of Fixed Assets to Fair Value	Results carried forward	Total	
COMPANY										
Balance as at 1 January 2015			38,486,258	67,138,064	388,614	68,499,331	40,803,235	(95,649,969)	119,665,534	
Net Profit / (Loss) for the period			-	-	-	-	-	(11,225,729)	(11,225,729)	
Other comprehensive income			-	-	(1,424,866)	-	(1,397,229)	153,642	(2,668,454)	
Total comprehensive income			-	-	(1,424,866)	-	(1,397,229)	(11,072,087)	(13,894,183)	
Transactions with the shareholder's directly in equity										
Transfer of reserves			-	-	-	-	(1,716,609)	1,716,609	-	
Total transactions with the shareholders			-	-	-	-	(1,716,609)	1,716,609	-	
Balance as at 31 December 2015			38,486,258	67,138,064	(1,036,252)	68,499,331	37,689,396	(105,005,446)	105,771,351	
Balance as at 1 January 2016			38,486,258	67,138,064	(1,036,252)	68,499,331	37,689,396	(105,005,446)	105,771,351	
Net Profit / (Loss) for the period			-	-	-	-	-	(21,002,264)	(21,002,264)	
Other comprehensive income			-	-	(320,124)	-	-	(-554,590)	(874,714)	
Total comprehensive income			-	-	(320,124)	-	-	(21,556,854)	(21,876,978)	
Transactions with the shareholder's directly in equity										
Loss of Control of Subsidiary			-	-	-	-	-	(4,678,958)	(4,678,958)	
Transfer of reserves			-	-	-	-	(1,631,118)	1,631,118	-	
Total transactions with the shareholders			-	-	-	-	(1,631,118)	(3,047,840)	(4,678,958)	
Balance as at 31 December 2016			38,486,258	67,138,064	(1,356,376)	68,499,331	36,058,278	(129,610,140)	79,215,415	

The notes in the Annual Financial Report 2016, as it is published, constitute an integral part of those financial statements.



V. Statement of Cash Flows				EUR
	GROUP		COMPANY	
	2016	2015	2016	2015
Cash flows from operating activities				
Profit / (loss) after taxes	(7,372,605)	(32,827,397)	(21,002,264)	(11,225,729)
<i>Adjustments for:</i>				
Tax	(2,685,723)	400,302	(1,770,401)	1,803,928
Depreciation and Amortization	15,672,562	18,508,395	6,743,484	6,716,830
Depreciation of tangible assets	15,168,084	18,100,333	6,576,312	6,602,546
Depreciation of intangible assets	719,744	639,720	278,253	225,650
Depreciation of grants	(215,265)	(231,658)	(111,081)	(111,367)
Investing activities result (income, expenses, profits and losses)	(553,896)	(6,845)	(120,912)	(248,658)
Interest charges & related expenses	25,017,333	26,421,130	15,714,261	17,217,648
(Profit) / loss from sale of tangible & Intangible assets	-	224,472	3,440	2,823
(Profit) / loss from sale of investments	(3,893,718)	-	-	-
Loss from the destruction of Assets	-	(216,308)	-	-
Impairment of participations	-	-	23,016,253	-
Decrease / (increase) in inventories	(6,817,817)	3,334,533	(14,448,495)	7,836,202
Decrease / (increase) in receivables	2,358,801	(6,156,163)	(1,788,954)	6,803,226
(Decrease) / Increase in liabilities (minus banks)	32,851,497	11,248,067	20,687,801	7,466,078
Increase/ (decrease) in other provisions	(8,515,957)	8,549,951	(106,636)	2,158,744
Interest charges & related expenses paid	(21,619,297)	(24,608,545)	(15,820,692)	(16,747,092)
Income tax paid	(16,655)	(22,153)	-	-
Discontinued operations	16,830,469	10,290,330	-	-
Net Cash flows from operating activities	41,254,995	15,139,769	11,106,885	21,784,000
Cash flows from investing activities				
Purchase of tangible assets	(7,942,189)	(12,010,041)	(4,201,631)	(6,667,801)
Purchase of intangible assets	(375,822)	(358,333)	(353,649)	(273,172)
Purchase of Investment Property	-	(131,837)	-	-
Sales of Fixed Assets and Intangible Asset	120,799	1,255,972	(4,501)	1,400,941
Dividends received	-	-	-	248,658
Interest received	43,942	-	42,512	25,287
Acquisition of other investments/available for sale investments	(3,900)	-	(3,900)	-
Sales of Participations in subsidiaries	-	-	9,999,844	-
Decrease / (Increase) in participation in other investments and joint-ventures	9,999,844	(1,441,549)	-	(11,447,498)
Cash consideration contributed	(7,111,318)	-	-	-
Discontinued operations	(12,688,051)	(11,401,874)	-	-
Net Cash flows from investing activities	(17,956,696)	(24,087,662)	5,478,675	(16,713,585)
Cash flows from financing activities				
Loans received	-	23,579,579	-	13,000,000
Loans settlement	(37,262,508)	(17,249,563)	(19,948,029)	(13,087,463)
Grand proceeds	-	1,743,070	-	-
Discontinued operations	3,026,947	17,059,292	-	-
Net cash flows from financing activities	(34,235,561)	25,132,378	(19,948,029)	(87,463)
Net (decrease)/ increase in cash and cash equivalents	(10,937,262)	16,184,485	(3,362,468)	4,982,951
Cash and cash equivalents at the beginning of period	34,786,381	18,578,837	11,809,811	6,826,859
Foreign exchange effect on Cash and Cash equivalents	(5,720)	23,058	-	-
Cash and cash equivalents at the end of period	23,843,399	34,786,381	8,447,342	11,809,810

The notes in the Annual Financial Report 2016, as it is published, constitute an integral part of those financial statements.





**INDEPENDENT AUDITOR'S REPORT
(TRANSLATED FROM THE ORIGINAL IN GREEK)
TO THE SHAREHOLDERS OF
HALCOR METAL WORKS S.A.**

Report on the Financial Statements

We have audited the accompanying Stand-alone and Consolidated Financial Statements of HALCOR METAL WORKS S.A. (the "Company") which comprise the Stand-alone and Consolidated Statement of Financial Position as of 31 December 2016 and the Stand-Alone and Consolidated Statements of Income and Comprehensive Income, Changes in Equity and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these Stand-alone and Consolidated Financial Statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these stand-alone and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as incorporated in Greek Law. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing proce-

dures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the stand-alone and consolidated financial statements 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 internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of stand-alone and consolidated the financial statements.

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

Opinion

In our opinion, the Stand-alone and Consolidated Financial Statements give a true and fair view of the financial position of HALCOR METAL WORKS S.A. as of 31 December 2016 and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

Taking into consideration that Management is responsible for the preparation of the



- Board of Directors' Report and the Corporate Governance Statement which is incorporated in this report, pursuant to the provisions of paragraph 5 of Article 2 (part B) of Law 4336/2015, we note that:
- (a) The Board of Directors' Report includes a Corporate Governance Statement which provides the information set by article 43bb of C.L. 2190/1920.
 - (b) In our opinion, the Board of Directors' report has been prepared in accordance with the applicable legal requirements of articles 43a and 107a and paragraphs 1c and 1d of Article 43bb of C.L. 2190/1920 and its content corresponds with the accompanying Stand-alone and Consolidated Financial Statements for the year ended 31 December 2016.
 - (c) Based on the knowledge acquired during our audit, for HALCOR METAL WORKS S.A. and its environment, we have not identified material misstatements in the Board of Directors' Report.

KPMG Certified Auditors
AE AM SOEL 114

Athens, 30 March 2017
Nikolaos Vouniseas,
Certified Auditor Accountant
AM SOEL 18701



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2016

Sustainability Report



HALCOR





HALCOR SUSTAINABILITY REPORT 2016

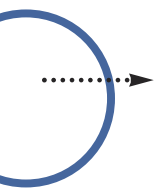




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“Cover photo: Halcor's running team, which dynamically participated in the 5-kilometre race of the Athens Classic Marathon 2016, captured against the backdrop of the bronze statue “Discus Thrower”. This statue stands opposite to the Panathenaic Stadium and is the work of the renowned sculptor Konstantinos Dimitriadis (1881-1943). Apart from its aesthetics and artistic value, it also has historic value, as it won the gold medal for its sculptor at the Paris Olympics in 1924.”



Chairman's message

From the very first moment we started our operations, we had the vision of Sustainability and the clear goal of reaching a high position in the global copper market. In recent years, this goal has been achieved as Halcor is one of the leading industrial companies in the sector internationally and currently the largest copper tube manufacturer in Europe. Our new, double goal now is to maintain our leading position in every market where we operate, as well as the dynamic and sustainable development of Halcor, both in the Greek and the international market, with a focus on people, environment, innovation and society in general, areas that are inextricably linked to our business course, operation and philosophy.

Although the eight years 2009-2016 have been a long period of economic instability for the country, with the words "crisis" and "insecurity" being its predominant feature, Halcor remained committed to its goals and faithful to the fundamental values that govern its operations. To us, Sustainability is a commitment and we implement responsible practices and business moves that will help build a better future for us, for our stakeholders and society in general.

All these years, we never stopped strengthening Greek society and supporting our local community. We made a commitment to maintain jobs; not only did we keep this commitment, but managed to increase jobs by 2.8%. With regard to our financial performance, revenue amounted to EUR 420.5 million in 2016 compared to EUR 451.7 million in 2015, affected by the downward trend in copper, a negative impact that was partly reversed by the increase in sales volume by 1% and the improved sales mix. Moreover, in 2016 our total exports exceeded EUR 375 million (89% of the revenue). Adhering to the implementation of our growth strategy and proving our dedication and commitment for the country, we made investments of EUR 4.6 million. Notably, over the past decade we successfully completed investment plans, realising our goal for continuous innovation, focusing on the research and development of new technologies. The result of our strategic actions is the high level of customer satisfaction, which is a true moral satisfaction and reward for us.

Our people are our driving force, as they realise the vision of Halcor. We assess our success in the dedication of our people and the commitment they have shown over the years in their work and their significant contribution to the overall success of Halcor to date. For this reason, our main goal is to maintain working environment of equal opportunities that respects individuality and rewards efforts, by substantially investing in the development and growth of our people.

Our primary concern and ongoing commitment was, is and will be to take care of our employees' and associates' health and safety. Occupational health and safety concerns each one of us, our Company, our employees, our families, the society. It is everyone's responsibility, it is our responsibility. Proving our commitment in this sensitive area, we go beyond mere compliance with the national and European legislation in force and apply best practices and a certified Health and Safety Management System. We systematically and substantially invest in health protection measures and safety support infrastructure in the workplace.

Following a sustainability path, our commitment for the protection of the natural environment is non-negotiable. We ensure prudent and rational management of environmental issues that are associated with our activity, practically aiming at the continuous reduction of our environmental footprint. To achieve this, we apply a certified Environmental



375

EUR million total exports



420.5

EUR million revenue



4.6

EUR million capital expenditure plan



89

EUR million "social product"



439

employees



↑ 2.8%

we increase our total workforce

Management System (ISO 14001:2004), implement targeted environmental protection programs and continually invest in environmental protection infrastructure, with the relevant investment for 2016 exceeding EUR 1.2 million.

We consider it our obligation to consciously coexist and actively support the local communities and the environment of the areas where we operate. It is worth noting that 44% of our human resources come from local communities. At the same time, by supporting and enhancing local entrepreneurship, in 2016 we increased our cooperation with local suppliers by 27%. We cooperated with 173 suppliers from the local area, while the total value of payments to them amounted to EUR 7.2 million. Our operation is also beneficial for the local community, as we contribute to the various needs of local entities, sports clubs and schools. Proving out social sensitivity, in 2016 too, we warmly supported programs and volunteer actions by our people concerning vulnerable social groups, sports, society in general, a work that we seek to continue with undiminished interest in the years to come.

As a Company that has chosen to act responsibly, we believe we have a moral obligation to positively influence our supply chain in implementing sustainability practices. We believe that the diffusion of Sustainability principles in our supply chain contributes to the strengthening of sustainable business conduct of Halcor and our suppliers. In this context, for the second consecutive year we trained our associates on Sustainability matters and developed a Supplier Code of Conduct.

We are proud and rather satisfied with our course and performance so far, in each one of the above areas. However, we do not stop but steadily continue to responsibly move forward. With the same thoroughness, but with more zeal and being stronger, we will address each challenge as an opportunity for change and improvement. Today, more than ever, Greece needs responsible companies, willing to substantially contribute to the problems of our society which has gone through trying times. This will be our main focus in the following years, with specific actions and goals for the next three years. For 2017, we will intensify our responsible action towards society and the environment, and we will remain firm in our commitment to contribute to the development and sustainability of local communities. Believing in our people, we will continue to invest in their development and growth. By continually investing in safety infrastructure and building up awareness, we can and I believe, we will achieve the goal of zero accidents. Furthermore, we will continue to substantially contribute to the growth of local entrepreneurship as well as in the strengthening of the national economy.

**“ Following a sustainability path,
with respect to our values and principles, we continue
our course focusing on our commitments. ”**

**Theodosios Papageorgopoulos
Chairman of the Board of Directors**



HALCOR

Halcor Group profile in brief

The way towards Sustainability, to which we are committed, requires actions and measures in various areas.



Halcor Group at a glance



693
EUR million
revenue



135
volume of sales
(thousand tons)



19.6
EUR million
EBIT



654
EUR million
total exports



1,094
employees



5
state of the art
production plants



7.9
EUR million capital
expenditure plan



6
subsidiaries



7
consolidated
companies

Copper tubes



82%
Other marketplace

HALCOR

18%
Halcor

Copper bars



84%
Other marketplace

HALCOR

16%
Halcor

Rolled copper (rolling)

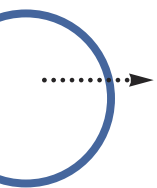


83%
Other marketplace

HALCOR

17%
Halcor

All the above are based on data of the Company and studies by international copper-related organisations (European market shares).



Our vision

Halcor's vision is to become a leading benchmark in the global market, with products and solutions that are recognized for their high quality, reliability, competitiveness and innovation. Always driven by Sustainable Development, the Company aspires to anticipate its clients' needs, developing diverse, competitive products based on new technologies, contributing at the same time in the sector's growth and creating more value for all stakeholders.



Our mission

Halcor's mission is to provide innovative products and solutions that create value. The Company aims to increase its market share, to penetrate new segments focusing on the international market, investing in new and environmentally friendly products of added value.



Our values

- Reliability
- Respect
- Effectiveness
- Transparency



Our commitment

- Sustainable business and development
- Business strategy based on the principles of Sustainability
- Priority to our people
- Environmental protection
- Care for society
- Creating added value for all stakeholders



Halcor Group is a modern industrial group of companies, operating in the manufacture and marketing of copper solutions and copper alloy products and holds a leading position in the European and the international market.

“ Leading position in the copper tube industry in Europe ”

An important fact, which makes all of us very proud in Halcor, is that the Group now ranks as the largest producer of copper products in Europe, while the mother company (Halcor S.A.) plant in Oinofyta is the largest factory in Europe in terms of production.

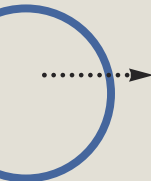
The Group's products



The Group operates in the production, processing and marketing of copper products, copper alloys, copper rolling and extrusion.

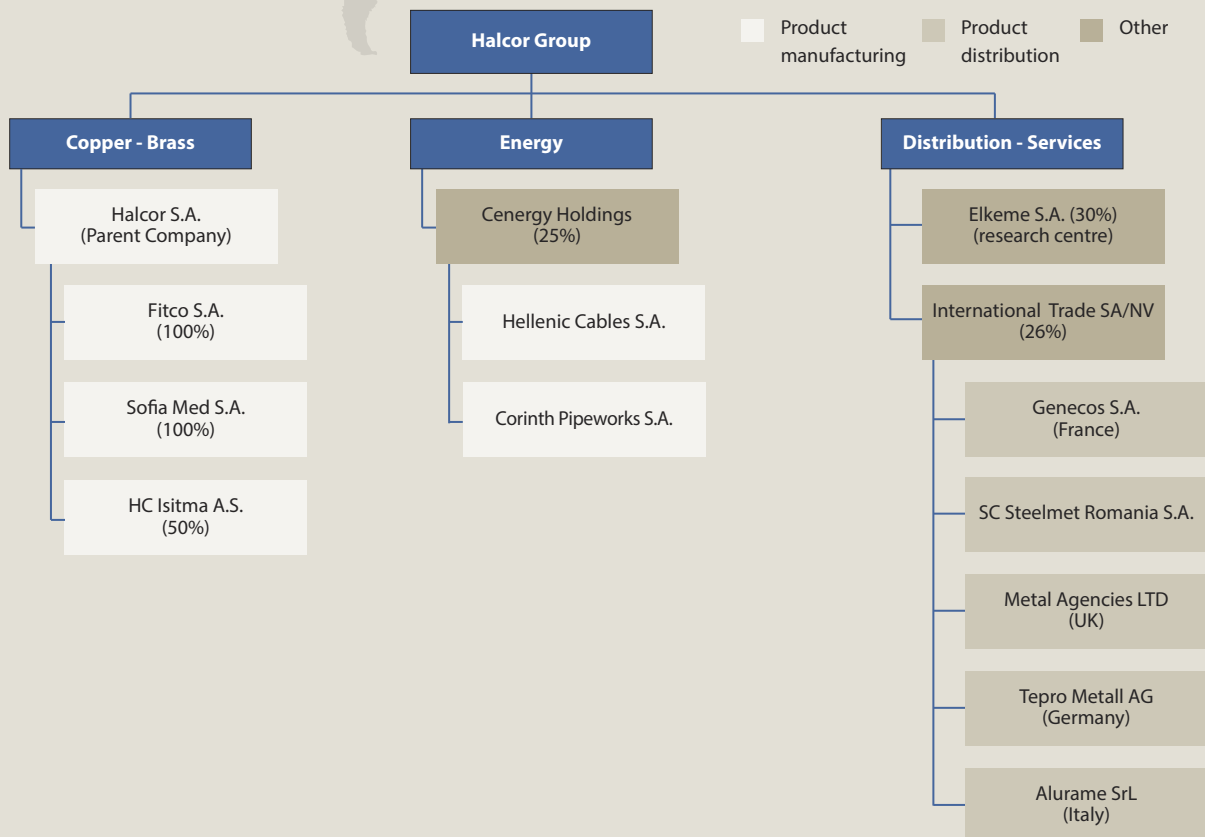
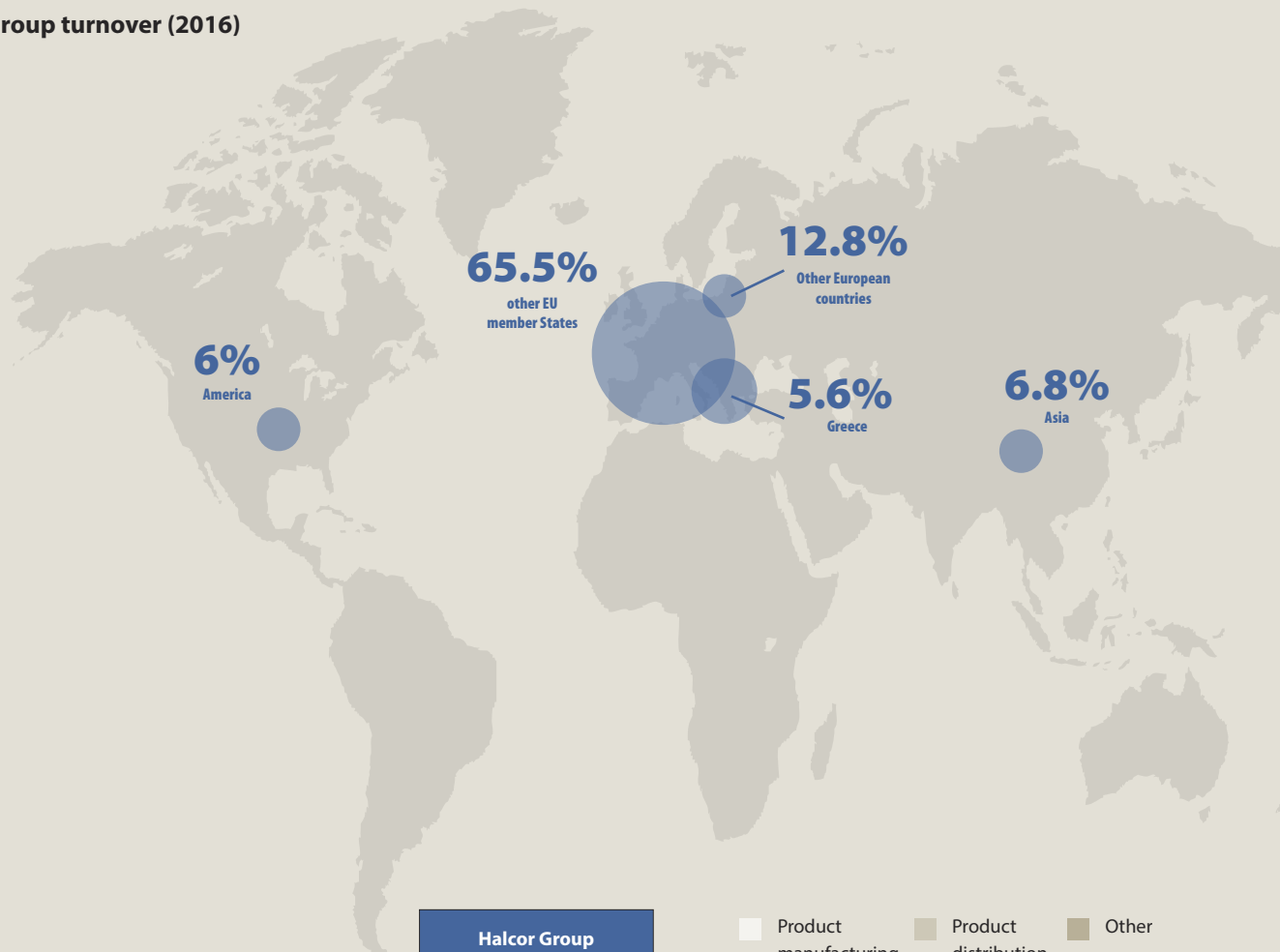
For over 80 years, Halcor Group offers innovative solutions of high added value that meet the demands of its customers, internationally. The Group develops and markets an extended range of products, including copper and brass tubes, sheets, rods and bus bars, special alloy products, with Halcor being the only copper tube manufacturer in Greece and among the three largest in Europe.





Halcor Group profile in brief

Group turnover (2016)



The international orientation and extrovert character of the Group are the main pillars of its successful course so far. The high export activity of the Group is proven, as 65.5% of the production is sold to E.U. countries, 12.8% to other European countries, 6.8% to Asia, 6% to America and 3.3% to other countries (Africa, Oceania). In 2016, the Group's sales to the Greek market amounted to 5.6% of the consolidated revenue, while the remaining 94.4% was sold abroad.

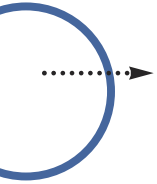
The Group has now structured its operation so as to respond to the increased and demanding needs of international copper product markets, ensuring a successful outward-looking commercial presence.

Despite international competition, the Group gains market shares thanks to the high quality of its products and the solutions it offers. At the same time, it maintains large market shares at European level, which for the year 2016 followed an upward trend.

Capital expenditure plan

With continuous strategic investments in research and development of new technologies, the Group currently has state-of-the-art production units and can create new, innovative products, realising its objective of continuous innovation nationally and internationally. In the period 2000-2016, the Group completed a series of large and successful investment plans, exceeding EUR 536 million from continuing operations. Under this investment strategy, investments amounting to EUR 7.9 million were made, oriented towards the production of new, innovative products of high added value, as well as on infrastructure issues in order to increase the production capacity of the Group.





Halcor Group profile in brief

Strategy and philosophy

For us, corporate responsibility is not just an obligation dictated by national standards and international regulations. It is a strategic choice with a philosophy that we systematically approach and apply with responsible business practices. The principles of Sustainability are a compass for us, they decisively guide our activities and, at the same time, shape our initiatives and decisions in terms of business and operation. Our priority and main goal is to create added value for all stakeholders.

Guided by our corporate values and principles and aiming at a better future for society, we have incorporated into our strategy the material issues of our business. Despite the adverse economic conditions at international and national level, we remained true to our commitments, continued and will continue our responsible action on the crucial pillars: Economy, Society, Environment. We strive for the continuous responsible development of the Group, focusing on export orientation, strengthening our customer-oriented approach and constantly investing in research and development in order to offer high quality products with innovative features. At the same time, we are committed to protecting the environment, implementing responsible employment practices (ensuring occupational health and safety, investing in our people), as well as continuing to support and cooperate with our local community.

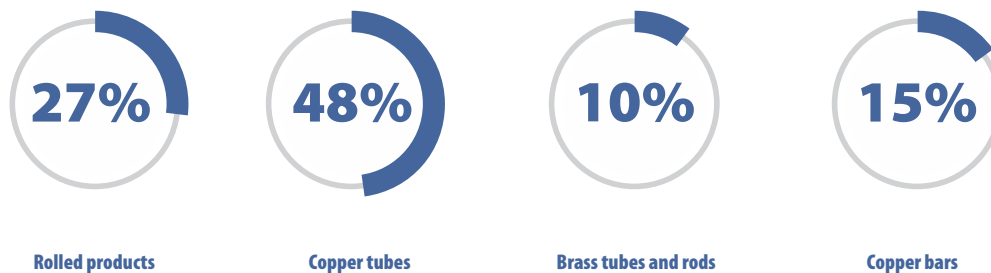


Financial performance

The consolidated revenue of the Halcor Group from continuing operations amounted to EUR 693 million compared to EUR 751 million in 2015, recording a decrease of 7.7%. The revenue was negatively affected by downward trends in metal prices, while the increase of sales volume by 4.4% was a positive contribution. The international orientation of the Group was further strengthened by exports, currently accounting for about 95% of the consolidated revenue, compared to about 94% in 2015.

The average copper price in 2016 stood at EUR 4,399 per ton compared EUR 4,952 per ton in 2015. Note, however, that from the beginning of November until the end of the year the average price recorded a significant increase, amounting to EUR 5,200 per ton, which had a very positive effect on the metal result of continuing operation amounting to EUR 4.9 million compared to a negative impact of EUR 14.7 million in 2015.

Group sales (2016)



“ For Halcor Group 2016 was a year of very significant developments ”

Most importantly, Halcor ranked first among European copper tube manufacturers. This distinction confirmed the Company's long-term strategy and was a reward for the systematic efforts made in the last few years.

Furthermore, in the previous year, the Group exchanged the shares it held in Hellenic Cables with shares of Cenergy Holdings, which absorbed Hellenic Cables S.A. and Corinth Pipeworks S.A. It was a strategic decision for the Group to gain access to the forefront of high-growth areas such as energy, telecommunications and constructions, areas where Cenergy Holdings operates. Halcor owns a 25% stake in the new corporate structure.

The main strategic objectives are to increase market shares, especially in industrial products, and to strengthen the activity in new markets that have growth potential and prospects, aiming to maximize production capacity utilization. In terms of products, the main focus of the Company will be to provide its customers with solutions of high added value, tailored to their needs. Moreover, the key priorities for 2017 too are the optimal management of the working capital and the reduction of net debt.



About Halcor S.A.



The largest copper tubes producer in Europe.



Our performance (2016)



420.5
EUR million
revenue



375
EUR million
total exports



15.8
EUR million
EBIT



89
EUR million
"social product"



4.6
EUR million capital
expenditure plan



1st
copper tubes
producer in Europe



88%
our customer
satisfaction score



439
employees



2.8%
we increase
our workforce



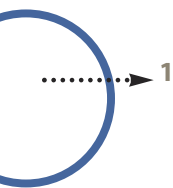
2,526
training man-hours



1.2
EUR million
capital expenditure
on environment



18
EUR million
employee salaries
and benefits



About Halcor S.A.

1.1 Company profile

Halcor S.A. is one of the largest modern Greek industries, with global reach and leading position in its industry internationally. Halcor S.A. was founded in 1976 and is headquartered in Athens, at 2-4, Mesogeion Avenue, Athens Tower - 2nd Building, GR 115 27. Halcor is a Société Anonyme, with shares listed on the Athens Stock Exchange (ASE) since 1996. The shareholder structure of the Company as at 31/12/2016 was as follows:

- Viohalco SA 62.28%
- Other shareholders 37.72%

The many years of experience and the ongoing large investments in research and development have allowed Halcor to rank among the top industries in the sector internationally, setting new standards in copper processing. The Company places a great emphasis on the production of high quality products, respecting the natural environment and is committed to compliance with the principles of sustainability.

“ The only copper tube producer in Greece ”

Halcor has two production plants in Oinofyta, Viotia, Greece which reflect the Company's investment philosophy for continuous modernisation and innovation.

State-of-art production plants

Foundry



- Production capacity: 235,000 tons per year
- Production of semi-finished products (billets and slabs)
- Certifications: ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007

Copper tubes plant



- Production capacity: 75,000 tons per year
- Production of copper tubes for applications in heating, water supply, cooling, natural gas networks, air conditioning and tubes for industrial use
- Certifications: ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007

High added value products

Halcor products are distinguished for their high quality, reliability, innovative features and high added value. With this competitive advantage - among other things - we have managed to gain international recognition and make Halcor one of the world's leading industries in the copper and copper alloy processing.

“ We invest in research and technology ”

Halcor serves a very significant range of international customers with high quality requirements and stringent specification standards.

“ We have a competitive product portfolio ”

We remain committed to delivering high quality products and services and this is proven by the large investment plan we have realised over the years. Specifically, in the period 2000 - 2016, we realised investments of EUR 527 million for the upgrading and expansion of our facilities and for research and development. In this context, our production facilities use advanced technologies to bring to the market innovative products and solutions with quality features and high added value to our customers. Having established our position in the international copper product markets, we offer our customers a large family of products used, among other things, in heating, cooling, water supply and natural gas transport networks, as well as in broader industrial applications.

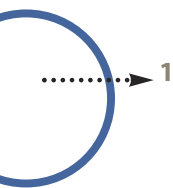


For more information about our products see the Annual Report 2016/section 4, or you can visit the corporate website www.halcor.com.



1.2 Financial performance – Economic contribution

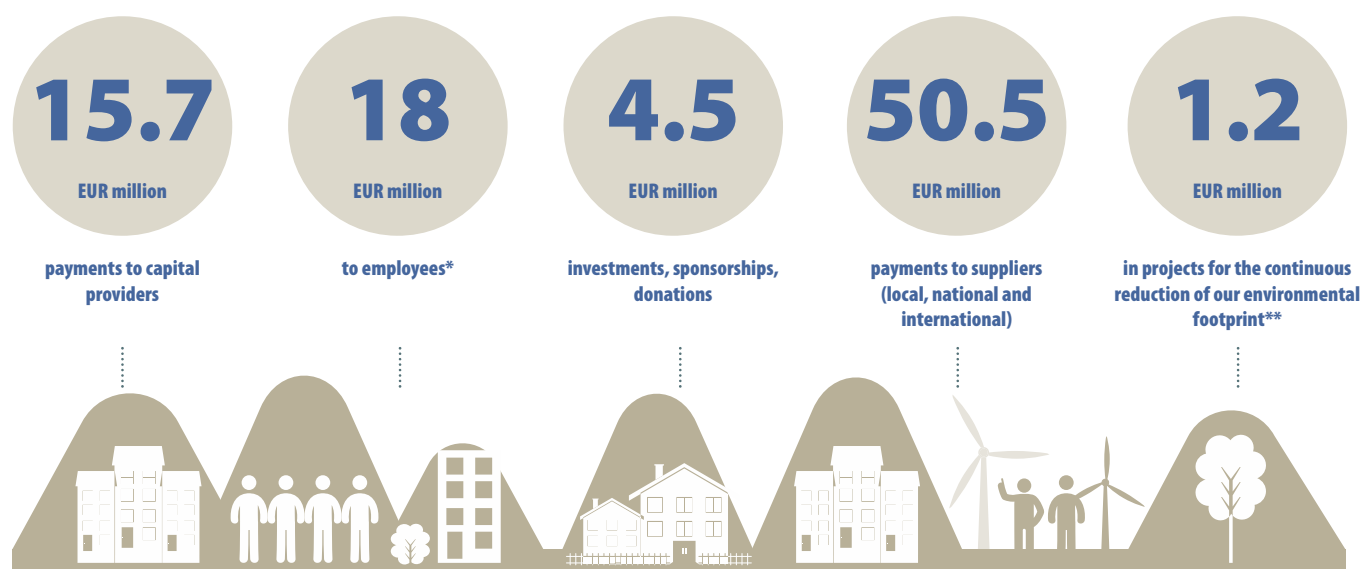
Although the eight years 2009-2016 have been a long period of economic instability for the country, with the words “crisis” and “insecurity” being its predominant feature, Halcor remained devoted to its goals and its commitment for Sustainability.



About Halcor S.A.

All these years, we never stopped strengthening Greek society and supporting our local community. We made a commitment to maintain jobs; not only did we keep this commitment, but we managed to increase jobs. In particular, over the last four years 2013-2016 we increased jobs by 6%, while for 2016 the increase was 2.8%. Moreover, in 2016, we increased our sales volume (in copper tubes) by 1%, achieved bigger market shares and our total exports exceeded EUR 375 million. Adhering to the implementation of our growth strategy, we continued our long-term investment plan, with investments totalling EUR 4.5 million.

“ Our “social product” exceeded EUR 89 million ”



* For salaries, pensions and social benefits, including additional benefits and social security contributions beyond those provided by law.

** This amount is included in the total amount of the Company's investments.

The significant improvement in Halcor's results for 2016 is attributed to a number of factors. In terms of profitability, earnings before interest and taxes (EBIT) were increased, as for 2016, they amounted to EUR 15.8 million compared to losses of EUR 7.6 million in the previous year. Results after taxes in 2016 amounted to loss of EUR 21.0 million compared to loss of EUR 11.2 million in 2015. The revenue in the year 2016 amounted to EUR 421 thousand compared to EUR 452 thousand in the previous year, showing a decrease of 7%. The revenue was negatively affected by downward trends in metal prices, while the increase of sales volume by 1% was a positive contribution. Given the increase in sales volume, it is clear that in 2016 Halcor managed to gain market shares. The market shares of Halcor (in copper tubes) amounted to 17.7% in the European market at the end of 2016 from 17% in the previous year.

Halcor's extrovert identity and export orientation, to a large extent differentiates us from the developments in the Greek market. Most of the revenue is directed to foreign markets. In the fiscal year 2016, sales in markets outside Greece amounted to 89% of revenue.

More information on Halcor's financial figures is available in the Annual Report 2016, the Annual Financial Report 2016 and on the Company's website (Investor Relations section) www.halcor.com.



1.3 Governance structure

Recognising the importance of corporate governance principles and the benefits of their adoption, we follow international best practices and international standards in this area to maximize the benefits to our shareholders and generally generate value for all stakeholders and for society as a whole.

