



# Annual Report 2015





# 2015 at a glance

**2nd largest  
manufacturing  
company in Europe**

**22 Companies  
in 8 different  
countries**

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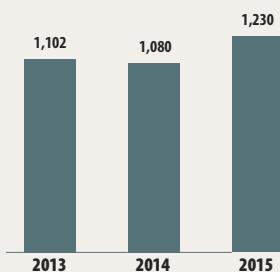
## 10 production facilities in 3 countries

## 82.7% of the Group's revenue comes from areas other than Greece

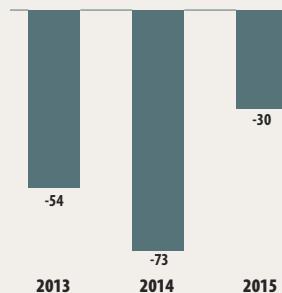
### Activities

- Halcor Group is primarily involved in the production and trade of copper, copper and zinc alloy products, and cables.
- The Group is ranked second among the top European manufacturers of copper products.
- The Group's structure includes 22 companies established in 8 different countries and in particular Greece, Bulgaria, Romania, United Kingdom, France, Germany, Turkey and Cyprus. The above companies provide their customers with a diversified product portfolio including copper and brass tubes, copper and brass rolled and extruded products, zinc rolled products and cables.
- The Group owns 10 production facilities overall in Greece, Bulgaria and Romania.
- Halcor SA is a subsidiary of Belgium-based holding company Viohalco S.A./NV.
- The Group's orientation to international markets and extrovert attitude are the key factor of its success to date. During 2015, 82.7% of the Group's revenue was obtained beyond Greece. A set of specially designed processes based on the customer-oriented philosophy inspiring Halcor serves the Group's premium international clientele.

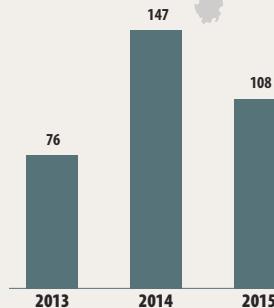
**Revenue**  
(million euro)



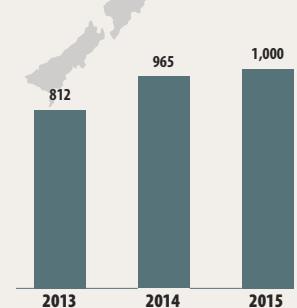
**Results before taxes**  
(million euro)



**Equity and liabilities**  
(million euro)



**Total assets**  
(million euro)





# Message from the General Manager

2015 was yet another challenging year for Greece at both political and economic level. The year was marked by strong political instability as illustrated by two elections and the referendum that took place in July. As expected, political uncertainty had an adverse effect on Greece's economic recovery which was further slowed down by the short bank holiday which coincided with the referendum and the capital controls that were further imposed. In economic terms, the year was also marked by the third economic adjustment programme for the Greek economy signed between the Greek government and its partners.

As regards the international economic environment, the growth rates in the Eurozone were slightly on the rise compared to the previous year, yet the mediocre recovery of manufacturing activities and the strong competition had a negative effect on conversion prices as well as on the sales volumes involving a large number of Group products. Overall, demand for industrial products in the key European markets followed a stabilising pattern throughout 2015.

On the other hand, the ongoing improvement of economic conditions in the USA and the United Kingdom combined with the downward trend of Euro compared to both USD and GBP helped Group products become very competitive in these markets.

An outstanding development which filled us with pride took place in 2015, Halcor Group is now ranked as the second largest European manufacturer of copper products while the Oinofyta-based plant of Halcor is the largest plant in Europe in terms of production.

Last year was also worthwhile noting for the cables segment too. 2015 was the first year in which Fulgor plant fully employed its production units following the extensive investment programme that materialized during the previous years in the company's industrial complex in Soussaki, Corinth. This fact combined with the execution of two major submarine cable projects, i.e. the Cyclades interconnection and the interconnection of Agios Georgios island boosted considerably the segment's revenue.

In addition to all the above, the Group attained a significant improvement of its financials during 2015. Specifically, during 2015 the consolidated revenue amounted to euro 1,230 million compared to euro 1,080 million last year, registering a significant increase of 13.9%.

Higher sales are mainly attributed to a 9.6% increase in the sales volume as well as to the improved sales mix. Given the increase in the sales volume, it becomes evident that during 2015 the Group gained important market shares since the markets in which it operates stabilised by and large and in some cases even downward trends were noted.

As regards sales portfolio, by taking targeted steps focusing on developing markets and new products, the Group managed to expand the sales volumes of copper tubes.

In terms of geographical markets, the increase was mainly noted in EMEA (Europe, Middle East, Africa) markets where both existing and new customers increased their business, as well as in new markets (USA and markets of the former Soviet Union).

The Group's gross profit during 2015 rose to euro 55.7 million from euro 29.9 million in 2014, i.e. an 86.3% increase. It is worthwhile noting that in 2015 the industrial cost was considerably reduced owing to a decrease in energy prices combined with the optimisation of the production process.



Consolidated earnings before interest, taxes, depreciation and amortisation before re-assessment of the fixed assets fair value were almost tripled and amounted to euro 51.6 million from euro 18.2 million in 2014 despite the fact that they also include metal loss of euro 20.5 million due to the international drop in copper prices compared to metal loss of euro 11.0 million in 2014.

Metal prices were relatively volatile. Overall, copper price fell in 2015 and amounted to euro 4,952 per ton from euro 5,169 per ton in 2014. On the contrary, zinc price was on the rise and at the end of 2015 amounted to euro 1,736 from euro 1,634 per ton in 2014.

The Group's operating expenses were contained and remained relatively stable, amounting to euro 35.0 million compared to euro 34.5 million in 2014.

Consolidated earnings before interest and taxes following re-assessment of the fixed assets fair value were also increased considerably and stood at profits of euro 19.5 million compared to loss of euro 5.3 million last year.

The Group's pre-tax loss amounted to euro 29.8 million compared to loss of euro 73.0 million in 2014, reduced by 59.2%. Finally, results attributable to the owners of the Company amounted to loss of euro 32.5 million compared to loss of euro 51.2 million in 2014.

Dedicated to its commitment to make continuous investments aiming at the manufacture of top quality products, in 2015 the Group carried out investment programmes totalling euro 23.6 million concerning the upgrade of the production units of the parent company's Oinofyta-based tubes plant, and the enhancement of productivity and manufacture of high added value products in the premises of Hellenic Cables and Sofia Med.

# Message from the General Manager

Moreover, during 2015, Halcor entered into a partnership with the Turkish company “Cantas A.S.” to set up “HC” joint venture in the Turkish budding market. The new company operates in the manufacture and marketing of copper tubes.

Also, the Group carried out two important share capital increases in its subsidiaries Sofia Med and Fulgor, which amounted to euro 10.0 million and euro 14.4 million respectively.

In 2016, as regards the Greek market, uncertainty looms since the negotiations between the Greek Government and the Institutions regarding the first review of Greece’s financial assistance programme are still underway.

The extrovert identity and export-oriented attitude of the Group help us differentiate considerably from developments in the Greek market. The greater part of our revenue comes from international markets while sales in the domestic market concern already signed projects having secured their financing. Meanwhile, the Group has access to financing sources beyond Greece.

On an international scale, the small but concrete improvement of Eurozone and US economies, the strong dollar, a further decrease in energy cost due to the decrease in fuel price, and increased demand for industrial products are all factors expected to have a positive effect on the Company’s operation in 2016.

The main strategic goal of the Group in 2016 will be to increase its market shares in industrial products and enhance its business in new markets which have not been affected by the economic recession. A decrease in net borrowing and the need for working capital will be vital for the running year too.

**Dr. Periklis Sapountzis**  
**General Manager**



# 1

## Halcor Group





Halcor is ranked among the top manufacturers of copper products on a European scale and is involved in the production, processing and marketing of copper, copper alloy, copper and zinc rolled and extruded products, and cables. By way of example, the Group's product range includes copper and brass tubes, copper sheets, strips, circles and plates, titan zinc sheets and strips, special copper alloys, copper and brass rods and bars, enamelled wires and a wide array of cables.

Boasting an 80-year experience, the Company has become a pole of innovation and is in a position to provide its numerous customers worldwide with a wide range of added value solutions in segments such as water supply, heating and air-conditioning, ship building and constructions, telecommunications, industrial production, architecture and automotive industry.

The Group consists of the parent company and 22 subsidiaries in Greece, Bulgaria, Romania, United Kingdom, France, Germany, Turkey and Cyprus. The Group exports almost its entire production (82.7% in 2015) and markets them to five continents.

The Group's production infrastructure consists of 10 cutting-edge plants in Greece, Bulgaria and Romania and can perform top quality production process delivering high technical specifications. Thus, the Group can provide its clientele with solutions matching successfully their increased requirements and needs, thus securing its successful presence at the international commercial center-stage.

The product portfolio of Halcor stands out for characteristic properties which differentiate it considerably from competition. These properties are summed up in product quality, reliability, groundbreaking nature and high added value.

Research and development are one of the main operating pillars of Halcor Group. Ever since the Group was established, it has invested considerable funds in R&D with a dual result: on the one hand, it is now ranked among the top European manufacturers of copper products and on the other hand it has managed to set new standards in copper processing.

Quality and environmental protection are key aspects of the Group's strategy and this is why the Group's production facilities use state-of-the-art technologies to manufacture ground-breaking, energy-efficient and environment-friendly products. These are the most important companies constituting Halcor Group:

### **1. Halcor S.A.**

This is the Group's parent company and the unique producer of copper tubes in Greece, with administrative services and production facilities based in Oinofyta, Viotia.

The company produces and markets an extended product portfolio designed for industrial applications as well as for water supply, heating, cooling - air conditioning and natural gas transportation networks. The Company's portfolio includes, among others, Talos®, Talos® Plated, Talos® Gas, Talos® Med, Talos® Ecutherm, Talos® Ecutherm™ Solar, Talos® Acr, Talos® Acr Inner Grooved, Talos® Solar Plus, Talos® Geotherm Talos® Form copper tubes and CUSMART® tubes.

HALCOR is listed on the Athens Exchange.



# 1. Halcor Group

## 2. Hellenic Cables S.A.

The company is the unique manufacturer of enamelled wires in Greece while also producing a wide range of cables as well as plastic and rubber compounds. The Company's product portfolio includes industrial-purpose cables, conventional telephone cables, optical fibre cables as well as medium, high and extra high voltage cables.

Its plants are located in Thiva, Livadia and Oinofyta and it is listed on the Athens Exchange.



## 3. Sofia Med S.A.

It manufactures copper, brass, and titan zinc rolled products as well as copper extruded products.

The company has its registered offices and plant in Sofia, Bulgaria in which investment programmes totalling euro 170 million were carried out during 2001–2015 which contributed to the major upgrade of both production capacity and effective operation.



## 4. Icme Ecab S.A.

It is a Romanian subsidiary of Halcor Group, based in Bucharest where its industrial premises are also located.

The company manufactures cables, copper and aluminium conductors, as well as plastic and rubber compounds.

A R&D department operating within its plant, whose objective is to improve continuously the quality of the products offered to customers, helps the company stand out from competition.



## 5. Fitco S.A.

Engaged in operations for over 50 years, the company is the manufacturing arm of brass extruded and copper alloy products of Halcor Group.

It specialises in the manufacture of bars, profiles, blades, wires, tubes and meshes, and offers a wide range of products while having an extensive base of domestic and international customers.

Its plant is based in Oinofyta, Viotia, close to the parent company's facilities.



## 6. Fulgor S.A.

The company owns an ultra-modern plant in Soussaki, Corinth.

It produces submarine cables, power cables, optical fibre cables as well as copper and aluminium wires (Ø8 mm and Ø9.5 mm respectively).

The plant recently completed successfully extensive investments and now figures among the few manufacturers of high-voltage submarine cables on a worldwide scale.



Halcor Group is structured as shown in the table below:

Company	Holding (Direct & indirect)	Country of registered office	Scope of activity
Halcor S.A.	Parent	Greece	Production and marketing of copper products
Hellenic Cables S.A.	72.53%	Greece	Production of overhead and underground powers cables, overhead conductors, enamelled wires and compounds
Steelmet S.A.	51.00%	Greece	Metal products trading
Sofia Med S.A.	100.00%	Bulgaria	Copper, copper and zinc alloy processing
Metal Agencies LTD	49.51%	United Kingdom	Metal products trading
Fitco S.A.	100.00%	Greece	Manufacture of copper rolled and copper-alloy products
Techor S.A.	100.00%	Greece	Production and trading
Diapem S.A.	33.33%	Greece	Liquid gas trading
Elkeme S.A.	30.44%	Greece	R&D in the metal sector
VIEXAL S.A. (former EPE)	26.67%	Greece	Trade, transportation and agencies
S.C. Steelmet Romania S.A.	40.00%	Romania	Metal products trading
Tepro Metal AG	36.21%	Germany	Metal products trading
Genecos S.A.	24.78%	France	Metal products trading
HC Isitma	50.00%	Turkey	Processing and marketing of copper tubes
Techor Pipe Systems	100.00%	Romania	Production and marketing of plastic materials
Fulgor	72.53%	Greece	Production of submarine cables, power cables, copper and aluminium wires (Ø8.0 mm & Ø9.5 mm respectively) bare conductors and optical fibre cables
Icme Ecab	71.51%	Romania	Production of cables, copper and aluminium conductors as well as plastic and rubber compounds
Lesco OOD	72.53%	Bulgaria	Wooden reels and pallets manufacture
Lesco Romania	47.14%	Romania	Wooden reels and pallets marketing
Delaire Ltd	72.53%	Cyprus	Consulting services
Symm.Ep. S.A.	7.53%	Greece	Industrial
Ergosteel S.A.	30.60%	Greece	construction and management of technical works
Steelmet (Cyprus) Limited	51.00%	Cyprus	Metal products trading

# 2

## Milestones in the history of Halcor Group

**1937**

Hellenic Copper Industry is set up. The newly-built plant of the then Viohalco launches its operations in Tavros.

**1981**

VIEM contributes the rolling and extrusion segments to Halcor, while also incorporating Viohalco know-how.

**1976**

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

**1996**

Vektor is listed on the Athens Stock Exchange.

**1990-95**

Halcor takes part in a share capital increase of Vektor through contribution in kind. Halcor contributes machinery and Vektor enters the segments of rolling, extrusion, and cutting of copper products and other alloys.

**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.

**1997**

- Merger through absorption of Vektor by Halcor is completed.
- Halcor acquires a 4.99% holding in Hellenic Cables, which is listed on the Athens Exchange.

**2000**

- Halcor acquires a majority shareholding in Hellenic Cables.
- Sofia Med, a Halcor subsidiary, based in Sofia, Bulgaria acquires the fixed assets of KOZM.
- Sofia Med concentrates 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 upgrade and streamlining 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 the production of titan zinc rolled products in its industrial complex in Tavros.
- Halcor launches the new innovative CUSMART® tubes.

## 2010

- Halcor contributes the brass bars and tubes branch to its subsidiary Fitco, thus helping the latter enlarge its product range.
- Following the 10-year implementation of investment programmes, the Group's production base and process is restructured, resulting in the considerable enhancement of the Group's product portfolio and mix compared to competition.

## 2012

- Fulgor is fully acquired (100%) by Hellenic Cables. Restructuring of its product portfolio is decided and the implementation of a major investment programme in its plant in Soussaki, Corinth is put into practice.
- Halcor launches metal-plated copper tubes and Talos® Geotherm copper tube.
- A new investment programme is launched within Sofia Med, focusing on the manufacture of high added value products.

## 2014

- Daikin Europe awards the "Best Supplier" prize for 2014 to Halcor, thus crowning the long and close collaboration of both companies.
- Investment in the upgrade of Halcor Oinofyta-based tubes plant is completed.
- Sofia Med begins running a scrap fire-refining line and a tin plating line.
- Hellenic Cables is awarded the submarine cable interconnection project of the Cyclades Islands with the Independent Power Transmission Operator. Project budget amounts to euro 93 million.
- Talos® tubes for LPG are launched.

## 2008

Hellenic Cables starts operating a high and extra-high voltage cable line of 400 kV.

## 2011

Hellenic Cables Group strengthens its presence even further in the segments of submarine cables and high voltage cables by acquiring a controlling interest in Fulgor.

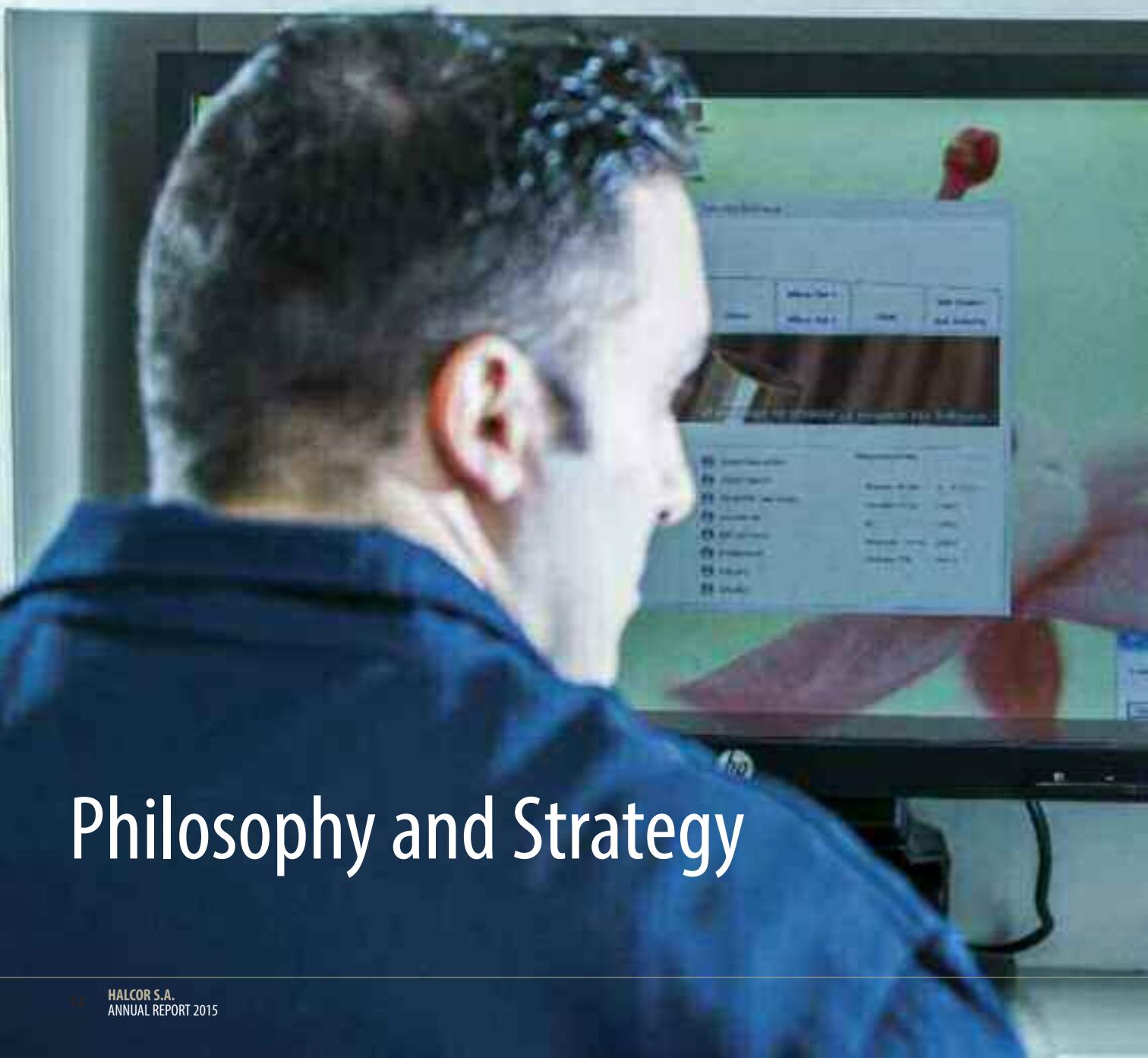
## 2013

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

## 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 euro 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.
- Joint venture "HC" is set up in Turkey jointly with Cantas A.S.
- The share capital of the subsidiary Fulgor is increased by euro 14.4 million.
- The share capital of the subsidiary Sofia Med is increased by the total amount of euro 10.0 million.

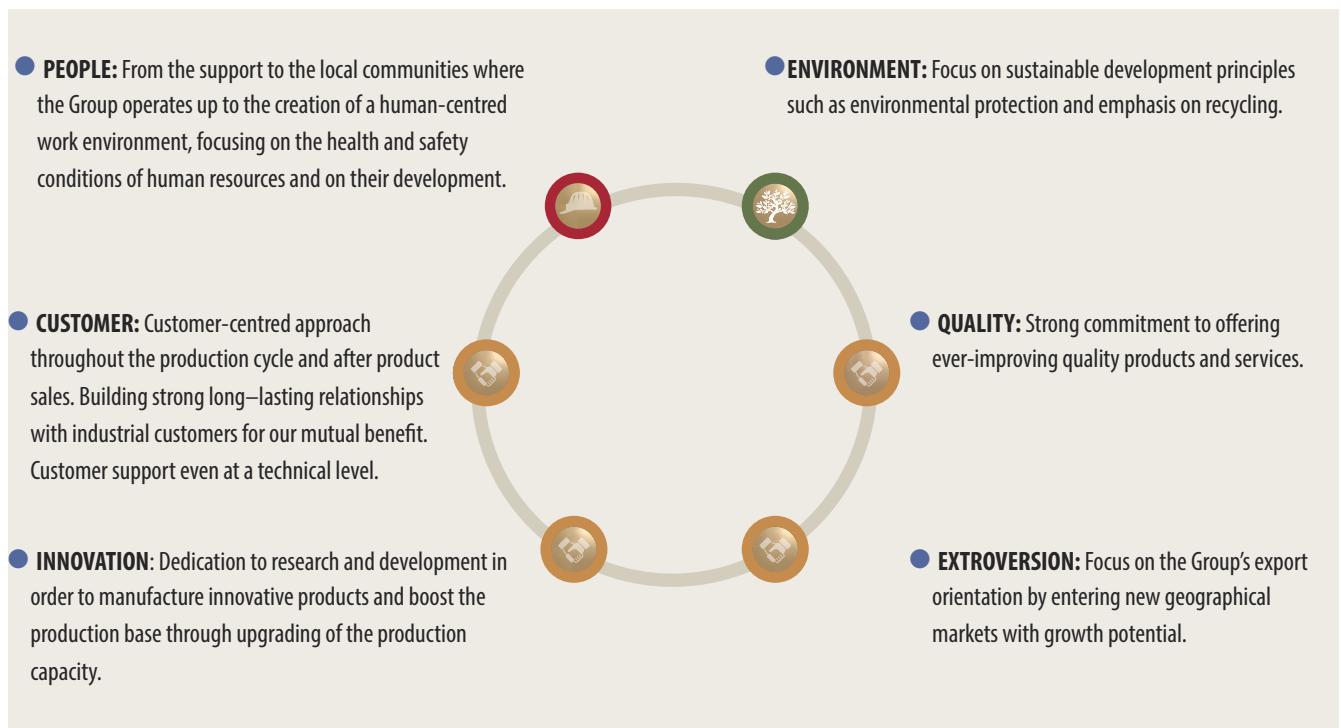
# 3



## Philosophy and Strategy

Throughout its long operation, the Group lays great emphasis on optimising all its processes including primarily production. The Group's long-term strategy has been built on specific pillars which shape initiatives and decisions at both business and operational level.

The long-term strategic pillars of Halcor are presented below:



The Group's key strategic pillars in the medium term are analysed below:

### Product and Service Portfolio

- Capitalising on the benefits that have arisen from the implemented investments in order to penetrate new product markets of high added value by further promoting collaboration with Elkeme - Hellenic Research Centre for Metals S.A. and empowering the Halcor Research and Development department.
- Building up the Group's customer-centred philosophy from production to after sales service.
- Strong commitment to the provision of optimum products and services
- Primary B2B approach by strengthening the existing client base and entering into long-lasting business relationships.
- Increasing revenue by capitalising on the results of the Group's production capacity restructuring.
- Sales enhancement by focusing on products of high profitability and demand such as copper and brass rolled products designed for industrial applications, special copper alloys, submarine cables and copper industrial tubes.
- Priority to the sales of innovative product solutions such as Talos® Geotherm, Talos® Form, Talos® ACR Linesets tubes and metal-plated copper tubes.



## 3. Philosophy and Strategy

- Building up and capitalising on the advantages that have arisen from the investments implemented by Fulgor in the submarine cables segment.
- Reducing and guaranteeing product delivery time to customers.

### Commercial development and markets

- Penetrate new geographical markets through independent development while giving priority to Europe, USA, Middle East and North Africa.
- Increase the Group's human resources in markets with strong growth potential.
- Capitalise on the concentration of the copper segment taking place worldwide and on the foreseeable opportunities.
- Increase the Group's international clientele by entering new markets and further capitalising on the marketplaces in which the Group has already been operating.
- Direct approach to customers and bypassing all intermediate agents/ representatives.
- Enter into strategic partnerships to strengthen its local presence in markets of strong interest.
- Capitalise on synergies at both international and local level.
- Further penetrate 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.
- Attempts to boost the Greek market by carrying out further technical courses for plumbers and A/C and refrigeration technicians.

### Production activity

- Implement automations and use appropriate software to improve production scheduling by increasing information flow, providing more adequate management of raw and auxiliary materials, lowering operating costs and reducing the needs for working capital.
- Improve the rate of returned products and reduce it as much as possible.
- Reduce the use of primary metals to the highest possible extent while gradually increasing the use of scrap as a raw material.
- Implement continuous investments aiming to maintain and increase the quality of all products and services .

### Sustainable Development

- Focus on the ongoing training and learning of the Group's human resources in quality, administration, production effectiveness, and project and process management (Lean Six Sigma training), in order to illustrate the key role of customers in the Group's operation, create added value and manage projects more effectively.
- Bolster the role of recycled raw materials in the entire production and restrict the Group's environmental footprint Take steps and actions of integrated prevention compliant with Best Available Techniques
- Continuous improvement of the philosophy involving human resources health and safety and demonstrate their importance. Priority to preventive actions, continuous information and awareness-raising.



# 4

## Products





## Introduction

The products of Halcor Group are classified as follows:

- Copper and brass tubes
- Rolled copper, brass, titan zinc and special alloy products
- Extruded copper and brass products
- Cables of various types and enamelled wires

Based on its products and solutions, the Group targets a large number of markets such as water supply, heating and air-conditioning systems, ship building and constructions, telecommunications, architectural applications and the automotive industry.

Thanks to its strong commitment to providing quality products and services, the Group is ranked among the most recognisable manufacturers of copper products. The Group boasts one of the most integrated product ranges on the global market while its clientele consists of a large number of international and domestic customers.

## High added value products

Innovation and high added value are the main objective of Halcor as regards the products and solutions it offers. In this field, the products below figure among the Company's portfolio:

- **Talos® Ecutherm™:** Coated copper tube which is marketed insulated for heating and cooling applications. High energy saving is its main characteristic.
- **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. They are particularly elegant owing to their inox-like surface.
- **Talos® ACR Linesets:** The Talos® Linesets product range is intended for air-conditioning systems and includes copper tubes with specially formed ends for easier jointing. They stand out for their high resistance and performance while also offering low cost and less installation time.
- **Talos® Form:** They have very specific characteristics and are designed for the boilers market and in particular boiler component manufacturing while also meeting specific requirements in terms of formation.
- **Talos® Geotherm:** This particular product is widely spread in geothermal applications to ensure building natural heating and its technical specifications make it preferable to plain plastic tubes. These are PE-RT insulated copper tubes generating heating in an environment-friendly manner and with similar means.
- **Talos® for LPG:** They are designed and widely spread in the automotive industry. Their main characteristic is the LPG coating they have.
- **Talos® Inner Grooved:** They are used in the heat exchanger industry for air-conditioners. It should be noted that Halcor figures among the few European companies manufacturing copper products, which has the know-how and experience required for producing 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. The technical characteristics of Talos® Inner Grooved tubes such as inner grooves and minimum wall thickness of 0.25 mm endow the product with a unique combination of properties such as higher performance and less energy consumption.
- **Cusmart®:** Thanks to its coating with a special PE-RT, Cusmart® copper tube is instantly recognisable and particularly affordable without, however, altering the general benefits of using copper tubes. Cusmart® has

# 4. Products





been a patented and registered trademark since 2013. The main technical characteristics of the product consist of flexibility and no "memory" effects.