“ Proper and strong corporate governance is an integral part of the core values of the Company and supports our vision for Sustainability ”

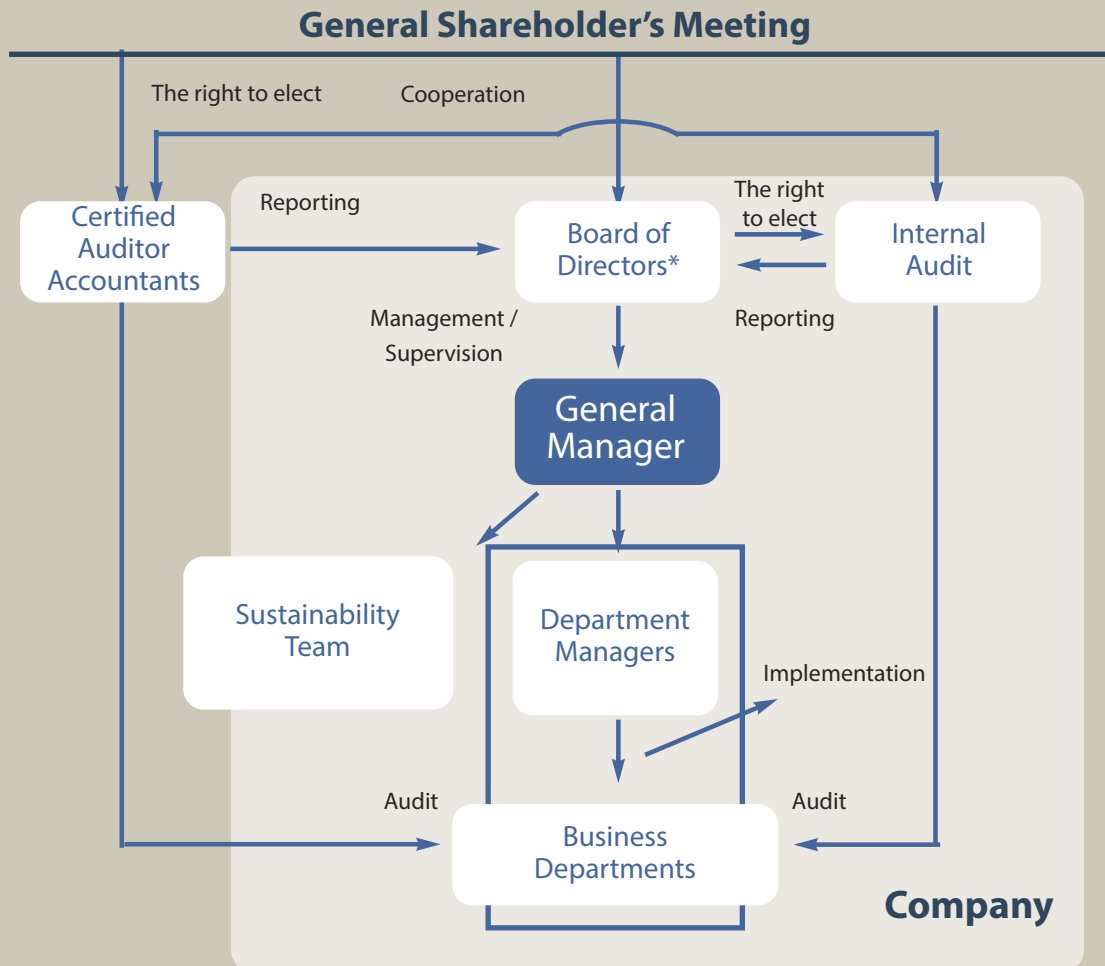
The Company follows practices of responsible internal operation and Corporate Governance, based on internationally applicable requirements. As a listed company, it complies with the relevant national and international laws on corporate governance, incorporating regulations and compliance practices into 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 (2)



About Halcor S.A.

Corporate Governance Diagram



* The Board of Directors has an audit committee

(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 2016 Annual Financial Report, p. 14.

(2) The Internal Operating Regulation is approved by the Board of Directors and the Code of Conduct is binding for all employees, has been communicated to all human resources and is available in the company website www.halcor.com.

Corporate Governance bodies



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 26/05/2016 and was elected by the regular General Meeting. It has 11 members: 5 executive members (President, Vice President and 3 members), 4 non-executive members (other members), 2 independent non-executive members (other members).



Audit Committee

It was elected and operates in accordance with Law 3693/2008. It supports the work of the Board.



Internal Audit Department

Informs the Board regularly on the implementation of the Company's internal Operating regulation.

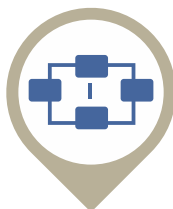
More information on Halcor's corporate governance and on the composition and responsibilities of the Board, the responsibilities of the Chairman of the Board, its committees (responsibilities, composition, object) at Board level is listed in the Annual Report 2016, the Annual Financial Report 2016, p. 16-21, and in the company website www.halcor.com (Investor Relations / Financial Results section).

Avoiding conflict of interests

In order to protect the interests of our stakeholders, we have established appropriate mechanisms and implement specific measures and practices which ensure the prevention of conflicts of interest.



Mechanisms and procedures for the prevention of conflicts of interest



Independence of departments and divisions



Independent and non-executive members in the Board



Regular audits (Internal Audit Department)



Regular employee information



Confidentiality Policy



Policy prohibiting the recruitment of relatives



1.4 Distinctions - Awards

It is important that our effort be acknowledged by a distinction. Undoubtedly, any recognition is a great honour for us and an encouragement to continue our work with new strength and inspiration, investing even more intensively in business practices aimed at Sustainability.

2008

Honorary distinction by TUV Hellas for Halcor's contribution to society as a whole and to consumers.

2009

- The Company was chosen as 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.

2010

- Honorary distinction for our "2009 Corporate Responsibility and Sustainable Development Report" from the University of the Aegean.
- The Icap Group rated Halcor as one of the "Strongest Companies in Greece".

2011



- Halcor was chosen as Greece's Country Representative during evaluation of the Greek participations in the European Business Awards 2011.
- Halcor among the "Strongest Companies in Greece" (based on the rating performed by the Icap Group)

2012

- Halcor was praised awarded by the University of the Aegean for the high ranking its "2011 Corporate Responsibility and Sustainable Development Report" achieved in line with GRI – G3.1.
- Dual distinction for us at the "Bravo 2012" awards:
- The Perception Index which evaluates the degree of perception among social partners about key issues presented in the reports prepared by businesses or organisations.
 - The Sustainability Index which evaluates company reports based on internationally accepted standards and best practices.

2013

- 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.

2014



- Distinction at the "Business Awards HRIMA - George Ouzounis 2014".
- Distinction for Halcor at the Greek Exports Awards 2014.
- Best Supplier Award 2014.

Double distinction at “Ethos Sustainability Awards 2015”

Halcor won the first prize in the category “CSR Report 2015” and the 3rd prize in the category “Corporate Social Responsibility Group 2015” in the event of Ethos Sustainability Forum & Awards 2015, held on 2 July 2015, in Athens. The Ethos Sustainability Awards were held by Ethos Events and Money magazine, under the auspices of the Business Ethics Institute and the support of SEV Council for Sustainable Development. The objective of the awards is to highlight and reward Greek enterprises that base their development on a strategy for sustainable development, while setting an example for other companies and organisations.

2015

Business IT Excellence (BITE) Awards 2016

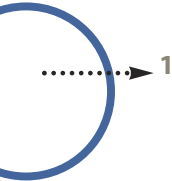
Halcor was recognized as top company in the Business IT Excellence (BITE) Awards 2016, winning the Gold Award in the category “Special Applications for Companies”, in the manufacturing industry. The award was a recognition of the Company's technological excellence in the field of information technology too, highlighting Halcor's focus on innovation and its strategic use of digital technology to enhance its business goals.

Our relevant awarded project concerned the implementation of an ambitious strategic plan on Advanced Planning and Scheduling - Optimisation alongside an interactive Manufacturing Execution System for Halcor. The aim of the project was to maximise satisfaction of our customers, with particular emphasis on consistency, speed of response to demand and the completeness of product support services. The Advanced Planning and Scheduling plan concerns the optimisation of the production process, where raw materials and production capacity are optimally delivered to satisfy demand. Accordingly, MES systems are computerised systems used in the production process to monitor the processing of raw materials into finished products.

2016

**Honorary distinction**

Honorary distinction by the Club for UNESCO of Piraeus and Islands for our support to the Social Structures Against Poverty Network.



About Halcor S.A.

1.5 Participations in networks and organisations

We take every opportunity to participate in networks, organisations, bodies, associations and sectoral or other business clubs to exchange know-how, views and best practices in the copper industry. Besides, through our participation in CSR cooperation networks, we monitor trends and developments in sustainability issues with a goal to developing and promoting responsible practices.

Nationally Halcor participates:




Actively in CSR Hellas since 2009 as main member



Since 2010 as a founding member of the Federation of Recycling and Energy Recovery Industries



Intensively as (founding) member in the Hellenic Copper Development Institute (EIAx) since 1996



As (founding) member in the Federation of Sterea Ellada Industries (SBSE), with participation in the Board of Directors since 1982



Actively in the Hellenic Federation of Enterprises (SEV) since 1977 as member



As ordinary member at Athens Chamber of Commerce and Industry (EBEA)

Internationally Halcor participates:



As member in the International Copper Association (ICA) since 1996



As a ordinary member in standard drafting committees of the European Committee for Standardization (CEN)

See more information on memberships in 2014 Sustainability Report (<http://www.halcor.com/el/sustainability>), p. 18.



The Company is also a member of the associations and chambers listed below:

- Union of ASE Listed Companies (ENEISET): Halcor participates in the Union of ASE Listed Companies since 1996.
- European Committee for Standardisation (CEN): The company participates in CEN's standard drafting committees.
- Hellenic Recovery Recycling Corporation (HERRC): The corporation was founded in December 2001. In response to the provisions of Law 2939/2001, HERRC has developed the Recycle Collective Alternative Management System in Greece in its endeavour to discharge its obligations in an efficient, cost-effective manner.
- Hellenic Union of Industrial Consumers of Energy (UNICEN): UNICEN represents Greek industries for which energy accounts for a major proportion of their production costs and consequently a key factor in their competitiveness at international level.

1.6 Health and copper

Antimicrobial copper in ventilation systems

The scientific team of the Hellenic Copper Development Institute (H.C.D.I.) made the first formal electronic presentation, in collaboration with the microbiology laboratory of Aretaieio Hospital of the Medical School of University of Athens, of the results of a research held in two different and independent buildings in the area of Maroussi - Attica and concerned the comparative study and evaluation of two different ventilation systems: one with conventional material (galvanized sheet metal) and one with antimicrobial copper.

Two buildings with similar employee population were used in the study. The air ducts in building "A" were manufactured with conventional materials (galvanized sheet metal), while in building B with antimicrobial copper. The analysis of the epidemiological data of the A building subpopulation showed the statistically significant higher occurrence of flu-like incidents than the subpopulation of building "B". The conclusion of the study has clearly shown that the airway ventilation system made of antimicrobial copper creates better hygiene conditions, compared to the corresponding building where the ventilation system is made of conventional material.

Antimicrobial Copper in the nursery schools of the Municipality of Vari - Voula - Vouliagmeni

The handles, power switches, sockets, cabinet handles, taps (single and double) in these two schools were replaced by others, made of antimicrobial copper. For this research, a specific microbial count sampling was carried out before and after the replacement, while the scientific team of the H.C.D.I. ensured a healthy environment by reducing the microbial flora potentially found on contact surfaces. The results obtained from the H.C.D.I. Certified Microbiology Laboratory of the Aretaieio Hospital of the Medical School of the University of Athens, which concerned microbial flora control before and after copper treatment, showed a reduction thereof exceeding 90%. Therefore, this application significantly reduced the microbial load and the corresponding areas were designated as antimicrobial.

The application of antimicrobial copper in the two nursery schools of the Municipality of Vari - Voula - Vouliagmeni is an innovative practice, placing antimicrobial copper outside hospital environments - where it has proved its effectiveness - in the wider community too, where it proves to be equally effective. The specific application and the positive results that emerged, documented the need for antimicrobial copper objects in the wider plane of frequently touched surfaces.

The Mayor of Vari-Voula-Vouliagmenis stated the following, regarding this application: "It is an important step for our Municipality to introduce public health measures for the protection of our children. Measures that are simple, but effective. Antimicrobial copper is now a reality internationally and we were first to adopt its pilot application on points of contact and transfer - transmission of microbes, under the guidance of the scientific team of the Hellenic Copper Development Institute.

1.7 Subsidiaries' sustainability reports overview

We promote the concept of Sustainability and encourage our subsidiaries to apply responsible practices. There follows a summary of Sustainability details for Halcor's two main subsidiaries, Fitco S.A. and Sofia Med S.A.



.....→ 1

Fitco S.A.

Fitco S.A., a 100% subsidiary of Halcor S.A. specialises in producing copper alloys . Fitco S.A. 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:



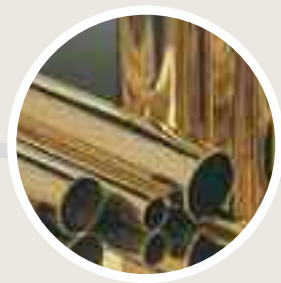
Solid and perforated brass bars
(round - hexagonal - squared)



Solid and perforated
brass profiles



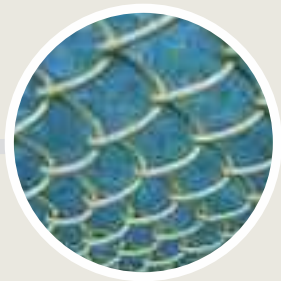
Brass wires



Brass sheets



Copper alloy wire

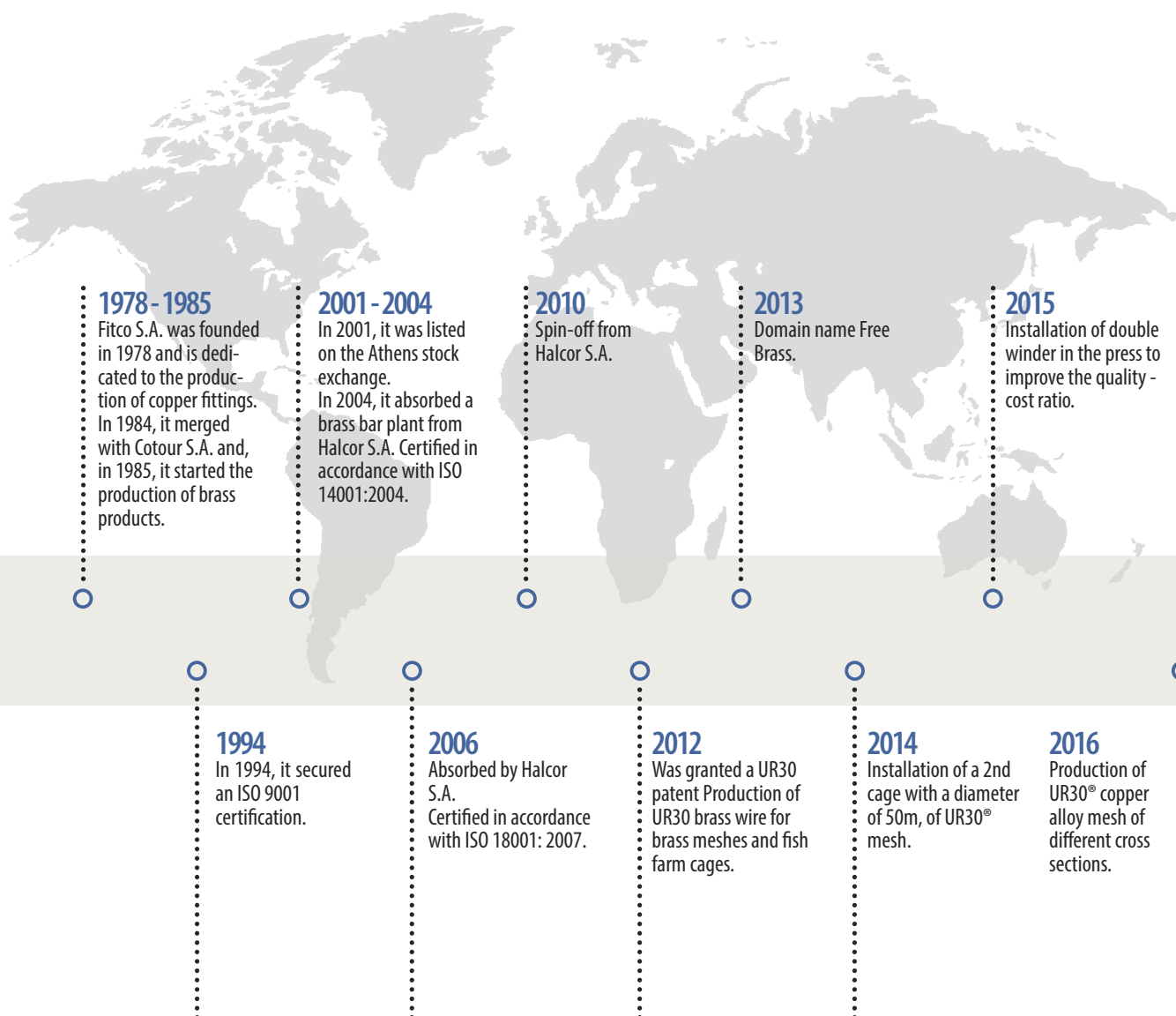


UR30® copper alloy wire and mesh for applications in aquaculture



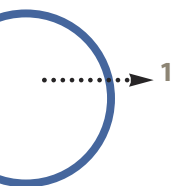
** The raw materials used come exclusively from recycled copper and brass in billet form.*

Our history, growth and development



For more information about the company's profile and products, you can visit the corporate website www.fitco.gr.














Fitco S.A.

Our market presence and key financial figures

Fitco is mainly export-orientated, with 73% of production being directed to foreign markets. Regarding the results of the year 2016, the revenue amounted to EUR 43.7 million while the sales volume amounted to 13,673 tons.

Key performance indicators

 Revenue (EUR million)	 EBIT (EUR million)	 Net profit / (loss) after taxes (EUR million)
2014 59.4	2014 (3.3)	2014 (2.9)
2015 63.4	2015 (3)	2015 (3.5)
2016 43.7	2016 (2.6)	2016 (1.9)
 Capital expenditure plan (EUR million)	 Operating cost (EUR million)	 Employee salaries and benefits (EUR million)
2014 0.3	2014 58.5	2014 3
2015 0.7	2015 63.9*	2015 3.1
2016 0.4	2016 42.4	2016 3.2
 Volume of sales (tons)	 Domestic customers (number)	 International customers (number)
2014 16,144	2014 164	2014 122
2015 16,969	2015 146	2015 107
2016 13,673	2016 112	2016 101

* The figure for 2015 is revised due to incorrect registration.

Note: The data presented in brackets above are negative.

Investments in research and technology

At Fitco, steadily oriented towards innovation, we place particular emphasis on the research and development of new technologies. Every year, significant investments are implemented in equipment and know-how, to continuously upgrade our production capacity. The purposes of our investment program are:



the design of innovative products in line with market requirements



the development of new production technologies



the optimisation of existing production



the protection of natural environment, through infrastructure projects that contribute to the continuous improvement of our environmental footprint

High product and service quality

The top quality of Fitco's products and services is a strategic choice and competitive advantage for the Company. We systematically invest in improving our production processes and product controls, as well as in upgrading our services.

Quality management and successful customer relationship management are carried out through the implementation of a Quality Management System, certified according to the international standard ISO 9001:2008.

At the same time, to ensure high quality in the products we offer, we have a quality department staffed with qualified and trained staff, which carries out strict and thorough controls at all stages of production. The quality control procedures applied are confirmed both through frequent inspections by customers, and through inspections by independent national and international certification bodies.

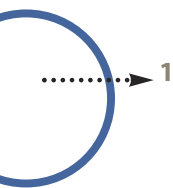
Compliance with the high quality standards CW510L and CW511L for alloy products is certified through the accompanying NSF quality label (suitability for use in applications where there is contact with drinking water). Fitco's products comply with the main European and American quality standards (EN, DIN, BS, ASTM, JIS).



Improvement of the microstructure of leaded free-machining brass alloys by cooling during extrusion

In 2016, an investigation assessing the improvement level of the material's microstructure was completed. In this year, cooling will be integrated into the production process and an assessment will be made regarding the improvement of customer machinability.

The need to improve existing products, aiming at competitiveness and maximum satisfaction of customer needs, leads to a continuous search for innovative methods of quality control of materials. To this end, in 2016 Fitco invested in a computer program to quantify the microstructural characteristics of materials with the use of an optical microscope. The aim of this practice is to determine the productive conditions that affect the microstructure of the materials and, therefore their mechanical properties, as well as to determine the appropriate characteristics of the product to achieve optimal performance of the material in its final use.



Fitco S.A.

Customer satisfaction

Fitco aims to the complete satisfaction of its customers, seeking immediate responding to their needs and offering technical support throughout its commercial network, spread over more than 30 countries worldwide.

Fitco monitors and records any complaints by its customers and immediately takes corrective actions where required. Evaluation and statistical analysis of the results of customer satisfaction questionnaires show their degree of satisfaction, which determines the need to improve existing processes or product quality (corrective and preventive actions) and the development of new products.

Degree of satisfaction (Domestic customers)

Degree of satisfaction (International customers)

Service satisfaction		Service satisfaction			
2015	2016	2015	2016		
 SATISFIED!	86%	89%	 SATISFIED!	75%	79%
.....				
Quality of products		Quality of products			
2015	2016	2015	2016		
	82%	81%		69%	76%
.....				
Trust		Trust			
2015	2016	2015	2016		
	87%	87%		70%	76%
.....				
Total customer satisfaction		Total customer satisfaction			
2015	2016	2015	2016		
	84%	85%		72%	77%
.....				

Customer complaints management

Fitco's philosophy regarding possible complaints that may arise from customers, aims at continuous improvement. Therefore, those are treated more as a source of information, an opportunity for improvement and possible redesign of procedures where necessary. The Company manages arising complaints in an organised manner. In 2016, the complaints dropped by 15.4%. All complaints were appropriately and directly answered and handled. Note that of the 22 complaints received in total, following a relevant investigation, the acceptable complaints for 2016 were 16 (while the acceptable complaints for 2015 were 14).

Improving the quality of brass tube surfaces for re-machining

As a result of the increasing customer complaints regarding the surface quality of redraw brass tubes, the annealing furnace grills were lined with refractory fabrics to reduce returns due to surface defects during production procedure.

Prevention of surface problems of profile products

Preventive action was taken, aimed at the reduction of returns of rejected products due to surface problems caused during our production process, in conjunction with some customer complaints. In particular, brass bands were placed in the bindings of the clamps to avoid surface marks in conjunction with wiping and cleaning the bars prior to their furnace processing to avoid the formation of surface spots due to lubricant residues on profile products undergoing annealing at relatively high temperatures.

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.



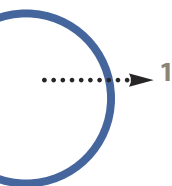
Product innovations: new copper alloys with low lead content ("Free Brass")

The progressively stricter European and American regulations, combined with studies on lead solubilisation in drinking water, gave rise to the development of lead-free brass alloys with maximum permissible lead content limit of 0.2% by weight.

The new brass alloys with low lead content is certified under the NSF/ANSI 372-2011 standard and included in the NSF list. Therefore, the "Free Brass" alloys, CW510L CW511L, are suitable for use in applications where there is contact with drinking water (e.g. faucets, plumbing fittings, forged valves, etc.). Moreover, the scraps and the turnings can be recycled without any problem of mixing with basic leaded alloys.

Antimicrobial copper

Copper, as well as alloys with a copper content of 60%, show one of the basic properties of copper, which is antimicrobial. 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⁺". This mark identifies alloys of antimicrobial copper and its derivatives. This global trademark will help in confidently selecting antimicrobial copper alloys and designates the most effective material that does not wear out, has lasting action and is safe to use. Antimicrobial copper has several applications, such as door handles, railings, interior surface coatings, taps and bathroom accessories, catering facilities and public transport.



Fitco S.A.

UR30® copper alloy wire and mesh for applications in aquaculture

As a result of major investments in research and development, Fitco has lately started to produce wires used for the manufacture of mesh for aquaculture applications. The mesh is made of UR30® copper alloy.

With a 64% copper content, the UR30® alloy mesh preserves all the environmentally friendly properties of copper, providing an ideal solution for sustainable fish farming. The high strength, corrosion resistance and anti-fouling properties of copper make it an ideal material for use in fish farming and for fish welfare, while offering substantial environmental benefits.

The UR30® mesh is also a fully recyclable material that prevents fish escapes and biofouling (without antifouling material processing). The UR30® mesh cages are manufactured in accordance with strict technical specifications and can preserve their shape and properties in the long term.

The UR30® mesh helps reduce operating costs, minimising maintenance work and frequent diving by divers. Therefore, the use of UR30® meshes enhances fish production while ensuring lower stress and mortality rates. To manufacture this special wire, a brass alloy is used consisting mainly of copper, zinc and tin. The UR30® wire, of a diameter ranging between 2mm to 6mm, is formed into a mesh by special formation machinery. The mesh consists of square openings with square side lengths ranging between 18mm and 100mm.

Offering a cleaner, safer and healthier environment, the UR30® copper alloy mesh improves the health and welfare of fish, providing significant economic, environmental and management benefits to modern fish farming.

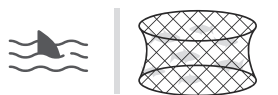
Benefits of UR30® copper alloy mesh



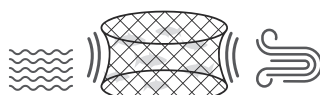
Increases the specific growth rate (SGR) of fish



It reduces the feed conversion rate (FCR)



It prevents attacks from "predators": Thanks to its durability it acts as a barrier to the attacks of large fish to fish inside the mesh.



Prevents fish from escaping: The fact that it is a rather durable material that does not "tear" or "break" contributes to the balance of the marine fauna of the area it is installed.



It prevents the use of chemical anti-fouling against bio-contamination: Its chemical composition prevents the formation of bio-contamination and for this reason no cleaning chemicals are required.



It is 100% recyclable material: At the end of the period of use, it is 100% recyclable and can be used for the production of new mesh.

Supply chain

The Company applies specific procedures for its supply management and at the same time seeks to promote responsible practices in its supply chain. Through its strategy, Fitco:

- has promoted its suppliers to partners and seeks, where possible, to cooperate with local suppliers
- positively estimates the implementation of Management Systems (Quality Assurance, Environmental Management, Occupational Health and Safety Management) in the supplier selection process.
- seeks, where possible, to work with local suppliers. In 2016 the Company cooperated with 645 suppliers in total, of whom 76 were from the local area (Prefecture of Viotia).

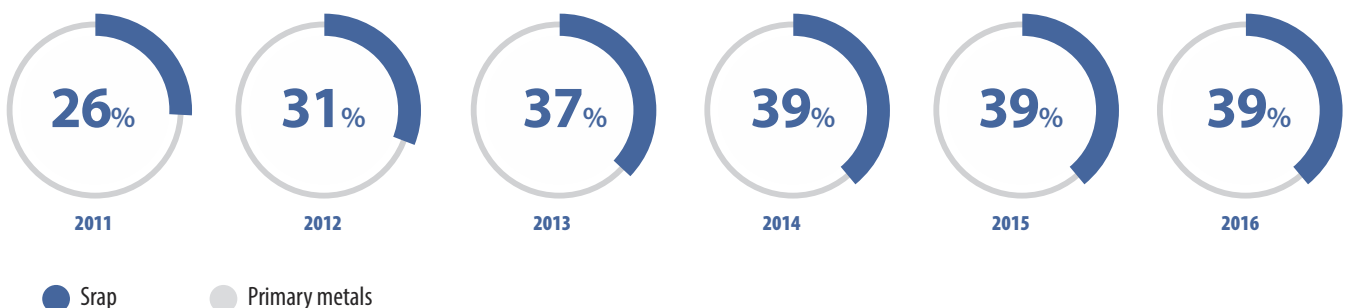
Distribution of suppliers

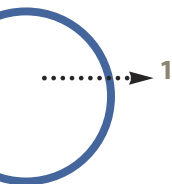


Supplier categories	Number of suppliers		
	2014	2015	2016
Local suppliers	64	81	76
National suppliers	398	473	454
International suppliers	86	100	86
Affiliated companies	24	21	29
Total	572	675	645

A significant part of Fitco's supplies in raw materials, is met through the use of recycled metals (scrap). This results in the protection of natural resources and in drastic reduction in the energy consumption required for the manufacture of the Company's products to a life-cycle level.

Scrap proportion to total metal purchases





Fitco S.A.

Care for our people

We acknowledge the vital contribution of the human factor to our successful business course and the achievement of our goals. That is why we substantially and systematically invest in the selection, training, assessment, preservation and development of our human resources.

The total staff employed by Fitco, in the year 2016, amounted to 95 employees. All Fitco's employees are covered by labour contracts and are employed on a full-time basis (in 2016, the company employed no seasonal workers or part-time employees).

“ total workforce increased by 7.9% ”

Workforce data (31/12)			
2014	73	12	85
2015	76	12	88
2016	82	13	95

Workforce breakdown by age group			
18-35	17	5	22
36-55	42	7	49
55+	23	1	24

New hires (2016) breakdown by gender and age group			
18-25	1	1	2
26-40	4	0	4
41-50	2	0	2
51+	2	0	2

Workforce breakdown by geographical region and gender group			
Attica	66	9	75
Local community*	16	4	20

* Local community: wider area of Viotia and Evia

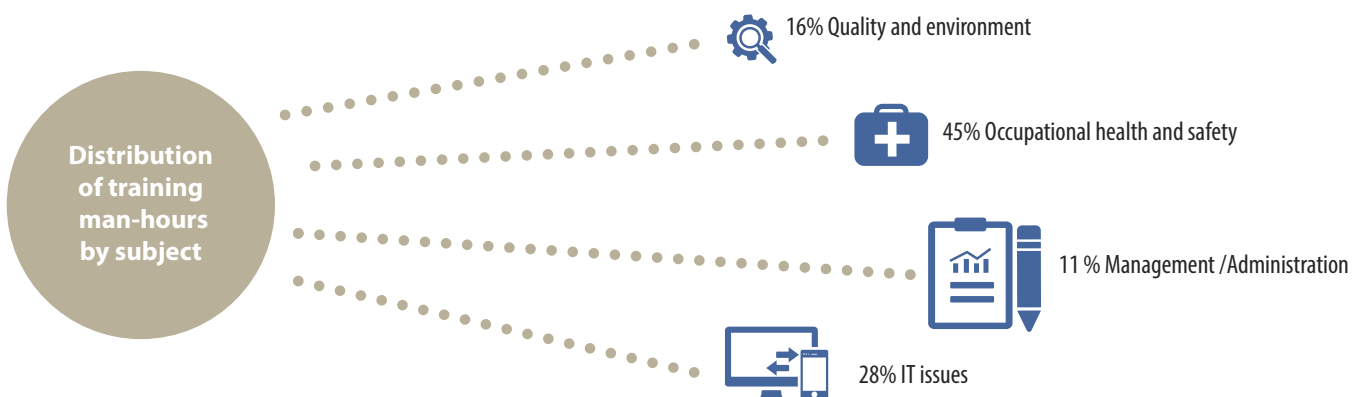
21% of Fitco's employees come from the local area (20 employees come from the wider area of Viotia and Evia) and 79% from Attica.

The breakdown of our employees by age group shows that 52% of the workforce belongs to the middle-age group (36-55 years), with 23% being younger than 35 years.

Our goal is to offer a workplace of equal opportunities and promote a work philosophy without discrimination, respecting human and labour rights.

Total workforce breakdown by employee category (2016)	♂	♀	♂♀
Managers	4	2	6
Office staff	9	6	15
Other staff (warehouse staff and workers)	69	5	74
Total workforce	82	13	95

Recognising that business success is ensured by the skills of human resources, Fitco is committed to providing continuing training opportunities to all employees. Various training programs are organised inside and outside the Company on an annual basis. The training provided to our employees and to the employees of our contractors is mainly focused on occupational health and safety and on environmental management.



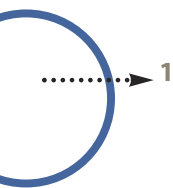
Additional benefits

The Company seeks and ensures that it is fair, rewarding its employees for their performance. In this context and in order to satisfy as much as possible the expectations of its people and to reward their dedication, Fitco provides a number of additional benefits. These additional benefits are offered to all of our employees (without exceptions) and include the following:

- Free preventive medical check-up
- Private insurance coverage for life and health risks
- Hospital care
- Free transportation of employees by corporate means
- Provision of half-board
- Annual gift vouchers for employees' children (until 12 years old)
- Summer camps for employees' children (until 16 years old).

Occupational health and safety management

Maintaining the health and safety of our employees and our associates is a top priority for us. Our commitment in this area focuses on creating a workplace free of hazards, injuries, accidents and occupational diseases. Fitco's success in this area is proven by the certified Occupational Health and Safety Management System (in accordance with standard OHSAS 18001:2007) it applies and by the investments it annually implements.



Fitco S.A.

In 2016, the plan for continuous improvement in health and safety was continued, with preventive measures such as:

- Reorganisation and maintenance of the fire prevention system
- Upgrading of personal protective equipment
- Certification for lifting and other machinery
- Continuous training of employees in related issues
- Upgrading and improving working conditions in the production areas by placing fume exhaust systems.

Health and safety indicators	2014	2015	2016
Health and safety training hours	40	42	87
Training man-hours / production employees	0.6	0.65	1.34
Fatal accidents	0	0	0
LTI Frequency rate (LTI fr)	4.8	0	8.6
Severity rate (SR=LDR)	290	688	30
Occupational disease rate (ODR)	0	0	0

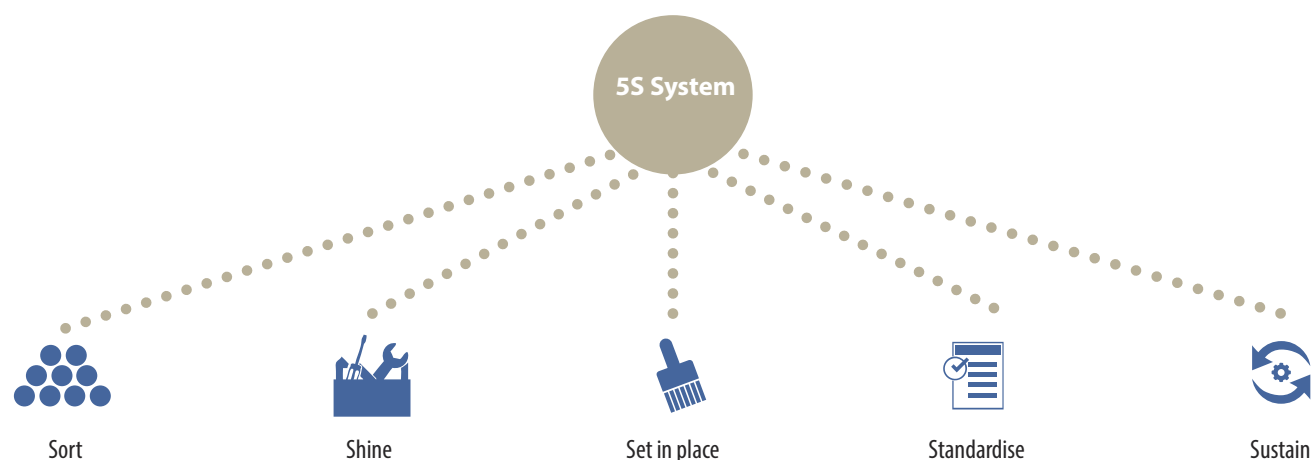
* Page 104 present the index calculation formulas.

5S System: continuous improvement program

Acknowledging our responsibility towards our people and seeking to enhance both safety of the workplace and effectiveness in managing our resources and our equipment at a larger scale, since 2009, we apply the philosophy of the 5S system (Sort, Set in place, Shine, Standardise, Sustain).

The 5S system is an effective methodology for the constant improvement of the workplace with direct and obvious benefits in the area of health and safety. At the same time, creating a clean, organised and safe working environment is a guarantee factor to the Company's customers for the quality of its products.

On an annual basis, scheduled inspections are conducted on all Company facilities by a team of managers. Within a period of about 3-4 days, all units are inspected, findings are recorded and the relevant report is prepared on the findings that must be resolved and on any suggestions for the improvement of working conditions.





Our targets in the health and safety area for 2017

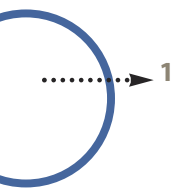
- Conducting 10 inspections per manager to identify preventive actions and improvement measures
- Maintaining a level of orderliness in workplaces and raising personnel awareness on a more active involvement in the promotion of health and safety issues.
- Raising employee awareness for their active contribution in the reporting and investigation of near-misses
- Carrying out of 10 health and safety meetings
- Conducting targeted and planned training for 1.5 hours per employee and a minimum participation of 70% of employees.

Environmental protection

The respect and protection of the natural environment is a primary objective for Fitco. In this context, the Company has established an integrated environmental policy and is committed to operate its business in environmentally responsible terms. Proving its commitment to sound environmental management and environmental protection, Fitco applies a certified Environmental Management System (ISO 14001:2004). The successful implementation of the Company's environmental policy depends significantly on the participation and efforts of all employees. Fitco, in order to strengthen a relevant philosophy, organises on an annual basis seminars and training for its staff and associates on environmental protection. In 2016, 107 training hours were implemented on environmental protection issues and 87 employees were trained in total.

We invest in new infrastructure (Fitco's total expenses for environmental management and protection in 2016 exceeded EUR 565,000), we monitor our performance and implement environmental management programs to continually improve our environmental footprint, such as:

- use of an oil-solvent mixture to reduce fugitive emissions
- neutralisation of acid solutions in a physicochemical treatment unit
- use of equipment (oil spillage collection basins, chemicals) to collect possible leakages
- collaboration with licensed companies in waste management issues
- optimisation of production processes through the use of the Best Available Techniques defined by the European Union
- continuous training of employees in environmental management issues and distribution of the educational leaflet: "Instructions for good environmental behaviour" to all employees
- implementation of a series of measures aimed at saving and efficient use of energy.



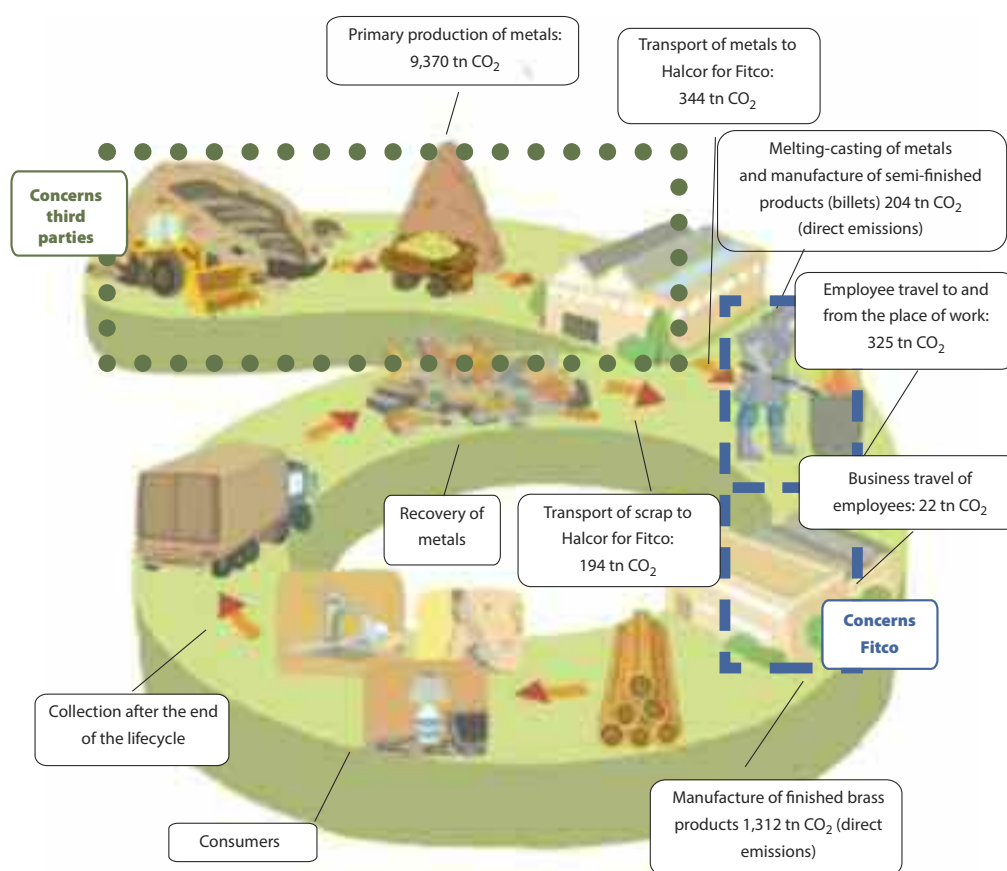
Fitco S.A.

Breakdown of the Lifecycle of Fitco's products

Fitco seeks to minimize the impact of its products on the natural environment, throughout their life cycle. Life Cycle Analysis is a methodology that consists of a set of systematic processes that quantify the inflows and outflows of resources at all stages of a product's life cycle. The CO₂ emissions from the assessment of the various phases of the "life cycle" of Fitco's products, are detailed in the figure.

The breakdown of all "life cycle" stages aims at finding the total environmental footprint and provides valuable conclusions for monitoring and reducing the environmental impact.

(More information as regards the formulas, the method of calculation and the assumptions used, is presented in Annex II).



Our environmental performance



Specific electric energy consumption (KWh / tn product)



Water consumption (m³ / tn product)

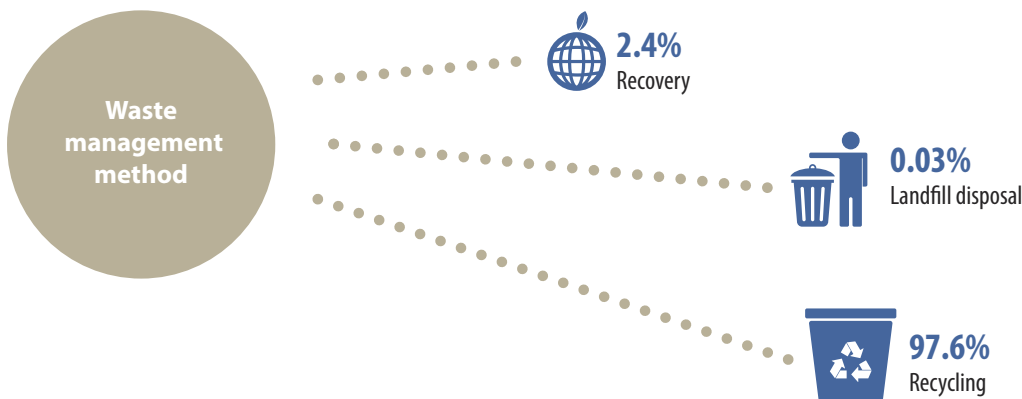


Direct CO₂ emissions (Kg CO₂ / tn product)

Year	Specific electric energy consumption (KWh / tn product)	Water consumption (m ³ / tn product)	Direct CO ₂ emissions (Kg CO ₂ / tn product)
2014	278	2.8	73.5
2015	245	2.0	69.8
2016	307	2.8	98.6

Environmental performance indicators	2014	2015	2016
Thermal energy consumption (KWh)	6,516,604	6,441,901	6,505,983
Total direct emissions CO ₂ (tn)	1,176,982	1,162,564	1,311,737

Fitco follows a specific waste management process, aimed at reducing the volume of waste generated. Waste management practices (Best Available Practices on Recycling, Reuse and Utilization) implemented are in line with current legislation. In 2016, special waste production amounted to 401 kg/tn of product.

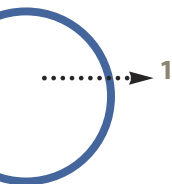


Our goals for 2017 - 2019

- 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 in accordance with ISO 50001.
- Additional signage in external areas for the information of employees and subcontractors on environmental management, health and safety issues and 5S issues.
- 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 edition 14001:2015.
- Environmental control of cooperating companies, regarding waste management.
- Installation of new electromechanical equipment to save energy.

Supporting local community

Recognising that our operation is inextricably linked to contributing to society, we support actions that are mainly focused on local communities, in cooperation with Halcor. At the same time, with a view to enhancing local employment, a significant part of the Company's needs in human resources is covered by people from the local community. Respectively, to enhance local entrepreneurship suppliers from the local community are selected wherever possible.



Sofia Med S.A.

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, a subsidiary of Halcor, is based in Sofia, Bulgaria on an area of 250,000 sq.m. and has three production units: foundry, rolling and extrusion.

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 integrated systems for quality management, environmental management, and management of health and safety at work, in accordance with the requirements of 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/



Within the period 2001-2016 Sofia Med implemented a major investment plan worth EUR 173 million. The major projects in 2016 included:

- Upgrading of Asarco combustion system: EUR 0.4 million;
- Overhaul of Junker 1300: EUR 0.4 million;
- Reconstruction of the 2nd floor of the administrative building: EUR 0.3 million;
- Copper wire up casting machine: EUR 0.2 million.

Key financials	2014	2015	2016
Capital expenditure plan (EUR million)	9.3	5.0	3.7
Gross profit/(loss) (EUR million)	0.9	(4.5)	10.5
Sales revenue (EUR million)	319	299	287
EBITDA (EUR million)	5.4	1.3	12.7
EBIT (EUR million)	(4)	(9.5)	4.9
Working capital (EUR million)	41	48	39
Debt / Equity (EUR thousand)	1.13	1.33	1.07
Customers (number)	426	437	465
Employees' wages and benefits (EUR million)	6.6	6.6	7.0

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 and plans across all fields pertaining to Sustainable Development, such as:

- protection of the natural environment and continuous improvement of the company environmental performance
- continuous improvement of working conditions and ensuring a safe and efficient working environment (occupational health and safety management)
- 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 greater use of recycled materials and further reduction in direct emissions.

ISO 26000:2010

With the aim to enhance the identifying and developing shared values with all stakeholders, in 2016 Sofia Med continued with the development of practices and activities following the guidelines of the international standard ISO 26000 on social responsibility:

- The company created, introduced and distributed to all employees a company Code of Conduct. The document is a core pillar to the company culture and it is further provided to every new employee to refer to and follow; Sofia Med also made the Code of Conduct public to external stakeholders;
- It adopted and introduced internally and externally a sustainability policy;
- The company developed and introduced internally a manual on Sustainable Development; it not only identifies all areas, in which it operates following the local and international rules, but it also identifies the areas, which the company has embraced to voluntarily develop beyond the obligations, with the aim to contribute to the wellbeing of all stakeholders – employees, customers, partners, society.
- With the permanent aim to improve the awareness of the employees on core company performance, and within the frames of the communication and engagement with internal stakeholders (all employees), a monthly internal newsletter kept on being published and the monthly presentation (initiated in late 2015) kept on being organised and done by Dr. Ioannis Papadimitriou – General Manager, where he was presenting the company monthly progress in the spheres of Health and Safety, Production, Sales and Cost.

Sofia Med believes that a well-structured and sustained sustainability culture supports significantly the company values and reputation, enhances the positive company image in front of stakeholders, raises atmosphere of trust, inspires stronger commitment and satisfaction on behalf of the employees, supports the strong relations with state institutions and local communities, and contributes to the global concept on Sustainable Development.

For reference:

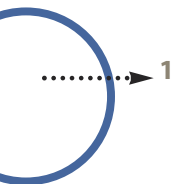
<http://www.sofiamed.bg/en/company/corporate-governance/code-of-conduct>

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

**Customer focus**

Sofia Med follows a customer-oriented approach, prioritising customer satisfaction. In this context, the company implements an integrated Quality Management System, certified according to the requirements of international standard ISO 9001:2008. 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 cooperation with customers to develop specialised bespoke products according to their needs.



Sofia Med S.A.

Following its strategy to move from commodities to high value added products, in 2016 Sofia Med entered into a partnership agreement for know-how and technological transfer with Dowa Metaltec, Japan to provide technical assistance services related to design and quality of Sofia Med rolled products and related processes and equipment. Dowa Metaltec is a leading manufacturer of high performance copper alloy products.

In 2016 Sofia Med kept expanding the range of high-performance alloys as well as the range of bare and electroplated fabricated parts.

1. **New alloy CuNiSiMg:** It is in compliance to the requirements of the OEKO-TEX Standard 100 in terms of the PB and Cd. The alloy is registered with the U.S. EPA as antimicrobial.
2. **New brass alloy CuZnAlCo:** A very favourable alloy, replacing the more expensive bronze alloy, and used for electrical connectors with better exclusive cold forming properties and high electrical conductivity. It is available in the form of strips, sheets and circles. The material is in line with the U.S. EPA and meets the OEKO-TEX standard regarding the Pb and Cd. CuZnAlCo is widely used for applications in connectors, switches, carriers, contact springs, relays, as well as in many electronic applications.
3. **Bare and electroplated fabricated parts** - total solutions for the customers with bare, tin-plated, electrolytic silver plated and silver flash plated copper bus bars, which are extensively used in the production of electrical panels, switchboards, switch gears, power transformers and bus ducts.

Care for our people

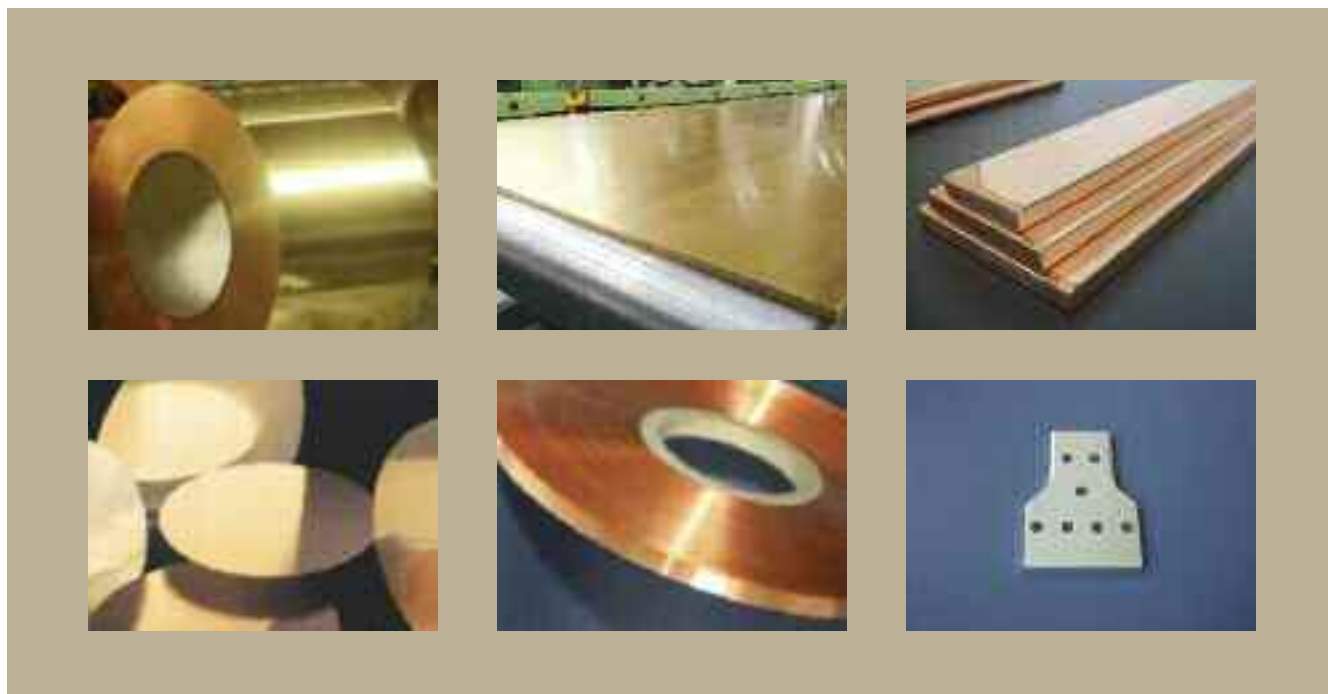
Key priority of the Company is to secure a working environment of fair compensation, respect for human rights, diversity and equal opportunities to all the employees. For this purpose, we make systematic investments in our people, placing great emphasis on their ongoing training and development.

Every year, the company carries out a series of social events and educational campaigns for the employees and their families, including:

- health, safety and environment month (in May each year)
- annual summer children's camp
- annual Christmas children's party
- annual medical check-up for all employees.

Employee data (31/12)	2014	2015	2016
Men	441	429	450
Women	113	115	110
Total workforce	554	544	560
Employee departures	116	107	108
Employee hires	70	97	124
Training hours per employee	15	14	12

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



Occupational health and safety

A top priority for us is the health and safety of our employees and associates. Our commitment is to ensure a healthy and safe working environment, free of risks, injuries, accidents and occupational diseases. The Company achieves continuous improvements in the health and safety at work by effectively implementing the Occupational Health and Safety Management System BS OHSAS 18001:2007, investing in projects and programs, and also thanks to the contribution and involvement of all employees who act responsibly in relation to these matters.

Occupational Health and Safety performance	2014	2015	2016
Training hours for health and safety	3,204	3,182	3,391
Training hours per employee	5.8	7.1	6.1

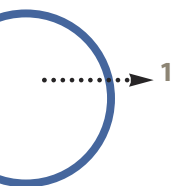
Environmental protection

Respect for the environment and protecting nature are objectives of primary importance to us. Therefore, the Company has adopted a comprehensive environmental policy and is committed to ensure that its business development is environmentally responsible.

Our commitment to responsible environmental management and protection is actively proven by:

- implementing a certified Environmental Management System (BS ISO 14001:2015) in all our production plants
- making significant investments in environmental protection on an annual basis
- implementing specific systems, procedures and programs aiming always at preventing pollution
- carrying out actions aiming to reduce our carbon footprint.

Environmental performance	2014	2015	2016
Investments/expenditures for environmental protection (EUR million)	1.5	0.3	0.3
Water consumption (m ³)	428,209	489,601	638,381



Sofia Med S.A.

Supporting local community

The company policy and strategy includes offering and displaying responsible attitude towards the society. In the framework of Corporate Social Responsibility, Sofia Med supports the local community by promoting programs and actions concerning the society. Additionally, Sofia Med aims to contribute in the economic development of the local community by offering job opportunities (hiring local people is a priority) and business opportunities (selecting local suppliers). At the same time, it collaborates with various government agencies, technical colleges and universities and provides professional training to students and university graduates.

International Conference on Metallurgy and Materials (ICMM'16)

In the area of its best expertise, and within the frame of the efforts to continuously support the development of the metallurgical sector and the external stakeholder relationships, in 2016 Sofia Med took part and supported the University of Chemical Technology and Metallurgy – Sofia, Bulgaria, the Bulgarian Association of the Metallurgical Industry and the Scientific and Technical Union of Mining, Geology and Metallurgy in the organization of the International Conference on Metallurgy & Materials (ICMM'16). The Conference was held in Sofia in September 2016 and gathered more than 160 international experts - scientists, academicians and business representatives from Belgium, Germany, Greece, Italy, Poland, Romania, Russia, Serbia, Italy, Turkey, Finland and Bulgaria. The Conference made it possible for education, business, state and consumers to meet and talk on a broad range of contemporary trends and future horizons of metallurgy and materials.

Participation in networks and organisations

As part of our sustainability strategy, we actively participated in a series of networks, organisations, and associations to jointly identify and promote solutions of sectoral or business interest.

- **Bulgarian Association of Metallurgical Industry (BAMI):** Sofia Med was elected a member of the newly formed Committee for Communication and Information in BAMI, formed by company representatives from all large businesses in the metallurgical sector in Bulgaria. The efforts of the Committee will be focused on raising the society awareness about the industry, supporting the employer branding efforts of the companies in the sector, improving the image of Bulgarian metallurgy as a whole, and developing long term relationships with media and other stakeholders.
- **Hellenic Business Council in Bulgaria (HBCB):** Sofia Med became member of the HBCB in 2016, thus joining the Council's platform for networking, promotion, and information sharing, with the objective to boost further trade and investments between local and international businesses.



HALCOR S.A. SUSTAINABILITY REPORT 2016





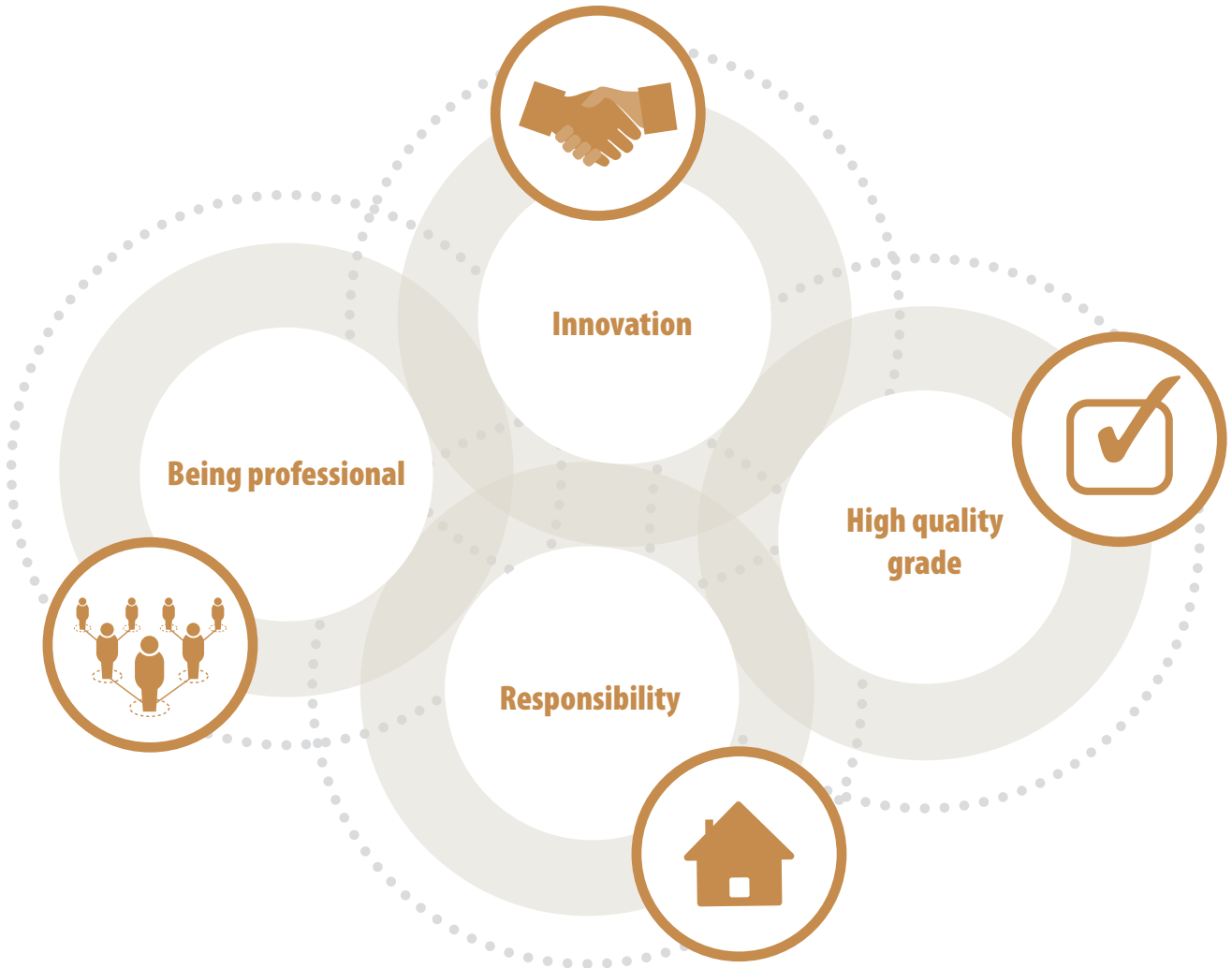
2. Customer-oriented approach



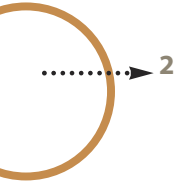
The concept of customer-orientated approach is a key feature of our identity. This is also proven by the long-term relations of trust and co-operation we have developed over the years with our customers.



Customer-oriented approach



“ Our customers are our priority;
all our co-operations are characterised by consistency,
respect and high quality services ”



Customer-oriented approach

2.1 Investing in research and technology

Consistently oriented towards innovation, we place particular emphasis on the research and development of new technologies, aiming to develop new innovative solutions and products of excellent quality and high technical standards. For this reason, Halcor annually implements a major investment plan focused on optimising production processes, in three key areas:

- research on copper applications
- development of new production techniques
- development of existing production methods to produce new innovative products.

Partnerships with research organisations and institutions

Halcor participates and works with specialized centres of technology, research and development, such as the Elkeme (Hellenic Research Centre for Metals) and the Hellenic Copper Development Institute (H.C.D.I.), which bring it to the forefront of recent developments, utilising new production and processing technologies to successfully introduce new products and innovative market solutions.



Elkeme - Hellenic Research Centre for Metals S.A.

The Company aiming at the research and development of new technologies, products improvement and the meeting of modern requirements, participates in and cooperates with Elkeme.



Hellenic Copper Development Institute

Through the Hellenic Copper Development Institute (H.C.D.I.), Halcor is actively involved in major research concerning the impact of copper on health and environment. The Company is a founding member of the Hellenic Copper Development Institute (H.C.D.I.) and participates in the preparation of programs, either in the form of providing materials and room to hold seminars or through funding to implement some specific programs across Greece.

We work closely with our customers to develop tailor-made solutions



Support of events

In 2016, Halcor supported the following information events carried out by bodies related to thermo-hydraulic systems:

- Conference titled “We analyze the past, identify the present, vision and plan the future” of the Hellenic Federation of Plumbers Craftsmen in Athens
- Event in the context of the annual general meeting of the Hellenic Federation of Refrigeration technicians, in Volos
- Conference of the Association of Refrigeration Commercial Importers.
- Event, titled “19th Pan-Hellenic Conference of the Boards of the Associations of Public Works Contractors P.E.S.E.D.E.”, in Chania
- Event of the European Technical Committee for the development of standards for solar thermal panels, in Chania.

Supporting vocational training

H.C.D.I. in the context of the training program it implements, organised for eighth consecutive year the well-established competition on plumbing - thermohydraulic networks. The aim of the competition is to bring today's Technical Education students and tomorrow's professionals in the specialties of thermohydraulics, refrigeration and gas technicians, close to the materials, applications and real working conditions. Specifically, this year's competition began in February 2016 and was completed in early May 2016. The three students who excelled, were awarded and honoured for their excellent performance during the competition. Halcor sponsored this competition, while it supplied materials to the workshops of the technical schools of the awarded students.

Operation of the thermal efficiency laboratory for inner grooved tubes

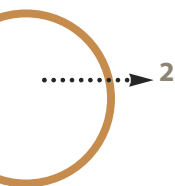
A proof of the successful investment strategy followed by Halcor is the thermal performance laboratory for Inner Grooved Tubes (IGT). The particularity of the thermal performance laboratory is that it allows the design of tailor-made Talos® Inner-Grooved (IGT) and Talos® ACR tubes, according to the technical specifications of each customer.

This platform allows the measurement of the heat transfer coefficient of tubes for heat exchangers. The heat transfer coefficient is measured for HFC refrigerants (R410A, R134A, etc.) in the condensation and evaporation phase. It is also possible to measure pressure drops due to friction.

The IGT thermal efficiency laboratory allows Halcor to incorporate test results in an integrated technical support framework for heat exchanger manufacturers, for the optimisation of the exchangers' design by improving any of the following:

- Better performance
- More capacity
- Reduced use of raw materials
- Compact size of heat exchangers
- Reduced use of coolant

With this platform, the tests conducted have resulted in the optimisation of energy efficiency tubes, with very positive effect on the environment. The use of energy efficient tubes has resulted in an overall improvement in energy efficiency of new energy exchangers, having reduced energy consumption and therefore fewer air pollutants into the atmosphere as an ultimate benefit. It is also worth noting that the research carried out in the context of projects with our customers is in line with the relevant European “green” legislation (F Gas regulation).



Customer-oriented approach

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Halcor is among the few manufacturers that have a thermal efficiency laboratory for inner grooved tubes.

IGT thermal efficiency laboratory potential

Based on data from the thermal efficiency laboratory for inner grooved tubes, we are able to recommend the optimal inner grooved tube from the range of products available by the Company. The project works may include:

- development of a new inner grooved tube
- evaluation of the inner grooved tube performance in the final product
- study of the discharge performance in the tube
- design of new types of inner grooved tubes for specific applications.

In addition to projects carried out exclusively on the basis of customer requirements, the laboratory work includes:

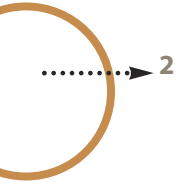
- the categorisation of the range of tubes: Evaluation of the thermal behaviour of each profile based on the application
- developing new profiles to keep pace with market needs.

2.2 Product innovation

Through its many years of operation, Halcor has gained international recognition, having developed a significant product portfolio and a wide customer base. Supporting our customer-orientated philosophy, our key priority is to provide innovative, high added value products. Halcor’s wide range of products includes solutions that have applications in heating, cooling, water supply and natural gas transport networks, as well as in industries. These include copper tubes Talos®, Talos® Coated, Talos® Gas, Talos® Med, Talos® Ecutherm, Talos® ACR, Talos® ACR Inner Grooved, Talos® ACR Ecutherm, Talos® ACR Linesets, Talos® Geotherm, Talos® Plated, Talos® Ecutherm Solar, Talos® Form, Talos® XS as well as tubes Cusmart®.

For more information on Halcor products see the Annual Report 2016, section 4, or you can visit the corporate website www.halcor.com (Products section).





Customer-oriented approach

2.3 High quality of products and services

Product quality is our strategic choice, competitive advantage and a matter of corporate responsibility. We apply an organised Quality Management System, adapted to the needs of modern industry, which is certified according to the requirements of international standard ISO 9001:2008.

The high quality of Halcor products is ensured by strict quality control, carried out at all stages of production by qualified and trained personnel. In this context, we have developed internal procedures that ensure the monitoring and control of raw materials and products in terms of quality and the safety of products (the Company's products are covered by 20 or 30 years written guarantee). The quality control procedures applied are confirmed both through frequent inspections by our customers, and through inspections by independent national and international certification bodies.

“ The upward trend in market share in conjunction with our long-standing relationships of trust and cooperation with our customers are important indicators of the high satisfaction of our customers ”

The top quality of Halcor’s products and services is a strategic choice and competitive advantage for the Company. For this reason we systematically invest in continuous improvement of production procedures and controls in all our products, as well as in upgrading the services we provide.

We focus on the excellent quality of our products and services, on immediate service, short delivery times, tailor-made solutions, appropriate and direct handling of potential complaints.



Investing in quality

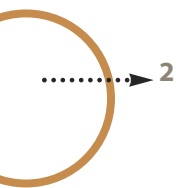
In 2016, the Company purchased an additional testing machine for the Quality Control laboratory. The new tensile machine, as it is called, is of increased capacity and features new technology software, thus enabling the control of a larger range of test pieces, helping to improve the productivity of the mechanical testing laboratory. With the completion of its installation, it is considered that another important benefit will be achieved, namely the direct recording of test results in the Quality Control measurement records, due to the options provided by its operating system. As a direct result, the recording time of test results will be reduced while errors will be minimised.

The installation, alongside the production process, of additional eddy current testing devices, as well as the modernisation and renewal of existing ones aimed at the timely detection of potential defects on products, have contributed to improving the quality performance of our production procedures and further facilitated quality control assurance.

Quality marks

Our products' excellent quality, their compliance with the relevant regulations and specifications and their suitability for the applications and markets they are addressed are verified by the respective accredited certification bodies.

AENOR	Spain		VTT	Finland	
CSTB	France		CU	Germany	
AFNOR	France		GREDEC	Algeria	
NSF	USA		VIK	Croatia	
NSAI	Ireland		KIWA	Netherlands	
DVGW	Germany		GOST	Russia	
GL	Germany		SITAC	Sweden	
TUV CERT	Germany		SETSCO	Singapore	
CE	European Union		SZU	Czech Republic	
BSI	United Kingdom		KIWA/GASTEC	Netherlands	
ATA/KIWA	Netherlands				



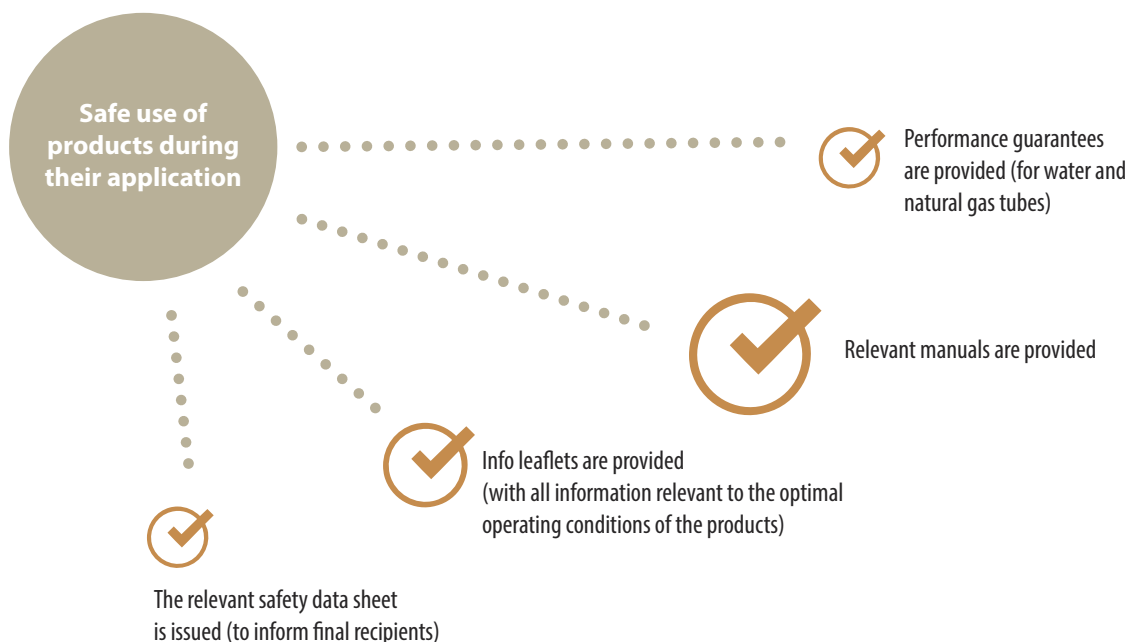
Customer-oriented approach

Significant reduction in the time for the issue of certificates

We have achieved a significant reduction in the time required to issue certificates for our products, after adjusting the relevant procedures. Specifically, new tools were integrated in the production process and the IT system of quality control was upgraded. This combination significantly contributed to reducing the time of e-issue of the certificates accompanying the products to the final recipient.

Ensuring the health and safety of users

Although the Company's products are primarily used for industrial purposes, regular checks are carried regarding the interaction of products with the health and safety of users, since in some cases the Company's products are used in health-related applications. In any case, the natural properties of copper contribute to protecting the health of end users, as they offer antimicrobial action.



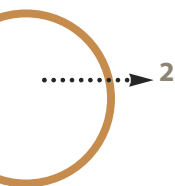
According to the results of recent scientific studies, copper features strong antimicrobial properties. This makes copper and its alloy products ideally suitable for use in various sectors such as health, heating, plumbing, ventilation, air conditioning and food processing.

2.4 Customer satisfaction

Customer satisfaction survey

Customer satisfaction is at the heart of Halcor's philosophy. We take our customers' opinions and comments seriously and as an opportunity for continuous improvement of our services. In the context of our Quality Management System, we conduct an annual customer satisfaction survey through a consistent process of questionnaires dispatch to our customers. Through this survey, the Company seeks to know its points of superiority and possibly any points of inefficiency and improve the quality of products and services to its customers.





Customer-oriented approach

Customer satisfaction levels are systematically monitored and recorded, through regular customer satisfaction surveys, while the survey results are evaluated to plan actions for improvement where necessary.

“ Our constant pursuit is to achieve and maintain high customer satisfaction rates ”

The results of the Customer Satisfaction Survey for 2016 showed a marginal increase for domestic customers (compared to 2015) and a significant increase for foreign customers combined with Halcor's market share.

Degree of satisfaction (Domestic customers)

Degree of satisfaction (International customers)

	Trust			Trust		
	2014	2015	2016	2014	2015	2016
	90%	91%	89%	72%	76%	83%
.....						
	Product satisfaction			Product satisfaction		
	2014	2015	2016	2014	2015	2016
	82%	85%	86%	74%	76%	80%
.....						
	Service satisfaction			Service satisfaction		
	2014	2015	2016	2014	2015	2016
	88%	89%	90%	79%	73%	84%
.....						
	Total customers satisfaction			Total customers satisfaction		
	2014	2015	2016	2014	2015	2016
	85%	87%	88%	74%	77%	81%

Complaints management

Responding to customer messages and needs with consistency and credibility, we follow a specific process for the assessment and management of complaints, always aiming at better customer service and in order to continually improve the quality of our products and services.

We have managed to significantly reduce the response time to customers from the receipt time of the complaint. It is worth noting that over the last three years there has been a continuous downward trend in the number of complaints.

In 2016, most complaints concerned production and programming issues. Indicatively, the acceptable complaints of 2016 showed a decrease of about 10% compared to 2015. Furthermore, the corresponding financial compensations were also reduced.