### Strong international business presence

The main pillars around which the Group has developed its commercial policy throughout its operation consist in its extrovert orientation and in establishing long-lasting partnerships with its clientele. The Group has been internationally acclaimed as one of the most important copper product manufacturers in Europe and worldwide, based on the special technical specifications and high quality of its products as well as on before and after sales services.



In 2015 like every year, the Group entered a considerable number of new geographical markets. Kazakhstan, Belarus, Kenya, Nigeria, Korea, Mexico and Saudi Arabia are some of these marketplaces.

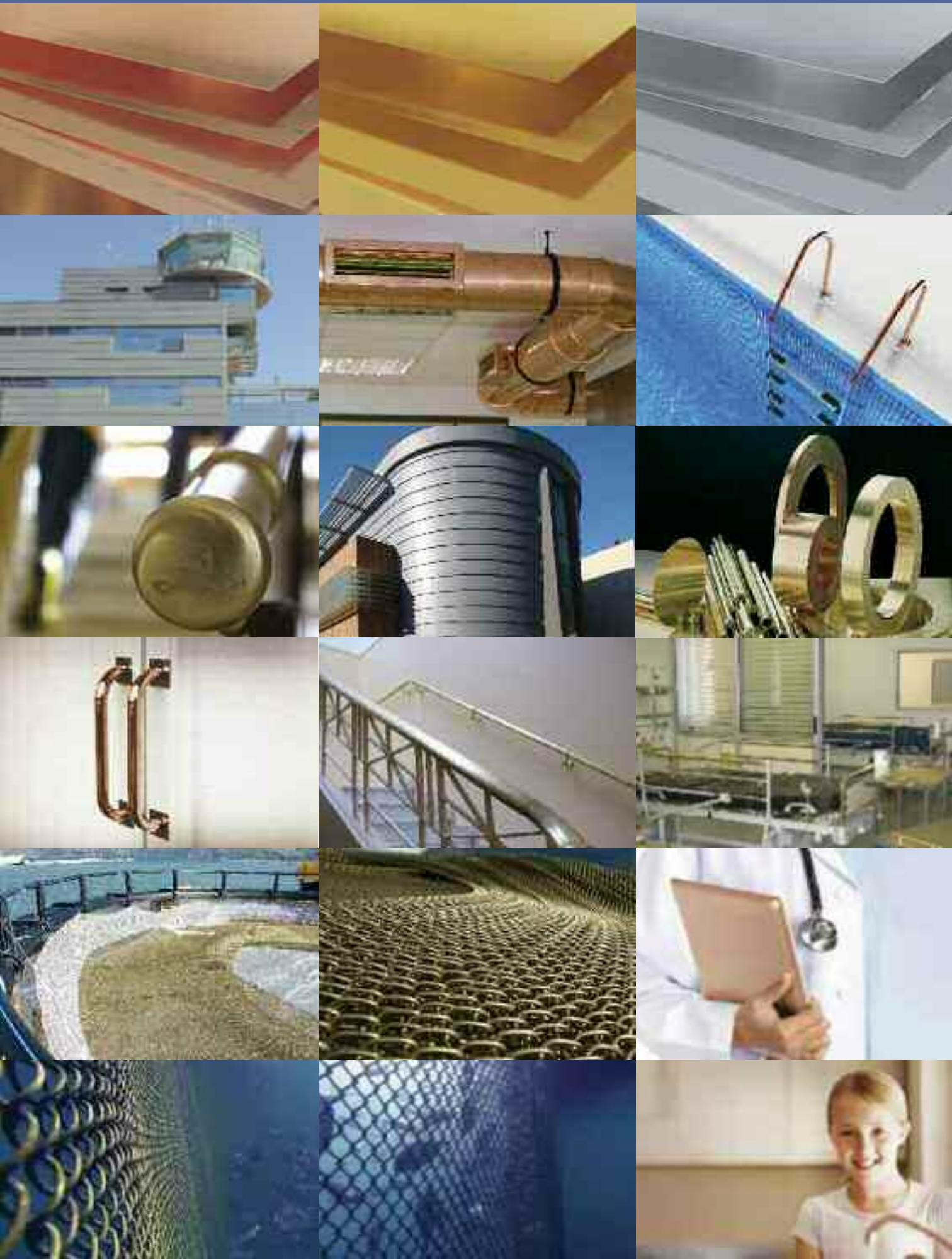
Moreover, the Group strengthened its presence in existing markets by entering into partnerships with new customers. This category includes countries such as Portugal, Italy, France, Germany, Slovakia, Russia, Algeria, USA, Tunisia and Algeria.

The acquisition of the commercial activities and distribution network of the copper segment of Reynolds European S.A. in France and subsequent establishment of the subsidiary Reynolds Cuivre S.A. is an important development which helps the Group make its international presence stronger. Such acquisition helped the Group attain vertical integration and increased penetration into the French market, and also enter market segments where it did not operate.

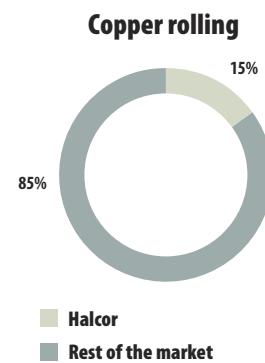
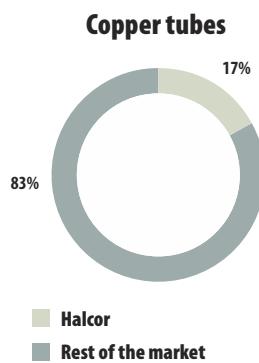
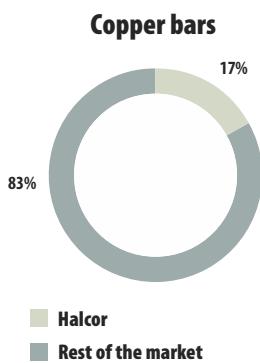
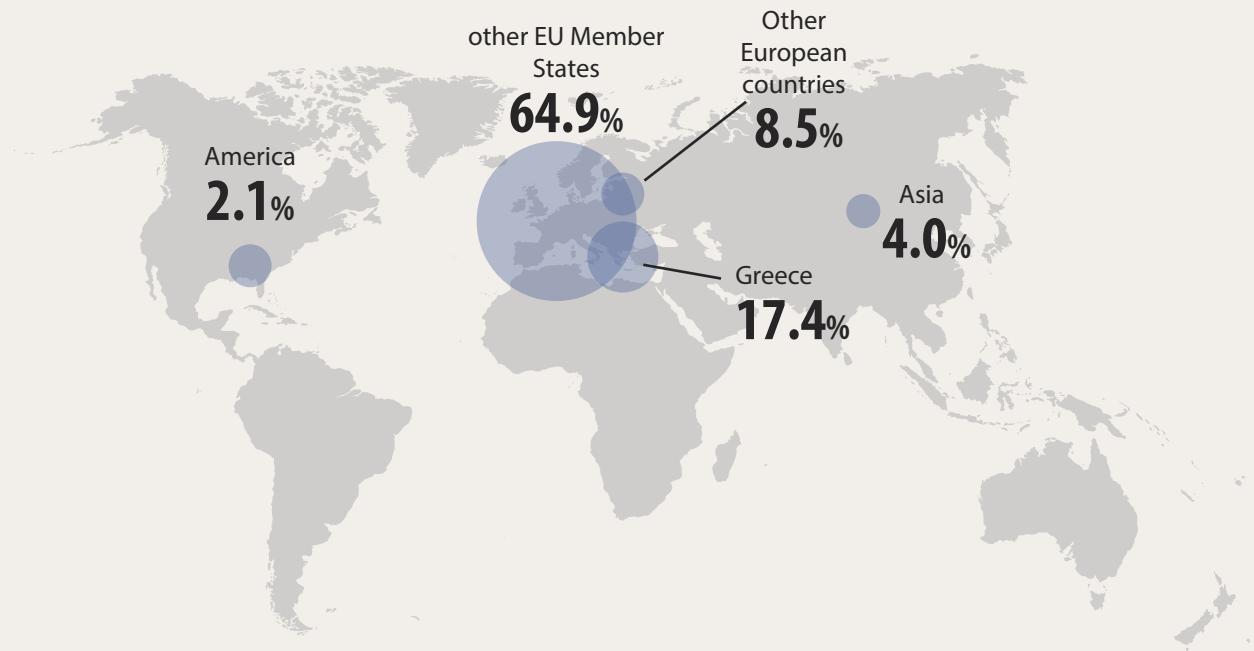
A joint venture took off with the local company Cantas A.S. began operations during the year in the Turkish market. This joint venture trading under the name "HC Isitma" is involved in HVAC tube insulation and their marketing on the local market and neighbouring countries. Note that Turkey represents a market presenting strong interest and major growth prospects.

Further to the Group's direct operations in the Italian market, in order to eliminate intermediaries, the Group strengthened its workforce in the neighbouring market which ranks among the three largest European markets. Meanwhile, in the context of the same strategy, a system of direct partnership with end customers was put into effect in Belgium. Its objective is to further penetrate into the above markets and provide better technical support for the Group's products. In addition, the Group employed highly trained individuals in the German market too.

# 4. Products



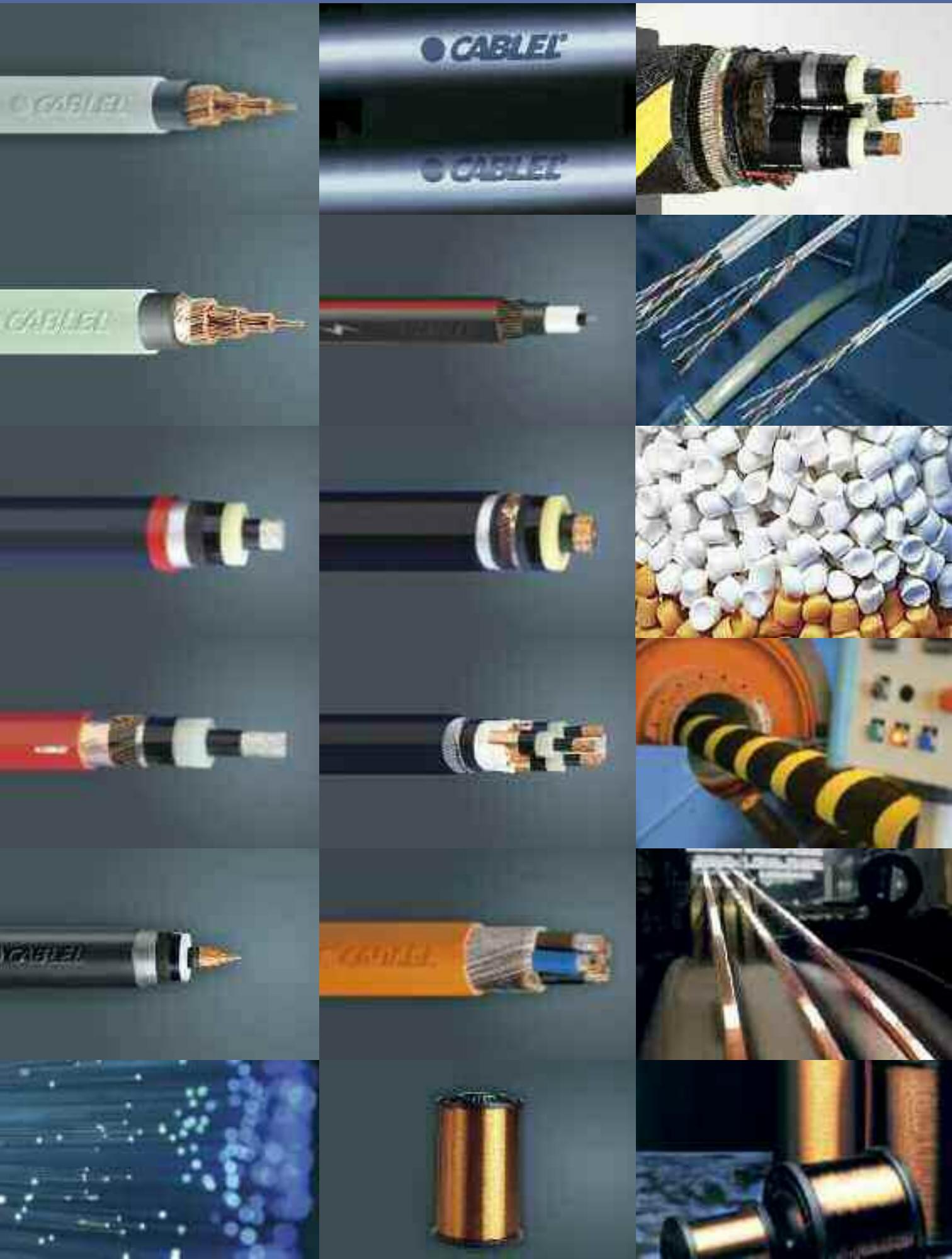
## Group turnover in 2015



The Group's revenue in 2015 in the Greek market accounted for 17.4% of the consolidated revenue with the remaining 82.6% being attained in other countries. Specifically, 64.9% of sales pertained to other EU countries, 8.5% other European countries, 4.0% Asia, 2.1% America, 1.9% Africa and 0.1% Oceania.

Meanwhile, the Group has high market shares on a European scale in separate product markets. More specifically, in the European market, the Group has a 17% market share in copper bars, 17% in copper tubes and 15% in the market of copper rolled products for roofing applications.

# 4. Products



## Product ranges

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

### Tubes

#### Copper tubes

They are marketed under the trademarks Talos® and Cusmart®. They are widely spread and used in the construction of water supply, heating, natural gas networks, fire-extinction and industrial premises while used with great success in the industry of air-conditioners and heat exchangers, and in various applications such as components, terminals, solar collectors and medical gases.

The main product groups are set forth in the table below:

Copper tubes	Application
Talos®	Water supply, heating, natural gas, fire-extinction networks, and air-conditioning facilities
Talos® Coated	Water supply, heating, natural gas networks
Talos® Gas	Natural gas networks
Talos® Med	Medical gas networks
Talos® Ecutherm	Water supply, heating, air conditioning and cooling networks, solar systems, steam networks, 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, air-conditioning and cooling devices
Talos® Solar Plus	Solar absorbers
Talos® Geotherm	Geothermal applications
Talos® for LPG	Automotive industry

#### Brass tubes

The following products make up the range of brass tubes:

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

#### Talos® fittings

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

#### Rolled products

The range of rolled products consists of copper strips, sheets, circles and plates, titan-zinc sheets and strips as well as copper special alloys.



## 4. Products

### **Copper rolled products for architectural applications**

This specific product group is widely known and marketed under the trademark Doma®. It includes copper sheets and strips used for the exterior cladding of buildings, roofing, gutters, chimneys and dormers and skylights, copper rolled products used for solar collectors, boilers as well as electrical and mechanical devices. Note that the above products meet the quality criteria of EN 1652 and EN 1172 standards.

### **Titan-zinc rolled products for architectural applications**

The trademark Doma® applies to all titan-zinc rolled products consisting of sheets and strips. These products are used in the manufacturing industry and building sector being a benchmark in roofing, and exterior or interior wall cladding.

They are superior to the competition owing to their special technical specifications such as installation ease, service life and optimum mechanical properties.

### **Copper and brass rolled products for industrial applications**

They are manufactured only on a tailor-made basis and 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 product range of this group includes brass strips, sheets, circles and plates.

Copper and brass rolled products for industrial applications comply with EN 1652, EN 1653, EN 13599 and EN 1654 specifications.

### **Special alloys**

The product family of special alloys comprises copper-zinc alloys which are used in cups and discs, as well as copper-nickel, copper-nickel-zinc and copper-aluminium-nickel alloys, used in the production of coins.

### **Extruded Products**

The range of extruded products includes copper bars and rods as well as brass bars, rods, wires and profiles plus wire and mesh made of copper alloy. They are widely spread in architectural, decorative, electrical and mechanical applications.

### **Cables**

The Group's subsidiaries, Hellenic Cables, Fulgor and Icme Ecab, are engaged in cables production. The subsidiaries have a rather wide product portfolio which includes a large number of cable types under the international trademark Cablel®. In addition to cables, the Group manufactures conductors, enamelled wires, plastic and rubber compounds used in the manufacturing of cables, tubes as well as plastic and rubber profiles.

It is worthwhile noting that following the implementation of an extensive investment plan in its production facilities in Soussaki, Corinth, Fulgor can now produce high voltage submarine cables. Only very few companies all over the world have such capacity.

Wishing to strengthen even further the added value of its products in terms of performance and technical characteristics,



the Group has entered into international partnerships with firms such as Viscas Corporation. These partnerships focus on separate sectors such as technical assistance to the design and manufacture of a part of the products.

The most important categories of cable products are set forth below:

- Submarine cables: medium, high and extra high voltage submarine cables, optical fibre submarine cables, composite submarine cables (power and optical fibre).
- Power cables: cables for indoor installations; control cables; cables for industrial uses and outdoor installations; fire-retardant, fire-resistant and halogen-free cables; medium, high and extra high voltage cables, marine cables and Cu (grounding), Al, and ACSR conductors.
- Telecommunications and data transmission cables: conventional telephone cables; telephone exchange, data transmission, fibre-optic (single-mode and multi-mode) cables; submarine cables and signalling cables.
- Enamelled wires: wires for electric motors and transformers as well as copper wires for grounding and can making.
- Plastic and rubber compounds: PVC-based and polyolefin-based plastic compounds, and rubber compounds.

# 5



## Halcor Group Production Units



The cable segment provides customers with integrated solutions ranging from production to installation, thus enabling the Group to participate in wide-scale projects, starting from design, production, transportation, installation, maintenance to training.

As a whole, the Group runs 10 production facilities in Greece, Bulgaria and Romania. The production units of Halcor and its subsidiaries are in essence the Group's spearhead, thus enabling the manufacture of quality and innovative product solutions while also underpinning the key advantage on which the Group's long-lasting partnerships with its customers have relied, this consisting in the supply of top quality reliable solutions.

### Halcor Group industrial facilities

Production unit	Location	Scope of production
Halcor Recycling Plant - Foundry	Oinofyta (Greece)	Semi-finished products (billets and slabs), brass ingots
Halcor Copper Tubes Plant	Oinofyta (Greece)	Copper tubes for heating, water supply, cooling, natural gas transportation, air conditioning and industrial use (Greece)
Fitco Brass Bars and Tubes Extrusion Plant	Oinofyta (Greece)	Brass finished products (rods, profiles, bars, wires and tubes)
Sofia Med Copper Processing Plant	Sofia (Bulgaria)	Flat copper, brass, zinc and special alloy products, copper rods and bars
Hellenic Cables Power and Optical Fibre Cables Plant	Thiva (Greece)	Low, medium, high and extra high voltage power cables, optical fibre cables, copper and aluminium conductors
Hellenic Cables Copper Conductors and Enamelled Wires Plant	Livadia (Greece)	Grounding and overhead conductors and enamelled wires
Hellenic Cables Plastic and Rubber Compounds Plant	Oinofyta (Greece)	Plastic and rubber compounds for the supply of insulation, filling and shielding production lines of final cables
Icme Ecab Cables Plant	Bucharest (Romania)	Indoor installation cables; power, control, industrial use and exterior installation cables; fire-retardant & fire-resistant cables as well as plastic and rubber compounds
Fulgor Cables Plant	Soussaki, Corinth (Greece)	Low, medium and high voltage power cables, submarine cables, 8 mm copper wire, 9.5 mm aluminium wire (Greece)
Lesco O.O.D. timber plant	Blagoevgrad (Bulgaria)	Wooden reels and pallets



## 5. Halcor Group Production Units

### Halcor Recycling Plant - Foundry (Oinofyta, Greece)

Total area: 49,584 square meters  
Buildings: 16,264 square meters  
Production capacity: 235,000 tons annually

The Halcor Foundry in Oinofyta is involved in the manufacture of semi-finished products which are absorbed by the Group's other units.

Specifically this production unit manufactures billets and plates of copper, brass and other alloys.

The foundry operates:

- 2 lines of semi-continuous melting and casting of brass billets (for lead and pure brass).
- 1 line for the production of titan zinc slabs
- 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.

The above facilities use natural gas as main fuel, thus being very environment-friendly since emissions of gas pollutants are kept at very low levels.

It is worthwhile noting that Halcor Foundry runs a copper scrap collection and sorting centre, thus reinforcing Halcor's ecological footprint.

The facilities are 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 square meters  
Buildings: 72,406 square meters  
Production capacity: 75,000 tons annually

The copper tubes plant of Halcor is established in Oinofyta. Its primary scope consists in copper billet processing. The above facilities manufacture the products below:

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

The above products are used in general industrial applications and specifically in sectors such as the manufacture of heating, water supply, cooling and natural gas transportation networks, for which they are the optimum solution.



It is worthwhile indicating that in its Oinofyta-based production units the Group may manufacture tubes with inner grooves and minimum wall thickness, being one of the few producers on a European scale having such capacity. These products are widespread in the heat exchanger manufacturing industry.

2015 was a landmark year for the Halcor tubes plant since the restructuring of scheduling and the optimisation of its operations resulted in a higher balance of the production and an increase of its production capacity, without adding any other machinery. As a result of the above, the largest quantity ever since the plant was established was produced. It is understood that the above increase was attained without affecting the quality of end products.

The ultramodern technology used by the Oinofyta-based industrial unit is its key characteristic and reflects in essence the Group's investment philosophy and orientation to continuous streamlining. With respect to the foregoing, in 2015 the Group:

- Made investments in the Halcor compound plant which concerned the creation of the new XLPE compound, which is a new form of insulation for Talos® Ecutherm coated copper tubes. The new compound is very competitive and state-of-the-art while being endowed with fire-resistant mechanical properties. It is worthwhile noting that the new compound enables Halcor Group to enter market segments where it was not operating before while also helping to increase the plant's production capacity.
- It started operating a new production line for Talos® Inner Grooved Tubes (IGT) in order to increase the overall production capacity.
- It constructed an inner grooved tube thermal efficiency laboratory (Talos® Inner Grooved Tubes IGT).
- It acquired machinery, with a view to automating tube packaging and reducing total production cost. The investment is at a stage of installation of the relevant machinery.
- It acquired machinery for the production of Do It Yourself (DIY) tubes, in order to further penetrate Western European markets where these tubes are widely spread.
- It implemented an investment programme to increase the plant's overall capacity, especially as regards leading-edge products related to industrial customers. The investment is expected to be completed during 2016.
- It implemented an upgrading programme regarding the external surface and internal cleaning of tubes for specific industrial applications.

The copper tubes production unit is certified as per ISO 9001:2008, ISO 14001:2004, ISO 18001:2007 and OHSAS 18001.

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

Total area: 57,980 square meters

Buildings: 25,334 square meters

Production capacity: 46,000 tons annually

The Fitco production facilities are also based in Oinofyta (Viotia) and are the unique plant of the Group which uses brass scrap as raw material.

## 5. Halcor Group Production Units

Using hot and cold rolling, the Fitco plant is able to produce a wide array of product solutions.

All products manufactured in the Fitco plant fulfil rigorous European and American quality standards (EN, DIN, BS, NSF, ASTM, SITAK) while the industrial complex is certified as per ISO 9001:2008, ISO 14001:2004, ISO 18001:2007 and OHSAS 18001. Moreover, certification as per ISO 50001:2011 has been scheduled.

Specifically, the Fitco plant manufactures the products below:

- Solid and hollow brass rods (round - hexagon - square)
- Solid and hollow brass profiles.
- Copper alloy wire and mesh
- 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 plant's revenue was on the rise during 2015 with exports and international sales volumes increasing while market shares in Greece were kept at the same levels with the previous year.

The reduced price of bars noted in 2015 resulted in a strategic redesign of the product mix and further enhancement of added value products such as brass wire, bars and rods and specific alloys by boosting domestic sales.

During 2015, the following capital expenditure plans were completed in the Fitco plant:

- Investment in wire manufacturing press by installing a double reeling machine in order to increase productivity, enhance product quality and also reduce costs.
- Upgrades of software and processes regarding the improvement of end product processability.

Finally, staff with health and safety skills were recruited.

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

Total area: 250,000 square meters  
Buildings: 120,000 square meters  
Production capacity: 100,000 tons annually

Based in Sofia, Bulgaria, the plant of Sofia Med runs casting, rolling and extrusion lines.

The plant manufactures two main product groups:

- Copper, brass and titan-zinc rolled products used in architectural applications, roofing, air ducts and industrial applications in electrical and mechanical facilities.
- Copper extruded products used in electromechanical equipment, decoration applications and plumbing fixtures.





## 5. Halcor Group Production Units

It is worthwhile noting that during 2001 – 2015 extensive investments totalling euro 170 million were carried out in the Sofia Med plant, which concerned the enhancement of its production capacity and operating effectiveness.

The plant complies with the specifications of ISO standards and specifically it is certified as per ISO 9001:2008, ISO 14001:2004, and OHSAS 18001: 2007.

### **Hellenic Cables Electrical Cables and Optical Fibres Plant (Thiva, Greece)**

Total area: 175,082 square meters  
Buildings: 50,181 square meters  
Production capacity: 60,000 tons annually

The Thiva-based plant of Hellenic Cables is engaged in cables production. Copper, aluminium, copper wires as well as plastic and rubber materials are used as main raw materials.

The plant has a wide product mix including, among others, the following:

- low, medium, high and extra high voltage power cables;
- optical fibre cables, copper and aluminium conductors;

It is also worthwhile noting that the plant runs:

- A medium and high voltage cable production line
- A quality control / degassing unit.

The Thiva-based plant of Hellenic Cables stands out for its high flexibility since it is able to manufacture customised products aiming to meet each customer's needs on a case by case basis. The manufactured products abide by top technical and quality standards, thus providing Hellenic Cables with a key advantage over competition.

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

### **Hellenic Cables Copper Conductors and Enamelled Wires Plant (Livadia, Greece)**

Total area: 121,818 square meters  
Buildings: 13,939 square meters  
Production capacity: 14,000 tons annually

The second plant of Hellenic Cables is based in Livadia, Viotia and is involved in the production of copper and aluminium enamelled wires, copper wires, earthing rods and overhead conductors.

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





## 5. Halcor Group Production Units

### Hellenic Cables Plastic and Rubber Compounds Plant (Oinofyta, Greece)

Total area: 21,263 square meters  
Buildings: 9,072 square meters  
Production capacity: 24,000 tons annually

The third plant of Hellenic Cables is located in Oinofyta, Viotia and specialises in the production of rubber and plastic compounds for the insulation, filling and sheathing lines for finished cables. This plant is the main supplier of the parent Halcor as regards the materials required for manufacturing Talos® Ecutherm™ and Cusmart® copper tubes.

The facilities are certified as per ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007.

### Icme Ecab Cables Plant (Bucharest, Romania)

Total area: 267,789 square meters  
Buildings: 102,138 square meters  
Production capacity: 50,000 tons annually

Based in Bucharest, Romania, the ICME ECAB plant produces an extensive product mix of cables such as cables for indoor installations, industrial uses and exterior installations; telecom cables; power and control cables; fire-retardant, fire-resistant and halogen-free cables; copper and aluminium conductors, mine cables, marine and special purpose cables, optical fibre cables, signalling, remote control and data transmission cables, as well as plastic and rubber compounds.

A research and development department operates in the plant of Icme Ecab in Bucharest, which focuses on the development of technology and procedures with the ultimate goal of manufacturing new, top quality innovative products.

The plant is certified as per ISO 9001:2008 and ISO 14001:2004.

### Fulgor Cables Plant (Soussaki, Corinth, Greece)

Total area: 209,656 square meters  
Buildings: 89,489 square meters  
Production capacity: 50,000 tons cables and 120,000 tons Ø8 copper wire, annually

The Fulgor plant in Soussaki, Corinth specialises in the manufacture of the products below:

- Copper wire Ø8.0 mm & aluminium wire Ø9.5 mm
- Bare conductors
- Power cables (low, medium, high and extra high voltage)
- Submarine cables (power, telecommunications, optical fibre and combined)
- Marine cables
- Telephone cables



- Optical fibre cables
- Remote control cables
- Cables for special uses

The long operation and resultant cumulative experience, know-how and innovation in cables production doubled by the integrated solutions offered by Fulgor help differentiate the company from competition.