Complaints type / category	2014	2015	2016
Production / Scheduling	70%	73%	90%
Loading / transport	20%	5%	4%
Packaging	8%	14%	4%
Other	2%	8%	2%

Corrective action for a customer complaint

In 2016, we received a remarkable remark from one of our customers concerning the behaviour of a Halcor product during processing. Our customer purchases copper tubes with inner grooves (special profile), which he redraws in an automated mass production system for the manufacture of high-tech heat exchangers. His remark referred to the stage that the processed tube needs to be retained by friction (expansion stage of the tube so it clamps on aluminium fins), where the machine operation was unstable, unlike with other companies' tubes. Halcor took this customer report very seriously and took all relevant actions to investigate and resolve the issue.

Specifically, the properties of our tested tubes (recent and past productions) did not lead to the cause for the above mentioned behaviour. The case, however, was analyzed by the production and design departments to determine the processing parameters in both facilities (Halcor's and the customer's). To verify the study, original techniques were used to determine the tooling and method application parameters to determine their tolerances for successful application at the production stages. In conclusion, the study resulted in the modification of the specification regarding the dimensional characteristics of the delivered tube, as well as recommending proper maintenance of tools to the customer.



Our goals for 2017

- 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.

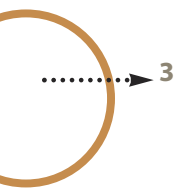


3. Sustainability in the supply chain

We choose to manage our supply chain responsibly. We recognise our obligations and take action to positively influence our suppliers.







Sustainability in the supply chain

3.1 Supply chain responsibility management

The development of an integrated and responsible management of the supply chain is imperative, especially now when pressure is increased by the current financial, environmental and social conditions, in national and international business.

To us, suppliers are key business associates, as (through their raw and auxiliary materials, their equipment and services) they significantly affect our production process and significantly contribute to the production/supply of competitive products and high quality services. That is why we build relationships of mutual trust and work closely with our suppliers.

Developing and maintaining a responsible supply chain that generates added value for all (for the Company, suppliers and the wider society) is a continuous challenge for us, in line with our Corporate Responsibility strategy.

In Halcor in recent years, we have embarked on ambitious efforts to develop an integrated management procedure of sustainability in the supply chain, adopting and implementing economically, environmentally and socially responsible methods and practices. Below is a brief description of the commitments, practices and procedures we follow in this area, for the optimal management of our supplies:

- We seek to promote Sustainability throughout the supply chain. To achieve this, we started on our own initiative in 2015 and currently implement, on an annual basis, updating/training on corporate responsibility matters to our key suppliers.
- We encourage the implementation of Sustainability practices in our supply chain and seek cooperation with organisations that operate responsibly.
- We are in continuous dialogue and communication with our associates and, when asked, we support them (dissemination of knowledge) by providing relevant information on the implementation of practices, in order to improve their environmental and social performance.
- We have issued a Supplier Code of Conduct, which we have initially communicated to our key suppliers. In order to bind our key associates and suppliers to the principles of the relevant Company Code, we have requested acceptance and signature of the Supplier Code of Conduct.
- In the context of our certified Management Systems (ISO 9001:2008, OHSAS 18001:2007, ISO 14001:2004), we implement a supplier evaluation system, with criteria that also apply to sustainability matters.
- Upon delivery of the supplied materials, we conduct relevant checks to verify that the materials meet the agreed specifications (as the materials supplied are critical to the quality of the finished product); if not, the Company notifies suppliers of its results in the form of complaint, awaiting relevant improvements.
- We monitor the responsible operation of our suppliers, through the relevant controls we carry out. Specifically, Halcor participates (as appropriate) in trial productions at our suppliers' premises and evaluate the results. Already approved suppliers are also subjected to on-the-spot inspections in order to ensure compliance with set procedures, agreed technical specifications and raw-material quality. At the same time, we perform the relevant audits to ensure that all staff employed by contractors in our facilities are insured, as provided by the applicable law and regulations. Furthermore, specific checks are carried out by our Environmental Department to all suppliers (existing and new) related to the waste management procedures of Halcor. Upon completion of the checks, it must be ensured that suppliers have the relevant certificates, that they abide by the applicable laws and relevant regulations on the procedures for the collection, transfer and management of waste; otherwise cooperation with the supplier will be interrupted.

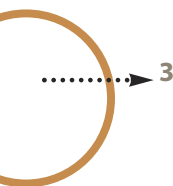


“We believe that the diffusion of Sustainability principles in our supply chain contributes to the strengthening of sustainable business conduct of the Company and our suppliers”

In the context of this admission and for the second consecutive year, at Halcor's initiative, on Tuesday, 29/11/2016 in a central hotel in Athens, a specialised information seminar was held for the Company's suppliers, regarding Sustainability matters and responsible practices.

The purpose of the seminar was to inform the Company's supplier executives of the new relevant Legislation and the presentation of responsible practices of Halcor and of other Greek companies.

Participants were informed of new developments in this area, enriched their knowledge and became familiar with Halcor, through the corporate responsibility practices it implements. Moreover, after completion of the seminar the participants evaluated the material issues recognised by Halcor.



Sustainability in the supply chain

Our suppliers' view on Halcor's initiative



This informative presentation you organised, was a pleasant surprise for us and we consider it as a good practice for you. We believe that such initiatives should be also communicated through associations (e.g. Hellenic Federation of Enterprises - SEV, etc.), to lead the way for other companies as well.

Well done, this is a very good initiative on your behalf. I would suggest that you organise a guidance/support program for your cooperating suppliers that are small and medium-sized enterprises, for further promoting the principles of Sustainability.

Thank you for the invitation. It is the second time I participate in this significant initiative of Halcor. I think I learnt a lot.

Supplier Code of Conduct

Recognising that our responsible operation may be affected by the activities of our suppliers and that due to our size, we have a moral obligation to positively influence our supply chain in the diffusion of Sustainability principles, we developed a Supplier Code of Conduct.

Halcor's Supplier Code of Conduct establishes the framework we follow for the responsible management of our supplies. The Code outlines our expectations/requirements from our supply chain (suppliers/associates) as regards the issues of Sustainability. The sections of this Code covering the issues pertaining to environmental protection, ensuring occupational health and safety, labour practices, ethics and integrity, transparency and respect of competitiveness, meritocracy and equal opportunities etc.

Our suppliers and associates' compliance with the principles of the Supplier Code of Conduct is their contractual obligation.

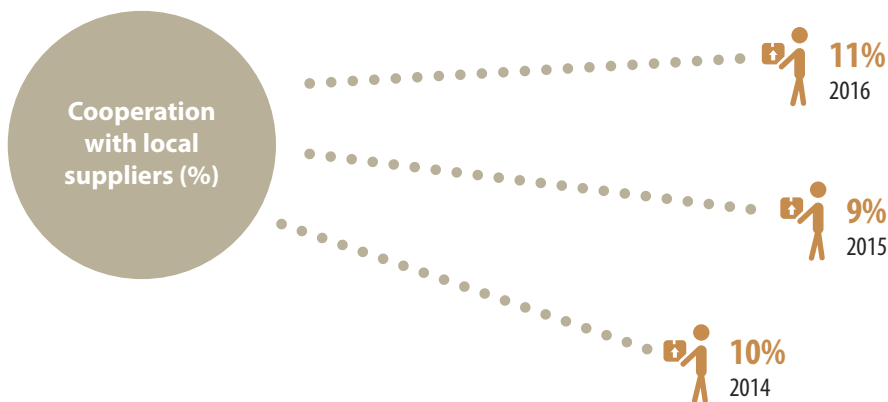
Halcor discloses this Code to its suppliers and contractors (existing and new ones) who must be aware of responsible practices implemented by the Company and adopt common values and principles in the context of Sustainability, which we believe will generate two-way benefits. Furthermore, to further improve our supply chain, we request our associates and suppliers to transfer the diffusion of the Code's principles and to promote responsible practices to their own suppliers and associates too.

The full text of the Supplier Code of Conduct is available on the Company's website www.halcor.com.

Due to the nature of our activity, the largest volume of purchases relates to metals, especially copper, and consumables (support materials or components, packaging materials) needed for the production process. Our main raw material is copper. The Company sources copper from primary production (copper cathode) while at the same time it seeks to source and increase the use of copper scrap (recycled copper), significantly contributing to copper recycling and promoting circular economy, both at national and European level.

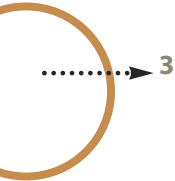
The list of suppliers cooperating with our Company includes metal merchants and suppliers (domestic and foreign), many different categories of suppliers of other materials or equipment, contractors, and consulting firms. The list of our suppliers for 2016 numbers a total of 1,550 active suppliers, of which 1,208 (77.9%) are based in Greece and 342 (22.1%) are based abroad.

“ We increased our cooperation with local suppliers by 27% ”



In 2016 we started collaborating with 227 new suppliers. No significant change was noted as regards the structure of our supply chain in 2016, compared to previous years. As regards metal suppliers, they amounted to a total of 132 in 2016 and the total value of purchases from our suppliers (total suppliers) amounted to EUR 383 million.

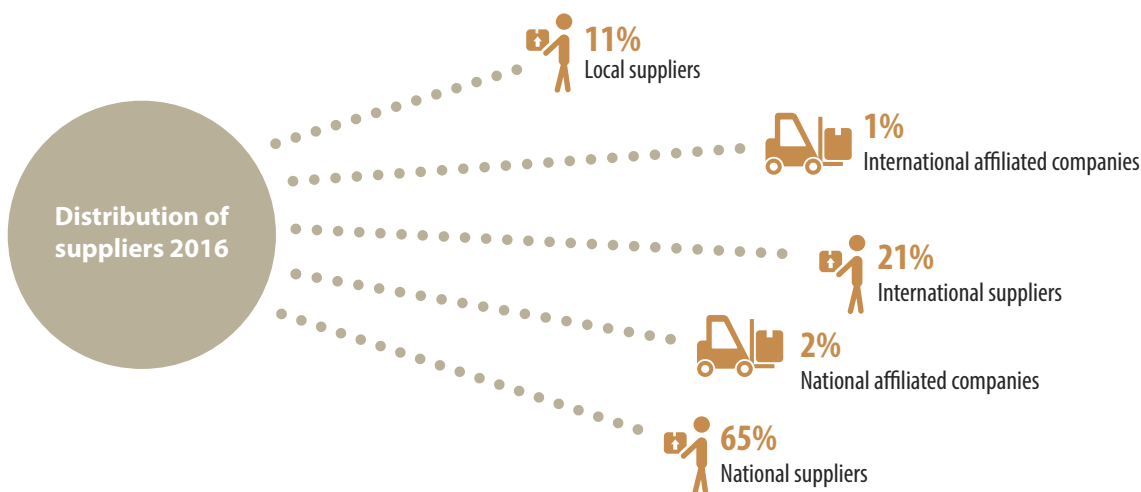
We are always on the side of local society, enhancing local entrepreneurship. Our main aim, among other things and where possible, is the supply of materials and services from domestic and mainly local suppliers. Supporting this option in the supplier selection process, we positively evaluate the criterion of locality and choose cooperation with local suppliers and contractors (from the Evia and Viotia areas). For 2016, we managed to increase our cooperation with local suppliers by 27%. We cooperated with 173 suppliers (compared to 136 in 2015) from the local area, while the total value of payments to them amounted to EUR 7.2 million.



Sustainability in the supply chain

The supply percentage from suppliers of the broader region where we operate reached 19.6%, in terms of expenditure (excluding metal supply).

Although most of our supplies (in terms of expenditure) concern raw materials-metals that the Company sources mainly from abroad, in 2016, in an attempt to strengthen the domestic market, we cooperated with 1,208 suppliers (including 173 local suppliers), to whom we paid the amount of EUR 57.9 million (15.13% of the purchases made from domestic suppliers) for the purchase of raw and auxiliary materials and services.



We therefore consider our Company's contribution to be of particular importance as our cooperation with domestic suppliers indirectly contributes to maintaining jobs and to the strengthening of the Greek economy and the development of local society.

3.2 Evaluation and selection of suppliers

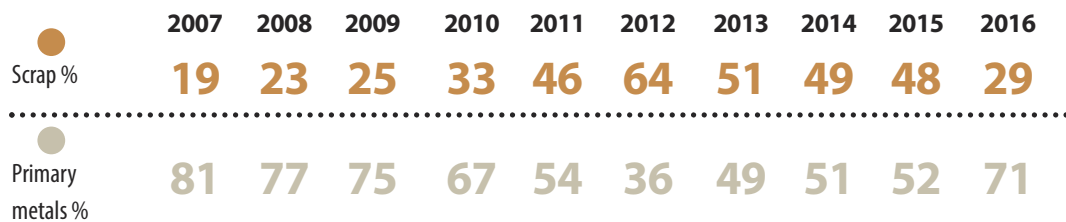
As a company that seeks to apply responsible practices to all its activities, we evaluate and select our associates by applying procedures based on the principles of transparency and meritocracy.

The evaluation of our suppliers and associates is based on business criteria and also on environmental and social responsibility criteria using a relevant questionnaire. In the process of evaluating our suppliers/associates, the candidates' compliance with environmental management systems is positively evaluated, while for specific types of suppliers their performance on environmental issues is critical for their evaluation and subsequent selection or rejection. Additionally, according to the supply order process for specific material, a certification of compliance with the REACH Regulation and the sending of the respective safety data sheets (SDS) are required. Relevant criteria are followed for compliance with health and safety regulations at work by cooperating contractors. Compliance with Halcor's health and safety policy and the relevant legislation is the responsibility of every company associate and is a prerequisite for employment and cooperation. Additionally, through respective audits, we ensure that our contractors' staff is insured as required by the relevant legislation.

3.3 Applying circular economy programs

Copper recycling contributes to sustainability in terms of economy, the environment and society. The main raw material of Halcor is copper. The constant intention of the Company is the use of raw and auxiliary material with maximum efficiency, as this leads, among other things, to the reduction of the waste generated. At the same time, Halcor 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.

Note that from 2007 to date we have recycled and reused large quantities of metals. In this manner, we have achieved significant savings in natural resources, energy and cost. Through this practice, Halcor has become the largest copper, zinc and copper and zinc alloys recycler in Greece. In 2016, 29% of the metal purchased for the Company's production process came from recycling, showing a decrease compared to the previous year. This is mainly due to the price of copper in 2016, compared to its price in the previous year.



“ Our goal is to use increasingly larger quantities of various scrap metals as raw materials ”



Our goals for 2017-2018

- 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.
- Evaluation of suppliers with Sustainability criteria.



4. Creating value - Operating responsibly



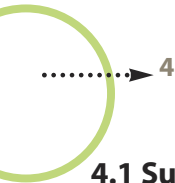
We produce and generate added value for our country and for all our stakeholders. It is our commitment to continue doing so, through responsible actions.





**We identify and focus
on the material issues related
to our operation**

**“ We consistently
follow a strategic approach
to corporate responsibility
issues, with a clear vision
for Sustainability ”**



4 Creating value - Operating responsibly

4.1 Sustainability: Our approach

Responsible operation for us is a stable strategic choice and not just an occasional implementation of Sustainability actions and sponsorships. Recognising that the path to Sustainability requires actions-synergies in all areas, we consider the views of all our stakeholders, evaluate every sustainability issue related to our operation and focus our strategy on the critical pillars of corporate responsibility.

“ The way towards Sustainability requires actions and measures in various areas, emphasising on material issues related to our activity ”

Through our operation over the years, we seek continuous development for our Company, always guided by the principles of Sustainability. We remain firm in our long-term commitment to Sustainability, emphasising and focusing our attention on material issues over time, combining business development with responsible operation. In this context, we faithfully follow our strategy and apply responsible practices in the following areas:



Innovation

Emphasis on research and technology

- We offer an expanded range of products
- We create high-tech products of high added value for building, industrial and architectural applications
- We implement significant investments in equipment and expertise, in order to enhance our production capacity.



Customer-oriented approach

We build relationships of trust with our customers and partners

- We place particular emphasis on consistency, our speed of response to demand and the completeness of our product support services
- Seeking maximum satisfaction of our customers
- We implement a certified Quality Management System.



Investing in our people

Our people are the driving force behind the Company's growth and development

- We apply responsible Labour practices, care for the advancement and development of our employees
- We offer an equal opportunities working environment where human rights are respected
- We implement all possible measures to safeguard occupational health and safety
- We implement a certified Occupational Management System.



Environmental protection

Respect for the environment is everyone's responsibility

- Our commitment is to continuously improve our environmental footprint
- We make major investments to protect the environment
- We implement a certified Environmental Management System.



Care for local communities

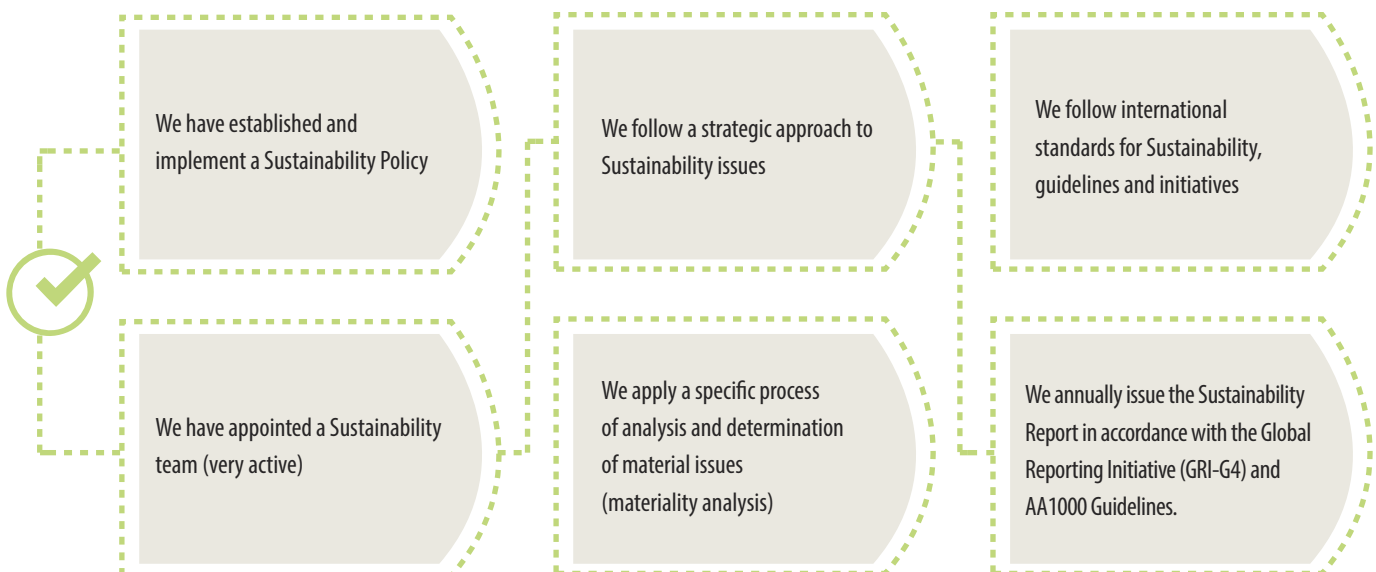
Our goal is to contribute to the development and sustainability of local communities

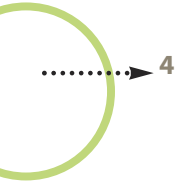
- We stand by the local communities and collaborate with them on an ongoing basis
- We support local employment (we give priority and hire employees from local communities) and entrepreneurship (we encourage collaboration with local suppliers)
- We systematically support various associations, schools and other local bodies.

Strategic approach of Sustainability issues

We seek to operate responsibly across our range of activities, being a reliable business partner in order to maximize value for all stakeholders. Sustainability issue management in Halcor is performed in a systematic manner, based on the nature of our activities and on the management of material issues related to our activity. The Company maintains mechanisms and procedures for the management of sustainability issues, dynamically developing according to new trends and actions in this area. In order to continually improve our corporate responsibility, we annually set specific targets, the progress of which is monitored through the relevant performance indicators (KPIs) we have developed. In order to achieve these indicators and targets, appropriate plans and actions of responsible operation are designed and implemented.

Sustainability issue management





Creating value - Operating responsibly

Sustainability Policy

Sustainability Policy of Halcor is in accordance with the Company's values of responsibility, integrity, transparency, effectiveness and innovation and is determined by the Top Management, which is committed to the:

- implementation of the Sustainability Policy at all levels and in all the Company's operating entities.
- strict compliance with the legislation in force and full implementation of standards, policies, internal guidelines and procedures applied by the Company as well as other commitments, arising from voluntary agreements, countersigned and accepted by Halcor.
- two-way and open communication with all stakeholders in order to identify and record their needs and expectations.
- provision of a safe and healthy working environment for our people, partners and any third party involved.
- protection of human rights and provision of a work environment of equal opportunities, free from any discrimination.
- continuing efforts to reduce the environmental footprint, though implementing responsible actions and preventive measures in accordance with Best Available Techniques.
- cooperation and support of local society aiming to contribute to the sustainable development of the local communities in which we operate.
- continual pursuit of creating added value for the stakeholders.

The full text of the Company's Sustainability Policy can be found on the website www.halcor.com (Sustainability section).



Sustainability team

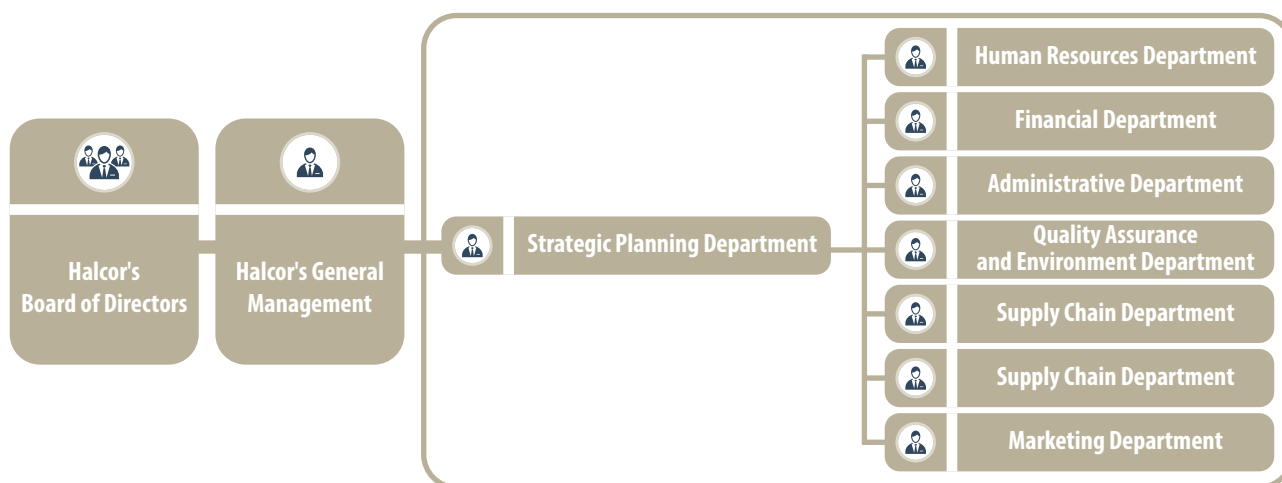
In Halcor, since 2009, a Sustainability Team has been appointed and operates, being highly active. This team examines, on a monthly basis, all relevant issues arising and plans relevant programs and actions accordingly.

The team consists of executives of the Company's Divisions and is coordinated by the Strategic Planning Division, which reports and forwards to the Senior Management all information regarding the management of Halcor Sustainability issues.



The Board, which is the highest governance body of the Company, approves the sustainability issues management plan and is updated regarding the course of action. Specifically, Halcor's General Management forwards all material issues to the Board of Directors of the Company, by quarterly reports, covering the entire range of Company activities and achieving a more efficient management of sustainability issues. Furthermore, the Board of Directors updates shareholders on Company sustainability issues, by the published Sustainability Report, which is distributed during the annual general meetings of shareholders, as well as to customers, associates and other stakeholders.

Organisational structure



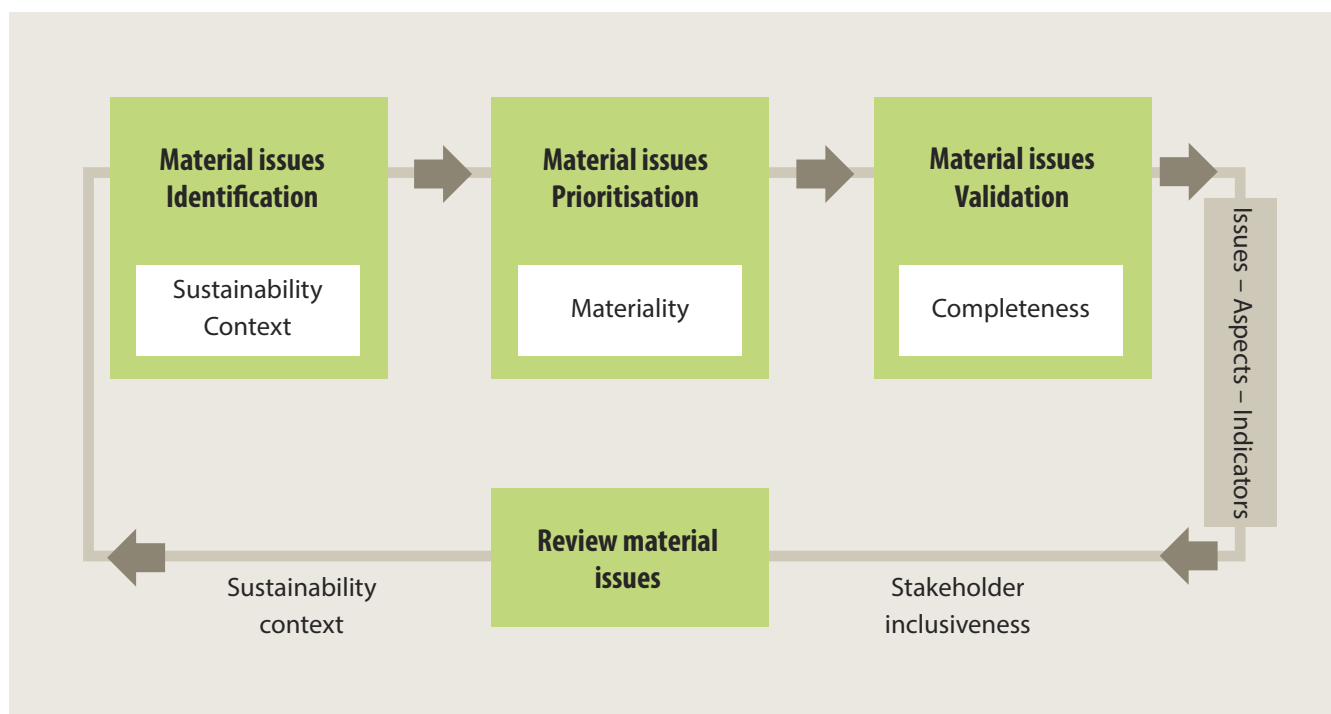


Creating value - Operating responsibly

4.2 Materiality assessment

The practice we follow to identify material issues (materiality analysis) is an ongoing process of evaluation and review of Sustainability issues, based on our strategy and in line with international standards and guidelines for identifying material issues (GRI-G4, AA1000).

In 2016, Halcor's Sustainability team reviewed (in the form of a workshop) and updated the list of the Company's material issues. We reassessed all material issues related to our business activity, by examining them both in terms of their impact on the Company and as regards their relevance to Halcor's main stakeholders and the pressure they exert.



**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-G4, AA1000, ISO 26000, SDG's).
- We have taken into account the main issues of our stakeholders, as recorded by our two-way engagement.
- In total, we identified 33 material issues.

Step 2: Prioritising material issues

- We prioritised sustainability issues, according to their importance for Halcor, our stakeholders, society and the environment.
- According to the relevant evaluation of all issues, we have reached 18 most material issues for us, on which we focus in this Report.

Step 3: Validation

- The Senior Management of Halcor validated the results of the materiality assessment.
- The mapping of material issues was completed.

**The prioritisation procedure
is reviewed annually**

**33 material
issues**



Data of research and dialogue
with stakeholders



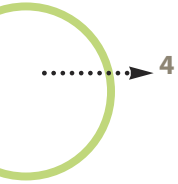
Guidelines (GRI G4, ISO 26000,
AA1000)



Industry benchmarking

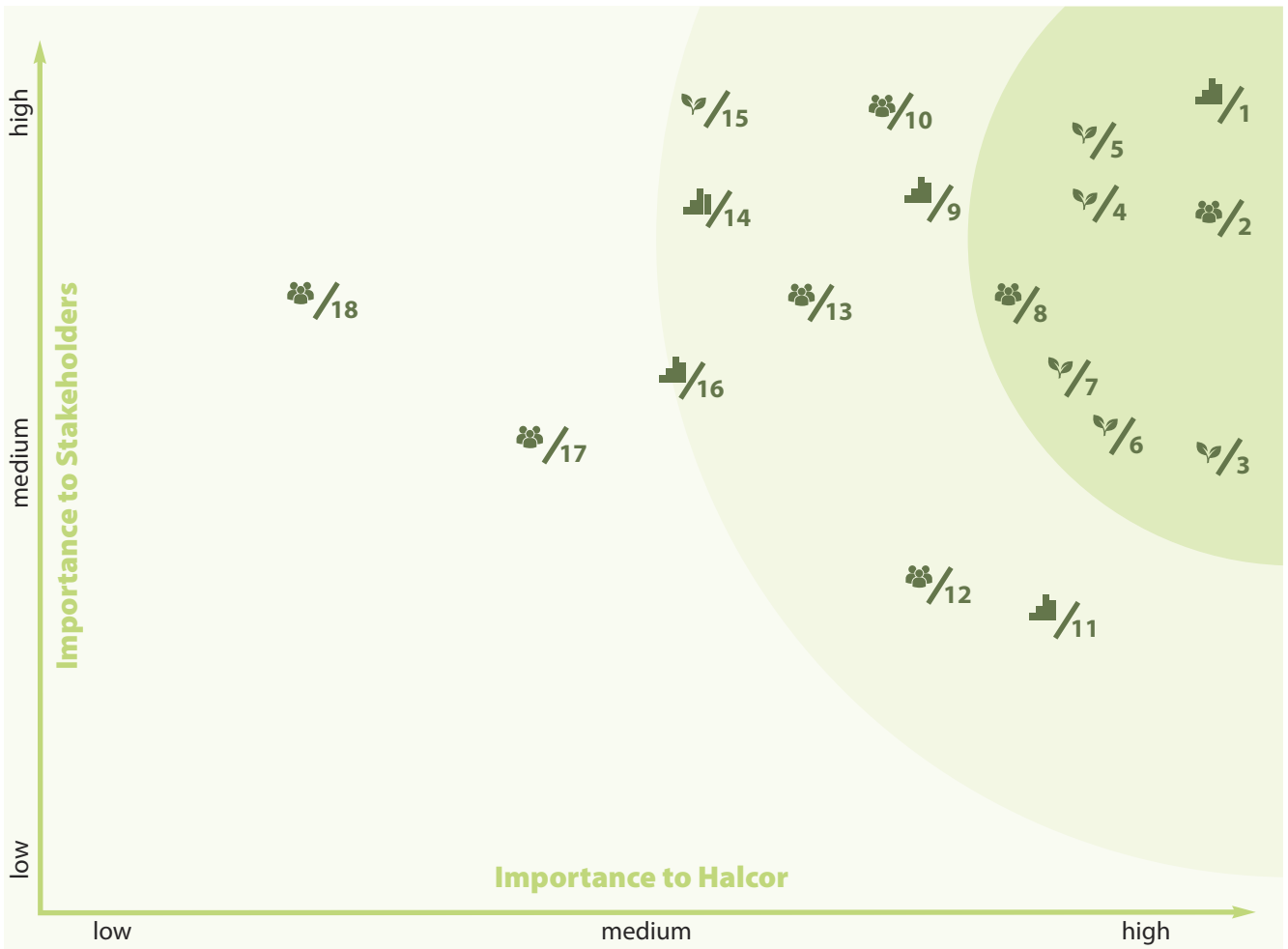


External environment
(SDG's)



Creating value - Operating responsibly

Following the materiality analysis conducted in 2016 for the identification of content and the preparation of this Report (in accordance with the GRI-G4 guidelines) we identified the material issues of Halcor, as presented below.



Economic viability



Environmental protection



Social welfare

“ We use the results of material issue prioritisation and plan relevant activities and actions to continuously improve in these areas ”




HALCOR S.A. SUSTAINABILITY REPORT 2016

Below the impact limit (within and/or outside the Company) is presented for each material issue per Sustainability area.

“We link material issues with sustainability goals”

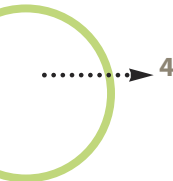
“These 18 material issues are the backbone of this Report, where our performance in each one of them is detailed”

Sustainability areas

-  Environmental protection
-  Social welfare
-  Economic viability

		Impact within Halcor	Impact outside Halcor
Material issues	 Employee and third party health and safety (2)	✓	
	 Waste and wastewater management (3)	✓	✓
	 Supply chain responsibility (10)	✓	
	 Energy use and climate change (4)	✓	✓
	 Customer satisfaction (14)	✓	✓
	 Raw materials use (5)	✓	✓
	 Water use (6)	✓	✓
	 Air emissions management (7)	✓	✓
	 Support for local communities (supporting local suppliers and local employment) (8)	✓	✓
	 Employee training and development (13)	✓	
	 Economic/ financial performance (1)	✓	✓
	 Use of recycled metal (scrap) (15)	✓	
	 Equal opportunities (17)	✓	✓
	 Anti-corruption (18)	✓	
	 Product and service quality (16)	✓	✓
	 New investments and market share (11)	✓	✓
	 Compliance (9)	✓	✓
	 Employment (12)	✓	✓

We believe that materiality analysis is particularly important and plays a key role in shaping our strategy. In this context, in 2017, we will intensify our efforts to further strengthen our approach to analyzing and evaluating the material Sustainability issues of Halcor.



Creating value - Operating responsibly



We have continuous engagement with all stakeholder groups



We identify and record the main issues of our stakeholders



We evaluate the expectations of our stakeholders



We respond by implementing relevant activities/actions

4.3 Stakeholder communication

The Sustainability Policy we follow involves commitments to transparency and dialogue with our stakeholders and incorporating their views into the development of our strategy.

It is our continuous pursuit and commitment to maintain a systematic and two-way engagement with our various stakeholder groups. Continuous dialogue with stakeholders allows us to understand their needs and respond to them in a balanced and appropriate manner. At the same time, the close and open engagement with the various groups highlights the main issues that concern them and forms proposals that are later realised, in an effort of the Company to respond to the challenges and opportunities offered by the business environment and stakeholders.

“ We actively seek participation of our stakeholders to continuously improve our responsible operation ”

In Halcor, we have identified our stakeholders (various groups consisting of all natural and legal persons directly or indirectly affected or affecting the Company's operation). The procedure we followed to determine Halcor's stakeholder groups was based on consultation between the executives of the Corporate Responsibility team based on the information received from communication with the various departments of the Company, as well as from direct stakeholder engagement. Through this specific, internally applied procedure we determined and classified our stakeholders in the following two categories:

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

“ Transparency in communication and honest dialogue are key elements for the development of mutual trust and cooperation with all stakeholders ”

The stakeholders' views and comments help us identify and prioritise material issues, finding solutions and implementing relevant actions that promote the interest of society and of our activity.

Relationship-interaction framework with our key stakeholders



Investors / Shareholders

- Invest capital
- Receive dividends (from profits)
- Participate in the decision-making process

Customers

- They choose Halcor for the quality of its services and products
- Cooperation for developing new, customised solutions

Scientific community

- Support for University Research
- Participation in research programs

Suppliers

- They provide their services/products to Halcor (jobs and support of the economy)
- Objective evaluation based on merit and selection of suppliers by Halcor
- Priority is given by the Company to the selection of local suppliers, whenever possible

Employees

- They provide their work and knowledge
- They are remunerated with salaries, additional benefits, and opportunities for career and personal development

NGOs

- They represent the citizens' society
- They actively participate in shaping public opinion
- They are a connecting point between society, the state and businesses
- Halcor cooperates with NGOs for information and taking of actions

Government institutions and bodies

- They set the institutional and regulatory framework for the Company's business operation through legislation and regulations
- They regulate business and tax issues

Local communities

- Halcor supports the local community, by selecting human resources and suppliers locally
- The Company participates in the local Federation of Sterea Ellada Industries (SBSE)
- Halcor supports the local community with actions and sponsorship programs and participates in activities organised by local authorities

Halcor conducts regular dialogue with all stakeholder groups. In the context of this engagement we have recorded the important issues concerning our stakeholders and in order to meet their expectations, we have responded to these issues with relevant activities and actions, as presented below.