The port located within the company's plant enabling direct loading and swift product shipment to end customers strengthens this advantage, thereby increasing the plant's overall capacity.

It is worthwhile indicating that Fulgor is one of the few manufacturers of high voltage submarine cables worldwide as a result of the 3-year (2012–2015) investment programme totalling euro 91 million which focused on streamlining and expanding its production capacity in the said segment.

Fulgor plant is certified as per ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007.

#### **Lesco O.O.D. Plant (Blagoevgrad, Bulgaria)**

Total area: 17,000 square meters

Buildings: 3,398 square meters

Production capacity: 16,500 cubic meters per annum

Lesco plant is based in Blagoevgrad, Bulgaria and is engaged in the production of wooden containers and specifically crates, rolls, pallets and wooden boxes which are intended for various industrial segments.

The company differs considerably from competition through the specialised products it can manufacture and also owing to the adequacy of its raw materials.

Significant investment programmes have been carried out in the Lesco plant which have endowed it with state-of-the-art technology.

# 6

## Research & Development



Since its establishment, the Group has promoted research and development as one of the key aspects of its operation, acknowledging that this is the most advisable manner to reinforce its plants as well as its products and procedures.

To that end, the Group has implemented significant investment programmes which have generated the desired technology upgrade of its product offering.

Meanwhile, the above investments led to the development of products with outstanding quality and technical characteristics which can fulfil all needs and requirements of each customer on a case by case basis.

### **Research and Development in HALCOR**

The Group is driven by a customer-centred philosophy favouring the manufacture of innovative products of top technical specifications. Dedicated to this principle, the Group has enriched the Oinofyta-based central plant with specialised facilities focusing on three main sectors:

- Research in copper applications
- Development of new production techniques
- Development of existing production techniques in order to manufacture new innovative products.

All the workforce involved in research and development plays a vital role as regards the final result. So, they are all highly specialised and fully trained. Moreover, the Group takes steps to improve the skills of its staff by making available to them cutting-edge technologies.

Probably the best example illustrating the Group's successful strategy while also embodying the benefits of research and development is summed up in the operation of the newly-built inner grooved tube thermal efficiency laboratory within the Oinofyta-based production facilities of Halcor.

The tube thermal efficiency laboratory is special because it enables the manufacture of tailor-made Talos® Inner-Grooved (IGT) and Talos® ACR tubes according to the technical characteristics set by each customer separately. Moreover, this laboratory is in a position to manufacture innovative tube models for specific applications.

The tube thermal efficiency laboratory certainly provides the Group's customers with considerable benefits such as an holistic partnership in terms of support and product development.



## 6. Research & Development

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

The primary objective of Elkeme (Hellenic Research Centre for Metals) is to enhance the ground-breaking nature of Halcor Group's products and also optimise the production process by settling any issues arising during production.

The research carried out in Elkeme laboratories ensures that Halcor and its subsidiaries are highly competitive and contributes to the evolution of production techniques, enhances the properties of end products and, finally, helps identify ground-breaking solutions.

Elkeme facilities apply cutting-edge technologies while employees stand out for their top training. The role of Elkeme human resources focuses on the one hand on its research work and on the other hand on supporting the Group's plants and production.

The Group has been closely collaborating with the staff of Elkeme who also work as engineers at the Group's facilities on certain occasions.

This direct collaboration enables the Group to aspire to an enhancement of its competitive edge and also to speed up its entry into new product markets.

### **Hellenic Copper Development Institute (HCDI)**

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

The objective of the HCDI is to implement a dynamic integrated programme including a wide array of activities such as briefing of architects, civil engineers, students and construction firms, training and technical assistance, scientific guidance regarding copper-related topics and its alloys, as well as encouraging new ideas about the metal applications.

Halcor is one of the founding members of the Hellenic Copper Development Institute while also helping to shape its programmes.

This participation consists in either making available materials and venues for holding seminars or in providing funds to implement programmes all over the Greek territory, and secures the company's active presence in vital research work regarding the effects of copper on human health and the environment.



## New products

Almost every year, the Group reaps the benefits of the investment programmes it has implemented or still implements in research and development, by developing and launching new innovative products onto the market.

In 2015, the new products launched onto the market by the Group are summed up as follows:

- Talos® XS special alloy tubes: They contain a special alloy of iron phosphorus. They are highly resistant to high pressures by using carbon dioxide. The use of this product is widespread in North and Central Europe. These tubes are used in major projects such as the construction of super markets. It is a very environment-friendly product since carbon dioxide, contrary to Freon, is considered a green natural refrigerant.
- Copper alloy wire and mesh for fish farm cages: This is a patented product of the Group intended for fish farming. The trial period for the product came to an end in 2015 and generated very successful results in terms of quality and period of investment repayment.
- Lead-free products: They are products with a low lead content. They are used in the manufacture of fittings coming into contact with drinking water and generally in industrial facilities. They represent a particularly interesting market since the main EU countries have agreed that as of 01.01.2017, drinking water facilities will use solely these products.

# 7

## Financial Figures



## Consolidated revenue

During 2015 the Group's revenue amounted to euro 1,230 million compared to euro 1,080 million last year, marking a 13.9% rise.

Higher sales are mainly attributed to a 9.6% increase in the sales volume as well as to the improved sales mix.

Metal prices were relatively volatile. Overall, copper price fell in 2015 and amounted to euro 4,952 per ton from euro 5,169 per ton in 2014. On the contrary, zinc price was on the rise and at the end of 2015 amounted to euro 1,736 from euro 1,634 per ton in 2014.

Moreover, the decline of Euro to USD and GBP exchange rate had a positive effect and endowed the Group's products with higher competitiveness.

Another factor which made a positive contribution to the increase of the consolidated revenue consisted in the increased sales of cables segment after the employment of the plants of the subsidiary Fulgor at maximum capacity, following the extensive investment programme which materialized during the previous years in the company's industrial premises.

## Group Profitability

The Group's gross profit during 2015 rose to euro 55.7 million from euro 29.9 million in 2014, i.e. an 86.3% increase. It is worthwhile noting that in 2015 the industrial cost was considerably reduced owing to a decrease in energy prices combined with the optimisation of the production process.

Consolidated earnings before interest, taxes, depreciation and amortisation before re-assessment of the fixed assets fair value were almost tripled and amounted to euro 51.6 million from euro 18.2 million in 2014.

It should be noted that the above 2015 results include negative metal result of euro 20.5 million due to the international drop of copper prices. During the respective period of 2014, metal result amounted loss of euro 11.0 million.

Moreover, it should be noted that despite the rise in revenue and sales volume, the Group's operating expenses were contained and remained relatively stable, amounting to euro 35.0 million compared to euro 34.5 million in 2014.

Consolidated earnings before interest and taxes following revaluation of the fixed assets at fair value were also increased considerably and stood at profits of euro 19.5 million compared to loss of euro 5.3 million.

The Group's pre-tax loss amounted to euro 29.8 million compared to loss of euro 73.0 million in 2014, reduced by 59.2%. Finally, results attributable to the owners of the Company amounted to loss of euro 32.5 million (loss of euro 0.3210 per share) compared to loss of euro 51.2 million (loss of euro 0.5059 per share) in 2014.



# 7. Financial Figures

## Consolidated financial results

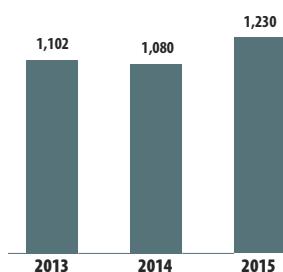
### Consolidated financial results

amounts in thousand euro	2013	2014	2015
Revenue	1,102,022	1,079,873	1,230,103
Gross profit	16,541	29,932	55,745
Earnings before interest, taxes, depreciation and amortisation (EBITDA) before fixed assets revaluation	6,703	18,219	51,589
Earnings before interest, taxes, depreciation and amortisation (EBITDA) after fixed assets revaluation	6,703	-5,222	51,589
Earnings before interest and taxes (EBIT)	-15,554	-28,754	19,527
Earnings/(loss) before taxes (EBT)	-53,637	-73,009	-29,818
Earnings/Loss attributable to the owners of the Company	-57,979	-51,235	-32,509

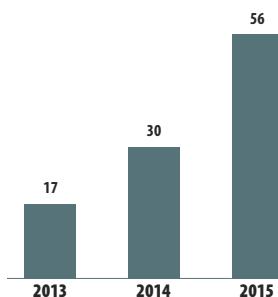
### Evolution of figures (%)

	2013	2014	2015
Revenue	-12.5%	-2.0%	13.9%
Gross profit	-62.7%	81.0%	86.2%
Earnings before interest, taxes, depreciation and amortisation (EBITDA) (before fixed assets revaluation)	-80.4%	171.8%	183.2%
Earnings before interest, taxes, depreciation and amortisation (EBITDA) (after fixed assets revaluation)	-80.4%	-177.9%	turnaround

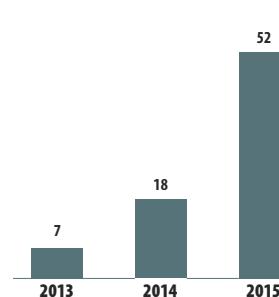
**Consolidated Revenue**  
(million euro)



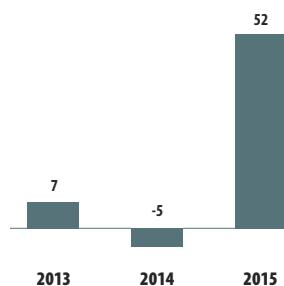
**Gross profit**  
(million euro)



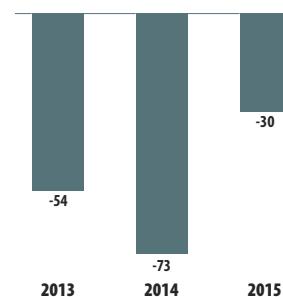
**Earnings before interest, taxes, depreciation and amortisation (EBITDA) before fixed assets revaluation**  
(million euro)



### Earnings before interest, taxes, depreciation and amortisation (EBITDA) after fixed assets revaluation (million euro)



### Earnings/Loss before taxes (million euro)



## Profit Margins

	2013	2014	2015
Gross profit	1.5%	2.8%	4.5%
Earnings before interest, taxes, depreciation and amortisation (EBITDA) (before fixed assets revaluation)	0.6%	1.7%	4.2%
Earnings before interest, taxes, depreciation and amortisation (EBITDA) (after fixed assets revaluation)	0.6%	-0.5%	4.2%

## Results per Business Sector (thousand euro)

2013	Copper products	Cable products	Other services
Sales	746,919	323,738	31,365
Earnings before interest and taxes	-9,590	-6,716	752
Profit/Loss after taxes	-42,097	-21,042	-530
2014	Copper products	Cable products	Other services
Sales	708,081	341,993	29,799
Earnings before interest and taxes	-9,550	-20,040	836
Profit/Loss after taxes	-31,303	-29,095	928
2015	Copper products	Cable products	Other services
Sales	730,574	460,833	38,696
Earnings before interest and taxes	-4,946	23,775	698
Profit/Loss after taxes	-32,888	-251	312

## 7. Financial Figures

### Consolidated Statement of Financial Position (thousand euro)

	2013	2014	2015
<b>ASSETS</b>			
Non-current assets	422,726	584,601	574,750
Inventories	208,236	233,836	209,937
Trade receivables	96,697	91,051	145,360
Cash and cash equivalents	49,125	18,579	34,786
Other assets	35,309	37,013	35,482
<b>TOTAL ASSETS</b>	<b>812,093</b>	<b>965,080</b>	<b>1,000,315</b>
<b>EQUITY &amp; LIABILITIES</b>			
Share Capital	38,486	38,486	38,486
Other equity items of Company shareholders	13,011	82,341	44,123
Minority interest	24,744	26,513	25,058
Total equity	76,241	147,340	107,667
Long-term liabilities:			
Long-term loans	404,631	395,214	394,509
Other long-term liabilities	49,658	73,171	83,740
Total long-term liabilities	454,289	468,385	478,249
Short-term liabilities:			
Short-term loans	167,556	209,002	236,180
Other short-term liabilities	114,007	140,353	178,219
Total short-term liabilities	281,563	349,355	414,399
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>812,093</b>	<b>965,080</b>	<b>1,000,315</b>

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

(amounts in thousand euro)	2013	2014	2015
<b>Cash flows</b>			
From operating activities	15,801	-20,816	15,163
From investment activities	-52,648	-49,639	-24,088
From financing activities	58,113	39,908	25,132
Total	21,266	-30,546	16,207
Cash and cash equivalents at beginning of the year	27,859	49,125	18,579
Cash and cash equivalents at end of the year	49,125	18,579	34,786



## Financial ratios

		2013	2014	2015
<b>Liquidity</b>				
Current Ratio	Times	1.38	1.09	1.03
Quick Ratio	Times	0.64	0.42	0.52
<b>Activity</b>				
DIO	Days	72	83	67
DSO	Days	43	43	54
DPO	Days	37	47	54
Cash Conversion Cycle	Days	78	79	67
<b>Efficiency and Leverage</b>				
Interest coverage ratio	Times	0.17	-0.12	1.05
Debt/Equity	Times	9.65	5.55	8.29
Long-term bank borrowing	%	49.83%	40.95%	39.44%
Short-term bank borrowing	%	20.61%	21.66%	23.61%
Asset turnover ratio	Times	1.36	1.12	1.23
<b>Profitability</b>				
Gross profit margin	%	1.50%	2.77%	4.53%
Operating profit margin	%	0.61%	-0.48%	4.19%
Net profit margin (attributable to the owners of the Company)	%	-5.26%	-4.74%	-2.64%
Return on equity	%	-76.05%	-34.77%	-30.19%
Return on assets	%	-7.14%	-5.31%	-3.25%

## Market Strength

		2013	2014	2015
Pre-tax earnings per share	Euro	-0.53	-0.72	-0.29
Post-tax earnings per share	Euro	-0.57	-0.51	-0.32
Face value per share	Euro	0.38	0.38	1.38
Book value per share	Euro	0.75	1.45	1.06
Capitalisation to book value	Times	1.16	0.38	0.30
P/E (attributable to the owners of the Company)	Times	-1.53	-1.10	-1.01
Dividend per share	Euro	0.00	0.00	0.00



## 7. Financial Figures

### Share Information

	2013	2014	2015
Weighted average number of shares (in thousand)	101,280	101,280	101,280
Average price per share	0.88	0.56	0.32

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

Average price per share 2015: euro 0.32

Number of shares: 101,279,627

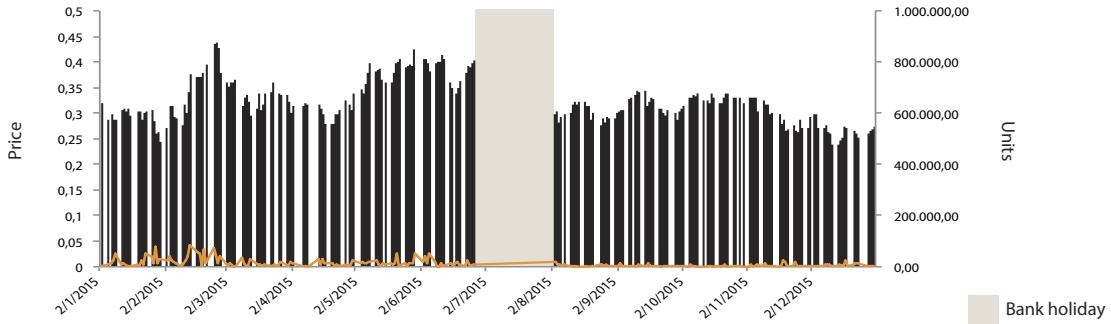
Share Tickers:

XAKOP (HELEX)

XAKO.AT. (Reuters)

XAKO:GA (Bloomberg)

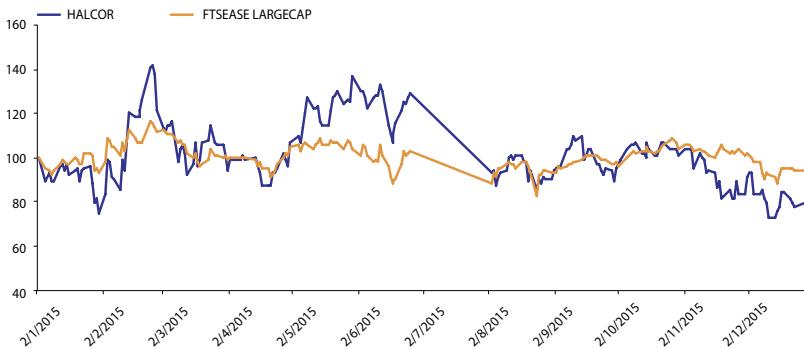
### Share Evolution and Trading Volume



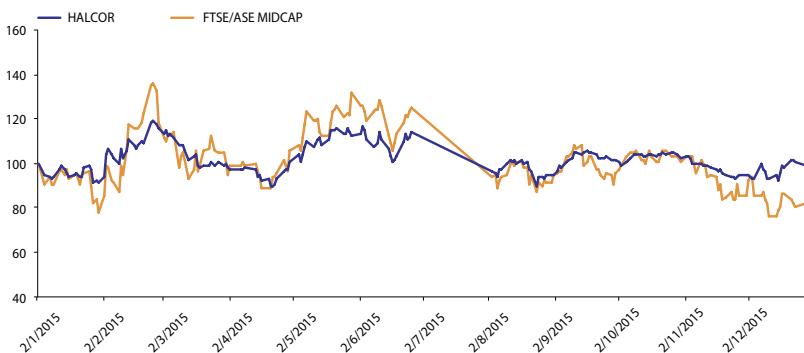
### HALCOR vs ATHEX (base = 100)



### HALCOR vs FTSE XA INTERNATIONAL (base = 100)



### HALCOR vs MID & SMALL CAP INDEX (base = 100)



# 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](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 2015 and the Company’s website ([www.halcor.com](http://www.halcor.com)) provide all the necessary information about the application of all the above.

## Halcor Board of Directors

<b>Theodosios Papageorgopoulos</b>	Chairman, Executive Member
<b>Nikolaos Koudounis</b>	Vice Chairman, Executive Member
<b>Periklis Sapountzis</b>	Executive member
<b>Eftychios Kotsambasakis</b>	Executive member
<b>Tasos Kasapoglou</b>	Executive member
<b>Georgios Passas</b>	Non-executive member
<b>Konstantinos Bakouris</b>	Non-executive member
<b>Christos - Alexios Komninos</b>	Non-executive member
<b>Andreas Katsanos</b>	Non-executive member
<b>Andreas Kyriazis</b>	Independent, non-executive member
<b>Nikolaos Galetas</b>	Independent, non-executive member

## Halcor Management executives

### 1. 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 one of the Group's executives since 1995.

### 2. Stylianos Theodosiou | Technical Manager

Mr. Theodosiou is an electrical-mechanical engineer, graduate of the National Technical University of Athens. He has been one of the Group's executives since 1969.

### 3. Apostolos Kaimenopoulos | Tubes Plant Technical Manager

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

### 4. Spyridon Kokkolis | CFO of Halcor Group

Mr. Kokkolis is an economist, graduate of the National & Kapodistrian University of Athens. He has been one of the Group's executives since 1993.

### 5. Eftychios Kotsambasakis | Oinofyta Plants Directing Manager

Mr. Kotsambasakis is an economist. He has been one of the Group's executives since 1965.

### 6. Dimitrios Athanasiou | Internal Audit Supervisor

Mr. Dimitrios Athanasiou is an economist, graduate of the University of Piraeus, Department of Business Organisation and Administration. He has been one of the Group's executives since 1991.



## 8. Halcor Management executives

### 7. 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 one of Halcor executives since 2001.

### 8. Georgios Mavraganis | Strategic Planning and Corporate Social Responsibility 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 one of Halcor executives since 2008.

### 9. 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 one of the Group's executives since 2015.

### 10. Ioannis Biris | Marketing Manager

Mr. Biris is a qualified architect-engineer. He has been one of Halcor executives since 2002.

### 11. 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 one of Halcor executives since 2006.

### 12. George Samartzis | Supplies Manager

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

### 13. 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 one of the Group's executives since 2004.

### 14. 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 an executive in Group companies since 1987.

### 15. Giorgos Tzortzos | Human Resources Manager

Mr. Tzortzos is an economist. He has been one of Halcor executives since 2008.

### 16. 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 an executive in Group companies since 2001.



# 9 Corporate Responsibility and Sustainable Development

For Halcor, Corporate Responsibility is a key prerequisite for Sustainable Development as well as a factor of stability and success. Implementing practices of responsible functioning is our strategic choice, laying emphasis and focusing over time on substantial topics and crucial pillars of corporate responsibility. We seek to attain the 'zero accident' objective by upgrading our work environment at all times and aspire to develop our people while also seeking to minimise our environmental footprint. We build relationships of trust with our customers and partners and we always stand by the local communities in which we operate to support their needs.



## Responsibility for the Environment

Our operations respect the environment, aiming to reduce our environmental footprint at all times. We prove our commitment in this sector in a concrete way:

- We ensure that our business grows in an environmentally responsible manner and we function in compliance with the applicable laws and regulations.
- We implement a certified Environmental Management system (ISO 14001:2004) in all our production units.
- We make significant investments on an annual basis to protect the environment.
- We abide by specific systems, procedures and programmes to prevent pollution.
- We implement environmental management programmes to ensure our continuous improvement in this field.

**Respect and protection of natural environment are a key objective for us.**



## Responsibility for employees and ensuring health and safety at work

Halcor has been traditionally implementing a human-centred approach based on the development of stable and long-lasting relationships with its personnel. By ensuring fair remuneration, respect for human rights, share in results, continuous training, equal opportunities of professional development and recognition, we make our best efforts and seek to inspire our people at all times.

**We make systematic investments in our people, laying emphasis on their continuous training and development.**

We take steps to ensure a safe work environment, focusing at all times on prevention by taking all necessary measures. Seeking to ensure an integrated management of health and safety issues:

- We implement a certified Occupational Health and Safety Management System (OHSAS 18001:2007).
- We focus specifically on awareness-raising and employee training in health and safety topics
- We monitor our performance in this field by setting adequate goals.
- We implement a major capital expenditure plan in projects and protective means in order to prevent, assess rationally and manage occupational hazards with a view to Zero Accidents.

**Health and safety of employees and partners is a commitment and top priority for us.**



### Responsibility for Society

We seek to be engaged in business activities that will interact with the local communities in which we operate in a positive and productive manner. The Company always stands by the local communities and collaborates with them on an ongoing basis since:

- We give priority and seek to hire employees from local communities.
- We encourage collaboration with local suppliers, where possible.
- We systematically support various organisations, schools and other local bodies.

**Our goal is to contribute to the development and viability of local communities.**



### Responsibility for transparency and correct Corporate Governance

Our commitment in this field is characterised by:

- Implementation of proper corporate governance practices beyond the law, demonstrating integrity and ethics.
- Transparency in all business activities to ensure a healthy and two-way collaboration with shareholders, customers, human resources and each and every stakeholder.
- Compliance with laws and regulations, and applicable standards.

**Proper corporate governance and transparency in all sectors are key factors of responsible corporate functioning for us.**



### Responsibility for customers

Aspiring at optimum service and satisfaction of our customers:

- We implement a certified Quality Management System (ISO 9001), aiming always at providing top quality products and services.
- We systematically monitor the needs and requirements of our customers seeking to provide customised solutions, products and services.
- We invest in research and innovation (Halcor has a strategic focus on the continuous upgrade of its production capacity, by investing in equipment and know-how enabling it to provide an even wider array of high added value solutions to its customers).

**The quality of our products is our top priority and competitive edge.**

**We seek to promote Sustainable Development throughout the entire supply chain.**

Details on the Company's actions per pillar of Corporate Responsibility are laid down in the 2015 Report of Corporate Responsibility and Sustainable Development of Halcor which is a separate section in this report.

# 10

## Notice of General Meeting to Shareholders

### 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 Thursday, May 26, 2016, at 11:30 am at the PRESIDENT HOTEL, 43 Kifissias Av., 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 2015, 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 2015.
3. To appoint Certified Auditors, as well as their alternates, for the financial year 2016 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 37 of Law 3693/2008.
6. To approve Directors' remuneration, according to article 24, par. 2 of Codified Law 2190/1920.
7. 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 21.05.2016 (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 23.05.2016 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 corporal 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](http://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 11.05.2016, 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 13.05.2016, 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 20.05.2016 namely six (6) days before the date of the General Meeting, the draft resolutions regarding the items included in the



## 10. Notice of General Meeting to Shareholders

initial or the revised agenda, if the application reaches the Board of Directors by 19.05.2016, 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 20.05.2016, 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 20.05.2016, 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](http://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, 5 May 2016  
The Board of Directors



# Annual Financial Report

(as at 31 December 2015)

**THE CHAIRMAN  
OF THE BOARD  
OF DIRECTORS**

**THEODOSIOS  
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 FINANCIAL  
MANAGER  
OF THE GROUP**

**SPYRIDON KOKKOLIS**  
ID Card No. X701209

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



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

**HALCOR METAL WORKS S.A.**

G.C.Reg.: 303401000, Company's No in the Reg. of SA: 2836/06/86/48, Address: Athens Tower, Building B, 2-4, Messoghion Avenue, 11527, Athens

FINANCIAL DATA AND INFORMATION for the fiscal year from January 1, 2015 to December 31, 2015. (According to article 135 of Law 2190/20 for companies publishing annual financial statements, individual and consolidated, in accordance with IAS/IFRS)

The figures illustrated below aim to give general information about the financial position and results of HALCOR, S.A. and the Group HALCOR. The reader, wishing to be familiar with the company's financial position and results, should have access to the Company's Financial Statements, as provided by the International Financial Reporting Standards, as well as to the audit report of the auditor-accountant whenever it is required. Inductively, he can visit the company's web site, where the information and data in question are presented.

Supervising Authority: Ministry of Development and Competitiveness, Department of Societe Anonyme companies and Credit, Website of the Company: www.halcor.gr.