4

Creating value - Operating responsibly

Stakeholders	Halcor's commitment	Communication channels
--------------	---------------------	------------------------



Employees

Occupational health and safety
Personal and career development

- Constant communication between Management and employees
- Communication and updating via the Company intranet
- Updating via e-mails and notices on bulletin boards
- Updating via the 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
- Updating of shareholders by the Board on any development in the Company
- Issue of regular 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
- Customer satisfaction survey
- Participation at trade fairs



Suppliers

Support of local suppliers and responsible practices of selection and evaluation of suppliers

- Halcor'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



HALCOR S.A. SUSTAINABILITY REPORT 2016

Stakeholder's expectations

- Labour and insurance issues
- Staff evaluation issues
- Human resources personal and career development
- Updating on the goals of the Company and their achievement
- Communication with the Management

Halcor's response

- Implementation of staff evaluation system
- Implementation of training programs
- Additional benefits to all employees
- Monthly updating of the General Management to all staff
- Implementation of "Open doors" policy for constant dialogue between employees and the Company Management

- 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

- Penetration into new markets
- Enhanced profitability for the Company and improvement of financial results
- Constant updating
- Issue of Report (Annual and Sustainability Report)
- Evaluation and management of opportunities and risks

- Excellent standards, high quality products
- High level of service
- After-sales support
- Updating of customers on market developments and about Company products

- Customer satisfaction survey conducted
- Investments in research and technology
- Special after sales technical support department operation

- Objective evaluation based on merit
- Support of local suppliers
- Updating of suppliers on market developments

- The Company implements a supplier selection and evaluation procedure for critical materials
- Priority is given to local suppliers, when possible




- Company response to local community issues
- Recruitment of staff from the local community
- Support of local entrepreneurship by supporting local suppliers

- Priority is given to recruiting employees from local areas
- 44% of the Company's workforce is drawn from the local community
- Selection of local suppliers
- Support for local bodies / sponsorships
- Employee volunteer initiatives



..... 4

Creating value - Operating responsibly

Stakeholders	Halcor's commitment	Communication channels
 NGOs	Transparency in all activities	<ul style="list-style-type: none"> • Participation in NGO as member • Participation in sectoral and business organizations • Events / Conferences
 Governmental and Institutional bodies	Good corporate governance and transparency in all activities Compliance with the legal framework and standards	<ul style="list-style-type: none"> • Compliance with the legislative and regulatory framework in force • Engagement with representatives of state authorities and institutional bodies
 Scientific community	Investments in research and technology	<ul style="list-style-type: none"> • Exchanges of views on issues of joint interest • Events / Conferences on issues of joint interest • Surveys / Studies

Through relevant actions and appropriate procedures, in Halcor we have established a close cooperation and open engagement with our various stakeholder groups. In this context, we provide continuous information on our business activity, while at the same time we are sharing views, queries and positions with all stakeholders.



2008



2009



2010



2011

Stakeholder's expectations

- Support NGO's activities
- Partnership with NGO's

Halcor's response

- Support for the NGO's "Pnoi", "AgaliaZO" and "The smile of the child"
- Halcor's participation in the CSR Hellas as main member

- 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

- Legislative compliance in all sectors of activity
- New investments annually
- Increase employment by 2.8%
- Care for the environment
- Transparency and accountability (Sustainability Report)

- Exchanges of views on issues of joint interest
- Extended applications of copper
- Effects of copper and other metals on the human body and the environment

- Halcor is a founding member of the Hellenic Copper Development Institute (HCDI)

In this Report, we present the milestones we achieved, describe in detail and transparency the actions we took, record the practices and our performance on the Sustainability axes, present our strategic priorities and our planned actions for the following years. At the same time, through this initiative of transparency and information of our activities, we strengthen our engagement with all our stakeholders, responding to their concerns and problems.



2012



2013



2014









2015



4 Creating value - Operating responsibly

4.4 Review of Sustainability goals

The main issues of the dialogue with each stakeholder group are points on which we focus our actions and activities in order to improve our performance. Responding to the expectations of our stakeholders, we systematically monitor our performance while setting targets on an annual basis related to the material issues of our responsible operation.

What we said (2016 targets)	What we did (performance/target progress)	Correlation with SDG's
Care for our people		
Evaluation of jobs - – job grading system.	 Completed in cooperation with an external, specialised company.	
Training of all administrative employees on Sustainability issues and on the Code of Conduct (by 2017).	 In 2016, administrative employee groups were trained on Sustainability issues and Halcor's Code of Conduct.	
Training of subsidiary Fitco employees on Sustainability issues and transparency/combating corruption.	 In 2016, Fitco employees were trained on Sustainability issues and the Code of Conduct.	
Continuing training for employees (managers and foremen) on 6s methodology.	 Training for managers and foremen on the 6s methodology was performed.	
Occupational Health and Safety		
Training of intervention teams to provide cardio-respiratory resuscitation and defibrillator use.	 Training of intervention teams to provide cardio-respiratory resuscitation and defibrillator use.	
Consultations with heads of groups involved following incidents.	 All relevant meetings of managers with the groups involved following incidents were held.	
Carrying out 12 OHS audits/head.	 The 12 audits were successfully completed.	
Training of 1.5 hours/production employee.	 Completed.	
Informing employees (administrative staff) on health issues.	 The NGO "Volunteers against Cancer- AgaliaZO" informed female employees of our Company on cervical cancer and all employees (administrative staff) on skin cancer and melanoma.	
Carrying out blood tests and x-rays to employees.	 Carrying out blood tests and x-rays to employees.	
Improving the performance system of 5S in the Recycle-Casting plant and in the Copper Tubes plant.	 We managed to improve the 5S system performance in the Recycling - Casting Plant.	
Customer-oriented approach		
Expansion of quality labels for our products.	 No customer need emerged to expand the quality labels.	
Upgrade of the laboratory equipment used in quality control of existing and new products with higher requirements.	 The supply of the required equipment was completed and the relevant installation is implemented this year.	
Significant reduction in the time required for the management of customer complaints.	 We have managed to reduce by 20% the response time to customers from the receipt time of potential complaints.	



HALCOR S.A. SUSTAINABILITY REPORT 2016

What we said (2016 targets)	What we did (performance/target progress)	Correlation with SDG's
Customer-oriented approach		
Improvement and automation of the management procedure for non-conforming products.	 The automation of the management procedure for non-conforming products was completed.	
Further reduction of the time required for the issue of product certificates.	 We have achieved a significant reduction in the time required to issue certificates for our products, after adjusting the relevant procedures.	
Sustainability in the supply chain		
Promoting the Supplier Code of Conduct for updating and raising awareness to all our suppliers.	 The issue of Halcor's Supplier Code of Conduct was completed at the end of 2016 and in early 2017 was promoted to key suppliers. The process will continue until all suppliers of the Company are informed.	 
Training of Halcor and Fitco suppliers on Sustainability, transparency and combating corruption issues.	 Successfully completed. About 20 managers of our 11 key suppliers participated.	
Evaluation of suppliers with corporate responsibility criteria.	 Up to the end of 2016, the evaluation of suppliers was carried out in the context of the Management Systems implemented by the Company. In 2017, following the promotion of Halcor's Supplier Code of Conduct, the evaluation procedure for suppliers will be upgraded. Initially, Halcor's main/key suppliers will be evaluated.	 
Environmental protection (2016-2018)		
Construction of a new pipeline routing treated liquid waste to the treatment unit of Elval S.A.	 The construction of the new pipeline has been completed and its operation is expected by the end of the first half of 2017.	
Certification of the Company's Energy Management System according to ISO 50001 in the Recycling - Casting, Copper Tubes plant facilities and Fitco.	 The procedures required by ISO 50001 have been completed and relevant interventions are implemented where required. The completion of the certification is expected in 2017.	
Installation of a new technology unit for processing production water for use (reverse osmosis unit) in the Melting and Recycling-Casting plant.	 This unit was installed at the Recycling-Casting Plant.	
Replacement of conventional light bulbs with energy saving bulbs in 100% of the indoors areas of the plants.	 This program is underway. Energy saving lamps are gradually replaced by state-of-the-art LED lamps.	
Additional signage in external areas for the information of employees and contractors on environmental management, health and safety issues and 5S issues.	 The external areas' marking was completed.	
Extending training on generic environmental topics.	 Completed, see section 7.2.	
Certification of the Company's Environmental Management System according to the edition ISO 14001:2015.	 In progress. In 2016, preparations were made for the transition to the requirements of the new ISO 14001 version.	



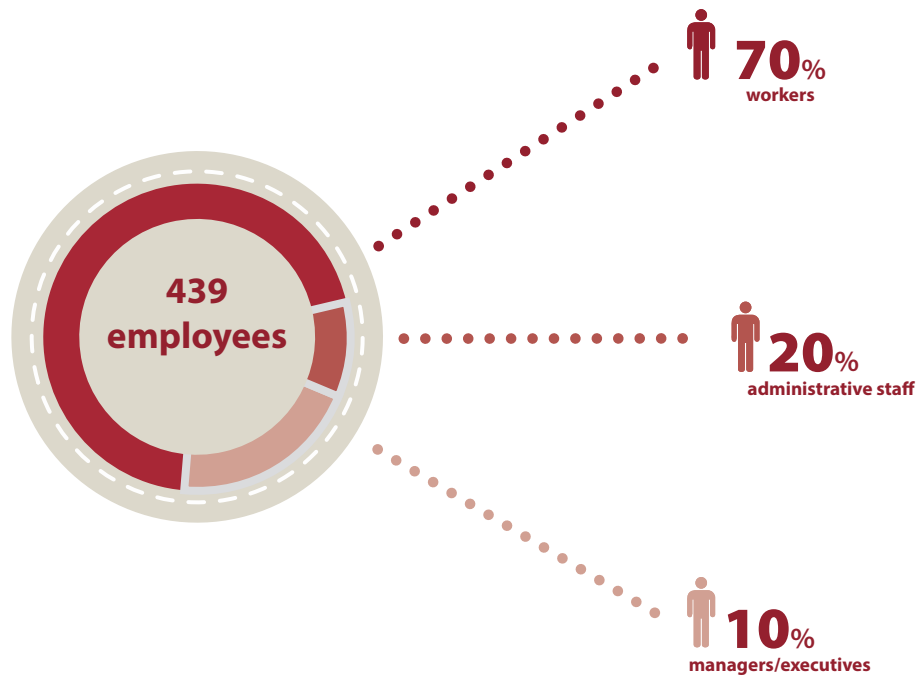
5. Care for our people

We assess our success in the dedication of our people and the commitment they have shown over the years to Halcor's values and vision for Sustainability.



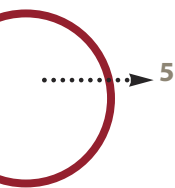


At a glance

**38**new employee
hires**2,526**

hours of training

**100%**of our people are covered by
additional benefits**44%**192 employees from the
local community**24.6%**of our workforce was
trained**29%**of our administrative
staff are women



Care for our people

5.1 Our people - workforce data

We are proud because, despite the constantly changing conditions, we have managed to meet our commitments by maintaining and increasing jobs, providing a stable working environment to meet the personal aspirations of our people, while contributing to achieve the Company's goals. It is our commitment that we will move in the same direction in the years to come.



With a sense of responsibility, Halcor seeks to offer its employees a workplace of equal opportunities that respects the personality of each employee, by investing materially and systematically, in their training and development.

“ We are committed to pursuing policies of transparency, meritocracy and objectivity for a fair workplace ”

Steadily oriented to human values, we strive to implement responsible management practices with regard to human resources. In this area, we focus on material issues such as:

- ensuring of the health and safety of our employees and associates
- creating a work environment of fair reward, respecting human rights and diversity
- safeguarding of jobs and supporting local employment
- providing equal opportunities for all employees
- applying objective evaluation systems
- ensuring continuous training and development for our people
- providing additional benefits.

HALCOR S.A. SUSTAINABILITY REPORT 2016

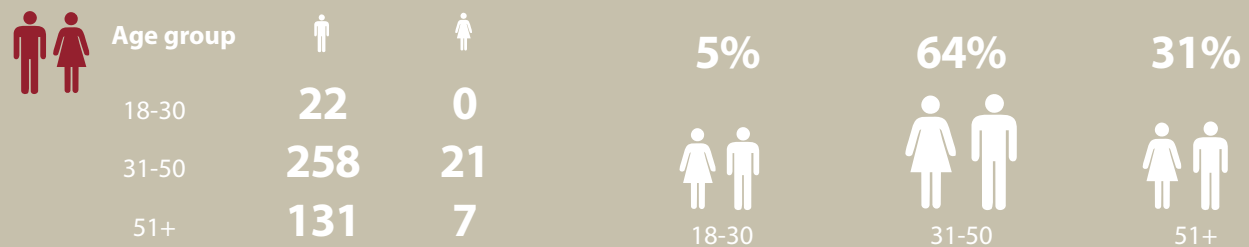
Workforce data (31/12)



In 2016, Halcor made 38 recruitments in total (3 women and 35 men). Of these new employees, 17 came from the local area (the wider area of Viotia and Evia). Jobs increased by 2.8% compared to the previous year. With regard to employee mobility during 2016, the actual turnover rate of the Company increased by 1.7 percentage points reaching 8.7%.

The average age of our employees is 44 years. The age distribution of our employees is an important asset, as the majority of human resources (82%) are in the productive age of 26 to 55 years.

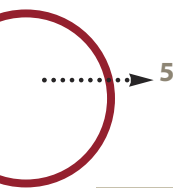
Age structure by gender



Our Company offers many students, mainly through internship programs, the opportunity to apply their knowledge to a real work environment, to gain work experience, to get on-the-job training and to develop skills that will help them get better performance in the future.




We support and boost local employment

For us, harmonious coexistence and cooperation with the local community is very important. In this context, we support local employment (creating jobs) and strengthen local entrepreneurship (offering business opportunities, cooperating with local suppliers). With our activity in Oinofyta of Viotia, we prioritise the coverage of our needs in human resources from local communities (wider area of Viotia and Evia) and the selection of suppliers from the local area.



Care for our people

Total workforce break down by location (employees by region) 2016

			
 Attica	224	20	55,6%
Local community*	184	8	43,7%
Rest of Greece	3	0	0,7%

*Local community: Greater Viotia and Evia Area.

In 2016, almost 44% of our human resources are locals (of a total of 439 employees 192 are from the local area and among them 4 are managers and senior executives). Furthermore, 17 out of the 38 (almost 50% of new hires) newly hired staff of the Company came from the wider area of Viotia.

5.2 Employee evaluation

Employee evaluation is a practice with multiple benefits for both employees and the Company. Halcor’s employee performance evaluation system:

- is an important tool that focuses on the development and growth of our people
- promotes objectivity and transparency during evaluation
- is implemented on all executives and employees of the Company, while a similar special system is also implemented on the labour staff
- is carried out through procedures based on dialogue, collaboration and participation.
- aims at harmonising personal goals with the Company's strategy and goals, as well as enhancing teamwork.

In the last completed evaluation (in 2016) 39 executives (67% men, 33% women) participated. All of the evaluated employees (100%) have access to the results of their evaluation.

5.3 Respect for human rights and equal opportunities

One of our main principles is that all procedures, decisions and actions concerning the recruitment, remuneration, development and growth of employees are governed by meritocracy and transparency (non-discriminations).

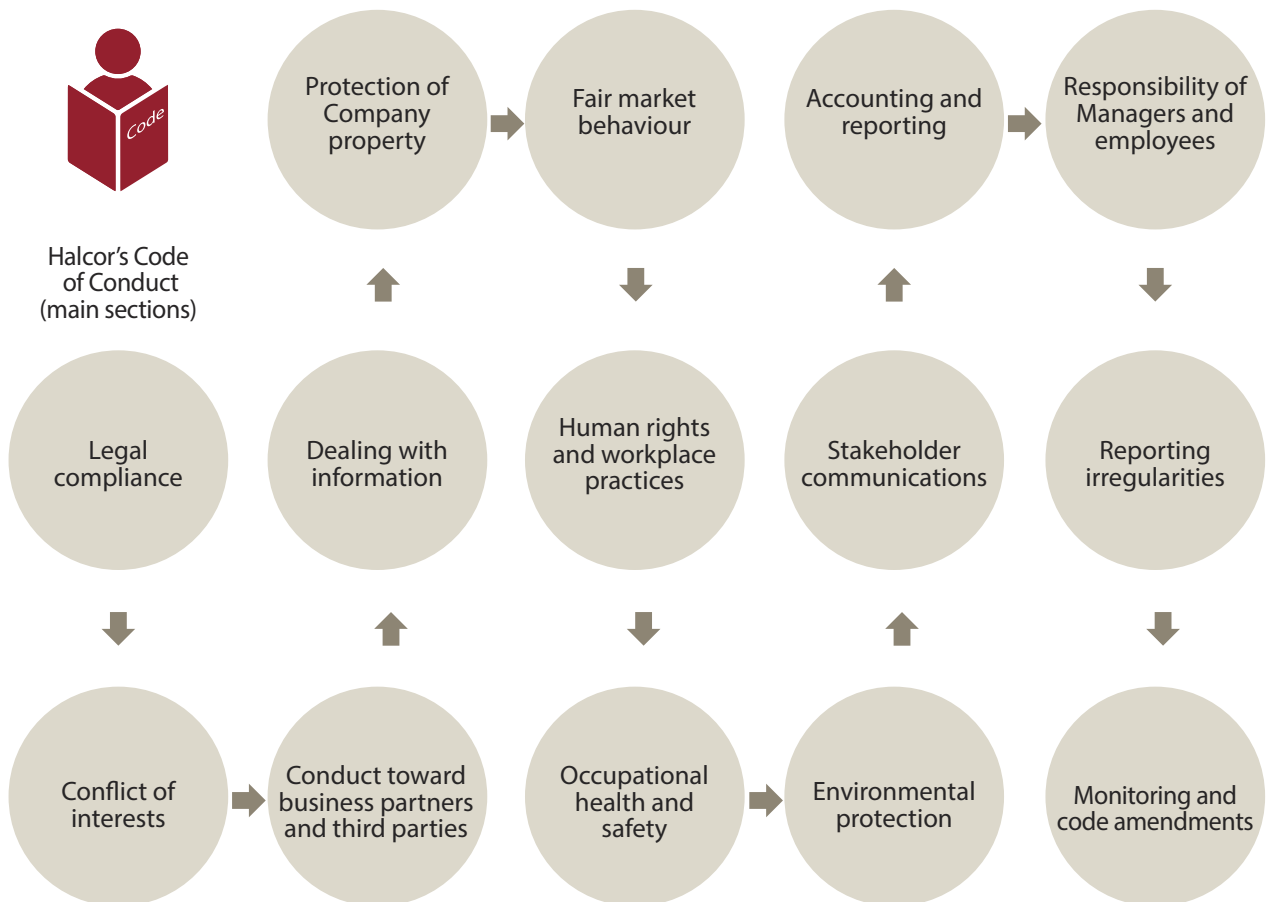
We implement a specific policy of equal opportunities while cultivating an environment of dignity and mutual respect.

In this context, our strategic approach and philosophy includes:

- single remuneration policy, regardless of gender (no remuneration discrimination between men and women), in all categories of employees, in all our activities
- equal opportunities for development and meritocratic growth for all employees, regardless of age and gender
- respect for internationally protected human rights, by implementing the corporate Code of Conduct and relevant national legislation.

“ We have communicated the corporate Code of Conduct to all of our employees ”

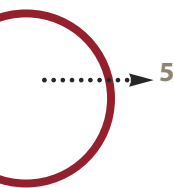
Halcor's Code of Conduct has been developed to contribute to further promoting moral integrity, honesty, transparency as well as appropriate professional conduct in all levels of the Company's hierarchy. The Code includes the fundamental principles, rules and values that shape the framework of corporate activities and determine our daily conduct and practice. This set of rules and principles describes the conduct we expect from our people as well as the way we do business with our customers, suppliers and other associates.



The combination of the Code of Conduct and the principles and values of Halcor is the basis for developing trust and reliability, which play a key role in our sustainable business success.

The rate of men and women employees is approximately 94% to 6% respectively. The participation of women in our workforce may be deemed as low, but it is mainly justified by the fact that heavy industry jobs are often not chosen by women, professional women, combined with the distance of Halcor's production activities from large urban centres. It is worth noting, however, that women are well represented in administrative jobs. In total, 29% of our administrative employees are women.

“ We constantly strive to increase the participation of women in our workforce ”



Care for our people

Responsible employment practices: Compliance with the principles of the SA 8000 standard

Social Accountability 8000 is an international standard which lays down specifications about how to improve working conditions and safeguard human rights. The Company has voluntarily implemented a system that meets the requirements of SA 8000 but has not yet certified that system. In most cases it has more than covered the minimum requirements outlined in the standard. Halcor's approach to each of the 8 categories addressed by the standard is presented below.

1

Child labour

- We implement those legal provisions that ban child labour. All the Company's employees are over the age of 18.
- There were no incidences of child labour in 2016 as also in previous years.
- We do not collaborate with suppliers who support child labour and for that reason we perform relevant audits on our suppliers.

2

Forced labour

Halcor is opposed to and condemns forced and mandatory labour. All work carried out at the Company must be provided voluntarily. Halcor does not tolerate any form of coercion or forced labour. Labour relations at the Company are based exclusively on consensual cooperation and mutual benefit for both sides (employees and Company). As a matter of principle, the Company does not collaborate with suppliers shown to implement forced and/or mandatory Labour practices.

3

Occupational health and safety

Safeguarding our employees' health and safety and that of our associates is a top priority for us. Our commitment in the occupational health and safety field focuses on building a working environment free of risks, injuries, safety incidents and occupational diseases. For that reason, we successfully implement a Health and Safety Management System (certified in line with OHSAS 18001:2007) with the involvement of all employees, to which Management is firmly committed.

Our 'Zero Safety incidents' target remains a top priority for us. We place particular emphasis on prevention and continuous improvement in the occupational health and safety area, through regular training courses, investments in accident prevention methods and protective equipment, as well as in safety audits, to ensure that safe techniques are being correctly implemented in the workplace (for more information about health and safety see the section entitled 'Occupational health and safety').

4

Discrimination, equal opportunities and diversity

We respect human rights and have a deep-felt sense of responsibility towards our people and so implement a HRM policy that ensures equal opportunities free of discrimination. We condemn and do not allow forms of behavior that could lead to discrimination, intimidation, gesturing or verbal/physical threats. We apply the Company's Code of Conduct and we do not accept any kind of racial, gender, age group, minority, religion, social status, disabilities or sexual orientation discrimination.

5

Collective bargaining

As a Company that respects internationally agreed human and labour rights, we fully respect our employee's collective bargaining rights. All employees (100%) have employment contracts and work full-time.

6

Disciplinary practices

Halcor labour relations are based on dignity, mutual respect, cooperation and integrity. Under no circumstances can psychological or physical coercion be used nor can employees be verbally abused. The following are considered to be acceptable disciplinary practices: oral rebukes, written warnings, written reprimands, and invitations to make a statement.

7

Remuneration and allowances

Halcor seeks to ensure employee satisfaction and so:

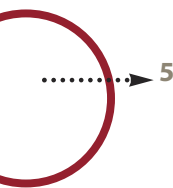
- Ensures that it provides fair pay (employee salaries always cover the legal requirements).
Given the new legal situation in Greece concerning labour rights, all Company employees (total workforce) are paid above the minimum limits set by the National Collective Labour Agreement.
- We apply a complete pay and benefits system, aiming at attracting and maintaining competent executives and ensuring decent living conditions for all employees
- We pay remuneration to employees in cases of overtime in line with the relevant provisions of law.
- Having gone beyond the benefits required by law, we also offer a series of additional benefits to all employees (as outlined in the section entitled "Remuneration and additional benefits")

8

Working time

We fully comply with the applicable national legislation on working time, public holidays and overtime. We give employees the amount of leave specified by law in each case.

These practises are made clear to Halcor's suppliers and subcontractors, who must be aware of the need to and must undertake to constantly improve working conditions at their facilities.



Care for our people

5.4 Training and employee development

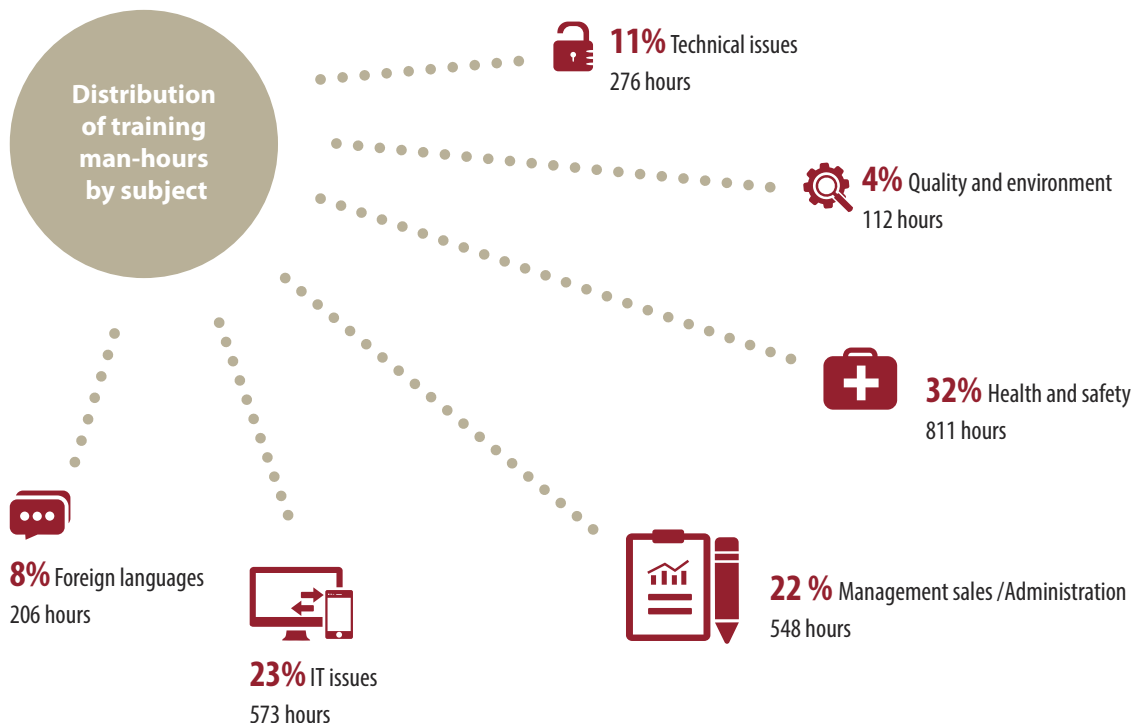
In the Company, we promote a culture of teamwork and high performance, aiming at the development of a creative work environment, where employees can fully develop their skills.

We believe that the continuous training of our people is an important factor for the sustainability and business development of our Company. In this context, we invest in human resources training, implementing integrated training programs (inside and outside the Company) supporting the lifelong development of our people.

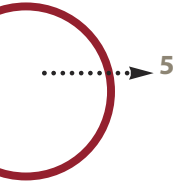
With a view to providing targeted training, our training programmes are regularly assessed and training needs are investigated, so that they are readjusted in order to respond to continuously changing conditions and needs of the industry. In this way, we achieve effective and essential training of employees.

On an annual basis, we design and define the overall training plan that meets both the needs of our employees and the business goals of Halcor. The training program we completed in 2016 included 42 seminars, with a total duration of 2,526 hours. The average hours of training were 5.8 hours per employee for the year. In total, 108 employees were trained at least once, namely 24.6% of our workforce (note that the training program implemented internally for occupational health and safety is detailed in the corresponding section).

Training programmes were mainly focused to management/administrative issues. Particular emphasis has also been put on health and safety, while this training was addressed to all Halcor employees, as well as to our contractors' employees.







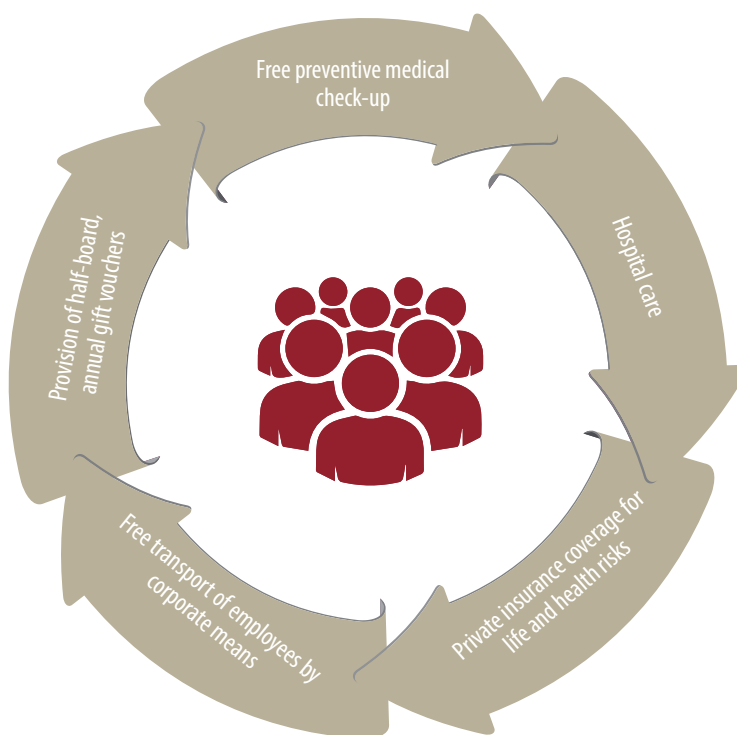
Care for our people

Training program on transparency and combating of corruption

Applying responsible operation practices to an increasingly larger extent, in 2016 Halcor proceeded to the design and implementation of a training program on Sustainability and the Code of Conduct for the Company. Teams of administrative employees of Halcor, as well as employees of our subsidiary Fitco attended this training.

5.5 Remuneration and additional benefits

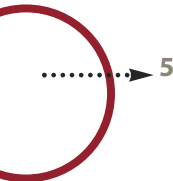
We recognize and reward the contribution of our people. In our attempt to offer a decent standard of living for all employees, we apply a multiple benefit system (provided to all our employees without any discrimination) which, in addition to fixed remuneration, includes, but is not limited to:



At the same time, we provide our employees' children (up to 12 years old) gift vouchers for Christmas, participation in a large children's party and participation in children's camps (up to 16 years). Furthermore, additional benefits are also provided, such as the provision of accommodation, corporate car and mobile phone and a special savings program, in accordance with the corporate policy, as well as vouchers three times a year.

Halcor traditionally follows a humanistic approach based on establishing stable and lasting relationships with its staff. 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.





Care for our people

5.6 Supporting sports

Halcor's people in the Athens Marathon

Wishing to promote values such as team spirit, cooperation, effective approach of goals and respect for diversity, Halcor employees dynamically participated in the 34th Athens Classic Marathon held on Sunday, 13 November 2016, in the 5 km race.

Moreover, for each athlete's participation the Company made the relevant sponsorship to the NGO "To hamogelo tou Paidiou".



Our athletes excel

Halcor, promoting sports for the second consecutive year, strongly supported the participation of its employee and athlete Vassilis Solidakis in the Youth-Master Formula Windsurfing World Championship, held in Marathon on 5-10 September 2016. We are twice as proud, since one of our own won 5th place in the Youth-Master Formula Windsurfing World Championship, while he also won 1st place in the Greek championship, with the colours of Halcor.



5.7 Employee volunteer actions

The support of initiatives taken by Company employees and the participation in voluntary activities that contribute to local communities reflect Halcor's commitment of responsible corporate practice. This is why we encourage our employees to develop and organise initiatives, actions and to participate in social programs.

Volunteer program

For the 6th consecutive year the Company's internal program "We Work Together for a Society of Solidarity" was successfully completed. This program includes the collection of goods (food, clothing, toys and books) for the support of families in need of the local area. We are proud of the development of this program, as it is an initiative of the people of Halcor that started in 2010, responding to the needs of people from the local community. In 2016, for yet another year, Halcor's employees proved their social awareness and solidarity, by their contribution in this action, which was remarkable. Along with the contribution of its employees, the Company contributed by buying twice as much food than in the previous year, in order to strengthen this voluntary action of its staff. The goods collected were donated to "Agios Vlassios" chronic diseases sanatorium of Livadia, in order to be distributed to families in need from the local area.

Voluntary blood donation

Halcor's Blood bank was founded in 2008 at the initiative of the employees, in an effort that was strongly encouraged by the Company, which helps organise and coordinate voluntary blood donations, contributes to the proper management of the blood bank, the information of existing volunteers and the attraction of new ones. Two blood donation programs are scheduled and implemented annually in Halcor's plant at Oinofyta, in cooperation with Laiko Hospital of Athens. Importantly, since 2008, 365 blood units have been collected and we have helped 213 people in total.

5.8 Social actions

We consider it our obligation to consciously coexist and actively support the local communities and the environment of the areas where we operate. Our goal is to contribute to the development and sustainability of local communities, implementing social solidarity actions. Proving out social sensitivity, every year we support programs and actions concerning the environment, vulnerable social groups, culture and sports, in society as whole, a work that we seek to continue with undiminished interest.

Indicatively, the main Company actions of social contribution for 2016 concern:

- NGO Support:
 - o From 2012 until today, the Company supports the work of NGO "Pnoi - Friends of child intensive care". Pnoi is a non-profit organisation, established to support the intensive care units for children and infants (ICU).
 - o The last three years our Company supports the work of NGO "Volunteers against Cancer- AgaliaZO".
 - o Halcor has chosen to support as a sponsor the work and activities of NGO "To hamogelo tou Paidiou".
- Support of the school community:
 - o We support the school community and educational institutions on an annual basis (e.g. Special Professional Education Workshop of Piraeus, 5th High School of Kallithea, Club for UNESCO of Piraeus and Islands, "thermohydraulic installations" workshop of the Special Vocational School of Ag. Dimitrios) either by providing copper products, or by providing necessary school material.
- Support of local associations and bodies:
 - o For yet another year, the Company participated in the initiative of the Municipality of Tanagra for the support and sustainment of the local social grocery. Specifically, the Company purchased food that was distributed to the social grocery of the Municipality.
 - o Halcor stands firmly on the side of local authorities in the context of a long-term cooperation and covers some of their needs.
 - o The Company chose to support the inauguration of the Museum of Thiva, held in June 2016.



Our goals for 2017

-
- Further training of workers on 6s methodology.
 - Training and awareness raising among employees on Sustainability issues of the Company with a view to their active participation.
-



6. Occupational health and safety

People are our priority.
We are committed to providing
a safe and healthy work environment.
Our goal is Zero Accidents.



Our performance



675

hours of employees
(in production)
training on health
and safety issues

253

hours of contractors
training on health
and safety issues

Key Actions

Implementing a certified
Occupational Health and Safety
Management System

Emphasis on training
on health and safety issues

Behavioural
safety audits



↑ 26.6%

of training hours were spent
on employees in production



↑ 109%

of training hours were spent
on contractors' employees

↓ 44.9%



AR

↓ 28.5%

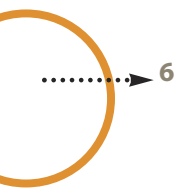


LTIs

↓ 23.9%



LTIFR



Occupational health and safety

6.1 Taking our role seriously

Occupational health and safety concerns each one of us, our Company, our employees, our families, the society. It is everyone’s responsibility, it is our responsibility. In Halcor, we have set as a priority and primary concern, to protect the health and safety of our people and associates and we are committed to compliance with all the necessary safety measures. The Health and Safety Policy that the Company has established and applies, clearly showing the Management’s commitment in this area, prove this.

Our commitment	Main objectives of the OSH policy
1 Ensuring the health and safety of employees, associates and visitors.	1 Integrating health and safety at all levels of administrative functions and decision-making in the Company’s hierarchy.
2 Creating an occupational environment without risks, incidents and occupational diseases.	2 Assessment and control of occupational risks through Risk Assessment, and taking the necessary corrective actions.
3 Promotion of a health and safety culture in all Company activities, also including cooperating contractors.	3 Continuous updating and training of human resources on issues related to occupational health and safety, so they can actively participate in the overall prevention and protection effort.
4 Prevention and constant improvement in the area of occupational health and safety.	4 Promoting continuous improvement of the workplace on health and safety issues.