Board of Directors.: T. Papageorgopoulos (Chairman, Executive member), N. Koudounis (Vice Chairman, Executive member), P. Sapountzis, E. Kotsambasakis, T. Kassapoglou (Executive members), G. Passas, K. Bakouris, C.A. Konninos, A. Katsanos (Non-executive members), A. Kiriakos and N. Galetas (Independent, non-executive members), Date of approval of the financial statements: March 11, 2016, Certified Auditor: Nick Vouinases (Reg. No. SOEL 18701),

Audit firm: KPMG Certified Auditors, S.A., Review type: Unqualified opinion

**DATA FROM STATEMENT OF FINANCIAL POSITION**

(amounts in Euro)

	GROUP		COMPANY	
	31 Dec. 15	31 Dec. 14	31 Dec. 15	31 Dec. 14
<b>ASSETS</b>				
Property, Plant, Equipment	532,663,929	548,206,894	131,821,887	136,565,476
Investment property	6,426,268	2,552,265	3,742,166	-
Intangible Assets	16,815,649	16,016,897	455,934	408,412
Other non current assets	18,844,060	17,824,975	194,797,436	184,324,006
Inventories	209,937,102	233,835,584	48,798,460	58,757,697
Trade receivables	145,359,737	91,051,427	44,590,462	46,825,831
Other current assets	35,482,078	37,013,223	2,172,217	7,244,885
Cash and cash equivalents	34,786,380	18,578,837	11,809,811	6,826,859
<b>TOTAL ASSETS</b>	<b>1,000,315,203</b>	<b>965,080,103</b>	<b>438,188,372</b>	<b>440,953,166</b>
<b>EQUITY AND LIABILITIES</b>				
Share capital (101,279,627 of Euro 0.38)	38,486,258	38,486,258	38,486,258	38,486,258
Other shareholders equity	44,123,371	82,340,847	67,285,093	81,179,276
Total shareholders equity (a)	82,609,629	120,827,105	105,771,351	119,665,534
Non-controlling interests (b)	25,057,595	26,513,210	-	-
Total equity (c) = (a) + (b)	107,667,225	147,340,315	105,771,351	119,665,534
Long term borrowings	394,509,140	395,213,711	174,512,842	179,239,255
Provisions / Other long term liabilities	83,739,847	73,171,725	30,444,888	27,684,258
Short term borrowings	236,180,448	209,001,838	86,211,556	81,572,606
Other short term liabilities	178,218,544	140,352,515	41,247,736	32,791,514
<b>Total liabilities (d)</b>	<b>892,647,979</b>	<b>817,739,788</b>	<b>332,417,022</b>	<b>321,287,633</b>
<b>TOTAL EQUITY AND LIABILITIES (c) + (d)</b>	<b>1,000,315,203</b>	<b>965,080,103</b>	<b>438,188,372</b>	<b>440,953,166</b>

**DATA FROM STATEMENT OF CHANGES IN EQUITY**

(amounts in Euro)

	GROUP		COMPANY	
	31 Dec. 15	31 Dec. 14	31 Dec. 15	31 Dec. 14
Net Total equity at the beginning of the Period (1/1/2015 and 1/1/2014 respectively)	147,340,315	76,241,466	119,665,534	94,768,916
Total comprehensive income after taxes	(39,116,127)	71,210,335	(13,894,183)	24,896,619
	108,224,188	147,451,801	105,771,351	119,665,534
Dividends distributed	(230,760)	(62,328)	-	-
Acquisition of company	-	-	-	-
Subsidiary absorption	-	-	-	-
Increase / (decrease) of participation in subsidiaries	(326,201)	(49,155)	-	-
Net Total equity at the end of the period (31/12/2015 and 31/12/2014 respectively)	107,667,225	147,340,315	105,771,351	119,665,534

**DATA FROM CASH FLOW STATEMENT**

(amounts in Euro)

	GROUP		COMPANY	
	1.01 - 31.12.2015	1.01 - 31.12.2014	1.01 - 31.12.2015	1.01 - 31.12.2014
<b>Operating activities</b>				
Profits / (Loss) before tax	(29,818,148)	(73,008,985)	(9,421,801)	(21,390,219)
Plus / minus adjustments for:				
Depreciation of tangible assets	31,836,221	23,072,891	6,602,546	4,858,916
Amortization of intangible assets	1,398,151	1,035,691	225,650	170,803
Amortization of Government Grants	(1,153,446)	(576,895)	(111,367)	(111,102)
Provisions	11,471,022	463,538	2,133,920	(610,661)
Results (income, expenses, profits, losses) from investing activities	(171,893)	(551,933)	-	(68,473)
(Profit)/loss from Revaluation of Fixed Assets to Fair Value	24,824	23,441,304	24,824	10,797,228
Interest Expenses	48,920,375	44,723,121	17,217,648	17,568,195
(Profit)/loss from the sale of fixed assets	219,689	(19,269)	2,823	(2,080)
(Profit)/loss from the sale of investments	-	-	-	-
(Profit)/loss on derivatives	(361,960)	(105,379)	-	(15,087)
Income from participations	-	146,081	(248,658)	-
Impairment of investments	-	-	-	-
<b>Plus / Minus movements in working capital or related to operating activities:</b>				
Decrease / (increase) of inventories	13,120,296	(25,599,390)	7,836,202	(3,803,809)
Decrease / (increase) of receivables	(52,531,478)	4,348,855	6,803,226	10,039,896
(Decrease) / Increase of obligations (except banks)	36,496,529	33,315,198	7,466,078	4,934,237
<b>Less:</b>				
Interest and related expenses paid	(44,155,555)	(51,295,415)	(16,747,092)	(18,500,877)
Taxes paid	(154,858)	(216,109)	-	-
<b>Total cash (used in) / generated from operating activities (a)</b>	<b>15,139,768</b>	<b>(20,826,694)</b>	<b>21,784,000</b>	<b>3,866,966</b>
<b>Investing activities</b>				
Acquisition-sale of subsidiaries, affiliated com., and other investments	(1,515,991)	(2,031,641)	(11,447,498)	(781,641)
Purchase of tangible and intangible fixed assets	(24,034,012)	(47,726,590)	(6,940,973)	(5,223,622)
Proceeds from sale of tangible and intangible fixed assets	1,408,947	22,853	1,400,941	2,080
Interest received	53,394	96,538	25,287	25,201
Dividends received	-	-	248,658	97,850
<b>Total cash (used in) / generated from investing activities (b)</b>	<b>(24,087,662)</b>	<b>(49,638,840)</b>	<b>(16,713,585)</b>	<b>(5,880,132)</b>
<b>Financing activities</b>				
Proceeds from issued / assumed borrowings	46,453,496	60,098,328	13,000,000	23,313,642
Loans paid up	(23,683,719)	(27,902,880)	(13,087,463)	(17,522,500)
Repayments of financial leasing liabilities (capital installments)	796,428	(166,641)	-	-
Proceeds from government grants	1,743,070	8,030,422	-	-
Dividends paid	(176,897)	(151,598)	-	(3,813)
<b>Total cash (used in) generated from financing activities (c)</b>	<b>25,132,378</b>	<b>39,907,632</b>	<b>(87,463)</b>	<b>5,787,329</b>
<b>Net increase / (decrease) in cash and cash equivalents for the year (a)+(b)+(c)</b>	<b>16,184,484</b>	<b>(30,557,903)</b>	<b>4,982,951</b>	<b>3,774,163</b>
Cash and cash equivalents at the beginning of the year	18,578,837	49,125,244	6,826,859	3,052,697
Foreign Exchange effect in Cash and equivalents	23,058	11,497	-	-
<b>Cash and cash equivalents at year end</b>	<b>34,786,380</b>	<b>18,578,837</b>	<b>11,809,810</b>	<b>6,826,859</b>

# HALCOR METAL WORKS S.A.

FINANCIAL DATA AND INFORMATION for the fiscal year from January 1, 2015 to December 31, 2015, (According to article 135 of Law 2190/20 for companies publishing annual financial statements, individual and consolidated, in accordance with IAS/IFRS)

## DATA FROM STATEMENT OF COMPREHENSIVE INCOME

(amounts in Euro)

	GROUP		COMPANY	
	1.01 - 31.12.2015	1.01 - 31.12.2014	1.01 - 31.12.2015	1.01 - 31.12.2014
<b>Total turnover</b>	<b>1,230,103,112</b>	<b>1,079,873,385</b>	<b>451,690,228</b>	<b>396,014,891</b>
<b>Gross Profit / (loss)</b>	<b>55,744,506</b>	<b>29,932,316</b>	<b>19,257,027</b>	<b>18,899,206</b>
<b>Profit / (loss) before taxes, financing and investing results before revaluation</b>	<b>19,526,682</b>	<b>(5,312,532)</b>	<b>7,547,189</b>	<b>6,877,353</b>
Loss from revaluation of Fixed Assets to Fair Value	-	(23,441,304)	-	(10,797,227)
<b>Profit / (loss) before taxes, financing and investing results</b>	<b>19,526,682</b>	<b>(28,753,836)</b>	<b>7,547,189</b>	<b>(3,919,874)</b>
<b>Profit / (loss) before taxes</b>	<b>(29,818,148)</b>	<b>(73,008,985)</b>	<b>(9,421,801)</b>	<b>(21,390,219)</b>
Less: Taxes	(3,009,250)	13,538,914	(1,803,928)	5,278,201
<b>Profit / (loss) after taxes (A)</b>	<b>(32,827,398)</b>	<b>(59,470,070)</b>	<b>(11,225,729)</b>	<b>(16,112,018)</b>
Distributed to:				
Shareholders of the parent	(32,509,070)	(51,235,338)	(11,225,729)	(16,112,018)
Non-controlling interests	(318,327)	(8,234,733)	-	-
<b>Other comprehensive income / (expenses) after taxes (B)</b>	<b>(6,288,729)</b>	<b>130,680,405</b>	<b>(2,668,454)</b>	<b>41,008,637</b>
<b>Total comprehensive income / (expenses) after taxes (A) + (B)</b>	<b>(39,116,127)</b>	<b>71,210,335</b>	<b>(13,894,183)</b>	<b>24,896,619</b>
Distributed to:				
Shareholders of the parent	(38,565,450)	69,230,657	(13,894,183)	24,896,619
Non-controlling interests	(550,677)	1,979,678	-	-
<b>Loss per share after taxes - basic (in Euro)</b>	<b>(0.3210)</b>	<b>(0.5059)</b>	<b>(0.1108)</b>	<b>(0.1591)</b>
<b>Proposed dividend per share (in Euro)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit / (loss) before taxes, financing and investing results &amp; depreciation prior to Loss from revaluation</b>	<b>51,588,783</b>	<b>18,219,156</b>	<b>14,264,017</b>	<b>11,795,971</b>
<b>Profit / (loss) before taxes, financing and investing results &amp; depreciation</b>	<b>51,588,783</b>	<b>(5,222,148)</b>	<b>14,264,017</b>	<b>998,744</b>

### Additional data and information:

1. The Group's companies and their locations, the percentage participation of their share capital that the Group owns as well as the consolidation method used to incorporate them in the consolidated financial statements of the fiscal year of 2015, are analytically presented in Note No. 30 of the financial statements.

2. The financial statements of the Company are included in the consolidated financial statements prepared by the following company:

Company	Country of the Reg. Office	Percentage holding	Consolidation method
VIOHALCO S.A./NV	BELGIUM	66.34%	Full consolidation

3. There are no pending court decisions or claims under arbitration, which may have a significant effect on the financial position of the Company and the Group.

4. The number of the personnel at the end of the current year was: Company 427 (31/12/2014: 416), Group 2,447 (31/12/2014: 2,413).

5. On the property of the Group, there are mortgages totaling Euro 379 million (Euro 217 million for the parent company) to secure long-term loans

(See Note No.22 of Financial Statements).

6. There has been provision accounted for tax unaudited fiscal years of the Group: Euro 239 thous., of the Company: Euro - thous (2014: Euro 239 thous. and - thous. respectively)

Other provision accounted as at December 31 are for the Group Euro 90 thous. and for the Company Euro 90 thous. (see note No.25 of the Financial Statements).

7. The cumulative amounts of sales and purchases at the beginning of the financial year and the balances of receivables and obligations of the company at the end of the current year, resulting from its transactions with related parties following the IAS 24 are as follows:

	GROUP	COMPANY
i) Sales	139,437,149	192,352,180
ii) Purchases	163,817,487	51,072,021
iii) Receivables	19,975,259	36,291,297
iv) Obligations	20,033,353	5,287,461
v) Transactions & fees of higher executives and managers	4,723,829	1,709,574
vi) Receivables from higher executives and managers	-	-
vii) Liabilities to higher executives and managers	-	-

8. The income tax in the income statement is analysed as follows (amounts in Euro):

	GROUP		COMPANY	
	1 Jan. - 31 Dec. 2015	1 Jan. - 31 Dec. 2014	1 Jan. - 31 Dec. 2015	1 Jan. - 31 Dec. 2014
Income tax for the period	(203,942)	(465,971)	-	(142,841)
Deferred tax for the period	(2,805,308)	14,004,885	(1,803,928)	5,421,042

9. The unaudited tax years of the Company and the companies of the Group are analytically presented in note No 30 of the financial statements. For the fiscal year 2015 the Company is being audited by KPMG auditors pursuant to the issuance of the tax certificate, according to the provisions of article 82, sec. 5 of L.2238/1994 as amended by the No.159/22-7-2011 decision of the ministry of finance.

10. The "Other Comprehensive Expenses" that was accounted directly at the Shareholders Equity without affecting the result of the period, concerns remeasurements of defined benefit liability (Group: Euro 512 thous. and Company: 216 thous.), foreign exchange differences from consolidation of foreign subsidiaries (Group: Euro -952 thous.) and derivatives valuation from cash flow hedging (Group: Euro -3274 thous. and Company: Euro -1131 thous.) and revaluation of Available-for-sale Group: Euro: -876 thous. And Company: Euro -876 thous. (see Statement of Other Comprehensive income of the Financial Statements).

11. At the end of the current year, there are no shares of the parent Company owned either by the same or any of the subsidiaries and affiliated companies.

12. In February 25, 2015 the subsidiary Hellenic Cables participated in the capital increase of the 100% owned subsidiary FULGOR SA totalling Euro 4,112,000

13. Halcor Research and Development SA (Greece) is not included in the consolidated financial statements for the Group. With date 1st of October 2015 was decided to revive the company because no action of liquidation was performed and the distribution of the company's assets did not start. The financial figures of Halcor Research and Development SA do not have significant impact on the financial statements of the Group due to immaterial of figures. (see Note. no. 13 of Financial Statements).

14. On 24/9/2015 the Company acquired the 100% of shares of the subsidiary Techor S.A. by buying 90,000 shares from Viohalco S.A. for the amount of Euro 803 thous. The value in the books of Viohalco SA is Euro 802,500 i.e. Euro 8,9167 per share, while the face value of the is Euro 0.76 per share. (see Note no. 13 of Financial Statements).

15. On the 8th of July of 2015 the company DIAPEM S.A. (Greece) in which the Company participates with 33.33% having 9,085 shares, proceeded to reduction of Paid-up Capital through reducing the face value per share from Euro 29.35 per share to Euro 18.35 per share due to lack of business activity. Consequently, there was a return of capital to the shareholders and the amount attributed to the Company stood at Euro 100 thous. (see Note no. 13 of Financial Statements).

16. The Group on 15 April 2015 proceeded to capital increase in the 100% subsidiary Fulgor A.E for the amount of Euro 14,4 mil. 900.000 new shares were issued for Euro 2.94 with price Euro 16.00, hence with premium of Euro 13.06 per share. (see Note no. 13 of Financial Statements).

17. The Group acquired the 100% of the shares of SYMM.EP.S.A. for the amount of Euro 60 thous. (see Note no. 13 of Financial Statements).

18. In 2015 the Company participated equally with Cantas A.S. (Turkey) in the establishment of Joint Venture HC Isitma A.S. (Turkey) by paying Euro 745 thous. (see Note no. 13 of Financial Statements).

19. In 2015 the liquidation of Belantal LTD (Cyprus) was completed with the return of capital Euro 95 thous.(see Note no. 13 of Financial Statements).

20. The Company in December 2015 proceeded to the capital increase of the 100% subsidiary Sofia Med SA. By a total of Euro 9,999,949. With the increase 176,200 new shares were issued with nominal value of Euro 41.93 per share and issuance price of Euro 56.75 per share, i.e. share premium of Euro 14.83 per share. (see Note no. 13 of Financial Statements).

21. During the fiscal year 2015 a provision for inventory devaluation was posted for the Group: Euro -11,427 thous. And for the Company: Euro -2,123 thous. (see Note no. 16 of Financial Statements).

Athens, March 11, 2016

THE CHAIRMAN OF THE BOARD OF DIRECTORS  
THEODOSSIOS PAPAGEORGOPOULOS  
Id.C.No. AE 135393

A MEMBER OF THE BOARD OF DIRECTORS  
GEORGE PASSAS  
Id.C.No. 0 020251

THE MANAGING DIRECTOR  
SAPOUNTZIS PERIKLIS  
Id.C.No. AK 121106

THE GROUP CHIEF FINANCIAL OFFICER  
SPYRIDON KOKKOLIS  
Id.C.No. X 701209, Reg. No. 20872 Class A'



**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 2015, 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 2015 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, 11th of March 2016**

**Confirmed by**

<b>The Chairman of the Board</b>	<b>The Board-appointed Member</b>	<b>The Board-appointed Member</b>
<b>Theodosios Papageorgopoulos</b>	<b>Nikolaos Koudounis</b>	<b>George Passas</b>
<b>ID Card No. AE 135393</b>	<b>ID Card No. AE 012572</b>	<b>ID Card No. Φ 020251</b>

## 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 2015 (1 January – 31 December 2015). 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 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 2015, 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.

### 1. Financials - Business report - Major events

Throughout the year of 2015 recovery in the Eurozone fluctuated slightly positively. On the contrary, the Greek market returned to negative growth rates, especially after the implementation of the capital controls on banks. Outside the area of Europe, GDP growth rate in the US was on slightly higher levels than the previous year, a fact that positively affected sales of the Group. In this tough environment, consolidated turnover in 2015 amounted to Euro 1,230 million against Euro 1,080 million in 2014, marking an increase of 13.9%. The volume

of sales marked an increase by 9.6%.

In volume terms, the cables sector constituted a bigger proportion of the sales to 43% of the total volumes sold, versus the 38% in the previous year, following the execution of the contract of the submarine cables, the sales of tubes constituted the 26%, the rolling products the 15%, copper Bus Bars & Rods the 8% and Rods & Tubes 7%. Metal prices differentiated significantly in 2015, with the Copper to trend upwards, but afterwards and finally downwards in the markets, with the average price to form lower by 4.2% to Euro 4,952 per tonne, while the average price of Zinc to trend higher by 6.2% and form to Euro 1,736 per tonne versus Euro 1,634 per tonne.

For 2015, Consolidated gross profit rose by 86.0% and amounted to Euro 55.7 million versus Euro 29.9 million in 2014. This increase by Euro 25.8 million is attributed to the improvement of the operational result as the gross profit was hindered by Euro 20.5 million of metal loss versus only Euro 11.0 million in 2014, consequently the gross profit would have been higher if the downward trend of the metal prices at the end of the year had not accelerated. Consolidated earnings before taxes, depreciation and amortization (EBITDA) without the effect of the devaluation of assets amounted in 2015 to profit Euro 51.6 million versus Euro 18.2 million in the prior year, hence improved by Euro 33.4 million, while earnings before interest and taxes (EBIT) amounted to profit of Euro 19.5 million compared to losses of Euro 28.8 million in the previous year. Consolidated results (profit / loss before taxes) amounted to losses of Euro 29.9 million in 2015 compared to a loss of Euro 73.0 million in 2014. Finally, the loss after tax



and minority interests amounted to Euro 32.5 million or Euro -0.3210 per share compared to a loss of Euro 51.2 million or Euro -0.5059 per share in 2014.

Results of the mother Company were significantly improved, as earnings before taxes and interest (EBIT) amounted in 2015 to profits of Euro 7.5 million versus loss of Euro 3.9 million in the prior year. Results after taxes amounted in 2015 to losses of Euro 11.3 million, versus losses of 16.1 million in 2014.

In the Eurozone, the modest recovery of production activity and the intensified competition, affected negatively conversion prices in most of the products of the Group. In the contrary, the continued improvement of financial conditions in the United States and the United Kingdom as well as the declining exchange rate of the Euro versus the US dollar and the UK pound led to an increase of sales and better margins. The demand for industrial products in the major European markets, showed signs of stabilization from 2014 a trend that went on throughout 2015. The performance of the parent company in the sales of Copper tubes was very good, as in spite of the decline in the European as well as the global consumption, with targeted moves in developing markets and new products Halcor achieved significant increases in terms of volumes. Regarding cables, the increase in the turnover was the result of the execution of two important construction projects of submarine cables, connecting the Cyclades islands and the connection of island Ag. Georgios. In addition, apart from the construction of submarine cables, the increase stemmed from the increase in the volume of sales of other products, as within 2015, two major projects were completed, in spite of the adverse conditions that dominated the domestic market.

As regards 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.

Regarding cash flows, the significant reduction of inventory was the main reason of improvement of the operational cash flows at company as well as at consolidated level. On the other hand, the increase of the turnover as a consequence of the construction contracts of the submarine cables that has been undertaken by Hellenic Cables and its subsidiaries negatively affected the cash flow through the increase of the receivables.

In 2015, the Halcor Group carried out total investments of Euro 23.6 million, versus Euro 45.8 million in the prior year. Having completed their investment plan, Hellenic Cables is now one of the very few cable manufacturers worldwide able to produce high voltage submarine cables. For 2015, amount of Euro 6.6 million spent in upgrading the production facilities of the parent company in Inofyta, focusing mainly in the Tubes Plant. Finally, Euro 11.2 million related to Hellenic Cables and its subsidiaries, while the investments of subsidiary Sofia Med amounted to Euro 5.0 million in improvement of productivity, in the production of high added value products.

## 2. Financial standing

The ratios showing the financial standing of both Group and Company evolved as presented in **Table 1.1** (p. a9)

For the calculation of the ratios for the year 2014, the revaluation effect was not included for comparability reasons.

TABLE 1.1

RATIOS	GROUP		COMPANY	
	31/12/15	31/12/14	31/12/15	31/12/14
<b>Liquidity</b>				
Current Assets / Current Liabilities	1.03	1.09	0.85	1.05
<b>Leverage</b>				
Equity / Bank Loans	0.17	0.24	0.41	0.46
<b>Return on Invested Capital</b>				
Profit Before Taxes and Financial Expenses / Equity + Bank Loans	2.6%	-0.7%	2.1%	1.8%
<b>Return on Equity</b>				
Net Profits / Equity	-30.6%	-24.5%	-10.6%	-4.4%

### 3. Corporate Social Responsibility and Sustainable Development

#### Environment

Halcor, considering the major environmental problems that humanity is facing, seeks to actively contribute to international efforts to protect the environment, both through its responsible operation and by minimizing its environmental footprint.

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

#### Human Resources

One of the main advantages of Halcor is the quality of human capital that is credited in large part for its hitherto successful course. For this reason, the company attaches great importance to the selection, evaluation and reward its staff.

Halcor's policy is to attract highly quality individuals for optimal and timely needs, the establishment of objective evaluation and selection criteria as well as to

ensure fairness and merit-based recruitment, through transparent procedures.

Halcor within its responsible operation has established a code of values and behaviour of employees. The Code is mandatory for all workers across the range of activities of the Company. This Code has been incorporated in the Bylaws of the Company and outlines the basic principles and rules governing the internal life and practices of the organization, taking into account the existing provisions under national and international legislative framework.

In the context of equal opportunities policy that is being applied, the Company desires and seeks a balanced distribution among employed men and women. However, given the nature of business, the involvement of men is increased.

Moreover, Halcor seeks and ensures jobs and recruitment from the wider society, Viotia and Evia, supporting virtually the employment in the region.

#### Health and Safety

Halcor cares of creating and maintaining a modern and safe working environment which is continuously improved reflecting the high levels of security that seeks to provide for their employees. For this reason, it maintains and implements a Management System for Safety and Health at Work, in accordance with the standards OHSAS 18001:2007 / ELOT 1801:2008.



In 2015, further steps were taken to improve the security culture while the training of employees to create a safe working environment intensified. Halcor's virtue is the recording and reporting of "near misses" something that is key element for improving and advancing worker safety.

#### **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 adequate credit limits from cooperating banks, that it will always have adequate liquidity in order to cover its obligations when they mature, under normal or more difficult conditions, without there being unacceptable losses or its reputation being jeopardized. The average maturity of loans stands at three years while the cash and cash equivalents on 31 December 2015, amounted to Euro 34.8 million at consolidated level and Euro 11.8 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.

### **5. Outlook and prospects for 2016**

Developments during 2016 and discussions in national and international level about the completion of the evaluation of the funding program of the Greek government constitute the greatest uncertainty in the domestic environment. The return to economic stability depends to a great degree on the actions and decisions of institutional bodies in the country and abroad. The Group and the Company, considering that the largest percentage of Group sales are destined for markets outside Greece, that the largest part of domestic sales are

related to already signed contracts for projects that have secured financing, and that the Group has access to financing sources outside Greece, assess that any negative developments in the Greek economy are not expected to affect their smooth operation significantly. Apart all that, Management continuously assesses the situation in order to ensure that all necessary measures are timely taken in order to minimise any effects on the activities of the Group and the Company.

The reluctant strengthening of the global economy in the beginning of the year justifies a modest optimism for 2016. Regarding the U.S., demand is expected to remain on an upward trend, and the strength of the dollar is expected to help the competitiveness of European and also Group products significantly. Cost will be affected positively by the further drop in the cost of energy that is foreseen for 2016 due to the significant drops in the prices of fuels that started in the end of 2014. As the demand for industrial products is expected to move positively and will continue be the pillar of Group's growth for 2016. Regarding cables, the Group will start enjoying the benefits of the investments done in the last three years and there is significant optimism based on existing contracts for high/ultra-high voltage cables and submarine cables, as well as the prospects opened for exports to countries within and outside the European Union due to the restart of activities in the energy sector.

More generally, for 2016, given the difficult conditions still prevailing in the domestic market and the apparent stabilization of the economies of most countries in the Eurozone, the Group will continue to have the primary strategic objective of increasing market share in industrial products and strengthen activity in new markets that have not been affected by the economic downturn. In addition, the

TABLE 1.2 Transactions of the parent company with subsidiaries		AMOUNTS IN THOUSANDS EURO		
Company	Sales of goods, services & assets	Purchases of goods, services & assets	Receivables	Payables
HELLENIC CABLES	16,913	19,177	1,121	815
STEELMET GROUP	3	1,813	2	206
SOFIGA MED	39,108	5,873	20,000	-
FITCO	17,306	561	1,988	-
METAL AGENCIES	46,482	93	3,177	0
OTHER	138	0	3	143
<b>Total</b>	<b>119,950</b>	<b>27,517</b>	<b>26,291</b>	<b>1,164</b>

current use of the optimal management of working capital and net debt reduction are the 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 presented in **Table 1.2**.

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.

SofiaMed S.A. buys from Halcor raw materials and semi-finished products of copper and copper alloys, depending on its needs, as well as finished products which distributes to the Bulgarian market. In addition, 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 S.A. buys from Halcor raw materials. Halcor processes Fitco's materials and deliver back semi-finished products. It also

provides Fitco with administrative support services.

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 S.A. provides Halcor with traveling services.

CPW America CO trades Halcor products in the American market.

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

Tepro Metall AG trades (through its subsidiary MKC) Halcor products and represents 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 S.A. 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.

Transactions of the parent company with other affiliated companies are presented in **Table 1.3** (p. A14).



TABLE 1.3 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	32,718	186	4,288	21
REYNOLDS CUIVRE	26,533	53	2,171	24
STEELMET ROMANIA	6,619	23	-	1,017
GENECOS	2,719	128	1,241	77
ANAMET S.A.	942	12,320	909	498
VIANATT	325	-	76	-
HC ISITMA	171	-	141	-
TEKA SYSTEMS	37	1,781	7	621
VIEXAL	1	346	-	21
TEPRO METAL	-	139	-	25
ELVAL	99	1,197	192	1,423
VIOHALO	134	173	47	-
OTHER RELATED	2,239	7,382	975	397
<b>Total</b>	<b>72,537</b>	<b>23,728</b>	<b>10,047</b>	<b>4,123</b>

TABLE 1.4 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	59,573	216	6,705	26
STEELMET ROMANIA	13,969	4,194	43	2,942
TEKA SYSTEMS	39	2,805	8	1,149
ANAMET	2,066	21,918	1,049	610
VIEXAL	6	1,669	15	58
CPW	1,206	30	312	30
VIOHALO	155	449	47	18
TEPRO METAL	1,163	893	229	369
SIDENOR	1,736	188	318	99
CORINTH PIPEWORKS	2,671	437	428	219
STOMANA	702	2	92	2
ETEM BULGARIA	792	10,063	127	548
METALVALIUS	7,625	97,948	3,283	84
GENECOS	7,641	335	3,333	334
REYNOLDS CUIVRE	26,796	53	198	-
HC ISITMA	171	49	141	-
OTHER RELATED	13,124	22,567	3,646	8,396
<b>Total</b>	<b>139,437</b>	<b>163,817</b>	<b>19,975</b>	<b>14,884</b>

TABLE 1.5 Fees of Executives and Board members		AMOUNTS IN THOUSANDS EURO	
	Group	Company	
Total fees of management executives & Board members	4,724	1,710	

Transactions of HALCOR Group with other affiliated companies are presented in **Table 1.4**.

The **Table 1.5** sets out the fees paid to executives and members of the Board of Directors.

## 7. Subsequent events

Halcor S.A. following the completion of the

cross-border merger of "Viohalco S.A./NV" (absorbing company) by absorption of "ELVAL ET. Symmetoxon S.A.", "DIATOUR S.A.", "ALCOMET S.A." and "EUFINA S.A." that took place on 26/2/2016, "Viohalco S.A./NV" now holds out of the total voting rights (101,279,627) of Halcor S.A. a direct number of voting rights of 69,149,516; i.e. percentage of 68.28%.

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## **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 aforementioned owners is not represented.
- Shareholder liability is limited to the nominal value of each share they hold.

### **2) Restrictions on the transfer of Company shares**

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

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

The major holdings (over 5%) known on 31 December 2015 were as follows:

- VIOHALCO S.A/NV:  
66.34 % of voting rights of which it directly holds 58.42 % of share capital.

### **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 Arti-



cles 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](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 companies, 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 2014, i.e. "KPMG Certified Auditors A.E.", who have been elected by the Ordinary General Meeting of the Company's Shareholders on 27 May 2014, 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 deci-



sion-making within the framework of the provisions of Codified Law 2190/1920 and the Articles of Association, and for compliance with corporate governance principles.

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

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

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

The existing Board of Directors of the Company consists of 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:

- Theodossios 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
- Christos – Alexis Komninou, 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 22nd of May 2015 and its term of office shall expire on the date of the Ordinary General Meeting of the year 2016.

The Board of Directors met 63 times during 2015 and all members attended.

**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 Management levels in relation to the safeguarding of the resources they manage and their compliance with the Company's established policy and procedures;
- To evaluate the procedures and data in terms of 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:

Members: 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 2015 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 GROUP since 1962 and has served as General Manager in HALCOR S.A. from 1973 to 2004. Between 2004 and this date he is the Chairman of the Board of HALCOR S.A.

#### **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 S.A. (1983), General Manager of ELVAL S.A. (2000) and Managing Director of FITCO S.A. (2004). He already participates as an executive director in the Boards of ELVAL S.A., HALCOR S.A., DIA.VI.PE.THIV S.A. (Chairman of BoD), FITCO S.A. (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 VIOHALCO Group since

1995 when hired as a sales manager in HELLENIC CABLES S.A. From 1997 to 2000 he was Commercial Director of TEPRO METALL AG. In 2000 he became General Manager of ICME ECAB S.A. and in 2004 took the same position in the parent company HELLENIC CABLES S.A. Between 2008 and currently holds the position of General Director and Board Member of HALCOR S.A.

#### **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 S.A. From 1983 until 2006, he served as Technical Director at the tubes plant of HALCOR S.A. From middle 2006 until end of 2007 he served as General Manager of SOFIA MED. From 2009 he is Board Member of HALCOR S.A.

#### **Eftyhios Kotsambasakis, (Executive Member)**

Mr. Kotsampasakis holds the position of Administrative Director of HALCOR S.A. He has been working for the VIOHALCO Group since 1965. He serves on the Board of DIA.VI.PE.THIV S.A. 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 VOIOTIAS CABLES S.A. Between 1989 and now is Director of the metals department of the VIOHALCO Group. 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 S.A.

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

Mr. Passas is a graduate of Athens University of Economics and Business. He joined the VIOHALCO Group in 1969 and has served in senior positions of the Group. From 1973 to 1983 he served as CFO of ELVAL S.A., from 1983 to 1987 as Financial Director of HALCOR S.A., while from 1987 to 2004 was General Manager of HELLENIC CABLES S.A. 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.

**Christos - Alexis Komninos,  
(Non-executive Member)**

Mr. Christos Komninos was born in Istanbul in 1943.

In 1971 he graduated from Istanbul Technical University (I.T.U.) with a degree in Chemical Engineering (MSc).

In 1972 he moved to Greece and joined the COCA-COLA 3E, where he held various positions until 1987. From 1987 to 1990 he served as CEO of the Company «Coca-Cola Bottlers Ireland» (a subsidiary of COCA COLA 3E). In 1990 he returned to Greece and in 1995 was appointed as Chief Executive Officer, a position he held until 2000. From 2000 to 2004 he served as president and CEO of PAPASTRATOS S.A. After the acquisition of PAPASTRATOS S.A. by PHILIP MORRIS S.A., he participated as a volunteer in the Olympic Games Organizing Committee "Athens 2004" as Head of the Opening and Closing Ceremonies of the 28th Olympiad. From 2005 to 2010 he held the position of Executive Vice President of the Company SHELMAN S.A. and ELMAR S.A.



He speaks English, French, Italian and Turkish.

**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 S.A., 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 the VIOHALCO Group.

**The Chairman of the Board  
of HALCOR S.A.**

**Theodoros Papageorgopoulos**

Annual Report



Financial Statements



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I. Statement of Financial Position		AMOUNTS IN EURO			
		GROUP		COMPANY	
	31/12/15	31/12/14	31/12/15	31/12/14	
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	532,663,929	548,206,894	131,821,887	136,565,475	
Intangible assets	16,815,649	16,016,897	455,934	408,412	
Investment property	6,426,268	2,552,265	3,742,166	-	
Investments in associates	9,382,740	9,013,674	5,966,131	5,321,082	
Investments in subsidiaries	-	-	185,149,163	174,346,714	
Available for sale financial assets	3,396,168	4,285,276	2,854,772	3,730,772	
Deferred income tax assets	3,870,184	1,845,112	-	-	
Trade and other receivables	2,194,969	2,680,913	827,370	925,436	
	<b>574,749,906</b>	<b>584,601,030</b>	<b>330,817,423</b>	<b>321,297,892</b>	
<b>Current Assets</b>					
Inventories	209,937,102	233,835,538	48,798,460	58,757,697	
Trade and other receivables	180,574,353	126,407,470	46,762,678	53,478,723	
Derivative financial instruments	267,462	1,657,228	-	591,994	
Cash and cash equivalents	34,786,380	18,578,837	11,809,811	6,826,859	
	<b>425,565,297</b>	<b>380,479,074</b>	<b>107,370,949</b>	<b>119,655,273</b>	
<b>Total assets</b>	<b>1,000,315,203</b>	<b>965,080,103</b>	<b>438,188,372</b>	<b>440,953,165</b>	
<b>EQUITY</b>					
<b>Capital and reserves attributable to the Company's equity holders</b>					
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	
Reserves	178,546,387	190,160,698	105,152,475	109,691,180	
Retained earnings/(losses)	(201,561,080)	(174,957,914)	(105,005,446)	(95,649,969)	
<b>Total</b>	<b>82,609,629</b>	<b>120,827,106</b>	<b>105,771,351</b>	<b>119,665,534</b>	
Non-Controlling Interest	25,057,595	26,513,210	-	-	
<b>Total equity</b>	<b>107,667,225</b>	<b>147,340,316</b>	<b>105,771,351</b>	<b>119,665,534</b>	
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Borrowings	394,509,140	395,213,711	174,512,842	179,239,255	
Obligations under financial lease	720,584	-	-	-	
Deferred income tax liabilities	46,701,022	39,880,981	27,431,378	24,365,353	
Retirement benefit obligations	5,050,798	5,465,990	1,554,450	1,748,478	
Commercial Paper	10,233,541	11,918,006	-	-	
Grants	20,703,918	15,576,764	1,369,060	1,480,427	
Provisions	329,984	329,984	90,000	90,000	
	<b>478,248,987</b>	<b>468,385,436</b>	<b>204,957,730</b>	<b>206,923,513</b>	
<b>Current liabilities</b>					
Trade and other payables	168,478,683	132,775,957	39,456,027	31,975,361	
Current income tax liabilities	7,071,068	6,439,941	1,208,201	749,315	
Borrowings	236,180,448	209,001,838	86,211,556	81,572,606	
Obligations under financial lease	75,844	-	-	-	
Derivative financial instruments	2,592,949	1,136,616	583,509	66,839	
	<b>414,398,992</b>	<b>349,354,352</b>	<b>127,459,292</b>	<b>114,364,120</b>	
<b>Total liabilities</b>	<b>892,647,979</b>	<b>817,739,788</b>	<b>332,417,022</b>	<b>321,287,633</b>	
<b>Total equity and liabilities</b>	<b>1,000,315,203</b>	<b>965,080,103</b>	<b>438,188,373</b>	<b>440,953,167</b>	

The attached notes of the Annual Financial Report 2015 are an integral part of the financial statements.

		AMOUNTS IN EURO			
		GROUP		COMPANY	
		31/12/2015	31/12/2014	31/12/2015	31/12/2014
<b>Sales</b>		<b>1,230,103,112</b>	<b>1,079,873,385</b>	<b>451,690,228</b>	<b>396,014,891</b>
Cost of sales		(1,174,358,605)	(1,049,941,069)	(432,433,201)	(377,115,685)
<b>Gross profit</b>		<b>55,744,506</b>	<b>29,932,316</b>	<b>19,257,027</b>	<b>18,899,206</b>
Other Income		18,660,138	14,450,012	3,341,585	3,206,013
Selling costs		(16,095,929)	(15,153,356)	(4,989,492)	(4,834,151)
Administrative expenses		(18,958,777)	(19,302,376)	(8,238,965)	(8,644,687)
Other Expenses		(19,823,256)	(15,239,127)	(1,822,968)	(1,749,028)
<b>Operating profit before revaluation</b>		<b>19,526,682</b>	<b>(5,312,532)</b>	<b>7,547,189</b>	<b>6,877,352</b>
Loss from revaluation of Fixed Assets to Fair Value		-	(23,441,304)	-	(10,797,227)
<b>Operating profit after revaluation</b>		<b>19,526,682</b>	<b>(28,753,836)</b>	<b>7,547,189</b>	<b>(3,919,875)</b>
Finance Income		58,295	96,538	25,287	25,201
Finance Expense		(49,248,365)	(44,723,121)	(17,242,935)	(17,593,396)
Dividend		-	-	248,658	97,850
<b>Net Financial Result</b>		<b>(49,190,069)</b>	<b>(44,626,583)</b>	<b>(16,968,990)</b>	<b>(17,470,345)</b>
Share of profit of associates		(154,761)	371,434	-	-
<b>Profit/(Loss) before income tax</b>		<b>(29,818,148)</b>	<b>(73,008,985)</b>	<b>(9,421,801)</b>	<b>(21,390,220)</b>
Income tax expense		(3,009,250)	13,538,914	(1,803,928)	5,278,201
<b>Profit/(Loss) for the year from continued operations</b>		<b>(32,827,398)</b>	<b>(59,470,070)</b>	<b>(11,225,729)</b>	<b>(16,112,019)</b>
<b>Attributable to:</b>					
Equity holders of the Company		(32,509,070)	(51,235,338)	(11,225,729)	(16,112,019)
Non-controlling Interest		(318,327)	(8,234,733)	-	-
<b>Shares per profit to the shareholders for period (expressed in Euro per share)</b>					
Basic and diluted		(0.3210)	(0.5059)	(0.1108)	(0.1591)

		AMOUNTS IN EURO			
		GROUP		COMPANY	
		31/12/2015	31/12/2014	31/12/2015	31/12/2014
<b>Profit / (Loss) of the year from continuing operations</b>		<b>(32,827,398)</b>	<b>(59,470,070)</b>	<b>(11,225,729)</b>	<b>(16,112,019)</b>
<b>Items that will never be reclassified to profit or loss</b>					
Profit from Revaluation of Fixed Assets to Fair Value		361,910	163,071,988	361,910	55,139,506
Remeasurements of defined benefit liability (asset)		512,100	(1,372,887)	216,397	(364,121)
Related tax		(2,594,100)	(31,746,695)	(1,821,894)	(14,241,600)
<b>Total</b>		<b>(1,720,090)</b>	<b>129,952,406</b>	<b>(1,243,588)</b>	<b>40,533,785</b>
<b>Items that are or may be reclassified to profit or loss</b>					
Foreign currency translation differences		(952,230)	491,021	-	-
Gain / (Loss) of changes in fair value of cash flow hedging - effective portion		(3,274,455)	287,908	(1,130,854)	641,691
Gain / (Loss) of changes in fair value of Available-for-sale - net change in fair value		(876,000)	-	(876,000)	-
Income tax on income and expense recognised directly in equity		534,046	(50,931)	581,988	(166,840)
<b>Total</b>		<b>(4,568,639)</b>	<b>727,999</b>	<b>(1,424,866)</b>	<b>474,852</b>
<b>Total comprehensive income / (expense) after tax</b>		<b>(39,116,127)</b>	<b>71,210,335</b>	<b>(13,894,183)</b>	<b>24,896,618</b>
<b>Attributable to:</b>					
Equity holders of the parent company		(38,565,450)	69,230,657	(13,894,183)	24,896,618
Non-controlling interests		(550,677)	1,979,678	-	-
<b>Total comprehensive income / (expense) after tax</b>		<b>(39,116,127)</b>	<b>71,210,335</b>	<b>(13,894,183)</b>	<b>24,896,618</b>

The attached notes of the Annual Financial Report 2015 are an integral part of the financial statements.



IV. Statement of Changes in Equity											AMOUNTS IN EURO	
	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 to due consolidation	Total	Non-Controlling Interest	Total Equity		
<b>GROUP</b>												
<b>Balance as at 1 January 2014</b>	<b>38,486,258</b>	<b>67,138,064</b>	<b>1,406,249</b>	<b>75,149,294</b>	-	<b>(123,831,008)</b>	<b>(6,851,131)</b>	<b>51,497,727</b>	<b>24,743,738</b>	<b>76,241,466</b>		
Net Profit / (Loss) for the period	-	-	-	-	-	(51,235,338)	-	(51,235,338)	(8,234,733)	(59,470,071)		
Other comprehensive income	-	-	376,086	-	120,553,816	(787,237)	323,328	120,465,993	10,214,411	130,680,404		
<b>Total comprehensive income</b>	-	-	<b>376,086</b>	-	<b>120,553,816</b>	<b>(52,022,575)</b>	<b>323,328</b>	<b>69,230,655</b>	<b>1,979,678</b>	<b>71,210,333</b>		
<b>Transactions with the shareholder's directly in equity</b>												
Transfer of reserves	-	-	-	(977,440)	-	862,727	-	(114,713)	114,712	(1)		
Dividend	-	-	-	-	-	-	-	-	(62,328)	(62,328)		
Liquidation of subsidiaries	-	-	-	(11,095)	-	32,940	191,589	213,434	(262,590)	(49,156)		
Total transactions with the shareholders	-	-	-	(988,535)	-	895,667	191,589	98,721	(210,206)	(111,485)		
<b>Balance as at 31 December 2014</b>	<b>38,486,258</b>	<b>67,138,064</b>	<b>1,782,335</b>	<b>74,160,759</b>	<b>120,553,816</b>	<b>(174,957,916)</b>	<b>(6,336,214)</b>	<b>120,827,103</b>	<b>26,513,210</b>	<b>147,340,316</b>		
<b>Balance as at 1 January 2015</b>	<b>38,486,258</b>	<b>67,138,064</b>	<b>1,782,335</b>	<b>74,160,759</b>	<b>120,553,816</b>	<b>(174,957,916)</b>	<b>(6,336,214)</b>	<b>120,827,103</b>	<b>26,513,210</b>	<b>147,340,316</b>		
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)		
<b>Total comprehensive income</b>	-	-	<b>(3,267,229)</b>	-	<b>(1,639,403)</b>	<b>(33,085,825)</b>	<b>(572,992)</b>	<b>(38,565,450)</b>	<b>(550,677)</b>	<b>(39,116,127)</b>		
<b>Transactions with the shareholder's directly in equity</b>												
Transfer of reserves	-	-	-	(25,160)	(5,900,855)	5,926,015	-	-	-	-		
Dividend	-	-	-	-	-	-	-	-	(230,760)	(230,760)		
Total transactions with the shareholders	-	-	-	(25,160)	(5,900,855)	5,926,015	-	-	(230,760)	(230,760)		
<b>Change of participation in subsidiaries</b>												
Increase / (Decrease) of participation in subsidiaries	-	-	-	(208,670)	-	580,201	-	371,531	(674,177)	(302,646)		
Acquisition	-	-	-	-	-	(23,555)	-	(23,555)	-	(23,555)		
<b>Total</b>	-	-	-	<b>(208,670)</b>	-	<b>556,646</b>	-	<b>347,976</b>	<b>(674,177)</b>	<b>(326,201)</b>		
<b>Balance as at 31 December 2015</b>	<b>38,486,258</b>	<b>67,138,064</b>	<b>(1,484,894)</b>	<b>73,926,929</b>	<b>113,013,558</b>	<b>(201,561,080)</b>	<b>(6,909,206)</b>	<b>82,609,629</b>	<b>25,057,595</b>	<b>107,667,225</b>		
			Share capital	Share premium	Reserves at Fair Value	Other reserves	Reserves for Revaluation of Fixed Assets to Fair Value	Results carried forward	Total			
<b>COMPANY</b>												
<b>Balance as at 1 January 2014</b>			<b>38,486,258</b>	<b>67,138,064</b>	<b>(86,237)</b>	<b>69,062,881</b>	-	-	<b>(79,832,051)</b>	<b>94,768,915</b>		
Net Profit / (Loss) for the period			-	-	-	-	-	-	(16,112,019)	(16,112,019)		
Other comprehensive income			-	-	474,852	-	40,803,235	(269,449)	41,008,638			
<b>Total comprehensive income</b>			-	-	<b>474,852</b>	-	<b>40,803,235</b>	<b>(16,381,468)</b>	<b>24,896,619</b>			
<b>Transactions with the shareholder's directly in equity</b>												
Transfer of reserves			-	-	-	(563,550)	-	563,550	-	-		
Total transactions with the shareholders			-	-	-	(563,550)	-	563,550	-	-		
<b>Balance as at 31 December 2014</b>			<b>38,486,258</b>	<b>67,138,064</b>	<b>388,614</b>	<b>68,499,331</b>	<b>40,803,235</b>	<b>(95,649,969)</b>	<b>119,665,534</b>			
<b>Balance as at 1 January 2015</b>			<b>38,486,258</b>	<b>67,138,064</b>	<b>388,614</b>	<b>68,499,331</b>	<b>40,803,235</b>	<b>(95,649,969)</b>	<b>119,665,534</b>			
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)			
<b>Total comprehensive income</b>			-	-	<b>(1,424,866)</b>	-	<b>(1,397,229)</b>	<b>(11,072,087)</b>	<b>(13,894,183)</b>			
<b>Transactions with the shareholder's directly in equity</b>												
Transfer of reserves			-	-	-	-	(1,716,609)	1,716,609	-	-		
Total transactions with the shareholders			-	-	-	-	(1,716,609)	1,716,609	-	-		
<b>Balance as at 31 December 2015</b>			<b>38,486,258</b>	<b>67,138,064</b>	<b>(1,036,252)</b>	<b>68,499,331</b>	<b>37,689,396</b>	<b>(105,005,446)</b>	<b>105,771,351</b>			

The attached notes of the Annual Financial Report 2015 are an integral part of the financial statements.



V. Statement of Cash Flows		AMOUNTS IN EURO			
	GROUP		COMPANY		
	31/12/2015	31/12/2014	31/12/2015	31/12/2014	
<b>Cash flows from operating activities</b>					
Profit / (loss) before taxes	(29,818,148)	(73,008,985)	(9,421,801)	(21,390,220)	
Adjustments for:					
Depreciation of tangible assets	31,836,221	23,072,891	6,602,546	4,858,916	
Depreciation of intangible assets	1,398,151	1,035,691	225,650	170,803	
Depreciation of grants	(1,153,446)	(576,895)	(111,367)	(111,102)	
Provisions	11,471,022	463,538	2,133,920	(610,661)	
(Profit) / loss from revaluation of Assets	24,824	23,441,304	24,824	10,797,228	
Investing activities result (income, expenses, profits and losses)	(171,893)	(551,933)	-	(68,473)	
Interest charges & related expenses	48,920,375	44,723,121	17,217,648	17,568,195	
(Profit) / loss from sale of tangible assets	219,689	(19,269)	2,823	(2,080)	
(Profit) / Loss from revaluation of Assets	(361,960)	-	-	-	
(Profit) / Loss from Fair Value of Derivative		(105,379)		(15,087)	
Loss from the destruction of Assets	-	146,081	-	-	
Income from participations	-	-	(248,658)	(97,850)	
Decrease / (increase) in inventories	13,120,296	(25,599,390)	7,836,202	(3,803,809)	
Decrease / (increase) in receivables	(52,531,478)	4,348,855	6,803,226	10,039,896	
(Decrease) / Increase in liabilities (minus banks)	36,496,529	33,315,198	7,466,078	5,032,087	
Interest charges & related expenses paid	(44,155,555)	(51,295,415)	(16,747,092)	(18,500,877)	
Income tax paid	(154,858)	(216,109)	-	-	
<b>Net Cash flows from operating activities</b>	<b>15,139,768</b>	<b>(20,826,696)</b>	<b>21,784,000</b>	<b>3,866,966</b>	
<b>Cash flows from investing activities</b>					
Purchase of tangible assets	(23,260,937)	(43,592,406)	(6,667,801)	(4,921,731)	
Purchase of intangible assets	(641,238)	(2,598,711)	(273,172)	(301,891)	
Purchase of Investment Property	(131,837)	(1,535,473)	-	-	
Sales of Fixed Assets and Intangible Asset	1,408,947	22,853	1,400,941	2,080	
Sales of Participations in other companies	16,462	-	-	-	
Dividends received	-	-	248,658	97,850	
Interest received	53,394	96,538	25,287	25,201	
(Increase) / decrease in participation in subsidiaries	(802,500)	-	(10,802,449)	-	
Increase in participation in other investments and joint-ventures	(729,954)	(2,031,641)	(645,049)	(781,641)	
<b>Net Cash flows from investing activities</b>	<b>(24,087,662)</b>	<b>(49,638,840)</b>	<b>(16,713,585)</b>	<b>(5,880,132)</b>	
<b>Cash flows from financing activities</b>					
Dividends paid to shareholders of the parent	(230,760)	(8,283)	-	(3,813)	
Loans received	46,453,496	60,098,328	13,000,000	23,313,642	
Loans settlement	(23,683,719)	(27,902,880)	(13,087,463)	(17,522,500)	
Changes in financial leases	796,428	(166,641)	-	-	
Dividends paid to minority interest	-	(143,315)	-	-	
Grand proceeds	1,743,070	8,030,422	-	-	
Other	53,863	-	-	-	
<b>Net cash flows from financing activities</b>	<b>25,132,378</b>	<b>39,907,632</b>	<b>(87,463)</b>	<b>5,787,329</b>	
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>16,184,484</b>	<b>(30,557,904)</b>	<b>4,982,951</b>	<b>3,774,163</b>	
Cash and cash equivalents at the beginning of period	18,578,837	49,125,244	6,826,859	3,052,697	
Foreign exchange effect on Cash and Cash equivalents	23,058	11,497	-	-	
<b>Cash and cash equivalents at the end of period</b>	<b>34,786,380</b>	<b>18,578,837</b>	<b>11,809,810</b>	<b>6,826,860</b>	

The attached notes of the Annual Financial Report 2015 are an integral part of the 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 2015 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. 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 procedures 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 2015 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**

(a) The Board of Directors' Report includes a corporate governance statement,



which provides the information set by paragraph 3d of article 43a of C.L. 2190/1920.

(b) We verified that the contents of the Board of Directors' Report are consis-

tent and correspond with the accompanying stand-alone and consolidated financial statements within the scope set by articles 37, 43a (par 3a), 108 of C.L. 2190/1920.

**KPMG Certified Auditors A.E.**  
**Stratigou Tombra 3**  
**153 42 Aghia Paraskevi**  
**Greece**  
**AM SOEL114**

**Athens, 15 March 2016**  
**KPMG Certified Auditors A.E.**  
**Nick Vouniseas, Certified**  
**Auditor Accountant**  
**AM SOEL 18701**



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# Corporate Responsibility and Sustainable Development Report 2015





# **Corporate Responsibility and Sustainable Development Report**

# **2015**



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# Message from the Chairman

Our vision for Sustainable Development, is characterised by a constant pursuit for responsible business activity and a constant effort to create added value for all stakeholders. The implementation of responsible operation practices is our strategic choice, emphasising and focusing our attention over time to material issues and crucial pillars of corporate responsibility.

In the ongoing -for several years - difficult economic situation experienced in our country, we consider the contribution of our Company as significant. We remained committed to our goals and faithful to the fundamental values that govern our operations. We persisted and will continue to do so on our commitment for Sustainable Development, following our priorities, adapting to changes, working on new solutions and achieving innovations and breakthroughs in our industry. In 2015 we continued and further intensified our self-improvement efforts in Corporate Responsibility areas. We continued, without compromise, our long-term capital expenditure plan, with total investments of EUR 18.4 million, while our "social product" exceeded EUR 109 million. We achieved an increase of our sales volume (in copper tubes) by 14.4%, achieved bigger market shares and our total exports exceeded EUR 395 million. An important fact is that we managed not only to maintain, but also to increase jobs by approximately 3%. We managed to reduce our environmental footprint and to improve almost all our environmental indicators as well as achieving all the objectives we has set in the previous period.

We are proud for all that we have managed to achieve during 2015 and mostly for the route we have taken up to to today, since Halcor now ranks as the second largest European manufacturer of copper products. Without the support and commitment of our people we would not achieve our corporate goals. For this reason, I want to thank all our employees for their dedication and enthusiasm in all these years, guided by our values and the vision of Halcor for Sustainable Development.

With a sense of responsibility, we seek to offer our employees a work environment of equal opportunities that respects our employees, and invests systematically, in their training and development. Creating a safe working environment without hazards, injuries, accidents and occupational diseases, is amongst our top priorities. Showing in practice our commitment in this sensitive area, we implement a certified Occupational Health and Safety Management System (OHSAS 18001:2007), while investing in safety support infrastructure in the workplace. The expenditure on health and safety during 2015 amounted to EUR 244,000, while in the past seven years (2009-2015) and despite the national recession, we have invested a total of EUR 1.9 million in this area.

Guided by our commitment to continuously reduce our environmental footprint, we apply a certified Environmental Management System (ISO 14001:2004) and implement targeted programs related to environmental protection. We monitor our performance and focus on actions aimed at further improving on key environmental aspects such as efficient energy usage, water conservation, proper management of raw materials and waste, and minimizing emissions. Our intention is to have environmentally responsible business development and in this context we invest in new infrastructure to continuously improve our environmental performance. For yet another year we completed an extensive environmental protection program amounting to EUR 1.4 million.

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. By investing a total of EUR 180 million for the 2000-2015 period in upgrading and expanding our facilities, in creating state-of-the-art infrastructure and in research and development, we demonstrate our commitment to producing innovative products and solutions with excellent quality features and high added value for our customers. Furthermore, being committed towards the implementation of responsible management



practices, we promote social and environmental responsibility to our suppliers and contractors and encourage the integration of corporate responsibility practices and criteria across our supply chain.

On the basis of mutual benefit and harmonious cooperation, we stand by our local community, systematically supporting local organisations, clubs and schools. In 2015, we supported programs and actions concerning the society, the environment, vulnerable social groups, culture and sports and this is a project we intend to continue with undiminished interest. We support and strengthen local employment by new jobs and entrepreneurial activity, with 42% of our workforce originating from the local community.

As we are committed to publish our strategic priorities and actions, we present our Corporate Responsibility and Sustainable Development Report once again for 2015. This report reflects our efforts and presents our planned actions for the coming years in the direction of Sustainable Development and responsible business activity.

Looking to the future with more optimism, we will endeavor to continue with our current passion and efficiency in the following years as well. At the same time, utilising all the opportunities and challenges that we will be faced with, we aim to be ready to address them responsibly. In 2016 we will continue to operate responsibly, intensifying our efforts and seeking:

- to substantially contribute to the national economy by further enhancing our export activity,
- to contribute to the development and sustainability of local communities,
- to achieve the “zero accidents” goal by continuous upgrade of our working environment,
- to operate with respect for the environment, applying concerted action to continuously reduce our environmental footprint
- to improve further our customer satisfaction , by placing particular emphasis on consistency, our response time to customer’s demands and the completeness of our product support services.

**Theodosios Papageorgopoulos**

**Chairman of the Board of Directors**



# Halcor Group summary profile

Combining size, power, infrastructure and vision, the Halcor Group uses copper taking into account people and their needs.