“ To us, “zero accident” is a constant objective ”

To implement the objectives of this policy, we apply a certified Occupational Health and Safety Management System (in accordance with OHSAS 18001:2007). This system:

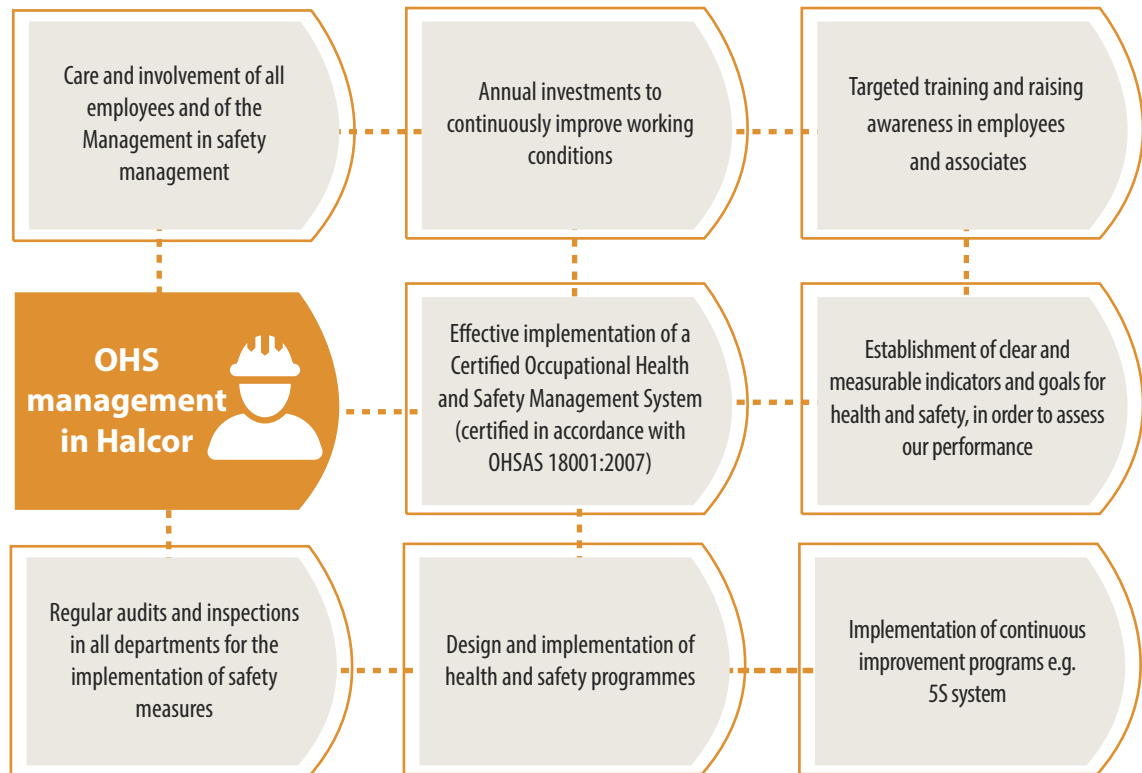
- is designed to minimise risks
- focuses on the prevention and minimisation of accidents and occupational diseases, by taking all necessary measures
- is based on the continuous improvement of Health and Safety conditions at work
- covers (scope) all production plants of Halcor (Copper Tubes plant, Recycling-Casting plant).

Within the scope of the System of Health and Safety Management at work, all the procedures applied for monitoring and evaluation of health and safety issues, contribute to the successful prevention of occupational accidents and occupational diseases, while at the same time they ensure a collective and comprehensive protection. Proving our commitment 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. We systematically and substantially invest in health protection measures and safety support infrastructure in the workplace. Annual needs for health and safety are evaluated and prioritised and corresponding actions are carried out in accordance with the targets set by the Health and Safety Division of the Company’s plants and approved by the Management of Halcor.

Employee and contractor safety

The continuous improvement of the levels of occupational health and safety and their maintenance, education, awareness and effective employee involvement in these issues require a vision, long-term planning and continuous monitoring.

“ Managing occupational health and safety is an ongoing procedure ”



Contractors' obligations



Before starting a cooperation

- To sign a special form with safety terms
- To have received training on health and safety issues



During works

- To follow the safety rules and health programs of Halcor
- To follow the Halcor Health and Safety Policy
- To comply with applicable law

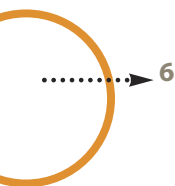


Communication, information

- To immediately inform Halcor of any new risks
- To participate in information/awareness programs

Our concern for health and safety, is not limited only to our people but also includes our associates. Specifically, the safety rules applicable to our employees are mandatory for contractors carrying out work at the Company's facilities. A prerequisite for the commencement of collaboration with any contractor, is that they fill out and sign a special form in which they warrant that:

- they take all necessary safety measures specified by law that are appropriate to the nature of the specific project undertaken.
- they comply with all the provisions of our occupational Health and Safety regulations and the law.



Occupational health and safety

6.2 A safety of culture

A key factor for proper and integrated management of occupational health and safety is the active participation of everyone involved. Everyone has responsibilities and obligations in this sensitive area. Only with the commitment and contribution of our people and the responsibility they demonstrate in the relevant issues will we be able to ensure continuous improvement of our performance. In Halcor, we develop a safety culture according to which employees must care for their own safety, as well as for the safety of their colleagues and other third parties.

“ We are all responsible for protecting health and safety ”

With the aim of constantly raising awareness among our employees in this area, we support and encourage the active participation of all. Our people's views on health and safety issues at work are valued and taken seriously into account in the processes we apply and the programs we design.

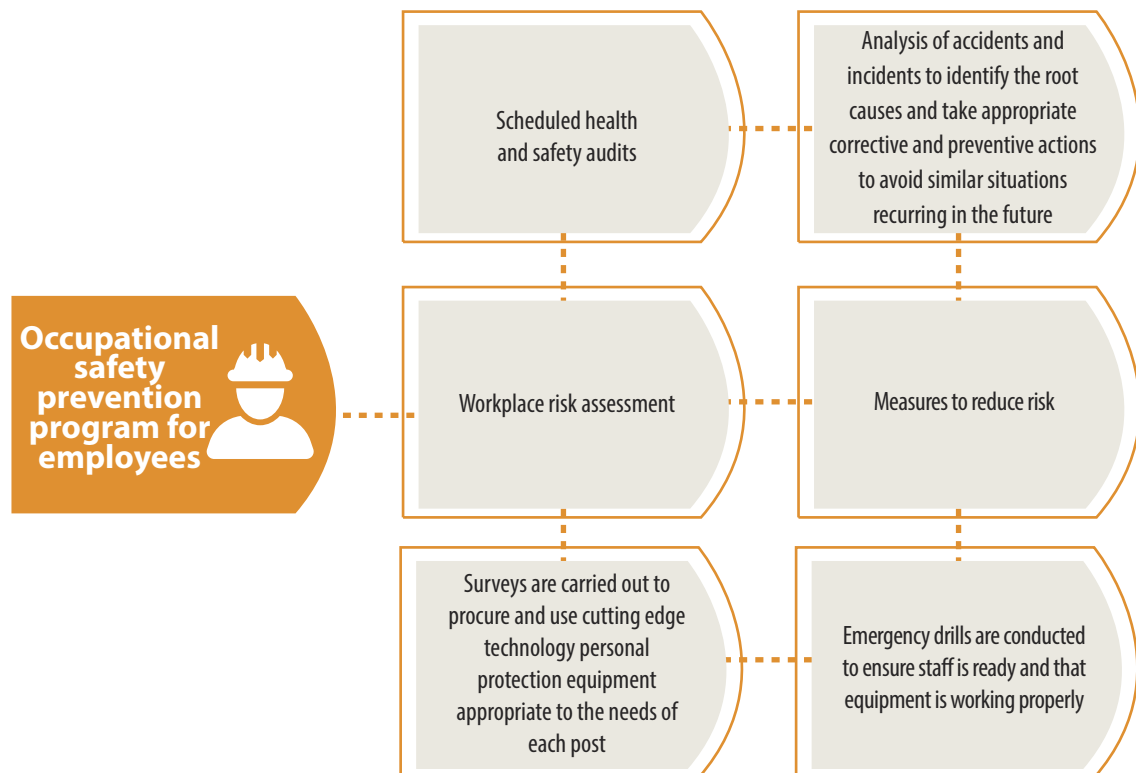
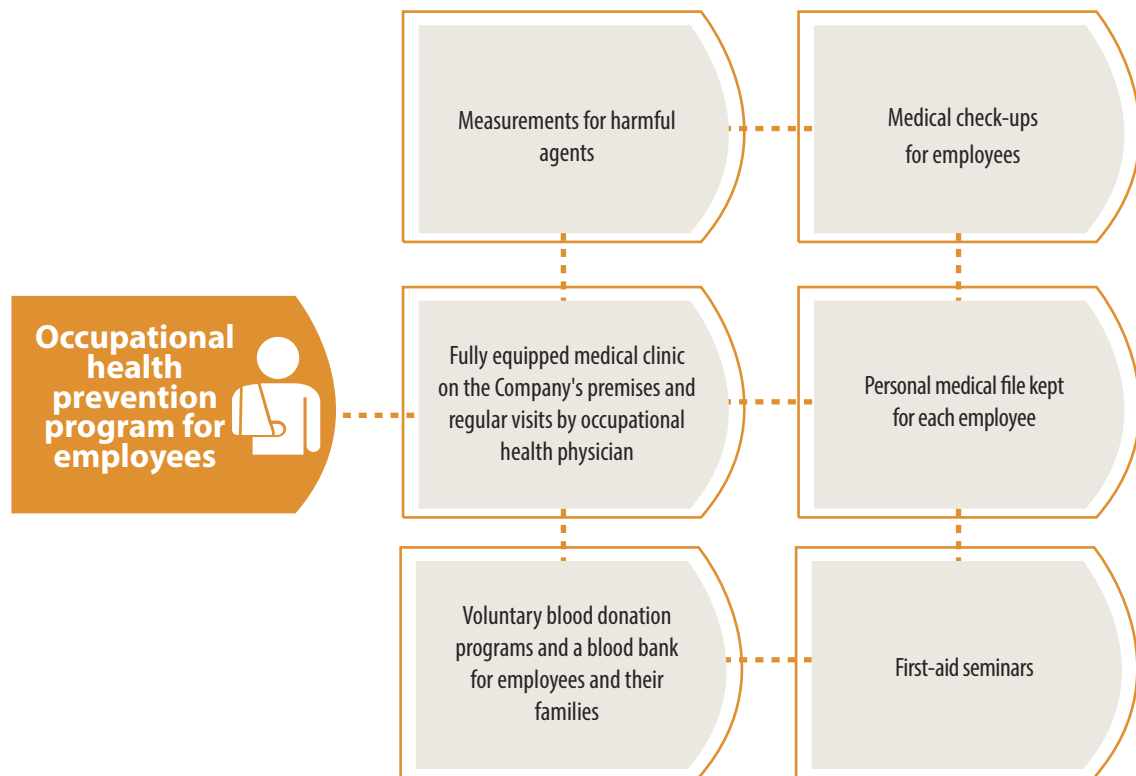
Moreover, a key factor in creating and enhancing a safety culture, is to raise awareness among our employees and associates through a targeted and extensive training program.

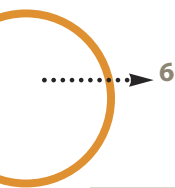
Placing particular emphasis on training our people on health and safety issues, in 2016 we recorded 675 hours of training exclusively for production workers. Out of a total of 308 production workers, 202 (65%) persons were trained on health and safety issues. Additional relevant training of a total duration of 253 hours was provided for the 162 employees of our contractors.

**“ We increased the training hours
for contractors' employees by 109% ”**

The subjects of the training that took place in 2016 included: 1) Application of Occupational Risk Assessment Study, 2) Accident consultation, 3) Cardiopulmonary resuscitation (CPR), 4) Emergencies, 5) Machine locking and unlocking, 6) Safety inside and outside the workplace, 7) Safe start at work, 8) Hearing protection, 9) Unsafe situations, 10) Safe use of forklifts, 11) Safety during maintenance, 12) Safe use of cranes, 13) Fighting work anxiety, 14) Suspension and handling of loads, 15) Fire extinguishing equipment use, 16) Safety in foundries, 17) Prevention through participation, 18) Human error and accidents. At the same time, we carry out a series of actions and activities aimed at promoting and strengthening the “safety culture” as well as at our continuous improvement in health and safety issues, always focusing on prevention.

HALCOR S.A. SUSTAINABILITY REPORT 2016





Occupational health and safety

Case study: Health, Safety and Environment month

The “Health, Safety and Environment month” has become an institution for Halcor and is annually held, since 2010. This information campaign is an important tool for raising awareness and informing our employees and associates on related issues. During the Health, Safety and Environment Month, we promote our priorities in the areas of health, safety and environmental management, through fruitful dialogue, exchange of views and related activities, and this is why we believe that it positively contributes to building a common culture of safe conduct.

In 2016, the main theme of the Health, Safety and Environment Month campaign was providing CPR (cardiopulmonary resuscitation), the use of an automatic external defibrillator and responsible environmental management. In all meetings and events organised during the Month, we highlighted the importance of employees’ participation and commitment in the implementation of occupational safety and safety measures.

Best practice: Updating on serious diseases

In collaboration with the NGO “Volunteers against Cancer- AgaliaZO”, two seminars were held in 2016 on serious illnesses: prevention, early diagnosis and treatment. A two-hour briefing on cervical cancer was carried out for women employees of Halcor, while all employees of the Company attended a two-hour briefing on skin cancer and melanoma.

Compliance

Under the Health and Safety System applied, its compliance with the relevant applicable legislation is evaluated on a yearly basis. In 2016 there has been no non-compliance with the national legislation incident in this sector. Additionally, the Company fully complies with the existing national law as regards the practices of recording, investigation and reporting of accidents to the relevant bodies. In particular, after an adverse event has been entered in the log of accidents kept, on-the-spot check and investigation of the incident conditions are carried out, so that its root causes are found. Following this, corrective and preventive actions are planned and implemented.

“ To this day, no occupational disease has been reported in the Company ”

Reporting incidents is very important, whether this involves an “accident with or without days lost” or a “near miss”, because it is a measure of awareness among workers in accident prevention. Since 2012, we in Halcor have started recording and reporting near misses as well, investigating them for useful conclusions and exchange of information in all facilities, with a view to prevent any recurrence of similar incidents.

For 2016, all incidents were adequately investigated, the causes were understood, while corrective actions were planned and employees were informed on the prevention of conditions that might trigger their recurrence. In particular, incidents are reported during the monthly meeting of the production council, where all heads are informed of the incidents of the other departments. Furthermore, plant managers attend the meetings of other plants, hence information on incidents is also exchanged between plants. The production council is comprised of 20 Halcor executives and meets on a monthly basis on health and safety issues at work.



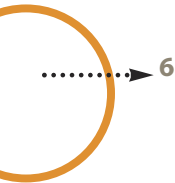
Moreover, on a monthly basis, health and safety meetings are held attended by the Plant Manager, the Safety Technician, the head of the Environment Division, the heads of departments and the employee representative for occupational health and safety issues. During these monthly meetings, all relevant issues are discussed and examined (e.g. updating on any incidents that occurred in the month, presentation of the progress of health and safety programs, corrective and preventive actions that may have been launched, proposals and ideas for the continuous improvement of the Company in this area).

5S System: continuous improvement program

An important tool in our effort to continuously improve occupational health and safety and in the efficiency of resource and equipment management is the implementation of the 5S System, which is a Continuous Improvement Program. The philosophy of the 5S system is based on 5 implementation stages (Sort, Set in place, Shine, Standardise, Sustain). In the context of implementing the 5S System, Halcor has also set relevant goals, with a view to continuous improvement in occupational health and safety.

On an annual basis, scheduled inspections are conducted on all Company facilities by a team of managers. Within a period of about 3-4 days and every two months, all units are inspected, findings are recorded and the relevant report is prepared on the findings that must be resolved and on any suggestions for the improvement of working conditions.

Furthermore, work groups have been created, with the participation of a significant number of employees, while at the same time, in all production sections of the plant and on the external auxiliary areas, tables with photographs (before and after) and various information on the progress of the implementation of the system, have been posted.



Occupational health and safety

6.3 Occupational health and safety performance

In order to monitor and evaluate our health and safety performance, we have established clear and measurable indicators. Halcor's Health and Safety Department manages all relevant issues, controls the correct implementation of safe work measures, ensures the implementation and continuous improvement of the health and safety system in all plants and regularly informs the Management about the performance of the Company in this area.

Health and safety indicators (Halcor's employee)



Total number of employees

2014	416
2015	427
2016	439



Lost time incident frequency rate (LTIFR)

2014	5.03
2015	6.61
2016	4.67



Severity rate (SR=LDR)

2014	47.27
2015	149.2
2016	82.16



Occupational disease rate (ODR)

2014	0
2015	0
2016	0



Training hours on health and safety issues

2014	525
2015	533
2016	675

Health and safety indicators (contractors employees)



Total number of contractors

2014	64
2015	160
2016	162



Lost time incident frequency rate (LTIFR)

2014	0
2015	11.3
2016	6.2



Severity rate (SR=LDR)

2014	0
2015	115
2016	110.2



Occupational disease rate (ODR)

2014	0
2015	0
2016	0



Training hours on health and safety issues

2014	94
2015	121
2016	253

Note: To calculate lost days, counting begins from the next day of the accident.

1) Injury rate: number of accidents (LTI) X 10⁶/ number of man-hours worked.

2) Accident severity rate (SR: Severity rate = LDR: Lost Work Day Rate): number of lost work days X 10⁶/ number of man-hours worked.

3) Occupational Diseases Rate (ODR): number of occupational diseases X 10⁶/ number of man-hours worked.



Our goals for 2017

- 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.
-



7. Environmental protection



Guided by our commitment for the protection of the environment, we ensure our business operation is environmentally responsible. We focus on material issues and we seek through actions and work to continuously reduce our environmental footprint.



Our environmental performance



732

MWh
energy savings per year
due to implementation of
energy saving programs



50%

of the metal consumed
during the production
process of Halcor
came from recycled metals



647

KWh/tn
product
electrical energy



13,728

tn CO₂
total direct
emissions



984

training hours
on environmental
issues



165

Kg CO₂/tn
product specific
direct emissions



1.2

EUR million
investments and
expenditures on
environmental protection



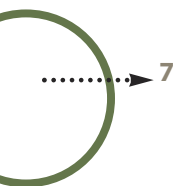
92.6%

of our waste is recycled



99,559

m³
water consumption



Environmental protection



7.1 Our commitment to environmental protection

Respect for the environment is everyone's responsibility. Environmental protection is a commitment to us. In Halcor, we cultivate environmental responsibility as an integral part of our corporate philosophy, having incorporated in our strategy the responsible management of environmental issues related with our business. The strong commitment of the Management in this area is reflected in our Environmental Policy (<http://www.halcor.gr/el/corporate-responsibility/environment/environmental-policy>), which also presents Halcor's overall approach regarding the protection of the natural environment.

Our commitment

- 1** Environmentally responsible business operation.
- 2** Continuously improving our performance in environmental management.
- 3** Saving natural resources (water, energy, raw materials), prevention of pollution and rational management of waste.
- 4** Compliance with applicable Community and national environmental legislation.

Key environmental policy objectives

- 1** Responsible operation of the Company, having full knowledge of the environmental impact and acting appropriately to minimise it.
- 2** Continuous information, training and awareness raising among employees on related issues, aiming at their active participation in the overall effort for environmental management.
- 3** Integrated management of Halcor's environmental issues and implementation of best environmental practices (focusing on material issues).
- 4** Transparency through the involvement of the Company in an open dialogue on environmental issues with all its partners, governmental or non-governmental organisations, academic institutions, local communities and society as a whole.

“ Our objective is to continuously reduce our environmental footprint ”

To achieve this we implement a certified Environmental Management System (in compliance with the requirements of international standard ISO 14001: 2004) in all Halcor production plants. This system allows the identification, evaluation and management of all environmental issues of the Company, focuses on the prevention and minimisation of environmental impacts by taking appropriate and necessary measures and aims to continuously improve Halcor's performance in this area.

ISO 14001 certification at Halcor's plants

Copper tubes

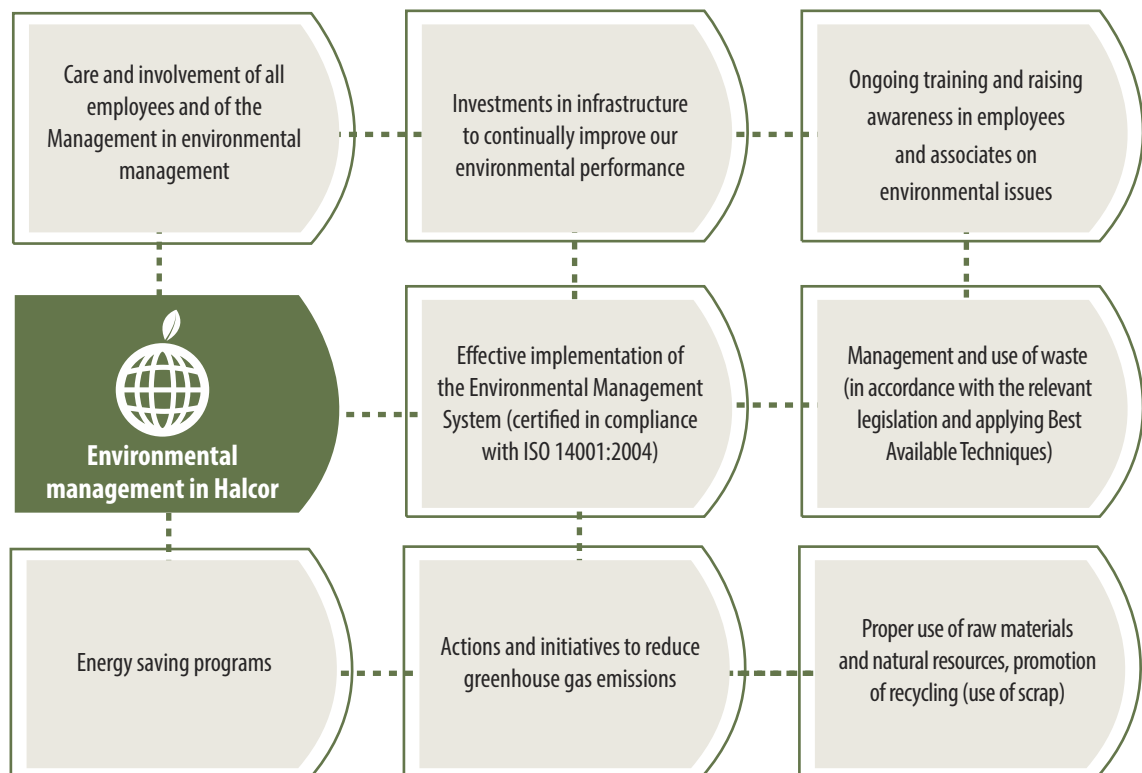
Recycling - melting

Titanium-zinc rolling plant (*)

Polyethylene sheet production line
(plastic and rubber compounds plant)

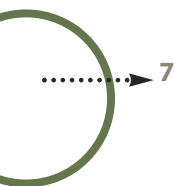
* This plant suspended production activities on 01.01.2011.

Following a sustainability path, we seek the prudent and rational management of the environmental issues associated with Halcor's activity implementing a set of practices, procedures and control systems to continually reduce our environmental footprint.



Environmental compliance

Our goal is to fully comply with the environmental legislation and the maximum allowable emission limits. Under the Environmental Management System applied, its compliance with the applicable national and European environmental legislation is evaluated on an annual basis. At the same time, environmental audits are carried out in all plants, monitoring compliance with the law and with the procedures and environmental measures. As a result, there were no incidents of non-compliance with the applicable national and European environmental legislation in 2016, and there were no complaints, fines or other sanctions for environmental issues.



7 Environmental protection

Our environmental policy in numbers

Having completed a major investment project (more than EUR 1.63 million over the last five years) in environmental infrastructure projects (e.g. construction of a new pipeline routing treated liquid waste, greenhouse gas emissions treatment system, etc.), we prove the emphasis we place on responsible environmental management.

Environmental expenditures and investments breakdown by category	2015 (EUR)	2016 (EUR)
Waste management by licensed contractors	393,530	236,209
Support to Environmental Management Department and consulting services	225,855	283,456
Monitoring environmental parameters	34,762	50,247
New environmental infrastructure and anti-pollution systems	329,731	295,797
Maintenance and operation of environmental protection equipment	402,353	332,454
Landscape improvement and maintenance	15,193	10,800
Total	1,401,424	1,208,990

7.2 Environmental training

Training is a key factor in the continuous improvement of the Company's environmental performance. For this reason, we place particular emphasis on the training of employees of Halcor and of our cooperating contractors, in order to raise awareness on environmental management issues. In the context of the Environmental Management System, we implement a comprehensive training program and issue guidelines for sound environmental management. For 2016 the subjects of the training program included:

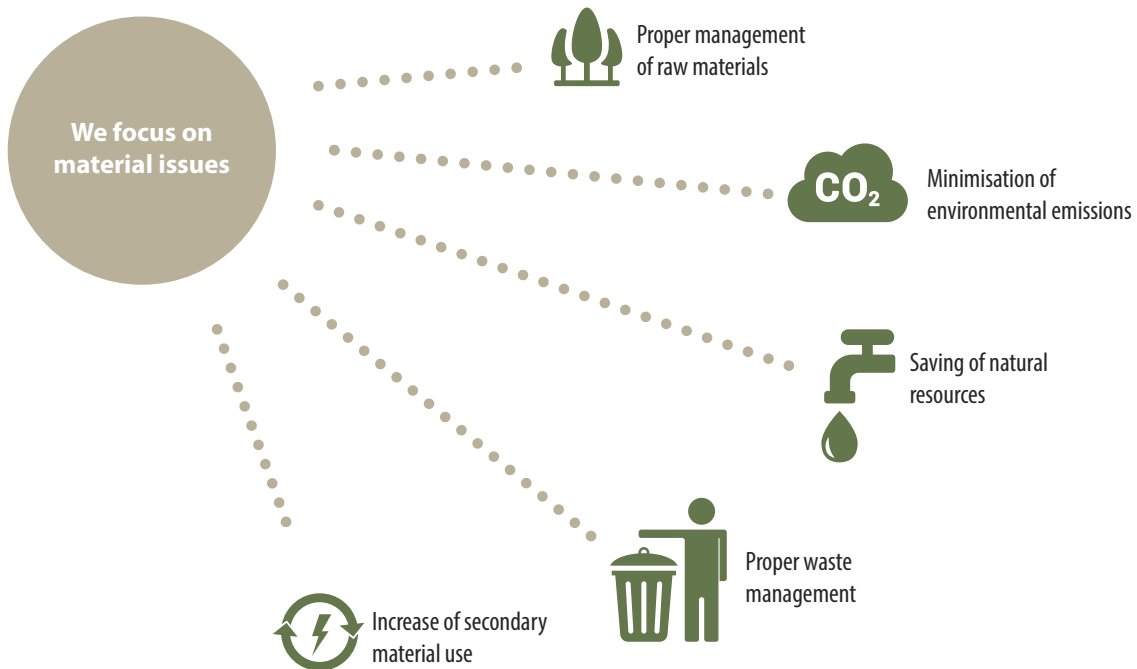
- Updating/training on the Safety Data Sheets
- Recycling, management of waste
- Environmental Management System implementation
- 5S System implementation
- CLP Regulation (explanation of graphs)
- Chemical leakage management.

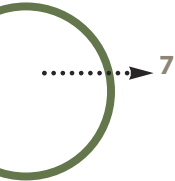
Training on environmental issues	2014	2015	2016
Employees trained (number)	282	277	259
Contractor's employees (number)	64	65	102
Total people trained	346	342	421
Number of workshops held*	30	45	111
Training hours	907	863	984

* Figures for years 2014, 2015 have been corrected due to incorrect registration.

7.3 Reducing our environmental footprint

An essential condition for proper and comprehensive environmental management is the continuous measurement and monitoring of the Company's environmental impacts. Environmental impacts are Halcor's footprint on the environment due to consumption of natural resources, greenhouse gas emissions, and the disposal/recycling/reuse of waste and so on.





Environmental protection

Raw materials

For the needs of the production process the Company sources various raw and auxiliary materials. Our approach and our practice in this area focuses on maximising the efficient use of raw materials. The main raw material of the Company is copper. Halcor 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 importance.

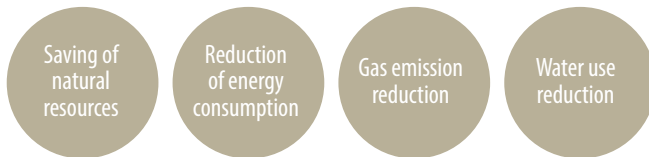
Scrap use and promotion of copper recycling

In 2016, 50% of the metal consumed during the production process of Halcor (along with internal returns) came from recycled metals.

Recycling and reuse of packaging materials

The contributions we have paid to the competent Alternative Packaging Management System (Hellenic Recovery-Recycling Corporation SA /HERRCo) from 2007 to date, correspond to market funding of approximately: 815 blue wheeled bins or 1 recycling collection vehicle.

Benefits of scrap use

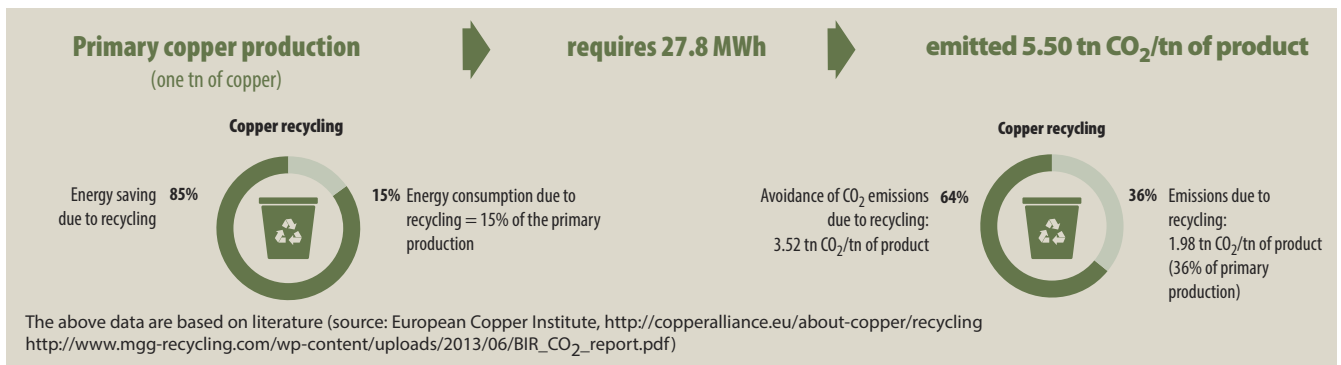


EUR 65,000

our contribution to the Hellenic Recovery-Recycling Corporation for the period 2007-2016.

Copper recycling and benefits

Energy saving, compared to the primary production of the same quantity of copper, is calculated as at least 2,726,894 MWh* within a period of nine years (from 2008-2016), namely the equivalent of annual consumption of a city of 469,000 people (calculated by the EU average).



In the period 2008-2016, the use of scrap was increased by an average of 12,832 tn per year compared to 2007

Avoidance of energy consumption 2,726,894 MWh = Equal to the annual consumption of a town of 469,000 people

In the period 2008-2016, the use of scrap was increased by an average of 12,832 tn per year compared to 2007

Avoidance of CO₂ emissions: 406,533 tn CO₂ = Equal to the annual CO₂ emissions of a town of 38,000 people

*100 GJ/tn is the amount of energy required for the production of 1 tn of primary copper. 85% is the minimum energy saving we have set 2007 as our reference year.

Water use

The phenomenon of climate change, coupled with an increase in the world's population, raises concerns about water availability in the coming years. Since water is one of the most important natural resources, today more than ever, the need for rational management is imperative. To this end, Halcor seeks to use it efficiently and reduce the quantities used to the absolute minimum levels required.

Rational water use

In the production process of the Company, recycling practices (e.g. in the cooling towers and production process baths) are applied where possible, while special emphasis has been placed on the minimisation of liquid waste disposal.

Routing network and new equipment for the transfer of treated liquid waste

The overall project concerns the construction of a new routing network and the installation of new mechanical equipment for the transfer of treated liquid waste from the plant of Fitco SA and Halcor's Melting and Casting Plant at the 59th km and 60th km of the National Road Athens - Lamia, respectively, to Elval S.A. plant at the 61st km of the National Road Athens - Lamia in Oinofyta, of the prefecture of Viotia. The routing network will connect the north to the southern service road of the area and will pass under the National Road Athens-Lamia (E75). Treated liquid waste, through the use of equipment of special, high-end technology and durability for its uninterrupted and safe transfer, will end up at the Liquid Waste Treatment Unit of Elval S.A. for further treatment and subsequent disposal to the existing natural receptor of the area in accordance with the strict limits set by the legislation.

Energy consumption

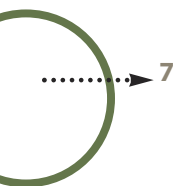
Energy is used, mainly thermal (natural gas, oil) for the Company's operational needs. With regard to energy consumption, according to Halcor's policy, our main goal is to reduce consumption, wherever possible, and to make its use increasingly more efficient.



Energy saving programs

The Company has made significant investments in order to save energy. The actions that have been implemented so far include:

- Replacement of 1,660 energy-saving lighting equipment of 18W T8 with new type LED equivalents of 10W in the administration office lighting (saving 40,900 kWh annually)
- Replacement of energy-saving lighting equipment of 250W, 150W, 36W, 18W with LED type equivalents of 100W, 30W, 18W, 10W respectively in the foundry (saving 63,440 kWh annually)
- Replacement of transformer cooling blowers with A/C in the foundry (saving 108,000 kWh annually)
- Completion of the replacement of lighting equipment in halls from bell-type of 1.000 W with new LED equivalents of 240 W and from 400 W mercury luminaries to new 150 W magnetic induction lamps, in the 100% of the interior lighting of the plant (saving 500 MWh annually).
- At the Copper Tube Plant, 56 lighting equipment (exterior lighting) of 400W were replaced with new LED equivalents of 160W, saving 20 MWh annually.

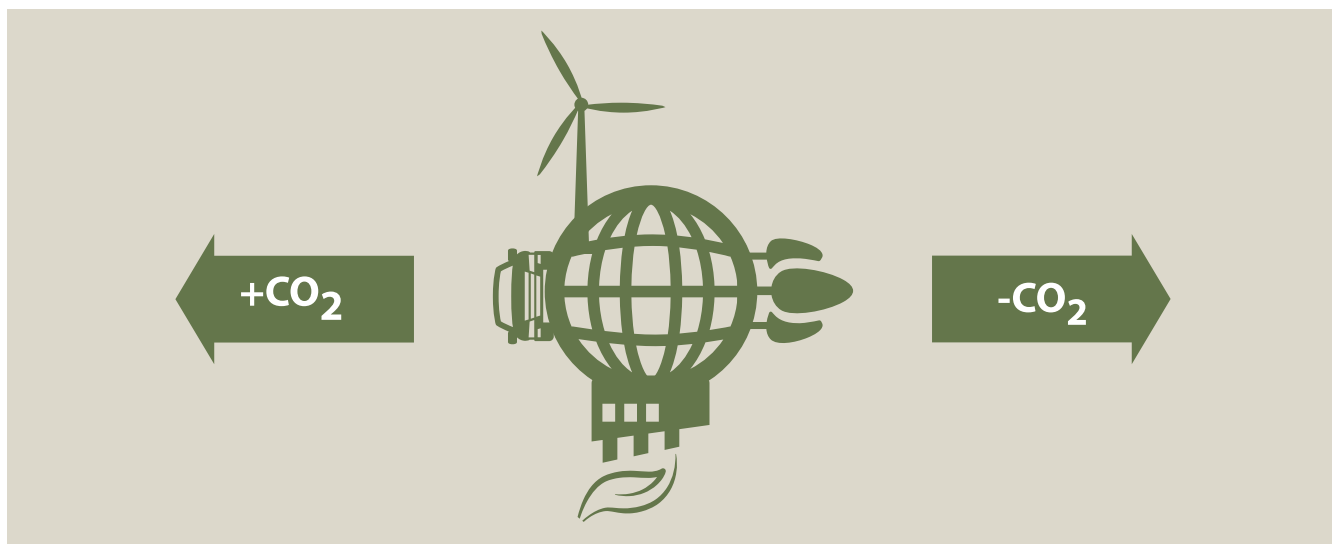


Environmental protection

Climate change and air emissions

Climate change is a major global problem, aggravated by the greenhouse gases released by human activity. Halcor recognises the importance of the problem and makes sure that carbon dioxide emissions resulting from its operation are limited. At Halcor, the main CO₂ emission sources are fossil fuel combustion for thermal energy in production and vehicle traffic.