**1,230**

EUR million  
revenue

**19.5**

EUR  
EBIT

**23.6**

EUR million  
capital  
expenditure plan

**241**

volume of sales  
(thousand tons)

**1,017**

EUR million  
total exports

**22**

consolidated  
companies

**10**

production  
plants



Halcor - Pipeworks,  
Oinofyta, Greece



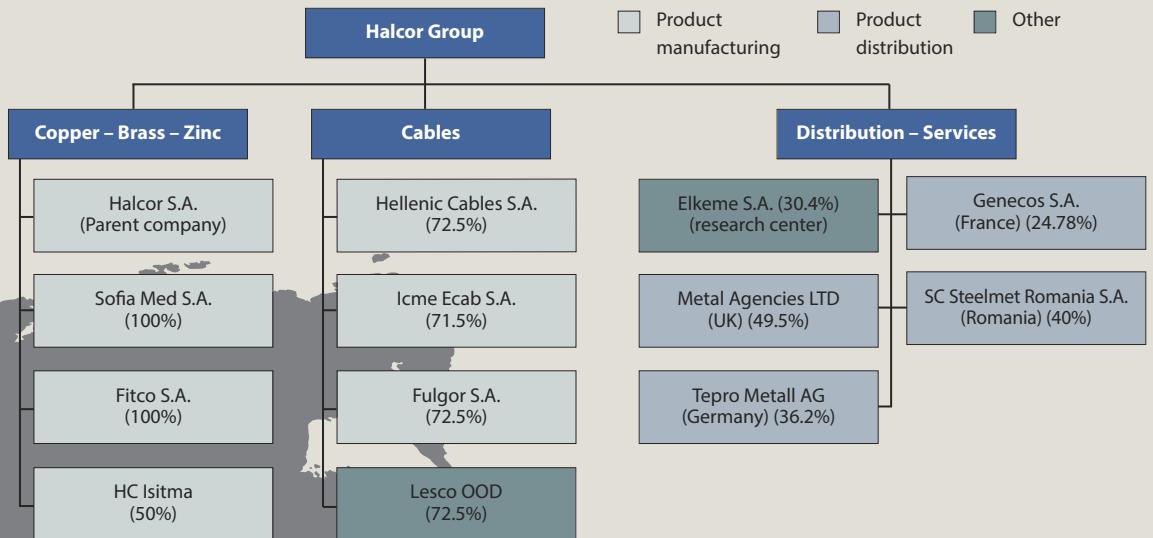
Halcor - Foundry,  
Oinofyta, Greece



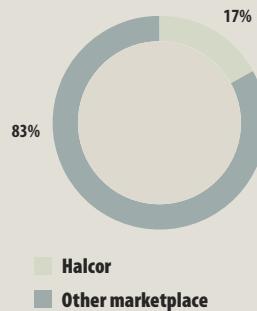
Sofia Med,  
Sofia, Bulgaria



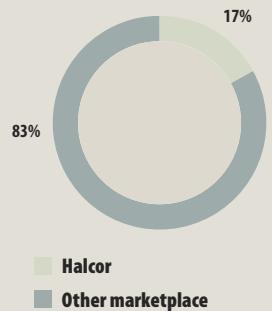
Fitco,  
Oinofyta, Greece



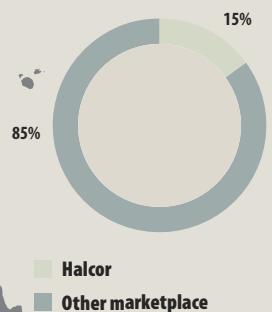
**Copper tubes**



**Copper bars**



**Rolled copper (rolling)**



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



Hellenic Cables  
Thiva, Greece



Fulgor,  
Soussaki, Corinth, Greece



Icme Ecab,  
Bucharest, Romania



Hellenic Cables  
Livadia, Greece

# Halcor Group summary profile

## Our 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 vision

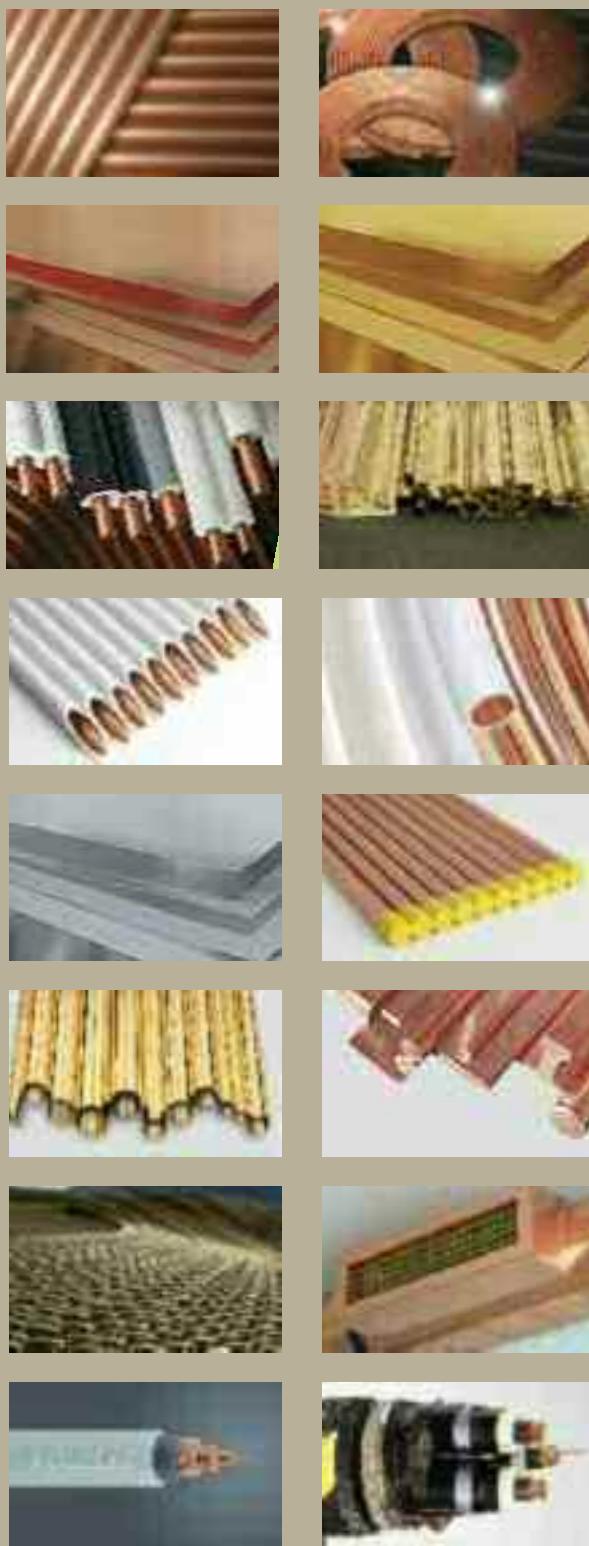
Halcor's vision is to become a leading benchmark in the global market, with products and solutions that are recognized for their high quality, reliability, competitiveness and innovation. Always driven by Sustainable Development, the Company aspires to anticipate its clients' needs, developing diverse,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

### Our strategy





# Halcor Group summary profile



Halcor Group is the production and trading arm of Viohalco in the field of copper products, holding an important position in the European and global market. Through a strong production base, which includes plants in Greece, Bulgaria and Romania, Halcor Group produces and sells copper, copper-alloy and brass rolled and extruded products, zinc rolled products and cables and is the only producer of copper tubes in Greece.

Now in its eighth decade of successful business history in the copper processing and marketing industry, the Group has a powerful presence with 22 companies, 10 state of the art production facilities and significant commercial operation in the markets of Europe, Asia, America and Africa.

**The percentage of exports to total sales is 82.6%**

Based on a outward trade policy the Halcor Group has developed long-term relations with major customers abroad. These relations are based both on the excellent quality and highly competitive features of the Group's products and on the range of pre- and after-sale services and solutions it offers. Seeking maximum satisfaction of our customers in all our transactions, we place particular emphasis on consistency, our speed of response to demand and the completeness of our product support services.

Our products are distinguished for:

- high quality and reliability
- innovative features
- high added value for our customers.

### Capital expenditure plan

In the capital expenditure plan of the Group, major investments focused on research and the development of expertise as well as on the production of high value added products, hold a significant place. Specifically in 2015, the Group made investments totalling EUR 23.6 million. The investments are oriented to the production of new, innovative high added value products and the aim is to continue the capital expenditure plan with investments that are expected in the following years to amount to 10-15 million per year.

**With continuous, major investments in research and development of expertise, we create new, innovative products realizing our objective for continuous innovation**

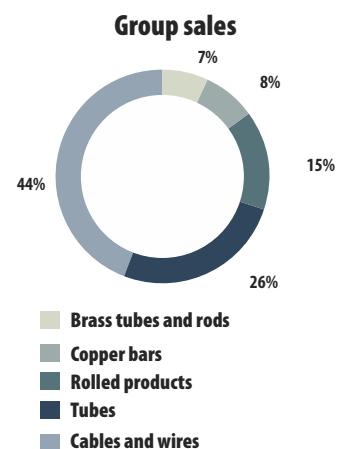
**In the period 2000-2015 we have implemented investments amounting to EUR 519 million.**

### Strategy and philosophy

Corporate responsibility for us, is a prerequisite for Sustainable Development and at the same time a facto for stability and success. The implementation of responsible operation practices is our strategic choice, emphasising and focusing our attention over time to material issues and crucial pillars of corporate responsibility. We focus our strategy in quality assurance, environmental protection, ensuring health and safety at work, committed to our principles and values. Our vision for Sustainable Development, is characterised by a constant effort for responsible business activity and a continuous pursuit to create added value for all stakeholders.

### Financial results - Sales

The Group significantly improved its profitability in 2015, as gross profit increased by 86% and amounted to EUR 56 million compared to EUR 30 million in 2014. The revenue amounted to EUR 1,230 million (compared to EUR 1,080 million in 2014), increased by 14% mainly due to an increase of 9.6% in sales volume (total Group sales in 2015 amounted to 241,000 tons). In 2015, the Group's sales to the Greek market amounted to 17.4% of the consolidated revenue, while the remaining 82.6% was sold abroad. Specifically, 64.9% of sales concerned EU countries, 8.5% other European countries, 4% Asia, 3.1% America, 2.1% Africa and 0.1% Oceania.

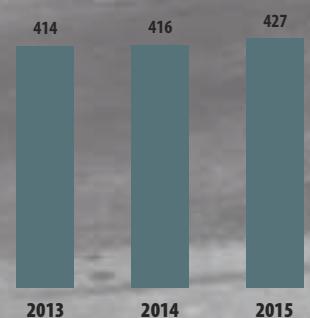


# 1

## Company profile

Our intention and goal is that Halcor ranks among the best companies in its sector.

Total workforce



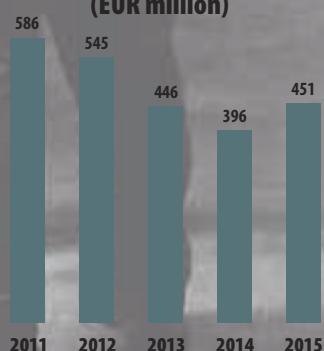
## Main achievements

We are proud that in 2015 we achieved:

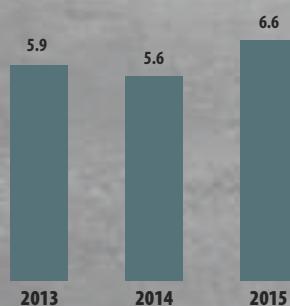
- to become the second largest copper tubes producing company in Europe
- to continue our long-term capital expenditure plan, with total investments of EUR 6.6 million\*
- not only to maintain but also to increase jobs by 2.7%
- to increase the sales volume (in copper tubes) by 14.4% and achieve bigger market shares
- to export products worth over EUR 395 million
- to offer "social product" worth over EUR 109 million
- to reduce our environmental footprint and make improvements in almost all environmental indicators
- to maintain client satisfaction in high levels.

*\*Only investments in production facilities*

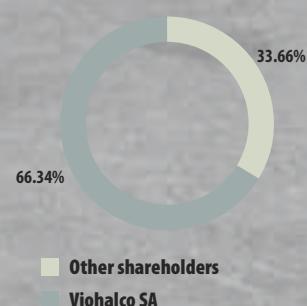
Revenue  
(EUR million)



Capital expenditure  
(EUR million)



Halcor's shareholder structure



# Company profile

## 1.1 Presentation of Halcor S.A.

Halcor S.A. is one of the biggest modern Greek companies, with global reach and a leading position in its industry, internationally. Our activity is focused on the production of a wide range of copper products used in heating, cooling, water supply and natural gas transport networks, as well as in broader industrial applications.

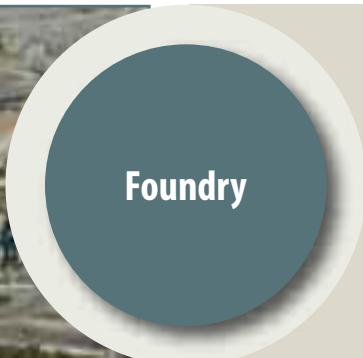
**Halcor is the only copper tube producer in Greece**

Halcor S.A. was founded in 1976 and is headquartered in Athens, at 2-4, Mesogeion Avenue, Athens Tower - 2nd Building, GR 11527, Greece. Halcor is a Societe Anonyme, with shares listed on the Athens Stock Exchange (ASE) since 1996.

### International orientation

Halcor has 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.

### Production capacity



- 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

- 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



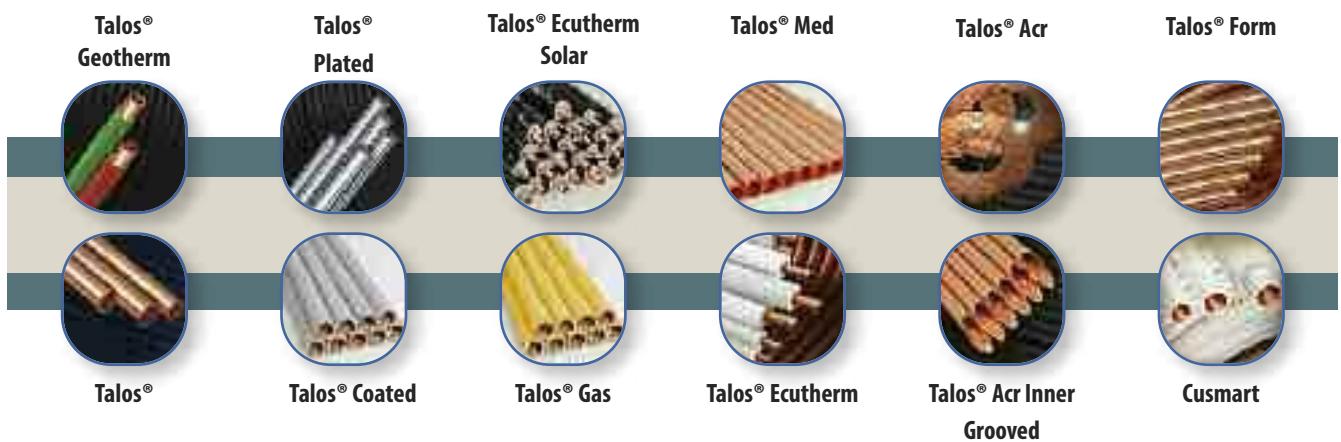
### Products

For Halcor, ensuring high product quality is a strategic choice, a competitive advantage and an issue of corporate responsibility. By investing a total of EUR 180 million for the 2000-2015 period in upgrading and expanding our above facilities, in creating state-of-the-art infrastructure and in research and development, we demonstrate our



commitment to producing innovative products and solutions with excellent quality features and high added value for our customers.

The Company through its many years of operation, has achieved international recognition and is now one of the leading industries in copper and copper alloy processing worldwide and a leader in the Greek market. Halcor has developed an extensive customer base and a significant portfolio of products used in industry, as well as in heating, cooling, water supply and natural gas transport networks.



For more information on Halcor products see the Annual Report 2015, section 5, and the corporate website [www.halcor.com](http://www.halcor.com).

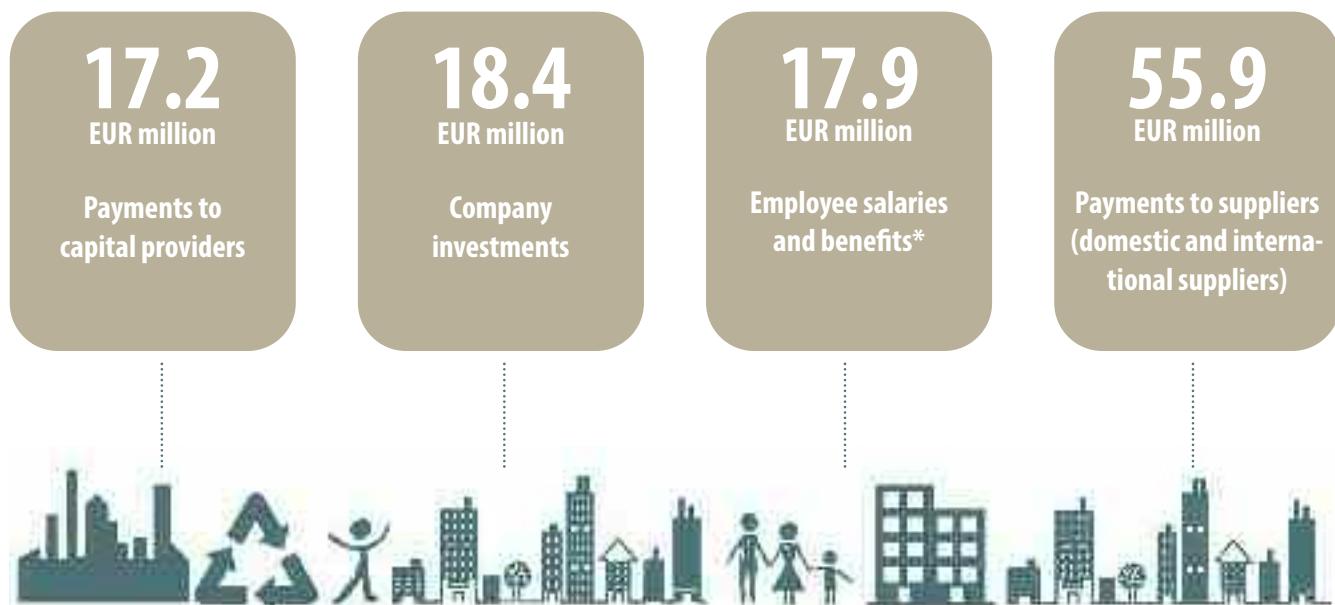


## 1.2 Financial performance - Contribution to the economy

In the ongoing financial crisis the contribution of the Company is substantial. We contribute by strengthening the national economy, supporting local communities, seeking to preserve and increase jobs and applying responsible operating practices. In this context, our Company continued its long-term capital expenditure plan, with a total investment of EUR 18.4 million and produced a "social product" worth EUR 109.4 million.

**We seek to substantially contribute to the national economy, while supporting the local community**

# Company profile



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

Halcor's performance in 2015 in the copper tube industry was particularly good, as there was an increase not only in the volumes and market shares but also in the conversion prices resulting in a significant improvement in profitability. Regarding the results of the year 2015, the revenue amounted to EUR 452 million compared to EUR 396 million in 2014, on increase of 14%. The export activity of the Company, which is also its main focus for further development, was 87.4% of the revenue. In terms of profitability, earnings before interest and taxes (EBIT) were increased, as for 2015 they amounted to EUR 7.5 million compared to losses of EUR 3.9 million in the previous year. Results after taxes in 2015 amounted to loss of EUR 11.3 million compares to loss of EUR 16.1 million in 2014.

**Our main strategic objective for 2016 is to increase the market share in industrial products and to strengthening our activity in new markets that present opportunities and higher growth prospects**

**Halcor S.A.'s key financials**

	2013	2014	2015
Revenue (EUR thousand)	446,045	396,015	451,690
Other revenue (EUR thousand)	3,290	3,205	3,367
Revenue from financial investments (EUR thousand)	75	98	249
Employee salaries and benefits (EUR thousand)	17,671	17,084	17,902
Payments to capital providers (EUR thousand)	17,138	17,568	17,243
Company investments (EUR thousand)	1,325	5,951	18,388
Total capitalization (EUR thousand)	83,454	80,910	24,951
Equity (EUR thousand)	94,769	119,666	105,771
Total assets (EUR thousand)	305,099	321,288	332,417
Total liabilities (EUR million)	399,868	440,953	438,188

More information on the financial figures of Halcor is available in the Annual Report 2015, the Annual Financial Report 2015 and on the Company's website (Investor Relations section).



# Company profile

## 1.3 Our strategic priorities

Our vision for Sustainable Development, is characterised by a constant pursuit for responsible business activity and a constant effort to create added value for all stakeholders. In this context Halcor has specified, focused and based its development strategy on four principles, taking into account the principles of Sustainable Development, which are aimed at the sound, efficient and responsible operation of the Company. The four principles of Halcor's long-term strategy are summarised below.

### Innovation: emphasis on research and technology

- 1
  - We offer an expanded range of products that save energy and are environmentally friendly
  - 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

- 2
  - Seeking maximum satisfaction of our customers, we place particular emphasis on consistency, our speed of response to demand and the completeness of our product support services
  - We implement a certified Quality Management System.

### Investing in our people

- 3
  - 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 implement all possible measures to safeguard occupational health and safety.

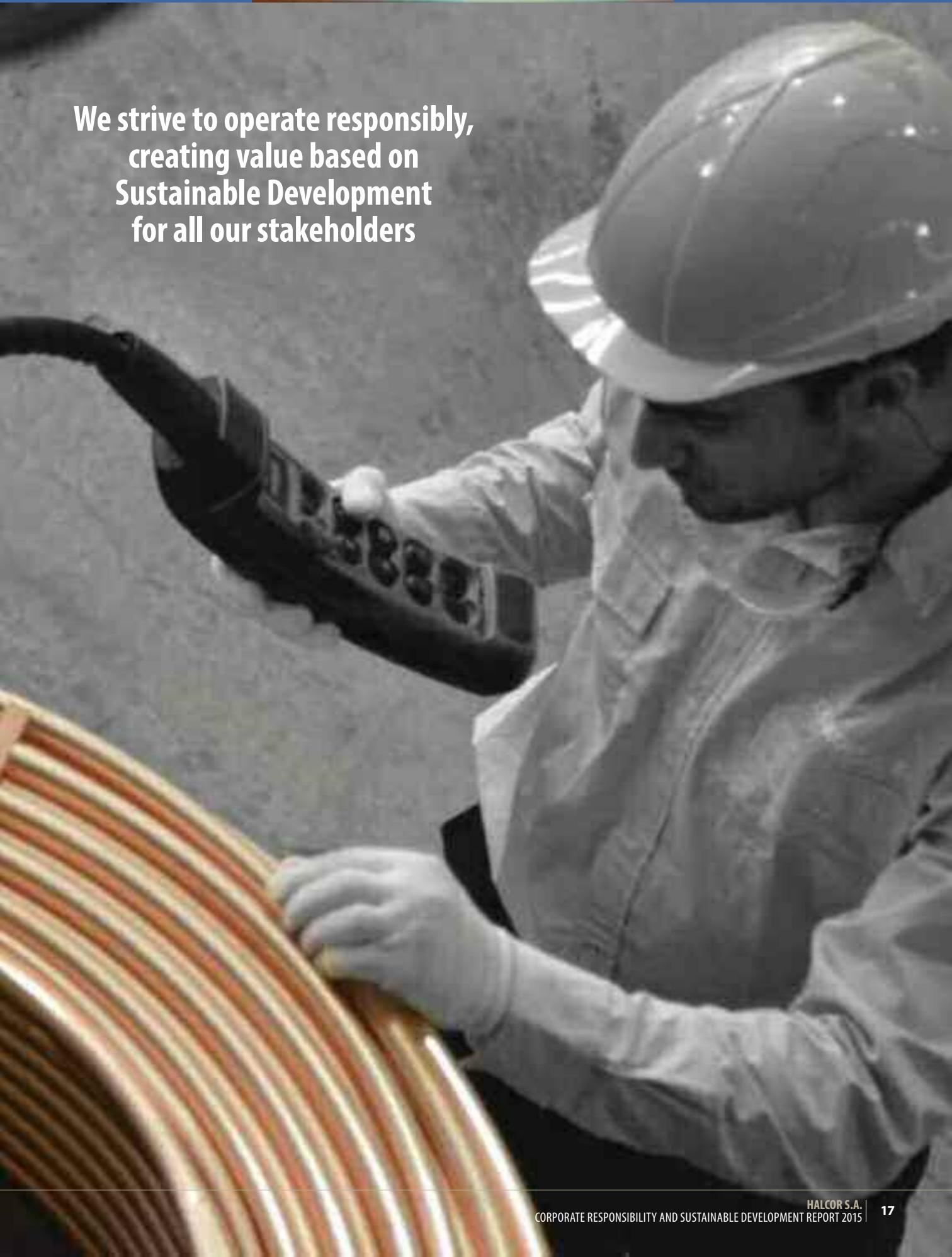
### Environmental protection

- 4
  - Respect for the environment is everyone's responsibility
  - Proving our respect for the natural environment and our commitment to reduce our environmental footprint in practice, we apply a certified Environmental Management System.

The Company has established and applies a specific Corporate Responsibility and Sustainable Development policy.



**We strive to operate responsibly,  
creating value based on  
Sustainable Development  
for all our stakeholders**

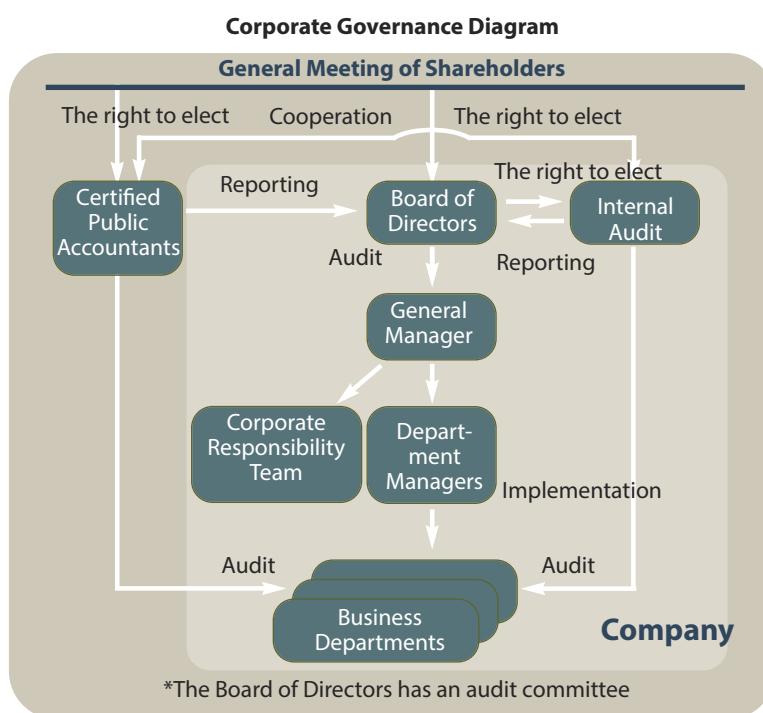


# Company profile

## 1.4 Governance structures

The Company, follows and complies with the principles of Corporate Governance, as set out by the current institutional framework and the relevant standards. The Corporate Governance practices applied in Halcor are a factor of stability and perspective, while our main objective is to maximize the benefit for our shareholders and generate value for Halcor’s stakeholders and for society in general.

Halcor's Corporate Governance system aims to ensure the Company is transparent, and has sound and effective management, which leads to business and financial success in the long term.



In order to enhance corporate transparency and control mechanisms:

- We have voluntarily adopted the Hellenic Corporate Governance Code (EKED) <sup>(1)</sup>
- We implement an Internal Operating Regulation <sup>(2)</sup>
- We establish and implement a Code of Conduct <sup>(2)</sup>

- (1) *The Corporate Governance Code (EKED) is available online at [www.sev.org.gr/kodikas-etairikis-diakivernisis.gr](http://www.sev.org.gr/kodikas-etairikis-diakivernisis.gr). More information on the Code is provided in the Company's Annual Financial Report 201 p. 14.*
- (2) *The Internal Operating Regulation is approved by the Board of Directors and the Code of Conduct is binding for all employees throughout the Company's operations*

**Good governance and legal conformance in all areas is the basic foundation for responsible business operation**

Functions as a direct communication channel between shareholders and the Company's management

General Meeting

Board of Directors

The Board was established as a body on 22/05/2015 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)

Corporate Governance bodies

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

Internal Audit Department

Audit Committee

It was elected and operates in accordance with Law 3693/2008. It supports the work of the Board. It consists of 3 non-executive Board members, of which one is independent

More information on Halcor's corporate governance and on the composition and responsibilities of the Board, the powers of the Chairman of the Board, its committees (responsibilities, composition, object) at Board level is listed in the Annual Report 2015, the Annual Financial Report 2015 p. 16-21, and in the company website [www.halcor.com](http://www.halcor.com) (Investor Relations / Financial Results section).