In order to limit the greenhouse gas emissions resulting from the operation of the Company, we use fuel with lower greenhouse gas emissions per power generated, such as natural gas. Furthermore, frequent and appropriate maintenance and adjustment of equipment and automated systems is carried out, in order to achieve optimal combustion of fuel and therefore minimal emission of pollutants.



Practices for CO₂ emission reduction

In Halcor we monitor (we have a continuous measurement system of suspended solid particles has been installed in the waste gas of the recycling-casting plant's furnaces), record the gas emissions and ensure full compliance with the relevant legislation.

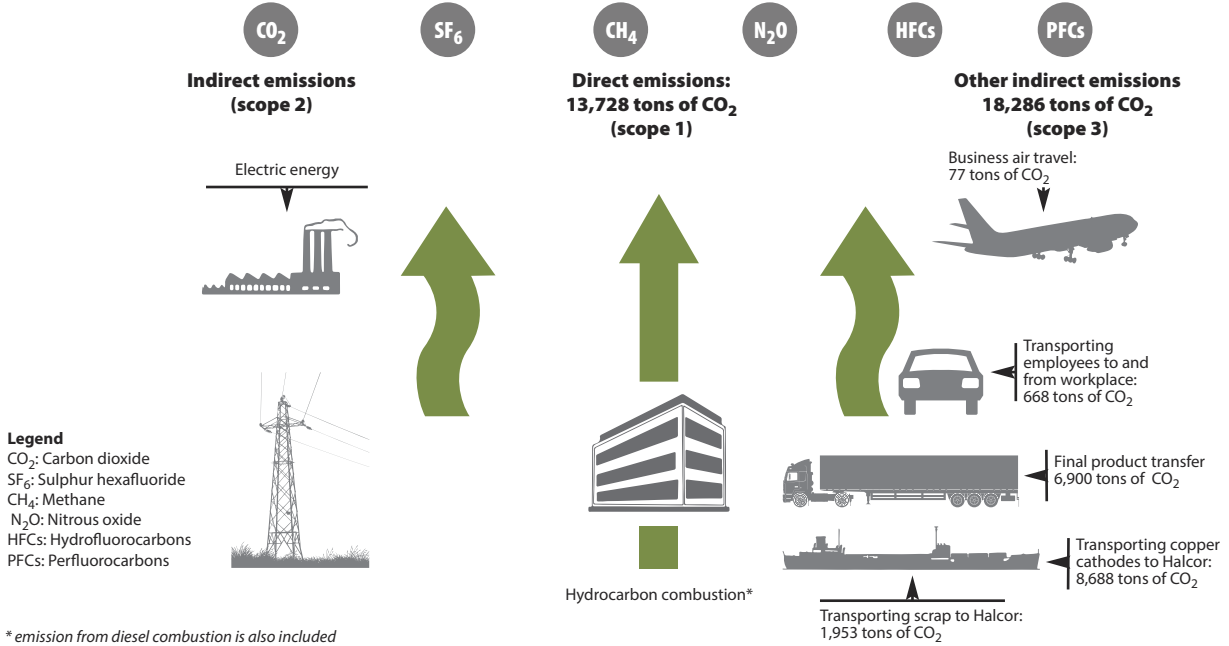
To this day, in accordance with the regular measurements made, the permissible limits set by the existing national law and the environmental terms of the plants have not been exceeded.

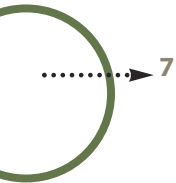
As a result of employee transfers and transport of the Company's raw materials and products, fossil fuels are used and the respective gaseous emissions are generated.

Halcor's relevant initiatives to limit employee travel - hence, the respective CO₂ emissions - are as follows:

- installation and use of teleconference systems for the communication needs with customers and associates based abroad
- provision of accommodation to employees for staying in the local area
- staff transport by company buses
- recruitment of staff from the local community.

Green house gas emissions (2016)



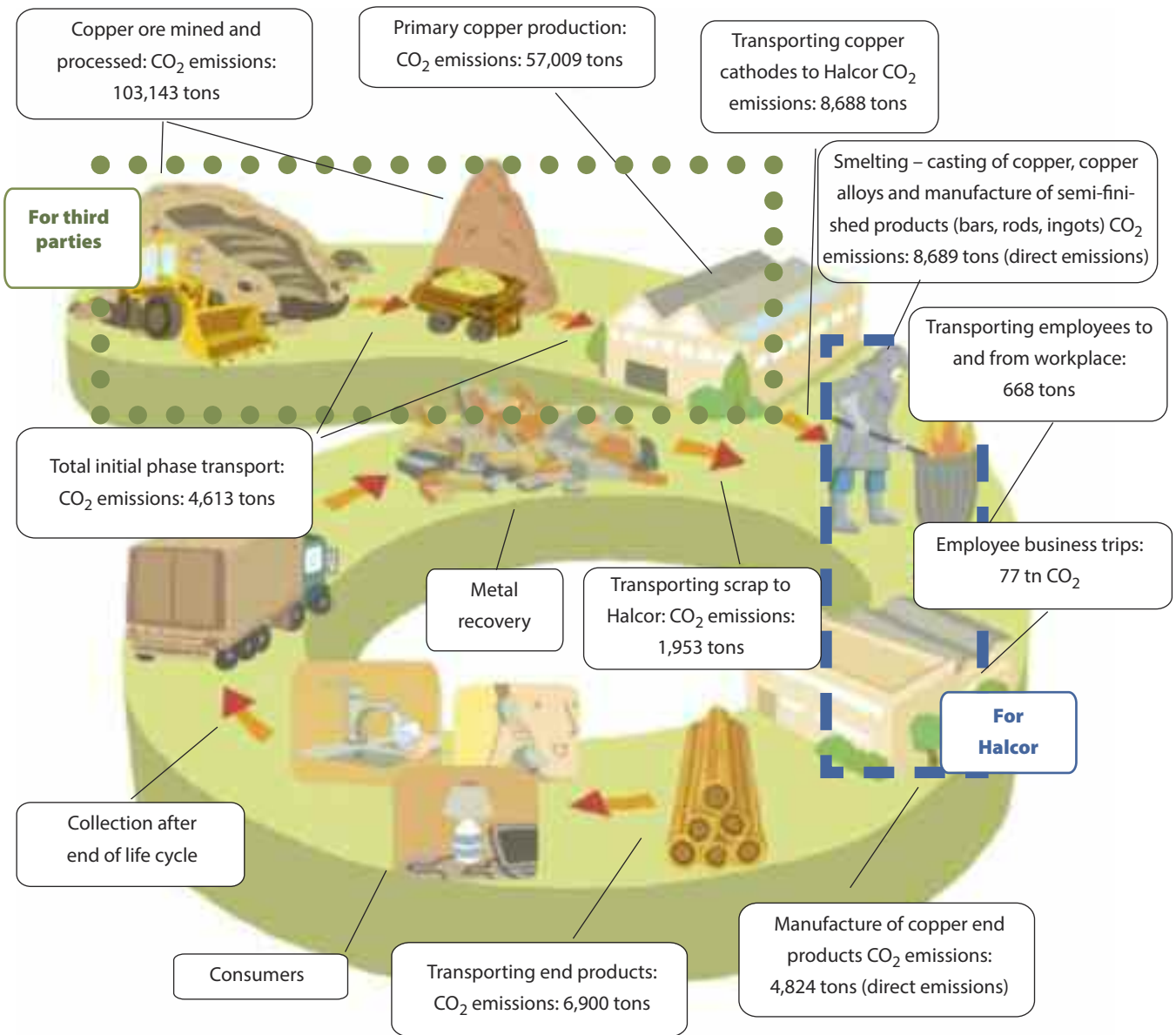


Environmental protection

Halcor's product Life Cycle Assessment

The CO₂ emissions of every phase of the "life cycle" of Halcor's products for 2016 are presented in the following figure.

HALCOR Copper Life Cycle Assessment*



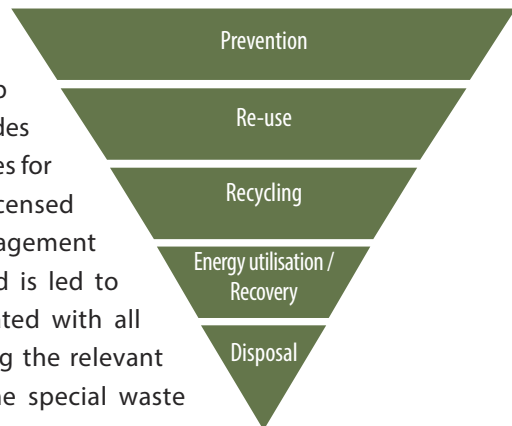
* Apart from the consumer, collection phase after the life cycle end and metal recovery.

(More information as regards the formulas, the method of calculation and the assumptions used, is presented in Appendix II).

Waste management

Halcor has an integrated waste management system (focused primarily on measures to prevent waste generation and subsequent measures for their reduction), covering all production stages right up to final waste disposal. Halcor's approach to waste management includes full compliance with the relevant legislation and focuses on techniques for waste volume reduction and reuse, either within the plant or in licensed external partners. The Company applies Best Available Waste Management Techniques and, as a consequence, most of the waste generated is led to recycling and energy recovery. Note that our Company is affiliated with all Alternative Waste Management Systems (L. 2939/2001) concerning the relevant waste generated. In 2016, waste amounted to 18,580 tn and the special waste production was 225 kg/tn of product.

Ranking of waste management methods



* Recovery (energy or other form of recovery).

2.4%

landfill disposal

5%

recovery*

92.6%

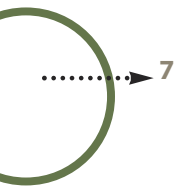
recycling

“Green Mission” environmental initiative for proper battery recycling

The environmental initiative “Green Mission” aims to raise public and company awareness about proper recycling of lead-acid batteries. The objectives of the environmental initiative Green Mission - which is an initiative of Sunlight Recycling - are, among other things, to improve the country's performance as regards the collection ratios for used batteries and to boost public and company awareness of the benefits gained from proper recycling of lead-acid batteries.

The actions of the program have already started and are as follows: for the first two years, 2016-2017, Green Mission's initiative aims at raising awareness and informing 14,000 Greek companies that produce and/or manage significant quantities of industrial waste. Currently, 30 large companies from various industries participate in the Green Mission, among which Halcor too. More information on this initiative can be found at www.greenmission.gr.

For the appropriate management of liquid waste generated from the production procedure, the Company has Liquid Industrial Waste Treatment Systems. In particular, three liquid waste treatment plants operate. The operation of said infrastructure and their diligent operation and maintenance, ensure that the liquid waste leaving the facilities meet the specifications of the provisions governing their disposal to the receiving waters. Furthermore, in accordance with the approved environmental terms, the environmental parameters of treated waste (such as pH, BOD5, COD, total suspended solids, oils and grease - hydrocarbons, heavy metals, temperature, etc.) are monitored on a monthly basis.



Environmental protection

7.4 Our environmental performance

In order to monitor and evaluate our environmental management performance, we have established clear and measurable indicators. Halcor's Environmental Department manages all relevant issues, controls the correct implementation of environmental policy, ensures the implementation of environmental programs and the continuous improvement of the Environmental Management System.



Specific electric energy consumption (KWh/tn of product)

2014	675
2015	658
2016	647



Specific thermal energy consumption (KWh/tn of product)

2014	802
2015	793
2016	814



Total direct CO₂ emissions (tn CO₂)

2014	11,283
2015	12,253
2016	13,728



Specific direct CO₂ emissions (Kg CO₂/tn of product)

2014	146
2015	144
2016	165

* The quantity of direct emissions is calculated based on natural gas consumption in production and the consumption of oil for the transfer.



Total water consumption (m³)

2014	120,612
2015	125,142
2016	99,559



Specific water consumption (m³/tn of product)

2014	1.56
2015	1.47
2016	1.20



Water consumption by source (m³)

Tanker trucks	0.04
EYDAP water supply network	96,180
Oinofyta water supply network	3,379



Specific waste production (Kg /tn of product)

2014	221
2015	223
2016	225

The increase observed in some of the above environmental performance indicators is due to the different mix of finished products.



Our goals for 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 the Recycling - Casting, Copper Tubes 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 edition 14001:2015.
- Environmental control of cooperating companies, regarding waste management.
- Installation of new electromechanical equipment to save energy.





Annex I - Applying international standards and initiatives

Global Compact of the United Nations

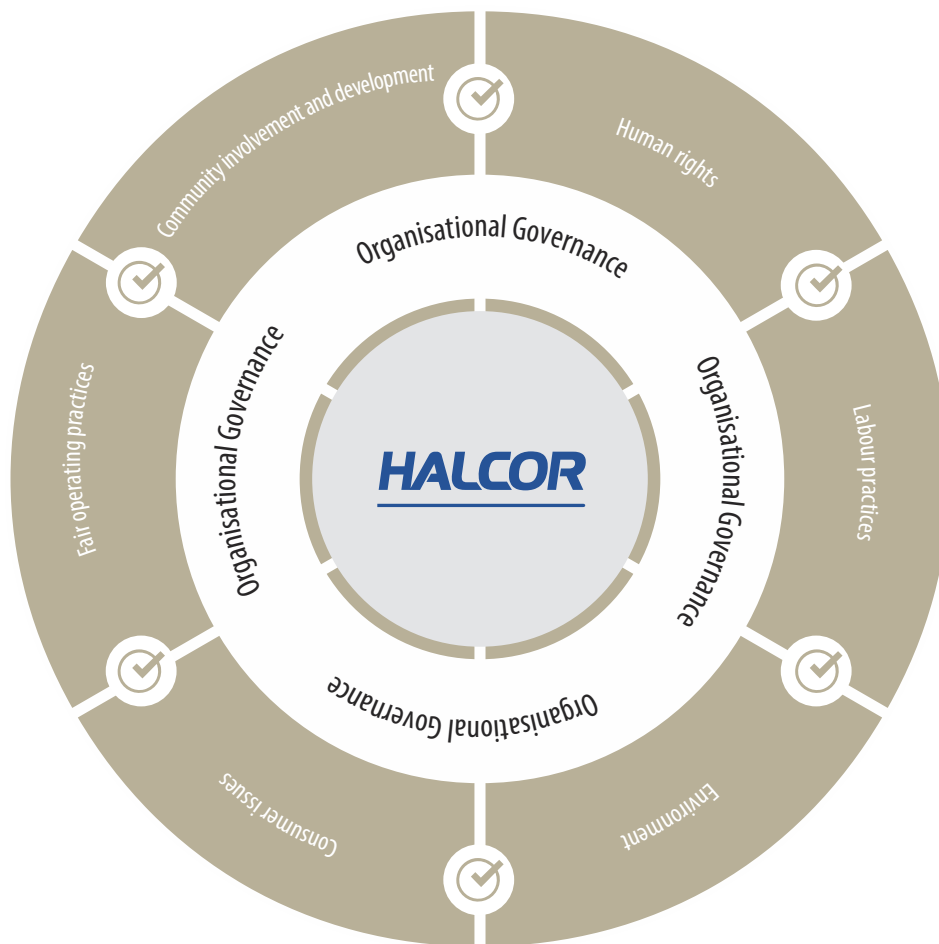
Halcor supports the Global Compact and ensures the incorporation of these ten principles, in the policies, procedures and systems it applies.

The Global Compact's 10 Principles	Halcor's systems, policies and practices	GRI indicators	Report's section
<p>Human Rights</p> <p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.</p> <p>Principle 2: Businesses should make sure that they are not complicit in human rights abuses.</p>	<p>Halcor recognises the importance of compliance and implementation of internationally agreed human rights. In this context:</p> <ul style="list-style-type: none"> • Trainings are conducted as regards human rights, gradually to all human resources of the Company • Policies are followed that support compliance with and implementation of human rights • All security staff of the Company has attended a special training seminar on human rights. 	<p>G4-S01, G4-S02 G4-EC5, G4-11, G4-LA5 to G4-LA8, G4-LA12, G4-LA13 G4-HR1 to G4-HR12</p>	<p>Care for our people</p>
<p>Labour Conditions</p> <p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.</p> <p>Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour.</p> <p>Principle 5: Businesses should uphold the effective abolition of child labour.</p> <p>Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and recruitment.</p>	<p>The Company respects and acknowledges the internationally accepted labour rights. Among other things:</p> <ul style="list-style-type: none"> • Every effort is made to ensure employees' health and safety • A policy of equal opportunities and prevention of all forms of discrimination is implemented • All employees are over 18 years old • The Company is fully opposed to child and forced labour • Controls are conducted on subcontractors for preventing any uninsured employment and for the implementation of safety regulations • In 2016, like in the years before, no discrimination cases in work or hiring process were detected, nor reported. 	<p>G4-11, G4-HR4, G4-LA4 G4-HR6 G4-HR5 G4-10, G4-EC5, G4-EC6, G4-LA1, G4-LA3, G4-LA9, G4-LA11, G4-LA12, G4-LA13, G4-HR3 G4-HR10</p>	<p>Care for our people</p>
<p>Environment</p> <p>Principle 7: Businesses should support a precautionary approach to environmental challenges.</p> <p>Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.</p> <p>Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.</p>	<p>Our concern is to continuously reduce our environmental footprint. To this direction:</p> <ul style="list-style-type: none"> • We implement an ISO 14001:2004–certified Environmental Management System. • We take actions and measures to reduce our environmental footprint. • We invest in new infrastructure and environmental protection and prevention technologies. • We ensure we do the least possible harm to the natural environment. • We adhere to the principle of prevention in managing environmental issues. 	<p>G4-EC2, G4-EN19, G4-EN27, G4-EN31 G4-EN1 to G4-EN34, G4-PR3, G4-PR4 G4-EN2, G4-EN6, G4-EN7, G4-EN10, G4-EN19, G4-EN27, G4-EN28, G4-EN31</p>	<p>Environmental protection</p>
<p>Anti-corruption</p> <p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p>Halcor 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. Furthermore, the Company:</p> <ul style="list-style-type: none"> • Is opposed to any type of corruption and is committed to operate in an ethical and responsible manner. • Implements trainings for executives on transparency and corruption issues, in order to prevent and avoid such phenomena • Implements internal procedures in order to ensure the combating of corruption cases • Ensures the implementation of practices above and beyond those required by the law, acting with integrity and ethics at all times • Adopts mechanisms that promote transparent and responsible business conduct. 	<p>G4-56, G4-57 G4-58, G4-S03 to G4-S06</p>	<p>About Halcor S.A.</p>

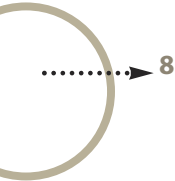
International standard ISO 26000 for Social Responsibility

The ISO 26000 framework of guidelines for Corporate Responsibility issues is a significant and key tool, as it guides a business with clarity into the methods of evaluation and continuous improvement of all its actions and their impact (on an economical, social and environmental level) and of updating all its stakeholders.

Halcor, 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.



Halcor's performance as regards each principle and area of the ISO 26000 is presented in table GRI in the end of the Report, by correspondence of the GRI indexes to the ISO 26000 areas.



Annex I

Greek Sustainability Code – Compliance table



Halcor applies the 20 criteria of the Greek Sustainability Code (Level A).

Pillars	Criteria	Report section
Strategy	1. Strategic analysis and action	4.1 Sustainability: Our approach (pages 66-67), Strategic approach of Sustainability issues (page.67), Applying international standards and initiatives (Annex I) (pages 120-123)
	2. Materiality	4.3 Materiality assessment (pages70-71)
	3. Objectives	Review of Sustainability goals (pages 80-81, 63, 55, 95, 105, 119)
	4. Value chain management	Halcor Group profile in brief (pages 7,9), 3. Sustainability in the supply chain, pages 56-62, 4.3 Stakeholder engagement (pages 70-73)
Process Management	5. Responsibility	4.1 Sustainability: Our approach (page 66), Sustainability Policy (page 68), Sustainability Team (pages 67, 68)
	6. Rules & procedures	4.1 Sustainability: Our approach, Sustainability Policy (page 68), page 67 Sustainability Team, Applying international standards and initiatives (Annex I) (pages 120-123)
	7. Monitoring	GRI G4 content index, Annex II: Key performance indicators, 6.3 Health and safety performance (pages 104-105), 7.4 Our environmental performance, (pages 107, 118)
	8. Rewarding schemes and motives for Sustainable Development	5.5 Remuneration and additional benefits
	9. Stakeholders engagement	4.3 Stakeholder engagement (pages 74-78)
	10. Responsible products and innovation	2. Customer-oriented approach (pages 46-48), 2.1 Investing in research and technology, 2.2 Product innovation
Environment	11. Use of natural resources	7.3 Reducing our environmental footprint (page 111) 7 § Halcor's product Life Cycle Assessment (page 116), 7 § Raw materials (page 108), 7 § Energy consumption, Saving energy, § Waste management (pages 117-118)
	12. Management of resources	7 § Water use (pages 113, 118), 7 § Energy consumption, Saving energy (pages 113, 118), § Waste management (pages 117-118)
	13. Climate change and air emissions	7 § Climate change and air emissions, Air emissions management (page 114)
Society	14. Employment rights	5.3 Respect for human rights and equal opportunities (pages 86, 88), 5.4 Training and employee development
	15. Equal opportunities	5.3 Respect for human rights and equal opportunities (page 86), GRI table, indicators LA12, G4-LA9
	16. Qualifications	5. Care for our people, 5.1 Our people - workforce data (pages 83-86), GRI table, indicators G4-LA9, G4-LA6
	17. Human rights in the supply chain	3.1 Supply chain responsibility management
	18. Corporate citizenship	5.7 Employee volunteer actions (page 95)
	19. Initiatives and political influence	1.5 Participation in networks and organisations (page 22)
	20. Corruption prevention and fighting	1.3 Governance structure (page 17-19), 5.4 Training and employee development (pages 90-91), GRI table, indicators G4-S03, G4-S05, G4-S08

Sustainable Development Goals (SDGs)

UN's "2030 Agenda" and its 17 Sustainable Development Goals (SDGs) adopted in September 2015 by the 193 UN member states, including Greece, is an ambitious commitment that can lead the way for the modern way of doing business. Achieving Sustainable Development Goals (SDGs) is a global challenge, but also an opportunity for the Greek business community and society to exit from the crisis and to achieve the much coveted development taking into account the wider environmental and social constraints and challenges, instead of simply aiming for development regardless of its impact.

Recognising the importance of taking action to achieve these 17 goals, Halcor launched a first approach to understanding and matching Sustainable Development Goals with the actions and programs it implements. Our first objective was to understand these Goals, to determine those that are directly related to our business activity, to identify any new material issues and to confirm that the policies and practices that we are currently implementing are moving in the same direction. From this process, we found that Halcor's practices meet the following eight Goals:



In the next phase, we will broaden the measures, programs and any collaborations made for the contribution of our Company to the other Sustainable Development Objectives. Halcor will monitor developments in this area and will participate in initiatives for the cooperation to achieve these Goals, at a national level.





Appendix II - Key corporate responsibility indicators

Key financial performance

Halcor S.A.'s key financials	2014	2015	2016
Revenue (EUR thousand)	396,015	451,690	420,502
Other revenue (EUR thousand)	3,205	3,367	3,603
Revenue from financial investments (EUR thousand)	98	249	78
Total revenue (EUR thousand)	399,318	455,306	424,183
Operating costs (EUR thousand)	386,056	429,582	390,202
Employee salaries and benefits (EUR thousand)	17,084	17,902	18,023
Payments to capital providers (EUR thousand)	17,568	17,243	15,714
Net profit / (loss) (EUR thousand) – before taxes	(21,390)	(9,422)	(22,773)
Net profit / (loss) (EUR thousand) – after taxes	(16,112)	(11,226)	(21,002)
Net profit / (loss) per share (EUR)	(0.1591)	(0.1108)	(0.2074)
Total payments to government bodies (EUR thousand) (taxes paid)	-	--	
Company investments (EUR thousand)	5,951	18,388	4,555
Total capitalization (EUR thousand)	80,910	24,951	55,800
Equity (EUR thousand)	119,666	105,771	79,215
Total liabilities (EUR thousand)	321,288	332,417	331,370
Total assets (EUR million)	440,953	438,188	410,586

Note: The use of brackets in this table indicates that the numbers are negative.

Halcor's social product

Annual contribution to social development (EUR thousand)	2014	2015	2016
Payments to suppliers (apart from those for materials and intragroup transactions)	42,212	55,918	50,475
Employee salaries and benefits (including social security contributions) (EUR thousand)	17,084	17,902	18,023
Payments to capital providers (EUR thousand)	17,568	17,218	15,672
Company investments (EUR thousand)	5,951	18,393	4,563
Total	82,810	109,431	88,733
Occurred economic value	2014	2015	2016
Total revenue (EUR thousand)	399,318	455,305	424,062

Halcor's Board of Directors

Name	Surname	Position
Theodosios	Papageorgopoulos	Chairman, executive member
Nikolaos	Koudounis	Vice Chairman, executive member
Periklis	Sapountzis	Executive member
Eftychios	Kotsambasakis	Executive member
Tasos	Kasapoglou	Executive member
Georgios	Passas	Non-executive member
Konstantinos	Bakouris	Non-executive member
Christos - Alexios	Komninos	Non-executive member
Andreas	Katsanos	Non-executive member
Andreas	Kyriazis	Independent, non-executive member
Nikolaos	Galetas	Independent, non-executive member

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Board of Directors (breakdown by age and gender)

Gender	Total No. of Board members	<30	30-50	50+
Female	-	-	-	-
Male	11	-	-	11
Total	11	-	-	11

Audit Committee (breakdown by age and gender)

Gender	Total No. of Audit Committee members	<30	30-50	50+
Female	-	-	-	-
Male	3	-	-	3

Customers

Customers geographical distribution / product category (2016)					
	Europe	America	Asia	Africa	Total
Industrial tubes customers	468	27	37	12	544
Installation tubes customers	257	0	2	8	267

Customers geographical distribution		
Customers (tubes customers)	2015	2016
Domestic	58%	59%
International	42%	41%
Total customers	856	811

Purchasing**Number of suppliers per category /origin**

Suppliers categories	2014	2015	2016
Local suppliers	148	136	173
National suppliers (Greece)	991	1,016	1,005
Affiliated companies (Greece)	31	30	30
International suppliers	323	346	333
International affiliated companies	9	9	9
Total (number of suppliers)	1,502	1,537	1,550
Suppliers from the local community (%)	10%	9%	11%

Number of suppliers per category /origin

Suppliers categories	2014	2015	2016
Total metal suppliers	115	102	132
National metal suppliers	28	22	29
Group metal suppliers (national)	10	5	9

Suppliers expenditure distribution per category/origin

Suppliers categories	2014 (EUR million)	2015 (EUR million)	2016 (EUR million)
Total expenditure on suppliers (total suppliers)	387.7	426.3	383.3
Expenditure on metal suppliers	336	368.2	334.1
Expenditure on national metal suppliers (local suppliers)	28.9	36.3	21.3
Expenditure on international metal suppliers	307.1	331.9	312.8
Expenditure on suppliers except metals	51.7	58.1	49.3



Appendix II - Key corporate responsibility indicators

Halcor's purchased materials

Categories	Type of material	Measure-ment unit	Quantity/ volume	2015		2016		Non renewable
				Presence in the final product	Non renewable	Quantity/ volume	Presence in the final product	
Raw materials	Metals	Kg	n/a	√	n/a	n/a	√	n/a
	Metals	pieces	n/a	√	n/a	n/a	√	n/a
	Plastic	Kg	n/a	√	n/a	n/a	√	n/a
	Plastic	pieces	n/a	√	n/a	n/a	√	n/a
	Plastic	m	n/a	√	n/a	n/a	√	n/a
	Plastic	m ²	n/a	√	n/a	n/a	√	n/a
Production related materials	Consumables	Kg	1,949,944	-	n/a	1,468,920	-	n/a
	Consumables	Lt	199,290	-	n/a	171,103	-	n/a
	Consumables	m ³	4,876,336	-	n/a	5,570,064	-	n/a
	Consumables	pieces	77	-	n/a	104	-	n/a
	Fuels	Lt	227,067	-	n/a	217,550	-	n/a
	Fuels	m ³	7,5	-	n/a	7.5	-	n/a
	Fuels	Nm ³	488,036.00	-	n/a	-	-	n/a
	Fuels	MWh	59,459	-	n/a	65,281	-	n/a
	Fuels	Kg	25	-	n/a	-	-	n/a
Supporting materials or spare parts	Spare parts	Kg	100,434	-	n/a	90,319	-	n/a
	Spare parts	m	10,667	-	n/a	12,408	-	n/a
	Spare parts	Lt	1	-	n/a	2	-	n/a
	Spare parts	m ²	70	-	n/a	101	-	n/a
	Spare parts	set	1,079	-	n/a	655	-	n/a
	Spare parts	pairs	17	-	n/a	8	-	n/a
	Spare parts	pieces	111,258	-	n/a	154,122	-	n/a
Packaging materials	Metals	pieces	10	-	n/a	6	-	n/a
	Metals	Kg	34,131	√ (only 29,011)	n/a	37,914	√ (only 32,226)	n/a
	Wood	pieces	127,617	√	-	132,342	√	√
	Wood	m ³	353	√	-	351	√	√
	Paper	Kg	23,184	√	-	26,300	√	√
	Paper	pieces	1,874,939	√	-	1,993,925	√	√
	Belts	pieces	291,900	√ (only 283,243)	n/a	256,370	√	n/a
	Plastic	Kg	260,648	√	n/a	273,392	√	n/a
	Plastic	m	83,600	√	n/a	110,400	√	n/a
	Plastic	Km	857	√	n/a	1,020	√	n/a
Plastic	pieces	209	√	n/a	396	√	n/a	
Plastic plugs	pieces	10,506,300	√	n/a	14,073,511	√	n/a	

n/a: The Company does not publish this information.

Human resources

Total number of employees (31/12)	2014	2015	2016
Men	383	392	411
Women	33	35	28
Total workforce	416	427	439
Third party employees	64	67	64
Employees of different nationalities	21	20	21

Employee breakdown by category	Men	Women	Total workforce
Managers	13	0	13
Senior executives	32	2	34
Office staff	61	25	86
Plant personnel	305	1	306
Total workforce	411	28	439

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Employment per type	2014		2015		2016	
	Men	Women	Men	Women	Men	Women
Full-time employees	383	33	392	35	411	28
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	2014			2015			2016		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Attica	216	27	243	217	27	244	224	20	244
Local community ⁽¹⁾	164	6	170	172	8	180	184	8	192
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	2014	2015	2016
Attica	12	13	14
Local community ⁽¹⁾	395	407	418
Rest of Greece	2	2	2
Other (relocation abroad)	7	5	5
Total	416	427	439

Age distribution 2016

	18-30	31-50	51+
Men	22	258	131
Women	0	21	7
Total	22	279	138

Age distribution (%)

	18-30	31-50	51+
Men	5%	58.8%	29.8%
Women	0%	4.8%	1.6%
Total	5%	63.6%	31.4%

Employee absenteeism rate

	2014	2015	2016
Work day lost	1,125	1,551	1,857
Absenteeism rate	0.90%	1.17%	1.39%

Contractors absenteeism rate

	2014	2015	2016
Work day lost	86	321	219
Absenteeism rate	0.43%	0.58%	0.36%

1) Absentee days include any absence of employees from work due to any inability (e.g. illness, accident), as well as incidents requiring first aid only. Leaves of any kind (e.g. annual regular leave, maternity/paternity, parenting, education, marriage, birth of a child, loss of a relative, etc.) are not included.

2) Absenteeism rate (AR) = number of days lost from work due to inability to work / (total number of employees X average working days per employee) X 100.



Appendix II - Key corporate responsibility indicators

**New employees hires 2016
(by age and gender group)**

	18-30	31-50	51+
Men	15 (39.5%)	18 (47.4%)	2 (5.3%)
Women	2 (5.3%)	1 (3.4%)	0 (0%)
Total	17 (44.7%)	19 (50%)	2 (5.3%)

**New employees hires 2016
(by geographical sector and age group)**

	18-30	31-50	51+
Attica	11 (28.9%)	9 (23.7%)	1 (2.6%)
Greater Viotia and Evia area	2 (5.3%)	14 (36.8%)	1 (2.6%)
Total	13 (34.2%)	23 (60.5%)	2 (5.3%)

Total departures 2016 (by gender and age group)

	18-30	31-50	51+
Men	5 (19.2%)	8 (30.8%)	3 (11.5%)
Women	2 (7.7%)	8 (30.8%)	0 (0%)
Total	7 (26.9%)	16 (61.5%)	3 (11.5%)

Total departures 2016 (by geographical sector and age group)

	18-30	31-50	51+
Attica	4 (15.4%)	13 (50%)	3 (11.5%)
Greater Viotia and Evia area	3 (11.5%)	3 (11.5%)	0 (0%)
Total	7 (26.9%)	16 (61.5%)	3 (11.5%)

Breakdown of departures (category)

	2014	2015	2016
Dismissals	5	5	15
Resignations	2	9	9
Retirements	12	4	2
Total	19	18	26

Employee mobility (%)

	2014	2015	2016
Employee hires (number of new employees hired / total number of employees as at 31 Dec)	5%	6.8%	8.7%
Employee departures (number of employees who left the company / total number of employees as at 31 Dec)	4.6%	4.2%	5.9%

Employee assessment

	2014	2015	2016
No. of employees assessed	44	32	39
Men	31	19	26
Women	13	13	13
Employees assessed who had access to assessment results	100%	100%	100%

Training 2016

Training hours per subject	2014	2015	2016
Health and safety	220	639	811
Sales	58	80	0
Management / Administration	550	1,248	548
Quality and environment	60	64	112
IT issues	147	268	573
Foreign languages	443	363	206
Technical know-how	0	0	276
Total hours	1,535	2,662	2,526

Trained employees 2016 per employment category and gender

Position/Rank	Total training hours			Average training hours		
	Men	Women	Total	Men	Women	Total
Managers	80	0	80	6.2	0	6.2
Senior executives	504	93	597	15.8	46.5	17.6
Office staff	514	302	816	8.4	12.1	9.5
Plant personnel	1,033	0	1,033	3.4	0	3.4
Total	2,131	395	2,526	5.2	14.1	5.8

Occupational health and safety**Occupational health and safety indicators - Halcor**

Plant	2014	2015	2016
Copper tubes	3.6	4.5	4.5
Recycling-melting	14.8	20.9	6.8
Titanium-zinc rolling plant*	0	0	0
Total	5.03	6.61	4.67

Occupational disease rate (ODR)

Plant	2014	2015	2016
Copper tubes	0	0	0
Recycling-melting	0	0	0
Titanium-zinc rolling plant*	0	0	0
Total	0	0	0

* Production has stopped since 01.01.2011

Occupational health and safety indicators (Contractors)

	2014	2015	2016
Total employees	64	160	162
Lost Time Incidents Frequency rate (LTIFR)	0	11.3	6.2
Severity rate / Lost work day rate (SR=LDR)	0	115	110.2
Occupational disease rate (ODR)	0	0	0
Fatalities	0	0	0
Total health & safety and environment training hours	94	121	253

** The above numbers refer to Halcor's contractors in the Recycling- Casting plant (no employees/contractors work at the other plant)

Fatalities

Plant	2014	2015	2016
Copper tubes	0	0	0
Recycling-melting	0	0	0
Titanium-zinc rolling plant*	0	0	0
Total	0	0	0

Severity rate

(SR= LDR: Lost Work Day Rate)

Plant	2014	2015	2016
Copper tubes	44.5	67.5	69.1
Recycling-melting	73.9	682.1	178
Titanium-zinc rolling plant*	0	0	0
Total	47.3	149.2	82.2



Appendix II - Key corporate responsibility indicators

Environment

Specific thermal energy consumption per production plant

Specific thermal energy consumption (KWh/tn of product)	2014	2015	2016
Halcor's total thermal energy consumption	802	793	814
Recycling-melting	457	450	446
Copper tubes	356	365	365
Titanium-zinc rolling	-	-	-
Compounds	1,462	1,371	1,301

Direct energy consumption by type of fuel

Type of fuel	2014		2015		2016	
	Volume	Energy (GJ)	Volume	Energy (GJ)	Volume	Energy (GJ)
Diesel (lt)	212,753	8,212	233,408	9,010	226,031	8,054
Natural gas (Nm ³)	5,246,124	204,599	5,650,075	220,353	5,733,006	235,015
Total (GJ)		212,811		229,363		243,069

*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.

*** Joule conversion factor: Diesel 0.0386 GJ/lt (for years 2014, 2015) (Factor: http://w.astro.berkeley.edu/~wright/fuel_energy.html), natural gas 0.039 GJ/Nm³ (factor: DEPA/Public Gas Corporation of Greece) (for years 2014, 2015)

**** For 2016, the factors of NIR (National Inventory Report) 2017 were used, p. 114. For the conversion of diesel litres to Kg we used the density (average) as mentioned in Joint Ministerial Decision 355/2000/2001. 1 KWh = 0.0036 GJ

Water: All water consumptions are from EYDAP, Elval and purchase invoices (for tanker trucks).

Waste management method

Management method	Quantity (Kg)	Percentage
Recovery	919,060	5%
Recycling	17,211,586	92.6%
Landfill disposal	448,960	2.4%
Total	18,579,606	100%

Recycled metal consumption (%) in relation to total metal consumption (without internal returns)

Year	Percentage
2014	61%
2015	57%
2016	39%

Recycled metal consumption (%) in relation to total metal consumption

Year	Percentage
2014	69%
2015	65%
2016	50%

Breakdown of PPC's fuel compound (as provided by PPC at country's level. 12months, 01/2016-12/2016)

Breakdown of production and interconnections	Percentage
Lignite	37.07%
Oil	-
Natural gas	15.7%
Hydroelectrical	10.29%
Renewable energy	18.6%
Interconnections	18.34%
Total	100%

Environmental impact of transfers of raw material and products and employees' transport

Environmental impact of transports of raw material and products and employees' transport	Significant impact	Quantities	Impact containment measures
Energy use	Yes	The procedure of recording energy \ consumption in various transport phases has started	See also preceding paragraph on "Emissions"
CO ₂ emissions	Yes	The procedure of recording emissions in various transport phases has started	See also preceding paragraph on "Emissions"
Waste due to use of chemical substances (e.g. batteries, lubricants, etc.)	Non significant impact, due to limited quantities and appropriate management in vehicles		
Noise	Non significant impact as the noise levels are limited and in the framework of maritime/ road transport		
Leakage of chemicals, oil etc.	Non significant impact, no leakage incidents have been reported		

Calculation assumptions Halcor Life Cycle Analysis

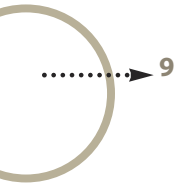
For calculating the CO₂ emitted in the various phases of the Life Cycle, data and assumptions were used as follows:

- 1) For life-cycle analysis of Halcor in 2016, the same assumptions have been used with those of the year 2015 (see 2014 Sustainability Report, p. 117).
- 2) CO₂ emissions from mining and processing of copper ore, from primary copper production, from the initial phases of transport, cathodes and copper scrap have been calculated based on cathode and scrap demand change compared to 2015.
- 3) CO₂ emissions from transporting finished copper products and from employee corporate travels have been calculated based on production change compared to 2015.
- 4) The calculation of CO₂ emissions from employee transfer was based on the change in the number of employees compared to 2015.

Calculation assumptions Fitco Life Cycle Analysis

For calculating the CO₂ emitted in the various phases of the Life Cycle, data and assumptions were used as follows:

- 1) For life-cycle analysis of Fitco in 2016, the same assumptions have been used with those of the year 2015.
- 2) CO₂ emissions from primary metal production, from metals and scrap transport to Halcor for Fitco were calculated based on billet demand change compared to 2015.
- 3) Direct emissions from melting - casting of metals and manufacture of semi-finished products were calculated based on billet demand change compared to 2015.
- 4) CO₂ emissions from employee corporate travels have been calculated based on production change compared to 2015.
- 5) The calculation of CO₂ emissions from employee travel was based on the change in the number of employees compared to 2015.



About our sustainability report

“ Our vision for Sustainable Development is characterised by a continuous effort and willingness of all of us for responsible business. At the heart of this effort we place people, society and environmental protection. We strive for a target of zero incidents by constantly improving our workplace. We ensure we minimise our environmental footprint. We invest in our people, providing an optimal working environment. We build relationships of trust with our customers and associates and are always at their side, supporting the needs of the local communities where we operate.

In 2016, despite the adverse economic conditions both nationally and internationally, we continued and further intensified our self-improvement efforts in Sustainability areas. We focused on substantial actions that help support the local community, practices that continually improve our environmental footprint, actions to raise awareness among our people, promoting athletic ideals and volunteerism. We believe that, as a team, to this day we have achieved a wide and substantial work in this area and are proud of our people.

At this point, we underline the importance of the people who make up the Sustainability Team of Halcor. Since 2009, when this team was set up, we are all working together on a daily basis to realise Halcor's commitment to Sustainability. Our team has a very active and catalytic role. The organised and systematic effort, as well as the excellent cooperation between the Sustainability Team members, has yielded positive results for yet another year, despite any difficulties in the business environment, thus proving that responsible conduct is a firm commitment for Halcor.

Having full confidence in the potential of the Sustainability team members, knowing the will and faith of all of us, we dynamically move forward as a team and as a Company, with the same passion and increased zeal. We will continue to pursue excellence in all Sustainability areas, with a view to creating a single culture where responsibility for the environment, responsibility for occupational safety, responsibility for society will be the part of everyone's mentality. Our motivation is our existing work, the continuous effort to develop our capabilities and the success we have achieved in our industry. ”

Report profile

This Sustainability Report 2016 is the ninth, consecutive annual issue of our Company and reflects our drive towards Sustainability. Aimed at better informing our stakeholders (investors, shareholders, employees, customers, suppliers, etc.), this Report presents our strategic priorities, practices, Halcor's performance and our future goals in the context of responsible business. This issue covers the calendar year 2016 (01/01/2016 - 31/12/2016).

Since 2008, Halcor issues Sustainability Reports on an annual basis. To us, this Report is an important information tool (as it reflects the way we respond to material issues and expectations) for all our stakeholders. All Sustainability Reports issued by Halcor to date are available in electronic form (pdf file) on the Company's website (www.halcor.com), under the section "Sustainability".

Scope and boundary

This Report covers all of the Company's production activity (Halcor S.A.) in Greece, while the scope of reporting does not include the subsidiaries Sofia Med S.A. and Fitco S.A., for which responsible operation information is briefly presented. 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 in accordance with the Guidelines of the Global Reporting Initiative - G4

The Sustainability Report 2016 was prepared in accordance with the Guidelines of the international Organisation Global Reporting Initiative in its latest edition (GRI-G4) and to "In accordance - Core" coverage level. 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 table of contents according to GRI and ISO 26000 is presented in pages 134-141, while the statement of the independent body who verified the Report is available in page 142.

Methodology and project team

Halcor's Sustainability team, among other things, is also responsible for preparing the Sustainability Report. Specifically, Halcor 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-G4, ISO 26000, AA1000, etc.).

The team members that cooperated for this edition, are:

- **Sustainability coordinator:** George Mavraganis
- **Department Representatives - material officers:** Thaleia Aggelidi, Ila Anagnostopoulou, Katerina Kapeleri, Efstratios Kolyfetis, Eftychos Kotsabasakis, Maria Xanthouli, Giorgos Samartzis, Dionysis Skarmoutsos, Vasilis Solidakis, Giorgos Tzortzos, Spyros Hondrogiannis.
- **Scientific associate:** Tania Takou (data collection, evaluation and creation of the Sustainability Report 2016).

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 Halcor 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 142-144 present both the implementation level of the GRI G4 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 Report and look forward to your views and suggestions on the initiatives and actions we present. Your opinion is of great value to us.

Halcor S.A.

George Mavraganis

Strategic Planning Director and Sustainability Coordinator

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GRI G4 content index

Global Reporting Initiative Content Index / GRI-G4 'In accordance' – Core

Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference	External assurance
G4-1	Chairman's statement – Sustainable development strategy	4.7, 6.2, 7.4.2	p. 2-3	√
G4-3	Name of the Company	6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.8	Halcor S.A.	√
G4-4	Primary brands, products, and/or services	6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.8	p. 7, 15, Annual Report 2016, section 4, p. 47-49, www.halcor.com	√
G4-5	Location of organization's headquarters	6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.8	p. 14	√
G4-6	Countries where Halcor operates	6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.8	Halcor operates in 55 countries. p. 8-7, p. 14, p. 125 (Table - Customers)	√
G4-7	Nature of ownership and legal form	6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.8	p. 14	√
G4-8	Markets served	6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.8	p. 5, 7, 8, 12, p. 125 (Table - Customers)	√
G4-9	Scale of Halcor	6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.8	p. 2, 13, 16, 124 (Table: Key financial performance) Halcor does not report the quantity of product sales (total tn) due to competition. Halcor's total sales were EUR 420,502 in 2016.	√
G4-10	Quantitative data of labour force	6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.8	p. 2, p. 83-86, p. 127-128	√
G4-11	Percentage of total employees covered by collective bargaining agreements	6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.8	100%, p.84, p. 127	√
G4-12	Description of Halcor's supply chain	6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.8	p. 57-62, p. 125, Sustainability Report 2015/p.59	√
G4-13	Significant changes during the reporting period	6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.8	There were no significant changes	√
G4-14	How the precautionary approach/ principle is addressed by the organization	6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.8	p. 19, p. 68, p. 70-73, p.98. p. 100-101, p.108, Sustainability Report 2015/p.20-21 Risks management	√
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which Halcor subscribes or which it endorses	6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.8	p. 22, p. 87-89, p. 120-123	√
G4-16	Memberships of associations (such as industry associations) and national or international advocacy organizations	6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.8	p. 22, p. 46	√
G4-17	Entities included in the organization's consolidated financial statements	5.2, 7.3.2, 7.3.3, 7.3.4	Annual Financial Report 2016/ FY 2016 Financial Report (Group and Company) of 31st December 2016, p. 69	√
G4-18	Process for defining the report content and the Aspect Boundaries – Implementation of Reporting Principles for Defining Report Content	5.2, 7.3.2, 7.3.3, 7.3.4	p.66-67, p. 133	√
G4-19	List of all the material Aspects identified in the process for defining report content	5.2, 7.3.2, 7.3.3, 7.3.4	p. 72-73	√
G4-20	Aspect Boundaries within the organization	5.2, 7.3.2, 7.3.3, 7.3.4	p. 73	√
G4-21	Aspect Boundaries outside the organization	5.2, 7.3.2, 7.3.3, 7.3.4	p. 73, p. 141	√
G4-22	Restatements of information provided in previous reports	5.2, 7.3.2, 7.3.3, 7.3.4	p. 110	√
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	5.2, 7.3.2, 7.3.3, 7.3.4	There were no significant changes	√

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Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference	External assurance
G4-24	List of stakeholder groups engaged by Halcor	5.3	p. 74-79	√
G4-25	Basis for identification and selection of stakeholders	5.3	p. 74	√
G4-26	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	5.3	p. 74	√
G4-27	Key topics and concerns that have been raised through stakeholder engagement	5.3	p. 71, p. 76-79	√
G4-28	Reporting period	7.5.3, 7.6.2	p. 132-133	√
G4-29	Date of most recent previous report	7.5.3, 7.6.2	Sustainability Report 2015	√
G4-30	Reporting cycle	7.5.3, 7.6.2	Annual	√
G4-31	Contact point for the report	7.5.3, 7.6.2	p. 133	√
G4-32	Report of the 'in accordance' option – GRI Content Index - External Assurance Report	7.5.3, 7.6.2	GRI-G4 'In accordance' – Core, p. 142 p. 134-141 GRI-G4 context p.142 External assurance of the report	√
G4-33	Policy and current practice with regard to seeking external assurance for the report	7.5.3, 7.6.2	p. 133	√
G4-34	Governance structure of the organization	6.2, 7.4.3, 7.7.5	p. 17-19, Annual Financial Report 2016/ Corporate Governance Statement/p. 3-8, Annual Report 2016/ section 8/ Halcor Management executives	√
G4-56	Organizational values, principles, standards and norms of behavior	4.4, 6.6.3	Mission, Vision, Values (http://www.halcor.com/26/el/Orama-Apostoli-kai-Axies/). This brochure was distributed to all employees, customers, suppliers and Board of Directors. Our Code of Conduct was made public to all employees and the company's website (http://www.halcor.com). Furthermore, a relevant training course on Code of Conduct took place for employees. Our Supplier Code of Conduct was made public to Halcor's suppliers (for further information about the Supplier Code of Conduct visit the Company's website http://www.halcor.com).	√

Economic performance indicators

Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference/comments	Reason(s) for omission/non-disclosure	External assurance
Economic Performance	G4-DMA / Management Approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 2-3, p. 10, p.15-16, p. 66-67	-	√
	G4-EC1: Direct economic value generated and distributed (EVG&D)	6.8.1-6.8.2, 6.8.3, 6.8.7, 6.8.9	p.16, p. 124	-	√
	G4-EC2: Risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue or expenditure	6.5.5	No significant financial implications on the business activities of the Company have been identified. Halcor's Sustainability Report 2012 – p.49-50	-	√
	G4-EC3: Coverage of the organization's defined benefit plan obligations	6.8.7	p. 92. Halcor covers insurance expenses for all employees as defined by the law. Retiring employees receive retirement by relevant governmental authorities. Furthermore, according to the company's policy, the ability to voluntarily participate in a saving program is provided along with the company's support by offering twice the employees' deposited amount. Annual Financial Report 2016/ FY 2016 Financial Report (Halcor Group and Company) of 31st December 2016 - p. 30, p. 48	-	√
	G4-EC4: Financial assistance received from government	-	Annual Financial Report 2016/ FY 2016 Financial Report (Halcor Group and Company) of 31st December 2016/section VI -p. 5, p. 55. Moreover, the Greek State does not have any holding in the Company's share capital.	-	√
Market Presence	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 2-3, p.82, p.84, p.87-89	-	√
	G4-EC6: Proportion of senior management hired from the local community at significant locations of operation	6.4.3, 6.8.1-6.8.2, 6.8.5, 6.8.7	4 (8.5%) out of the 47 Managers and Senior executives come from the local community. p. 85-86, 83, 127-128, 68-69	-	√
Indirect Economic Impacts	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 15-16, 56-62, 85	-	√
	G4-EC8: Significant indirect economic impacts, including the extent of impacts	6.3.9, 6.6.6, 6.6.7, 6.7.8, 6.8.1-6.8.2, 6.8.5, 6.8.7, 6.8.9	p. 2, 5, 13, 16, 124, 23, 46-48, 61-62, 124, 85, 86	-	√
Procurement Practices	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 56-60	-	√



Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference/comments	Reason(s) for omission/non-disclosure	External assurance
	G4-EC9: Proportion of spending on local suppliers at significant locations of operation	6.4.3, 6.6.6, 6.8.1-6.8.2, 6.8.7	p. 57, p. 61-62	-	√

Environmental performance indicators

Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference/comments	Reason(s) for omission/non-disclosure	External assurance
Materials	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 112, 106, 108, 109, 111, 112, 120	-	√
	G4-EN1: Materials used by weight or volume	6.5.4	p. 126, 116	-	√
	G4-EN2: Percentage of materials used that are recycled input materials	6.5.4	p. 63, 126, 130	-	√
Energy	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 47-48, 106, 108, 109, 111, 112-113, 120	-	√
	G4-EN3: Energy consumption within the organization	6.5.4	p. 107, 118, 130. It should be noted that the Company does not purchase biofuels, ethanol and hydrogen and that apart from the generator Halcor uses in emergencies the Company does not generate or sell energy.	-	√
	G4-EN5: Energy intensity	6.5.4	p. 107, 118. Data about energy consumption out of Halcor's boundaries is not available. Energy intensity= Total thermal energy (KWh)/ tn of products. A similar formula is used for electrical energy intensity.	-	√
	G4-EN6: Reduction of energy consumption	6.5.4, 6.5.5	p. 113, 107, 109, 118	-	√
	G4-EN7: Reductions in energy requirements of products and services	6.5.4, 6.5.5	The Company's products do not consume energy p. 47-48, 107, 113, 114	-	√
	Water	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 107, 108-110, 120	-
G4-EN8: Total water withdrawal by source		6.5.4	p. 114, 118	-	√
G4-EN9: Water sources significantly affected r by withdrawal of water		6.5.4	p. 114, 118	-	√
Emissions	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 114, 108-111, 106, 116, 118, 120	-	√
	G4-EN15: Direct greenhouse gas (GHG) emissions (scope 1)	6.5.5	p. 115, 116, 118	-	√
	G4-EN17: Other indirect greenhouse gas (GHG) emissions (scope 3)	6.5.5	p. 116, 118, 123-124	-	√
	G4-EN18: Greenhouse gas (GHG) emissions intensity	6.5.5	p. 115, 116, 118. Greenhouse gas (GHG) emissions (direct or indirect) intensity= total direct or indirect emissions / total tn of products.	-	√
	G4-EN19: Reduction of greenhouse gas (GHG) emissions		p. 114-116, 118	-	√
Effluents and Waste	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 117, 104, 105, 107, 113, 118, 120	-	√
	G4-EN23: Total weight of waste by type and disposal method	6.5.3	p. 113, 118	-	√
	G4-EN24: Total number and volume of significant spills		There were no spills	-	√
	G4-EN25: Weight of transported, imported, exported, or treated waste deemed hazardous		p. 113. The Company does not operate in waste management sector. Halcor fully complies with Law 2939/2001 and in its framework has contracts with all Alternative Waste Management Systems.	-	√
	G4-EN26: Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff	6.5.3, 6.5.4, 6.5.6	There have been no water discharges in protected areas. There has been no negative impact on biodiversity, since no operations in, or adjacent to, protected areas have been performed.	-	√
	Products and Services	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 45, 47-48, 120	-
G4-EN27: Extent of impact mitigation of environmental impacts of products and services		6.5.3, 6.5.4, 6.5.5, 6.7.5	p. 47-48, 50-51	-	√
G4-EN28: Percentage of products sold and their packaging materials that are reclaimed by category		6.5.3, 6.5.4, 6.7.5	Due to the nature of the Company's products, they are not reclaimed, however the Company uses extensive scrap which is metal recycling. During 2016, 50% of the total metals used, was scrap.	-	√
Compliance	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 120, 109	-	√

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Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference/comments	Reason(s) for omission/non-disclosure	External assurance
	G4-EN29: Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	4.6	p. 109	-	√
Transport	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 114, 116, 131	-	√
	G4-EN30: Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	6.5.4, 6.6.6	p. 115, 116, 131. No action is taken to minimize environmental impacts due to the inevitability of products transport. For more information about Company's actions/initiatives concerning the environmental impacts of our employees transportation, see p. 114.	-	√
Overall	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 3, 110, 120	-	√
	G4-EN31: Total environmental protection expenditures and investments by type	6.5.1-6.5.2	p. 110	-	√
Supplier Environmental Assessment	G4-DMA: Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 120, 58, 62-63	-	√
	G4-EN32: Percentage of new suppliers that were screened using environmental criteria	6.3.5, 6.6.6, 7.3.1	p. 120, 58, 62-63. All (100%) new suppliers related to environmental aspects (waste management) are screened using environmental criteria. In 2016, one new supplier was screened according to such criteria. The total number of the Company's new suppliers for 2016 is 227.	-	√
	G4-EN33: Significant actual and potential negative environmental impacts in the supply chain and actions taken	6.3.5, 6.6.6, 7.3.1	p. 58-62. There were no significant actual and potential negative environmental impacts.	-	√
Environmental Grievance Mechanisms	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 111, 120. Not appropriate and considered necessary so far to establish a formal mechanism, because the environmental impact is limited and the Company is open to dialogue with all stakeholders. p. 74-79	-	√
	G4-EN34: Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	6.3.6	There were no grievances	-	√

Social performance indicators

Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference/comments	Reason(s) for omission/non-disclosure	External assurance
Labour practices and decent work					
Employment	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 82-92	-	√
	G4-LA1: Total number and rates of new employee hires and employee turnover by age group, gender and region	6.4.3	p. 84-86, 127, 128	-	√
	G4-LA2: Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	6.4.4, 6.8.7	p. 89, 92	-	√
	G4-LA3: Return to work and retention rates after parental leave, by gender	6.4.4	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). In 2016, 1 female employee took parental leave she was entitled to. All employees who receive such a leave continue working in the Company 12 months after they take this leave.	-	√
Labour/Management Relations	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 76-77, 87	-	√
	G4-LA4: Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	6.4.3, 6.4.5	The company has not established a specific minimum notice period. However, all legal restrictions are applied. Employees are informed directly by the Company's management for every important issue concerning the Company.	-	√
Occupational Health and Safety	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 2, 10, 66, 88, 87, 96-103	-	√



Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference/comments	Reason(s) for omission/ non-disclosure	External assurance
	G4-LA5: Percentage of total workforce represented in formal joint management–worker health and safety committees	6.4.6	p. 102-103. 100% of our employees are fully represented in monthly Health and Safety committees. The Company's Health, Safety Department reports directly to the BoD on relevant issues that may affect the employees.	-	√
	G4-LA6: Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	6.4.6, 6.4.8	p. 102-104, 127, 129. Lost days are considered working days). The figures concern Halcor's production facilities at Oinofyta, Viotia. All of our incidents concern men employees.	-	√
	G4-LA8: Health and safety topics covered in formal agreements with trade unions	6.4.6	There are no relevant agreements-all legal restrictions are applied	-	√
Training and Education	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 66, 84, 90, 92, 99, 110	-	√
	G4-LA9: Average hours of training per year per employee by gender, and by employee category	6.4.7	p. 90, p. 128	-	√
	G4-LA10: Programs for skills management and lifelong learning	6.4.7, 6.8.5	p. 90, 92, 128	-	√
	G4-LA11: Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	6.4.7	p. 86, 128	-	√
Diversity and Equal Opportunity	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 84, 86, 87, 89, 120	-	√
	G4-LA12: Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	6.2.3, 6.3.7, 6.3.10, 6.4.3	p. 85, p. 127-128 Age distribution. Annual Financial Report 2016/ FY 2016 Financial Report/p 6-7. The members of the Board of Directors are of Greek nationality and do not belong in any minority group (ethnic minorities or disabled). All members of the Company's Board of Directors and members of Committees are male and age profile 50+ (for more information see Annual Financial Report 2016/ Corporate Governance Statement section/p. 6-7). All Managers and Senior executives are male (or more information see Annual Report 2016/section 8). No individuals from any ethnic minority or with a disability participate in any company governance bodies (p. 124-125)	-	√
Equal Remuneration for Women and Men	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 84, 86, 97, 89, 120	-	√
	G4-LA13: Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	6.3.7, 6.3.10, 6.4.3, 6.4.4	p. 86, 89 Halcor does not approve remuneration discrimination or any other kind of discrimination. We pay the same salary to men and women who do the same job and ensure that there is no difference through in-cash and in-kind provisions due to gender or type of contract.	-	√
Supplier Assessment for Labour Practices	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 53-60	-	√
	G4-LA14: Percentage of new suppliers that were screened using labour practices criteria	6.3.5, 6.4.3, 6.6.6, 7.3.1	p. 58-62 (the total number of new suppliers working in Halcor's premises is monitored. In 2016, a new supplier/contractor was monitored on working practices issues according to the company's procedures.)	-	√
Labour Practices Grievance Mechanisms	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	The Company enforces an open-door policy, according to which Management is always willing to discuss issues concerning its human resources	-	√
	G4-LA16: Number of grievances about labour practices filed, addressed, and resolved through formal grievance mechanisms	6.3.6	There were no grievances about labour practices	-	√
Human rights					
Investment	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 86-87, 120	-	√
	G4-HR1: Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	6.3.3, 6.3.5, 6.6.6	Not applicable to the Company's activities. So far, no relevant restrictions are included in investment agreements and contracts, since there is no association to the company's work.	-	√
	G4-HR2: Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	6.3.5	During 2016 no educational program took place since it was implemented in 2012 and all manager executives participated (Halcor's Sustainability report 2012, p. 74)	-	√

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Non-discrimination	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 75, 89, 92, 94	-	√
	G4-HR3: Total number of incidents of discrimination and corrective actions taken	6.3.6, 6.3.7, 6.3.10, 6.4.3	p. 120. No such incidents were reported in 2016. At Halcor no incidents of discrimination have ever been recorded.	-	√
Child Labour	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 58, 88, 120	-	√
	G4-HR5: Operations and suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour	6.3.3-6.3.5, 6.3.7, 6.3.10, 6.6.6, 6.8.4	p. 88, 120 There is no risk of 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 Halcor allows employment only for people who are over 18 years old. All contractors are aware of Halcor's policy against child labour and they are monitored regularly to safeguard compliance with company's standards.	-	√
Forced or Compulsory Labor	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 86, 120	-	√
	G4-HR6: Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	6.3.3-6.3.5, 6.3.10, 6.6.6	p. 86, 120 There is no risk of compulsory labor. The Company is against compulsory labor.	-	√
Human Rights Grievance Mechanisms	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 86-87, 120	-	√
	G4-HR12: Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	6.3.6	There were no grievances about human rights impacts	-	√
Society					
Local Communities	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 3, 76-77, 94-95	-	√
	G4-S01: Percentage of operations with implemented local community engagement, impact assessments, and development programs	6.3.9, 6.5.1-6.5.3, 6.8	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.	-	√
	G4-S02: Operations with significant actual and potential negative impacts on local communities	6.3.9, 6.5.3, 6.8	There are no negative impacts to local communities as the Company takes all the necessary measures and fully complies to the legislative framework	-	√
Anti-corruption	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 68, 92, 120	-	√
	G4-S03: Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	6.6.1-6.6.2, 6.6.3	Annual Financial Report 2016 – Corporate Governance – p. 3-4. All business units are being systematically audited. There have been no incidents of corruption.	-	√
	G4-S04: Communication and training on anti-corruption policies and procedures	6.6.1-6.6.2, 6.6.3, 6.6.6	p. 59,92. Our Code of Conduct includes our expectations regarding anti-corruption. All of our employees are informed about Halcor's Code of Conduct. All new employees are explicitly informed based on the company's Internal Regulation which includes relevant issues. p.86-87 Furthermore, seminars on anti-corruption have been implemented where executives and employees of the Company have received relevant training.	-	√
	G4-S05: Confirmed incidents of corruption and actions taken	6.6.1-6.6.2, 6.6.3	No such incident was recorded in 2016.	-	√
Compliance	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 62, 73, 76-77, 88, 98, 102, 108, 109, 114, 117, 120	-	√
	G4-S08: Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	4.6	There have been no incidents of non-compliance in 2016	-	√
	G4-S011: Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	6.3.6, 6.6.1-6.6.2, 6.8.1-6.8.2	There were no grievances about impacts on society	-	√



Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference/comments	Reason(s) for omission/ non-disclosure	External assurance
Product responsibility					
Customer Health and Safety	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 23, 52	-	√
	G4-PR1: Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	6.7.1-6.7.2, 6.7.4, 6.7.5, 6.8.8	Copper has a positive impact on Health and Safety of the Users and therefore, the company develops products with suitable applications	-	√
	G4-PR2: Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	4.6, 6.7.1-6.7.2, 6.7.4, 6.7.5, 6.8.8	There were no incidents of non-compliance with regulations or voluntary codes in 2016	-	√
Product and Service Labeling	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 50-52	-	√
	G4-PR3: Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	6.7.1-6.7.2, 6.7.3-6.7.5, 6.7.9	p. 50-52 All products are accompanied with the appropriate documents, signs and quality labels according with relevant regulation and/or law.	-	√
	G4-PR4: Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	4.6, 6.7.1-6.7.2, 6.7.3-6.7.5, 6.7.9	There were zero incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling in 2016.	-	√
	G4-PR5: Results of surveys measuring customer satisfaction	6.7.1-6.7.2, 6.7.6	p. 52-55	-	√
Marketing Communications	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	All promotion and advertising activities of Company products are conducted in accordance with the applicable legislation and regulations. The Company does not sell products that are the object of public consultation or dispute. Furthermore, the Company is voluntarily committed to provide full and clear information, adopting the Hellenic Advertising and Communication Code.	-	√
	G4-PR7: Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	4.6, 6.7.1-6.7.2, 6.7.3	There have been no incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.	-	√
Compliance	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 50-52, 67, 44-45	-	√
	G4-PR9: Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	4.6, 6.7.1-6.7.2, 6.7.6	There were no such fines in 2016. The Company fully complies with the laws and regulations on use of products and services.	-	√

HALCOR S.A. SUSTAINABILITY REPORT 2016

Boundaries of relevant topics and material aspects outside Halcor

No	Halcor's materiality issues	GRI Aspects	Boundary outside the organization	Report section
1	Company's growth and financial position	Economic performance	€	1. About Halcor S.A.
2	Employee and third party health and safety	Occupational health and safety	Person icons	6. Occupational health and safety
3	Waste and wastewater management	Effluents and waste	Waste icon	7. Environmental protection
4	Energy use and climate change	Energy	Energy icon	7. Environmental protection
5	Raw materials use	Materials	Materials icon	7. Environmental protection
6	Water use	Water	Water icon	7. Environmental protection
7	Air emissions	Emissions	Emissions icon	7. Environmental protection
8	Supporting local communities (supporting local employment and local entrepreneurship)	Local community	Local community icon	5.8 Social actions
9	Legal and regulatory compliance	Compliance	Compliance icon	6. Occupational health and safety 7. Environmental protection
10	Supply chain responsibility	Supplier environmental assessment Supplier assessment for Labourpractices	Supplier icon	3. Sustainability in the supply chain
11	New investments and market share	Market presence	€	1. About Halcor S.A.
12	Employment ensurance	Employment	Person icons	5. Care for our people
13	Employee training and development	Training and education	Person icon	5. Care for our people
14	Customer satisfaction	-	Customer icon	2. Customer-oriented approach
15	Use of recycled metal (scrap)	Product and service	Recycling icon	7. Environmental protection
16	Product and service quality	Product and service Labeling, Compliance	Quality icon	2. Customer-oriented approach
17	Equal opportunities	Diversity and equal opportunities	Person icon	5. Care for our people
18	Anti-corruption	Anti-corruption	€	Appendix I Applying international standards and initiatives



The photographs in this Report were taken by the photographers Spyros Haraktinos, FBRH Consultants Ltd. and Anastasios Liatis.



The paper from our Report was printed on was produced from FSC forests and plantations and contains 60% recycled paper pulp.

Assurance statement for the report

TÜV AUSTRIA Hellas Independent Assurance Statement for HALCOR's Sustainable Development Report 2016



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 Corporate Responsibility and Sustainable Development Report 2016 ('the Report') of HALCOR S.A. ('the Company'). The Company is exclusively responsible for the data and information within the Report. The assurance process was conducted by the Provider in terms of sample-based audits of data and information, as well as audits of data collection systems and procedures. Economic and financial data were not verified. Instead, they were assessed with respect to the information contained in the 2016 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 2017:

1. Review of the Report against the requirements of:
 - Global Reporting Initiative (GRI) Sustainability Reporting Guidelines G4, in order to confirm that the GRI-G4 "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 CSR Team and the main executives, at the Company's factory for 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 the Report's chapters under the title "Human Resources", "Health & Safety" and "Client-oriented Approach" 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 reason-

ably 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-G4 "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-G4:

- Assurance of the Report's qualitative information too.
- Provision of information for additional GRI G4 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.

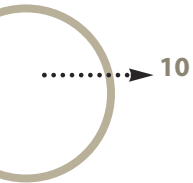
C. Greek Sustainability Code:

- The opportunities and risks of the Company's main activities, in the context of Sustainable Development, are not reported.
- The long-term objectives regarding the material activities of the Company, in the context of Sustainable Development, are not reported.

Statement of Independence, Impartiality and Competence

TÜV AUSTRIA Hellas member of TÜV AUSTRIA Group is an independent professional services company that specializes in quality, environmental, health, safety and social accountability. The TÜV AUSTRIA Group is a Group with International presence founded in 1872. TÜV AUSTRIA Hellas was the first subsidiary to be founded outside Austria in 1994, has become a market leader in Greece. Its assurance team has extensive experience in conducting verification over environmental, social, ethical and health and safety information, systems and processes.

TÜV AUSTRIA Hellas is an accredited certification body which operates a Quality Management System which complies with the requirements of several accreditation standards, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



Assurance statement for the report

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 HALCOR regarding management systems certification activities. Our assurance team does not have any involvement in other projects with HALCOR that would cause a conflict of interest and has never provided any consulting services to the Company.

On behalf of TÜV AUSTRIA Hellas,
Athens, 22nd of May 2017

Kallias Yiannis
General Manager



Sifakis Nikolaos
Lead Auditor

Note: This Independent Assurance Report has been prepared as a translation of the original Greek version

Sustainability report feedback form

Halcor strives to maintain an open, transparent and two-way dialogue with those who are interested in its activities. Please fill out the questionnaire below to record your views about the Halcor 2016 Sustainability report, or express any concerns or issues you identified during your collaboration with Halcor. This will actively assist us in our attempt to improve our performance ratings and the annual Sustainability report.

What Halcor stakeholder group do you belong to?

- | | | |
|---|--|--|
| <input type="checkbox"/> Employee | <input type="checkbox"/> Supplier | <input type="checkbox"/> Public/Statutory body |
| <input type="checkbox"/> Shareholder / Investor | <input type="checkbox"/> Local community | <input type="checkbox"/> Mass media |
| <input type="checkbox"/> Customer | <input type="checkbox"/> Non-governmental organisation | <input type="checkbox"/> Other: |

Please evaluate the content and quality of this report on the basis of the following criteria:

Criteria / Features	Excellent	Very good	Satisfactory	Needs improvement
Material issues included in relation to the company's activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Data comparability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Data transparency	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Balance between sections	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainability goals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Actions under each area of sustainability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Reference to international standards and systems	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Ability to find information of interest to you	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Visual illustrations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Which of the following sections of the report were most useful and important in addressing the information that interests you with regard to Halcor?

Report sections	Very good	Needs improvement
Message from the Chairman	<input type="checkbox"/>	<input type="checkbox"/>
Halcor Group profile in brief	<input type="checkbox"/>	<input type="checkbox"/>
About Halcor S.A.	<input type="checkbox"/>	<input type="checkbox"/>
Customer-oriented approach	<input type="checkbox"/>	<input type="checkbox"/>
Sustainability in the supply chain	<input type="checkbox"/>	<input type="checkbox"/>
Creating value (Stakeholder engagement)	<input type="checkbox"/>	<input type="checkbox"/>
Care for our people	<input type="checkbox"/>	<input type="checkbox"/>
Occupational health and safety	<input type="checkbox"/>	<input type="checkbox"/>
Environmental protection	<input type="checkbox"/>	<input type="checkbox"/>
GRI-G4 and ISO 26000 indicators table	<input type="checkbox"/>	<input type="checkbox"/>



In your opinion, did Halcor’s Sustainability Report include sufficient information to enable you to gain an overall picture of its actions?

Yes No Needs improvement

Is there any information or data about the Company that you looked for but could not find in the report? Please explain:.....
.....

Please describe basic concerns or issues you have identified during your cooperation with the Company which you wish to communicate

What actions do you suggest the Company should take to respond to your concerns?

Personal details (optional):

Name-surname:
Company / Organisation:
Address:.....
Tel./Fax:E-mail:

Please send the completed form to the address below:

Halcor, attn. G. Mavraganis, Strategic Planning Manager and Sustainability Coordinator
62th km Athens-Lamia National Road, GR-32011, Oinofyta, Viotia, Greece
e-mail: csr@halcor.com or by fax to +30 22620 48910

All data submitted on this form will be used exclusively for internal assessment by the Strategic Planning Division of Halcor which is responsible for and sustainability issues. Personal data is protected in the manner laid down by the privacy legislation.

Contact details:

- Strategic Planning Division (Sustainability Coordinator) - csr@halcor.com
- Finance Division - finance@halcor.com
- Domestic Sales Department - domestic@halcor.com
- Exports Department, Copper Tubes Installations - installations@halcor.com
- Exports Department, Industrial Copper Tubes - industrial@halcor.com
- Marketing Department - marketing@halcor.com
- Supply Chain Department - supplychain@halcor.com
- HR Division - hr@halcor.com