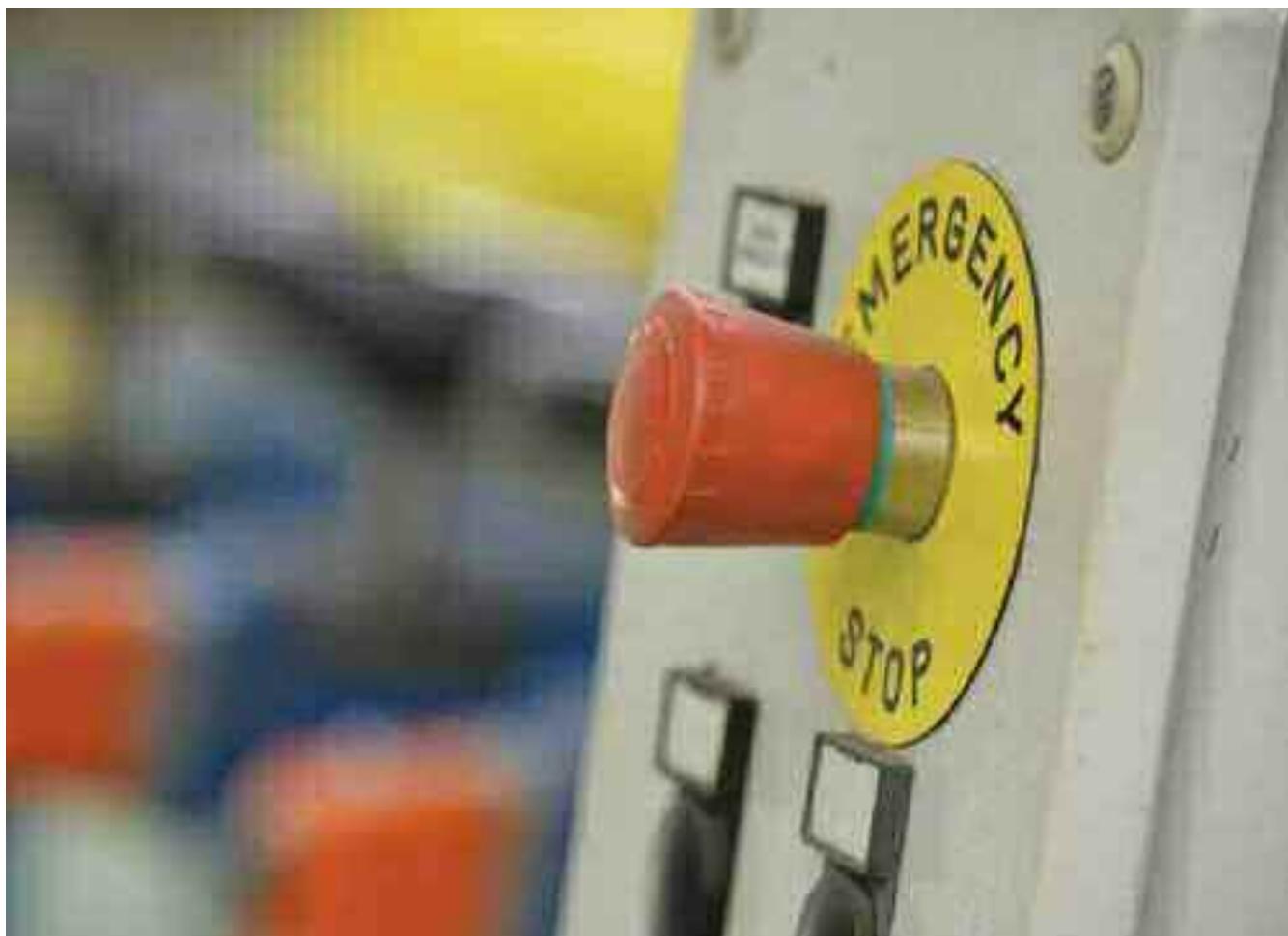
### Avoiding conflict of interests

The Company executives ensure the prevention of conflict of interest cases. In order to avoid conflict of interest of our stakeholders, we have established and implement appropriate mechanisms, systems and procedures which ensure the prevention of conflicts of interest.

#### Mechanisms and procedures for the prevention of conflict of interests

- Practices and measures ensuring operational independence of the departments and directorates of the Company
- Independent and non-executive members in the Board
- Regular audits by the Internal Audit Department
- Regular employee information
- Confidentiality policy for information related to and concerning the operation of the Company, its transactions and its customers
- Policy prohibiting the recruitment of persons who are spouses or relatives up to the second degree by blood or marriage to persons already employed by the Company

# Company profile



## Risks and opportunities management

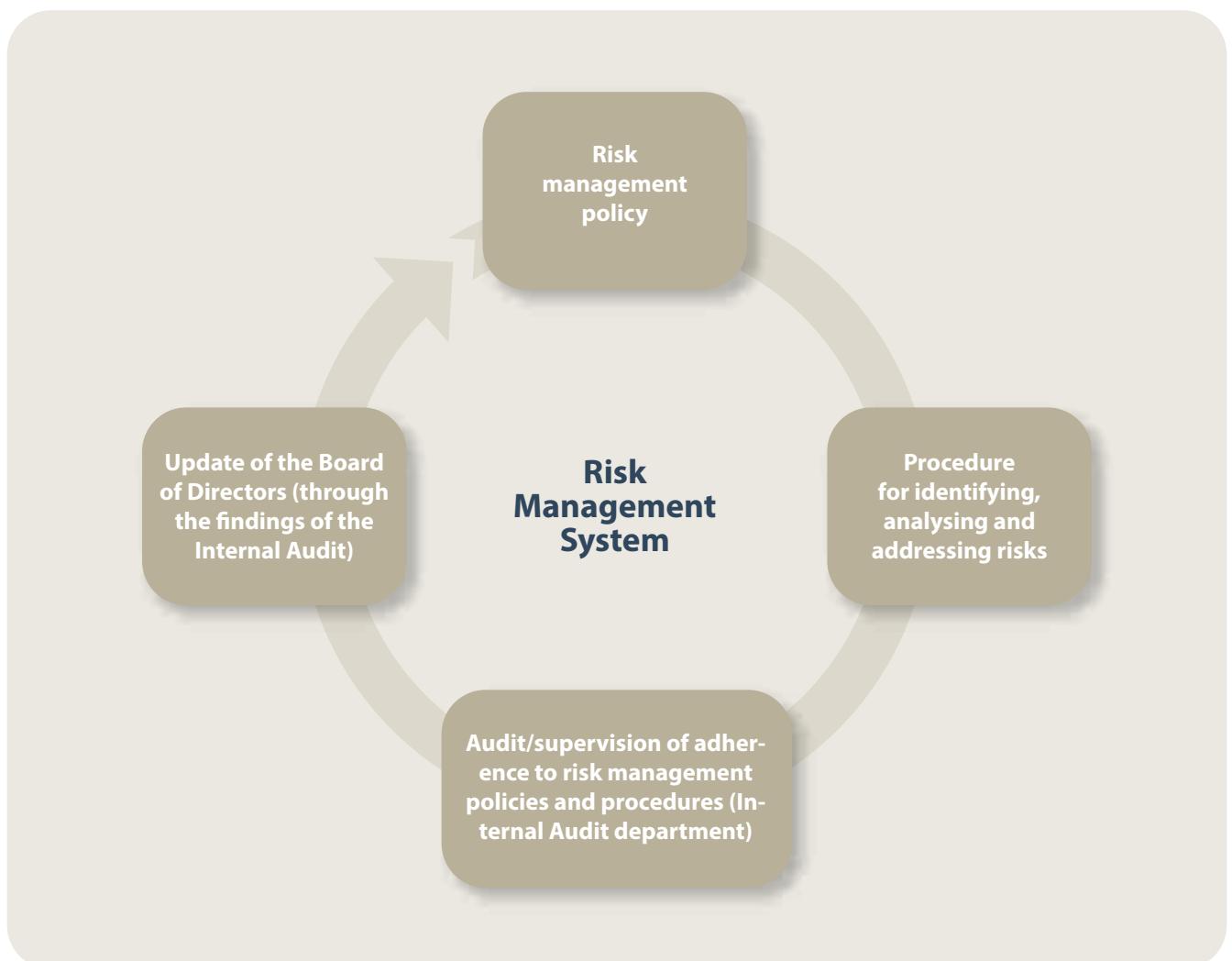
Based on a preventative principle, the Company maintains a monitoring mechanism, evaluates and manages potential risks associated with its activity and the current economic environment.

Risk category	Risk management
Industrial risk	To fully achieve the objectives set by the Company in the field of industrial risks, it implements strict operational and safety directives , in full compliance with Greek and European law. It has also created a detailed contingency plan, covering all possible eventualities and working closely with the local authorities and the Fire Brigade to rapidly and effectively deal with potential incidents.
Environmental risk	Environmental risk is assessed and managed in the framework of a certified Environmental Management System (ISO 14001:2004)
Occupational risk	Occupational risks are assessed and managed in the framework of a certified Occupational Health and Safety Management System (OHSAS 18001:2007)
Financial risks and uncertainties	Information about how financial risks are managed is contained in Halcor's Annual Financial Report 2015 (p. 6-8), available on the Company's website <a href="http://www.halcor.com">www.halcor.com</a> (Investor Relations section).

The Company follows a preventative approach in the risk management procedure it implements. The risk management system implemented by Halcor aims to avoidance (of risks), the reduction or elimination of events/eventualities that could adversely affect the achievement of its business objectives and the optimisation of those that could, respectively, influence these positively (potential opportunities). Halcor's Annual Financial Report 2015, (p. 8) details its financial opportunities/prospects.

Both the risk management policies and the risk management systems are examined periodically, so as to take into account any changes in market conditions and the Company's activities.

Halcor's Board monitors and reviews issues related to the Company's Sustainable Development, as well as the risk coverage and management procedure.



# Company profile

## 1.5 Distinctions - Awards

Our investment in modern business practices with a view to sustainable development and our priorities for quality and innovation are often recognised and rewarded. We are proud of the awards and distinctions we have received to date, as they are a recognition for our effort, while at the same time they motivate us to set higher goals.



- 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.

- 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"

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

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

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### 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.

"This award is a great honour, as it confirms the strategic choices of the Company towards Sustainable Development, respecting the environment, our people and the society in which we operate. Halcor will continue in the same direction in order to further promote responsible business operation, giving priority to the implementation of actions to the benefit of the community, the environment and society at large", said George Mavraganis, Halcor's Director of Strategic Planning and Corporate Responsibility.

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- 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.



- The Icap Group rated Halcor as one of the "Strongest Companies in Greece".
- Halcor was chosen as Greece's Country Representative during evaluation of the Greek participations in the European Business Awards 2011.

- 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.

# Company profile

## 1.6 Participation in networks and organisations

The Company seeks to actively participate in networks, organisations, institutions, associations and unions for being informed about trends and developments in matters of Corporate Responsibility and Sustainable Development, to contribute in developing responsible Corporate Responsibility practices or to jointly identify and promote solutions on issues of the industry or of general business interest. We attribute strategically importance to these bodies and our involvement in these, both in business and social terms.

### Nationally Halcor participates:



- Actively in CSR HELLAS (Hellenic Network for Corporate Social Responsibility) since 2009 as main member



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



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



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



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



- Intensively as (founding) member in the Hellenic Copper Development Institute (EIAI) since 1996.

### 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 Corporate Responsibility and Sustainable Development Report (<http://www.halcor.com/el/corporate-responsibility>), 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.

# Company profile

## 1.7 Important information about copper

### Copper and health

Scientific studies have shown that copper feature very strong antimicrobial properties. This makes copper and its alloy products ideally suitable for use in various sectors of health, heating, plumbing, ventilation, air conditioning and food processing. The development of new technologies and applications has significant benefits for men, mainly due to the antimicrobial properties of copper. For this reason Halcor actively promotes research in this area, participating and supporting programs by relevant research institutions.

Halcor is a member of the Hellenic Copper Development Institute and work together to support scientific research and applications of antimicrobial copper in Greece. Currently, in Greece and Cyprus applications of antimicrobial copper have began and to this day the innovative technique (installation of antimicrobial copper on contact surfaces) has been completed in:

- the Intensive Care Unit of the University General Hospital "Attikon"
- the Intensive Care Unit of "Peiraiko Therapeftirio" in Piraeus
- the Neonatal Intensive Care Unit of the "Agia Sophia" Children's Hospital
- the Intensive Care Unit of the General Hospital of Nicosia
- the Intensive Care Unit of the "Apollonio" clinic in Nicosia, and schools of Attica such as the Arsakio School of Psychiko and the Tositsio School of Ekali.

Following many studies and applications antimicrobial copper has been shown to kill pathogenic microbes in the laboratory and in the clinical environment, significantly reducing contamination.





### Copper and public transport

Contact surfaces of public transport are the most convenient means for infectious microbes growth. Studies have shown that the use of antimicrobial copper on contact surfaces, such as handles and countertops or in other surfaces of public transport, significantly limit the spread and growth of microbial bacteria and even viruses in the daily use of these means. According to the results of the studies, the use of antimicrobial copper on communal surfaces can eliminate 99.9% of harmful bacteria within two hours from exposure, significantly reducing the possibility of dangerous microbes transmission from surfaces to hands.

More information is available online at  
[www.copperalliance.eu/gr](http://www.copperalliance.eu/gr) και [www.antimicrobialcopper.gr](http://www.antimicrobialcopper.gr)



### Copper and environment

Copper is characterized as an environmentally friendly metal because of its characteristics and properties. The use of copper not only does not harm the environment and can also significantly contribute to its protection, since it is:

- a 100% natural material found in soil and water
- fully recyclable and can even be recycled many times without losing any of its properties
- an excellent electricity conductor, thereby increasing the efficiency of its electrical applications
- excellent strength and durability.

### According to research and studies:

- the use of copper in the manufacture of high-performance electric motors, apart from annual savings of 200 billion KWh, could reduce CO<sub>2</sub> emissions by 100,000,000 tons, equivalent to 25% of European commitment under the Kyoto protocol (Study by Motor Challenge Program).
- Energy savings through the use of copper in electrical applications (transformers, motors, etc.) could reach up to 70% of energy consumed.



# Company profile

## 1.8 Key information on the Corporate Responsibility of subsidiaries

Halcor Group consists of a number of subsidiaries, which have incorporated in their operation the principles of Sustainable Development, implementing the relevant practices. There follows a summary of Corporate Responsibility details for Halcor's two main subsidiaries, Fitco S.A. and Sofia Med S.A. Over the last seven years, the subsidiary Hellenic Cables S.A., which is listed in the Athens Stock Exchange, publishes a separate Corporate Responsibility and Sustainable Development Report.

### Fico S.A.

Fitco S.A., a 100% subsidiary of Halcor S.A. and specialises in producing copper alloys . It 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. Fitco'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
- Brass tubes with a variety of cross-sections
- UR30® copper alloy wire and mesh for applications in aquaculture.

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



## Who we are

Fitco S.A. was founded in 1978 and is dedicated to the production of copper fittings. In 1984, it merged with Co-tour S.A. and, in 1985, it started the production of brass products

In 2001, it was listed on the Athens stock exchange

Absorbed by Halcor S.A.  
Certified in accordance with ISO 18001: 2007

Was granted a UR30 patent  
Production of UR30 brass wire for brass meshes and fish farm cages

Installation of a 2nd cage with a diameter of 50m, of UR30® mesh

1978  
1985

1994

2001  
2004

2006

2010

2012

2013

2014

2015

In 1994, it secured an ISO 9001 certification

In 2004, it absorbed a brass bar plant from Halcor S.A.  
Certified in accordance with ISO 14001: 2004

Spin-off from Halcor S.A.

Domain name  
Free Brass

Installation of double winder in the press to improve the quality - cost ratio.

For more information about the company's profile and products, you can visit the Company's website [www.fitco.gr](http://www.fitco.gr).



# Company profile

## Market presence and fundamentals

Fitco is a leader in the Greek market and it is a predominantly export-oriented company, as 83% of its production is exported to foreign markets. In 2015, the Company's revenue amounted to EUR 63.4 million, while its sales volume amounted to 16,969 tons. Fitco makes significant investments every year and is a member of the Copper & Brass Servicenter Association (CBSA), which aims to promote copper and brass products.

Key performance indicators	2013	2014	2015
Revenue (EUR million)	50.6	59.4	63.4
EBIT (EUR million)	(2.4)	(3.3)	(3)
Net profit / (loss) (EUR million) – after taxes	(2.5)	(2.9)	(3.5)
Capital expenditure plan (EUR million)	0.3	0.3	0.7
Operating cost (EUR million)	49.1	58.5	63.4
Employee salaries and benefits (EUR million)	2.8	3	3.1
Volume of sales (tons)	15,237	16,144	16,969
Domestic customers (number)	184	164	146
International customers (number)	86	122	107

Note: The use of brackets in this table indicates that the numbers are negative.

## High product and service quality

Fitco operates a specialised and fully staffed quality department, and applies a quality policy and a Quality Management System, certified in accordance with the requirements of international standard ISO 9001:2008.

Fitco's products and services are characterised by high quality: Fitco's products comply with the main European and American quality standards (EN, DIN, BS, ASTM, JIS) and certifications (SITAC, NSF). The quality department's executives ensure the implementation of the quality policy across the range of the Company's activities and perform both routine and non-routine quality control audits.

**Target 2016:**  
Improvement of the microstructure of leaded free-machining brass alloys by cooling during extrusion



### Investments in research and technology

The Company's Sustainable Development strategy is expressed through significant investments in state-of-the-art equipment, further expanding its range of products and quality assurance certifications. The purpose of Fitco's capital expenditure plan is:

- the design of innovative products in line with market requirements,
- the development of new production technologies,
- the resolution and optimisation of production issues for existing products to ensure the high quality of the products manufactures and to secure a more competitive position with regard to production costs.

### 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 50 countries worldwide. Utilising its extensive experience, expertise and highly qualified staff, the Company has managed to put copper and its products in the service of man.

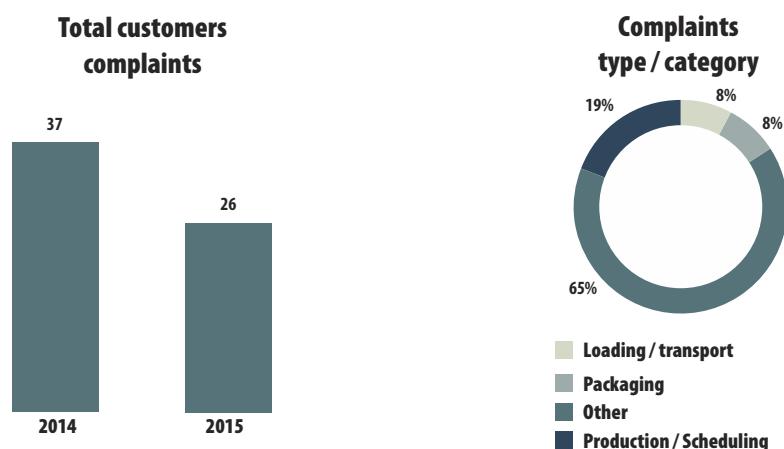
Fitco sees extensive customer satisfaction as a top priority. In this context, it monitors and records any complaints by its customers and immediately takes corrective actions where required. Evaluation and statistical analysis of the results of customer satisfaction questionnaires show their degree 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 customers satisfaction (%)

Percentage	Service satisfaction		Product satisfaction		Trust		Total customer satisfaction	
	International customers	Domestic customers	International customers	Domestic customers	International customers	Domestic customers	International customers	Domestic customers
	75%	86%	69%	82%	70%	87%	72%	84%

### Customer complaints management

Fitco uses the view of customers and potential complaints as an opportunity for continuous improvement. In this context all complaints are recorded, responded to and managed appropriately. In 2015 the Company received 26 complaints in total, compared to 37 in 2014, showing a significant reduction of 30%. This reduction is also reflected in compensation costs which decreased by 15.2%.



## Company profile

### Corrective actions for customer complaints

Below are some typical examples of corrective actions taken for customer complaints:

- The increasingly stringent customer requirements in wire products, especially in terms of surface colour of the product, lead to the purchase of a protective atmosphere furnace to achieve a lighter, glossy and oxide-free surface (bright annealed). As a result of this action there was a gradually increasing demand for wire products.
- The customers' demand for high machinability materials and their requirements for specific microstructure characteristics resulted in the purchase of a specialised computer program for measuring key characteristics of the microstructure of products, using optical microscopy.

### 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 extraction in drinking water, gave rise to the development of lead-free copper alloys with maximum permissible lead content limit of 0.2% by weight.

The new copper 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 burrs can be recycled without any problem of mixing with basic leaded alloys.



### Antimicrobial copper

Hospital infections place a significant socio-economic burden on people from all regions of the world. Approximately four million people in the EU are affected by hospital infections, from which about 37,000 people die. Antimicrobial copper kills the microbes that cause these infections. These infections are caused by microbes that thrive on objects we touch every day. Antibiotic-resistant organisms have spread from the healthcare environment to schools, homes and mass transit. Despite aggressive hand washing campaigns and routine cleaning, infection rates remain unacceptably high and more measures should be taken to reduce infections and improve patient safety.



Copper, as well as alloys with a copper content over 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<sup>+</sup>". 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 a number of applications such as is door handles, handrails, indoor surface coatings, batteries and bathroom accessories, catering establishments and public transport.



# Company profile

## 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.

The UR30® copper alloy wire with a copper content over 60%, preserves all the properties of copper; it is an environmentally friendly material, antifouling, antimicrobial, highly durable, corrosion resistant and 100% recyclable.

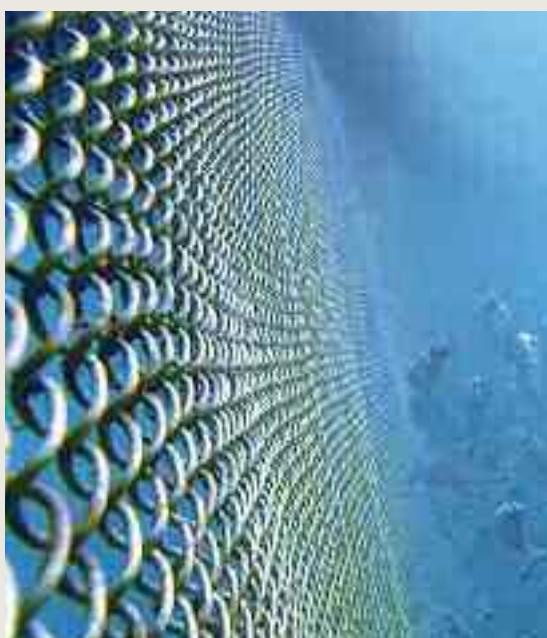
To manufacture this special wire, a brass alloy is used consisting mainly of copper, zinc and tin. The UR30® wire, of a diameter ranging between 2mm to 6mm, is formed into a mesh by special formation machinery. The mesh consists of square openings with square side lengths ranging between 18mm and 100mm.

There are various advantages to using UR30® copper alloy cages in aquacultures. The benefits in terms of the environment, management and production are significant and internationally acknowledged.



### Benefits of UR30® copper alloy 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 attacks from “predators”: Thanks to its durability it acts as a barrier to the attacks of large fish on fish inside the mesh.
- 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.
- Increases the specific growth rate (SGR) of fish
- It reduces the feed conversion rate (FCR)
- 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

Fitco, for the needs of the production process, implements a series of raw material supplies and other materials and services. In 2015 the Company cooperated with 675 suppliers in total, of whom 59 were metal suppliers. Supplies made by the Company from the local area are important for the support of local economy and employment. In 2015 Fitco cooperated with 81 suppliers from the local area (Viotia). The Company implements corporate responsibility practices across the entire range of its activities and in this context seeks to promote corporate responsibility in its suppliers.

Distribution of suppliers	Number of suppliers	
	2014	2015
Local suppliers	64	81
National suppliers	398	473
International suppliers	86	100
Affiliated companies	24	21
Total	572	675

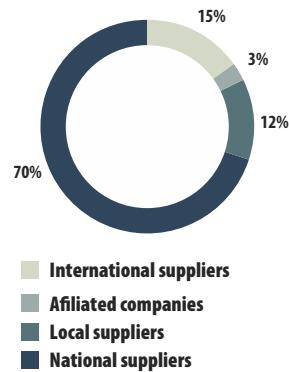
A significant part of Fitco's supplies in raw materials, is met through the use of old metals (scrap). This results in the protection of natural resources and in drastic reduction in the energy consumption required for the manufacture of the Company's products to a life-cycle level.

## Care for our people

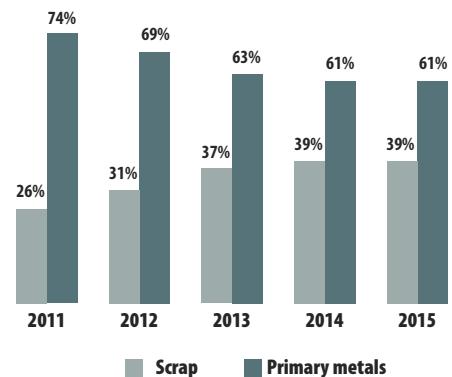
Fitco recognises the contribution of its people, arranges for their development and ensures the creation of a safe working environment.

The total number of Fitco's personnel increased by 3 persons (compared to 2014) and the total number of employees in 2015 amounted to 88 persons. 20% of Fitco's employees come from the local area (18 employees come from the wider area of Viotia and Evia) and 80% from Attica.

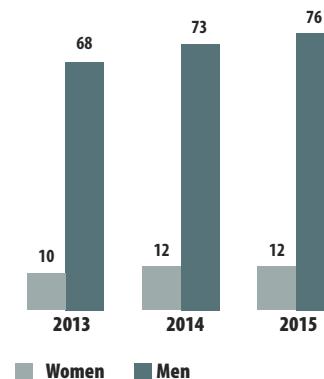
## Distribution of suppliers



## Scrap proportion to total metal purchases



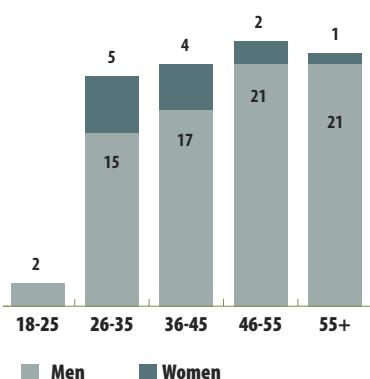
## Human resources data



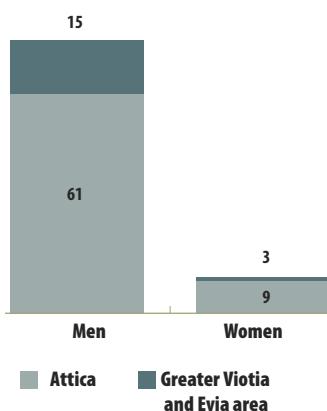
# Company profile

All Fitco's employees are covered by labour contracts and are employed on a full-time basis (in 2015, the company employed no seasonal workers or part-time employees).

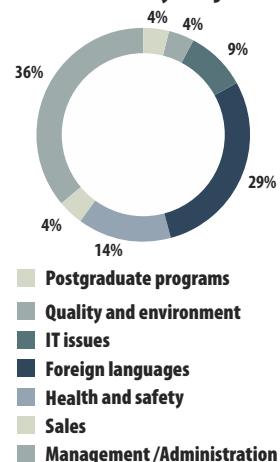
**Distribution of workforce by age and gender group**



**Human resources data by geographical sector and gender group**



**Distribution of training man-hours by subject**



The Company ensures the development and training of its employees by implementing annual training programs for a wide range of technological and administrative issues. Particular emphasis is placed on training related to occupational health and safety.

The philosophy of the Company is to create a working environment of equal opportunities with respect to diversity and internationally agreed human rights.

Hierarchical level	Men	Women	Total
Board of Directors	6	-	6
Managers	4	2	6
Office staff	8	6	14
Other staff (warehouse staff and workers)	64	4	68
Total*	76	12	88

\* The Board of Directors members are not included in the Company's total Human Resources.

### Additional benefits

The Company apart from ensuring the benefits specified by law to its human resources, also offers a number of additional benefits, rewarding its people. Additional benefits are offered to all employees of the Company, without any discrimination.

- 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 a) for super markets and b) for toy stores
- Summer camps for employees' children.

### Occupational health and safety management

The protection of employees' health and safety is a top priority for the Company. Fitco has set a primary and constant goal to achieve the highest possible level of health and safety for its employees, partners and visitors. The Company's commitment to ensuring health and safety at work is evidenced through the implementation of a certified Occupational Health and Safety Management System (OHSAS 18001:2007), while qualified executives implement a program of health and safety internal audits on annual basis.

In 2015, 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.



# Company profile

Health and safety indicators	2013	2014	2015
Expenditures for health and safety (EUR)	40,000	47,000	81,500
Health and safety training hours	44	40	42
Training man-hours / production employees	-	0.6	0.65
Total incidents	2	1	0
Fatal accidents	0	0	0
Incidents without lost days	-	0	0
Lost time incidents	2	1	0
Number of near misses	3	1	0
Man-days lost due to incidents	20	61	687
Frequency Rate	11.2	4.8	0
Accident Severity Rate	112	290	150
Injury rate (IR)*	2.24	0.95	0
Occupational disease rate (ODR)*	0	0	0
Absentee rate (AR)*	22.35	58.07	137
Total working hours	178,975	210,058	221,056

\* Pages 135 and 136 present the index calculation formulas.



## 5S System: continuous improvement program

Fitco, for a more effective management of its resources and equipment and for its constant improvement, implements system 5S, with five implementation stages, known as: Sort, Set in place, Shine, Standardise, Sustain). It has been internationally proven that the 5S system is an effective methodology for the constant improvement of the work environment with direct and obvious benefits in the area of health and safety. On an annual basis, scheduled internal audits are conducted on Fitco plants by a team of managers. During the audits, 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.



#### Health and safety targets for 2016:

- Conducting 10 audits 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 personnel awareness on a more active involvement in reporting and investigating near misses
- Carrying out of 10 health and safety meetings.
- Conducting targeted and planned training with duration of 1.5 hours per employee and a minimum participation of 70% of employees.

#### Environmental protection

Fitco strives to constantly reduce its environmental footprint by implementing a series of programs and practices. The Company operates a certified Environmental Management System according to the requirements of international standard ISO 14001:2004, while at the same, time, it implements a large-scale capital expenditure plan each year, dedicated to environmental protection and prevention projects. Continuous improvement in environmental management is a constant aim of the Company. In 2015, investments in this area amounted to EUR 315 thousand.

#### Environmental expenditures (EUR)

Maintenance and operation of environmental protection equipment	87,126
Environmental Management Department and consulting services	60,953
Waste management by licensed contractors	121,360
Monitoring environmental parameters	41,227
New environmental infrastructure and anti-pollution systems	4,200
<b>Total</b>	<b>314,866</b>

# Company profile

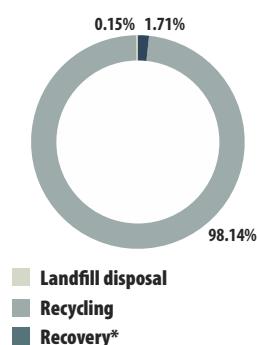
Proving its commitment to continuously reducing its environmental footprint, Fitco monitors its environmental performance and implements environmental management plans and responsible environmental practices, such as:

- use of an oil-solvent mixture to reduce fugitive emissions
- neutralisation of acid solutions (flushing liquid) 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.

Environmental performance indicators	2013	2014	2015
Specific energy consumption (KWh/tn product)	322	278	245
Thermal energy consumption (KWh)	5,639,140	6,516,604	6,441,901
Water consumption (m <sup>3</sup> )	38,782	45,372	33,347
Specific CO <sub>2</sub> emissions (Kg CO <sub>2</sub> / tn product)	79.1	73.5	69.3
Total direct emissions CO <sub>2</sub> (tn)	1,015,455	1,176,982	1,162,564
NOx emissions (Kg)	761	879	862
Specific NOx emissions (kg/tn products)	0.059	0.055	0.052

Waste management practices implemented are in compliance with the applicable laws and regulations. The special waste production in 2015 amounted to 327,2 kg/tn of product, decreased by 9% compared to 2014, due to changes in the production process.

### Waste management method

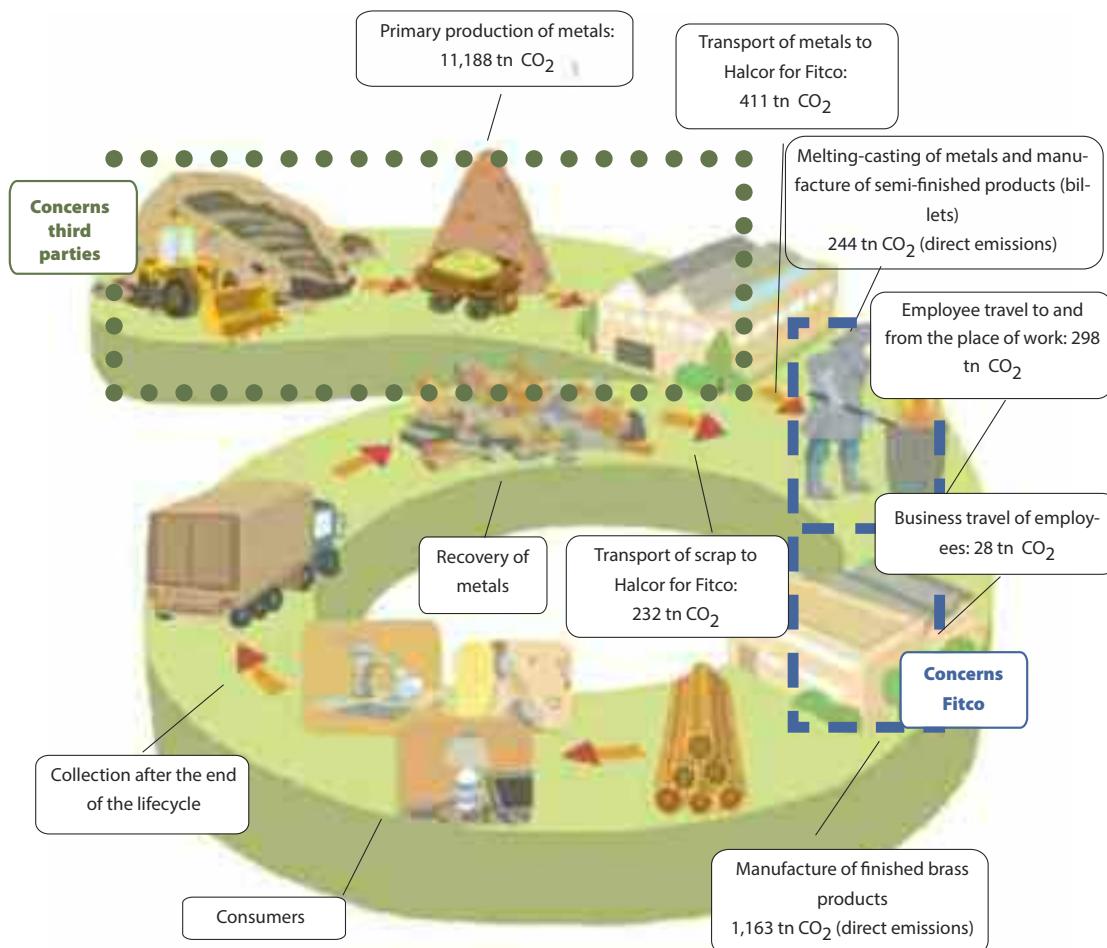


\*Recovery (energy or other form of recovery)

### Breakdown of the Lifecycle of Fitco's products

Fitco studies the impact of its products on the natural environment during their entire "life cycle" and seeks to minimise it. The breakdown of the "Life Cycle" is a methodology which 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 following diagram presents calculated data on environmental impact (GWP - Global Warming Potential - CO<sub>2</sub> emissions) based on the evaluation of certain stages of the lifecycle of Fitco's products.



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.

The company aims to extend the calculations to subsequent stages/phases of its products' lifecycle in the coming years.

### Supporting the local community

Fitco pursues its business activities to have a positive and productive interaction with the social environment within which it operates, to contribute to the overall economic development of the country and to benefit local communities by creating jobs and entrepreneurial opportunities. In this context, priority is given to recruiting employees from the local community, contributing significantly to the enhancement of local employment, while seeking and arranging to cooperate, wherever possible, with local business suppliers.

In 2015 the Company proceeded in the following social actions:

- Granted brass tubes to the Rehabilitation Centre KETHEA “Diavasi”
- Donated baby cots to the Municipality of Kefalonia (Poros community).

## Company profile

The Company supports and promotes voluntary actions of employees. For yet another year the contribution of employees was significant, as they actively demonstrate their social sensitivity, not just by contributing but also by organising volunteer support programs for vulnerable social groups (gathering and distribution of goods to needy families in the local area) and environmental protection (beach cleaning) by their own initiative.

### 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, 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 caring for employees, protecting the environment, ensuring health and safety at work and high customer satisfaction. To this end, it 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 company's wide range of products meets the requirements of the European standards (EN), and the standards BS, DIN, ASTM, JIS or any other specific customer requirements.



*For more information about the company profile and products, you can visit [www.sofiamed.bg](http://www.sofiamed.bg)*



Within the period 2001-2015 Sofia Med implemented a major investment plan worth euro 170 million. This included major works such as:

- new melting and casting facilities in the foundry for the production of high-quality copper, brass, special alloy and zinc products

- a new rolling mill for the production of wider and thinner strips and sheets
- upgrading of the equipment at the extrusion plant
- automation and improvement of overall production and of the quality process
- energy efficiency projects
- scrap cleaning furnace
- tinning line for copper profiles.

Key financials	2013	2014	2015
Capital expenditure plan (EUR million)	6.8	9.3	5.0
Gross profit/(loss) (EUR million)	(2)	0.9	(4.5)
Sales revenue (EUR million)	346	319	299
EBITDA (EUR million)	2	5.4	1.3
EBIT (EUR million)	(7)	(4)	(9.5)
Working Capital (EUR million)	53	41	48
Debt / Equity (EUR thousand)	1.05	1.13	1.33
Customers (number)	423	426	437
Employees wages and benefits (EUR million)	6.9	6.6	6.5

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 Corporate Responsibility, 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.

### 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.

# Company profile

## Development of high-performance alloys

Sofia Med aims to develop its production capacities in the field of two high-performance alloy groups:

1. Copper-nickel-silicon alloys (CuNiSi), which are used almost exclusively in the automotive industry, for the production of electrical connectors.
2. Copper-iron alloys (CuFe), which are used in the automotive industry for electrical connectors, as well as in the electronics industry for making lead frames.



## Manufacture of finished fittings

Due to the specific requirements of each customer, Sofia Med provides bespoke technical support and expertise, as well as tailor-made solutions for copper components. The company has made significant investments in modern machinery and production lines for extruding, punching, bending and lathes (CNC).

## Care for our people

The company recognises the contribution of its people and invests in them, providing opportunities for development and training. At the same time, it ensures respect for and observance of human rights, supporting diversity and equality in the workplace, without discrimination.

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)
- Open Doors Day for employees and their families, with a tour of the plant's premises (each two years)
- annual summer children's camp
- annual Christmas children's party
- annual medical examinations for all employees.

Employee data (31/12)	2013	2014	2015
Men	476	441	429
Women	109	113	115
Total workforce	585	554	544
Employee departures	68	116	107
Employee hires	122	70	97
Training hours per employee	8	15	14

As part of its social policy, Sofia Med provides additional health insurance for its employees, as well as a medical centre, which operates daily on the company territory facilities.

### Occupational health and safety management

Sofia Med recognises the protection of employees' health and safety as a top priority and therefore implements an Occupational Health and Safety Management System (in all its production facilities), certified in accordance with the international standard BS OHSAS 18001:2007.

The company implements a health and safety policy, which focuses on creating a working environment free of hazards, injuries, accidents and occupational diseases. A major priority of the management is the continuous improvement of health and safety at work and the company performance in this area.

Occupational Health and Safety performance	2013	2014	2015
Investments for health and safety (EUR million)	0.5	0.8	0.8
Training hours for health and safety	4,536	3,204	3,182
Training hours per employee	7.6	5.8	7.1
Total incidents	6	4	7
Frequency rate	4.6	3.3	5.4
Incident severity rate	195	106	353
Lost days	256	129	456

### Environmental protection

Sofia Med focuses on protecting the environment and continually improving its environmental footprint. The company implements a certified Environmental Management System complying with the ISO 14001:2004 international standard. At the same time, in the recent years, the Company invests in new infrastructure and technologies and has achieved a further increase in its use of recycled materials.

Environmental performance	2013	2014	2015
Investments/expenditures for environmental protection (EUR thousand)	434	379	290
Electricity consumption (MWh)	56,007	54,593	57,514
Water consumption (m <sup>3</sup> )	652,151	428,209	489,601
Specific CO <sub>2</sub> emissions (Kg CO <sub>2</sub> per ton of product)	223	220	303

### Supporting local communities

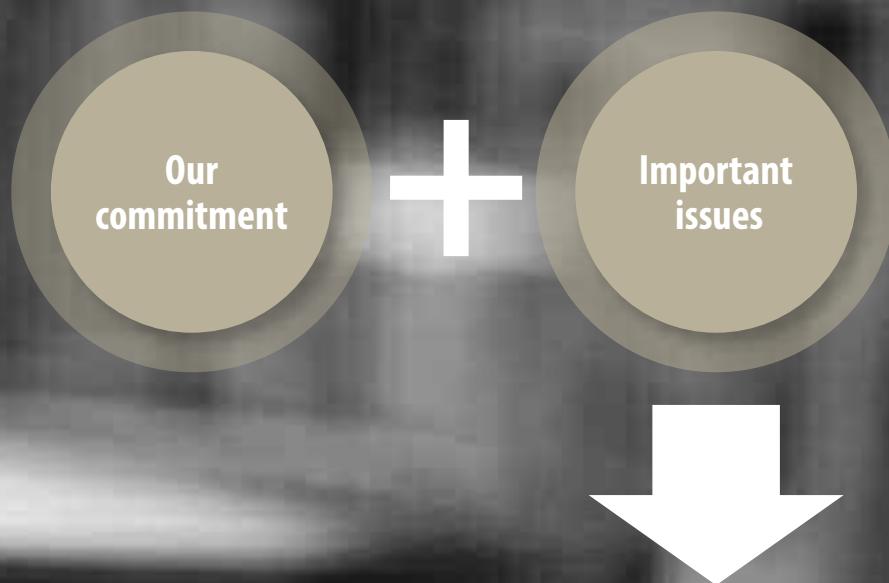
Sofia Med forms partnerships with the local communities in which it operates, as well as with all its stakeholder groups. The company supports local communities, cultivates a spirit of cooperation with local authorities and strives to meet the various needs that arise by sponsoring and supporting social programs in this field. At the same time, it collaborates with various government agencies, technical colleges and universities and provides professional education and training to students and university graduates.



# 2

## Customer-oriented approach

Seeking maximum satisfaction of our customers, we place particular emphasis on quality, consistency, our speed of response to demand and the completeness of our product support services.



**For us, satisfying our customers' needs is a key priority. Through an integrated customer-oriented approach we ensure effective management of relationships with our customers, providing innovative solutions and high quality products.**

**87%**

satisfaction of domestic  
customers

**20%**

faster response to customer  
complaints

**We developed the innovative Talos®  
XS tubes with significant benefits for  
the environment.**

# Customer-oriented approach

## 2.1 Investing in research and technology

Halcor implements an approach of continuous improvement and development, focusing particularly on research to develop innovative new products. The Company's goal is to provide integrated solutions to its customers for meeting their needs and to provide tailor-made services.

To this end, we implement a continuous investment program on an annual basis, focusing on the optimisation of production processes.

### Operation of the thermal efficiency laboratory for inner grooved tubes

Halcor as of 2014 has installed and operates a new and innovative thermal efficiency laboratory for inner grooved tubes (IGT - Inner Grooved Tubes).

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 new 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 pipes has resulted in an overall improvement in energy efficiency of new heat 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).

In a heating/cooling system the optimum combination of increased efficiency and low pressure drop results in considerable energy savings in the final product. An example of direct savings by replacing an IGT type tube with another is achieving a 50% higher coefficient of performance (namely Watts/m<sup>2</sup>K). Total savings, taking into account the possible increase in pressure drop, may exceed 15%.

#### **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.

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

#### **Utilizing the potential of the thermal efficiency laboratory: New projects and collaborations for 2015**

In 2015 Halcor collaborated with several customers, providing tailor-made solutions to their needs. Indicatively, under a new project held in 2015, the cooperation aimed at the optimisation of the profiles used by the customer and the development of an IGT profile tube, specifically adjusted for the relevant application.

Specifically, the project implemented, included the following:

- Development of a new inner grooved tube
- Comparative study on the replacement of the profile by a higher efficiency profile
- Evaluation of the inner grooved tube performance in the final product
- Cooperation with the corresponding customer's laboratory for further use of results.

# Customer-oriented approach

## Partnerships with research organisations and institutions

### 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

The Hellenic Copper Development Institute (H.C.D.I.) has as its principal purpose the promotion of latest developments regarding copper and its role in the environment and health. 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. This enhances its continuous development and improvement and its presence in the developments as regards copper and new technologies.



### **Supporting vocational training**

Hellenic Copper Development Institute in the context of the training program it implements, organised for seventh 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 was held in spring 2015 and the three students who excelled, were awarded and honoured for their excellent performance during the competition.

## 2.2 Product innovation

The Company produces a wide range of products used in industry, as well as in heating, cooling, water supply and natural gas transport networks. These include Talos®, Talos® Coated, Talos® Gas, Talos® Med, Talos® Ecutherm, Talos® ACR, Talos® ACR Inner Grooved, Talos® ACR Ecutherm, Talos® ACE Linesets, Talos® Geotherm, Talos® Plated, Talos® Ecutherm Solar, Talos® Form, Talos® XS and Cusmart® Tubes. Notably, in 2015 the Talos® Plated™ tubes developed in 2014 were promoted in the market, while a new product, Talos® XS, was developed.

### **Talos® XS**

#### **Green refrigeration**

The increasing concern of the environmental impact of hydrofluorocarbon (HFC) refrigerants, as well as the more stringent environmental regulations, have prompted a re-emergence of carbon dioxide (CO<sub>2</sub>) based refrigeration systems. CO<sub>2</sub> refrigerant is used as a working fluid in many climate control systems, in applications such as commercial refrigeration, residential air conditioning, hot water pumps, vending machines, etc. The supermarket industry in particular, implemented an ecological and efficient store concept using advanced refrigeration technologies with CO<sub>2</sub> systems.



**CO<sub>2</sub> as a refrigerant**

CO<sub>2</sub> (R-744) refrigerant is termed a “natural” refrigerant because it exists in the natural environment. Released from refrigeration systems into the atmosphere has a negligible effect to global warming, thus CO<sub>2</sub> has no EU regulatory liability, as is the case of CFC, HCFC and HFC refrigerants. In addition to its environmental-friendly character, CO<sub>2</sub> is currently viewed as a viable solution for low-temperature refrigeration applications because it is non-ozone depleting, non-toxic, non-flammable and has a high volumetric cooling capacity. However due to its physical properties, CO<sub>2</sub> based refrigeration systems request much higher pressure, compared to conventional systems. The operating pressure of such systems can reach up to 120bar in the transcritical cycle.

CO<sub>2</sub> meets the demand for a low-global warming potential (GWP) refrigerant but presents challenges in both its application and handling. The higher operating pressure and broad temperature fluctuations require that all the system components, including piping, should be designed accordingly.

**Extra-strong TALOS® XS tubes for high-pressure systems**

TALOS® XS tubes were specifically developed from a high strength copper-alloy (CuFe2P) to satisfy the demands of today's high-pressure CO<sub>2</sub> systems in refrigeration, as well as, other high-pressure HVAC&R (Heating, Ventilation, Air-Conditioning & Refrigeration) applications.

TALOS® XS tubes possess the extra strength to withstand operating pressures of up to 120bar. At the same time, TALOS® XS tubes are manufactured with comparatively thinner walls and thus achieve an economical advantage that meets the pressure equipment design.

The well-known installation practices of refrigeration copper tubes are also followed for the installation of TALOS® XS tubes. Since the processing methodology remains essentially the same, existing tooling and handling equipment is made of use. This includes brazing with standardized silver braze alloy (min. silver content of 2%), bending with traditional tools and joining with standardized fittings made from copper or copper-alloy (CuFe2P).

**Talos® XS: characteristic advantages**

Talos® XS tubes stand out for their advantages, namely that they are:

- ideal for CO<sub>2</sub> refrigeration applications
- made from extra-strong copper-iron (CuFe2P) alloy
- cost-effective and lightweight, manufactured with comparatively thinner walls
- compatible with traditional processing techniques and equipment
- compatible with existing fittings made of the same alloy.

*For more information on Halcor products see the Annual Report 2015, section 5, and the corporate website [www.halcor.com](http://www.halcor.com). (Products section)*



# Customer-oriented approach

## 2.3 Top quality products and services

Halcor is focused on meeting strict requirements for high quality in the products it manufactures and the services provided to its customers.

### Quality Management System

One of our main goals is continuous improvement. Quality assurance of its products plays a central role in this process. We apply a highly organised Quality Management System, adapted to the needs of modern industry, which is certified according to the requirements of international standard ISO 9001:2008.

### Applying requirements, standards and regulations

Halcor's aim is to ensure high quality in the products it offers, also ensuring product conformance to performance criteria, as determined by requirements of international standards, order and customers requirements.

For this purpose, strict quality control is applied on all products, at all stages of production by qualified and trained personnel. The Company's products are covered by written guarantees for 20 or 30 years.

The quality control procedures applied are confirmed both through frequent audits by customers, and through audits by independent national and international certification bodies. Satisfying the needs of each customer in full is a priority for the people of Halcor.

**We attend to constantly improve the quality of our products and services, so that they have a prominent position in the European and global market.**



## Quality marks

The Company's products are accompanied by various quality marks, certifying adherence to high standards, depending on the use.

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

## Ensuring the health and safety of users

The applications of the Company's products are mainly industrial. However, in some cases, Company products are used in application that are crucial for users' safety, such as water pipes. For this reason regular checks are carried regarding the interaction of products with the health and safety of users, following the requirements of current legislation.

In any case however, the natural properties of copper contribute to protecting the health of end users, as they offer significant antimicrobial action. In particular, according to numerous 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 as well as food processing.

### Safe use of products during their application

- The relevant safety data sheet is issued, to inform final recipients
- Info leaflets drafted are also issued, which include all information relevant to the optimal operating conditions of the products
- Manuals are made available, stating the performance guarantees provided by the Company (for water supply and natural gas pipes).

# Customer-oriented approach

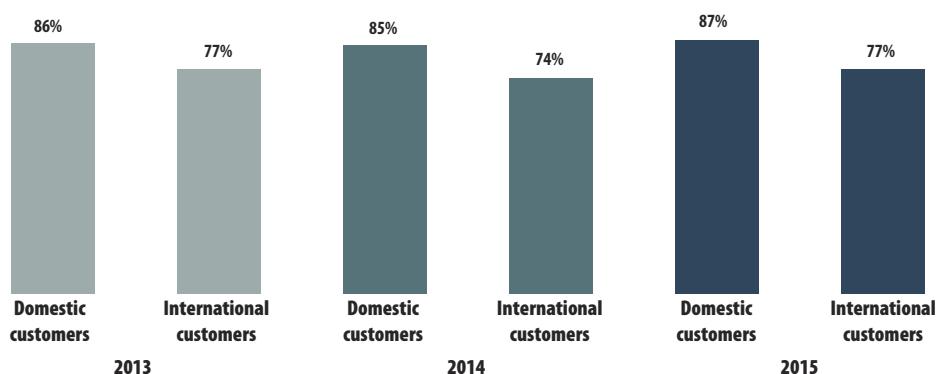
## 2.4 Customer satisfaction

### Customer satisfaction surveys

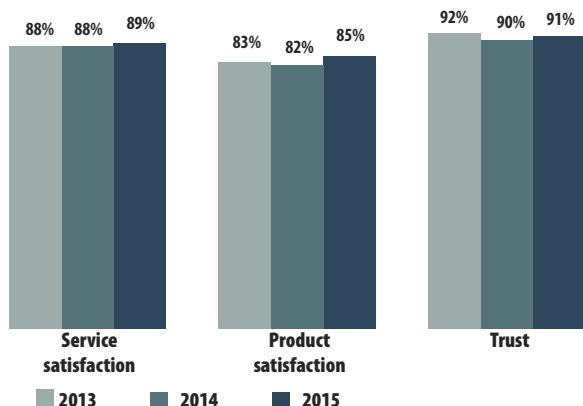
One of the objectives of the Quality Management System we implement is the satisfaction of our customers and partners. The Company's philosophy focuses on customer satisfaction and considerable efforts are made over time to ensure this goal.

Customer satisfaction levels are systematically recorded through regular customer satisfaction surveys, while the survey results are evaluated to plan improvements where necessary.

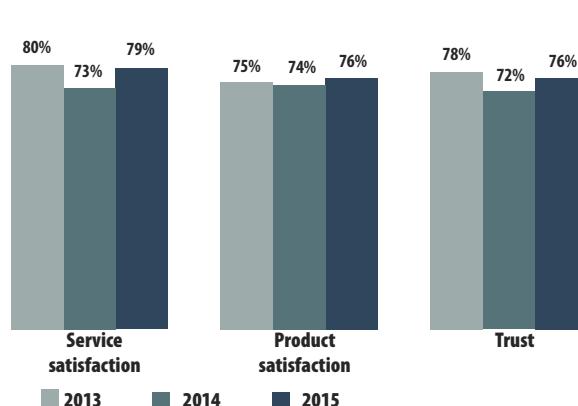
**Total customers satisfaction**



**Degree of satisfaction domestic customers (%)**



**Degree of satisfaction international customers (%)**



### Significant reduction in the time for the issue of certificates

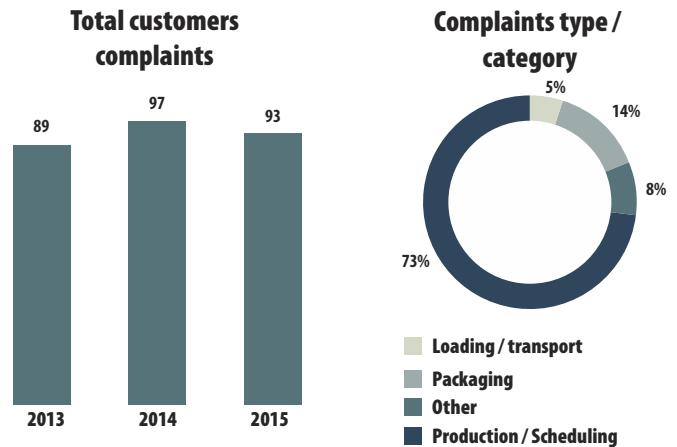
Halcor focused on responding to the demands of its customers and their high satisfaction proceeded to an adjustment of procedures resulting in a significant reduction of the time required for the issue of certificates for its products. Specifically, new tools were integrated in the production process 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.

We have achieved a significant reduction of time for the issue of the certificates accompanying our products

### Complaints management

Halcor with its customer-orientated approach, uses the view of customers and potential complaints as an opportunity for continuous improvement. Our customers' views are recorded and jointly evaluated, taking into consideration their complaints, comments and suggestions in order to continuously improve the quality of Halcor's products and services.

In 2015, Halcor received less complaints in numbers compared to the previous year, as a result of continuous efforts to improve and maintain high customer satisfaction.



### Reducing the response time to customer complaints

As part of our employees' training in the 6sigma methodology and following a review and evaluation of the processes involved, and in order to ensure a timely implementation of corrective actions, we have commenced on a project with the goal to reduce the response time to customer complaints t. by 20% from the moment the complaint is recorded. Achieving our goal for faster and effective response to potential complaints will be an important step to further improve customer service.

## Our goals for 2016

- Expansion of quality labels for our products.
- Significant reduction in the time required for the management of customer complaints.
- Upgrade of the laboratory equipment used in quality control of existing and new products with higher requirements.
- Further reduction of the time required for the issue of product certificates.
- Improvement and automation of the management procedure for non-conforming products.



# 3

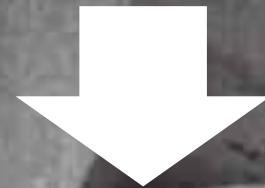
## Supply chain responsibility

**Our supplies are with responsibility  
for the environment, people and the economy.**

Our  
commitment



Important  
issues



The development and maintenance of a responsible supply chain with added value for both parties is a commitment for us.

**1,537**

Our suppliers

**75.5%**

Suppliers from the domestic market

**9%**

Local suppliers to all suppliers

**426**

EUR million  
Total value of payments to suppliers



# Supply chain responsibility



## 3.1 Supply chain

The basic raw material procured by Halcor for the needs of its production process, is copper. Specifically the Company procures:

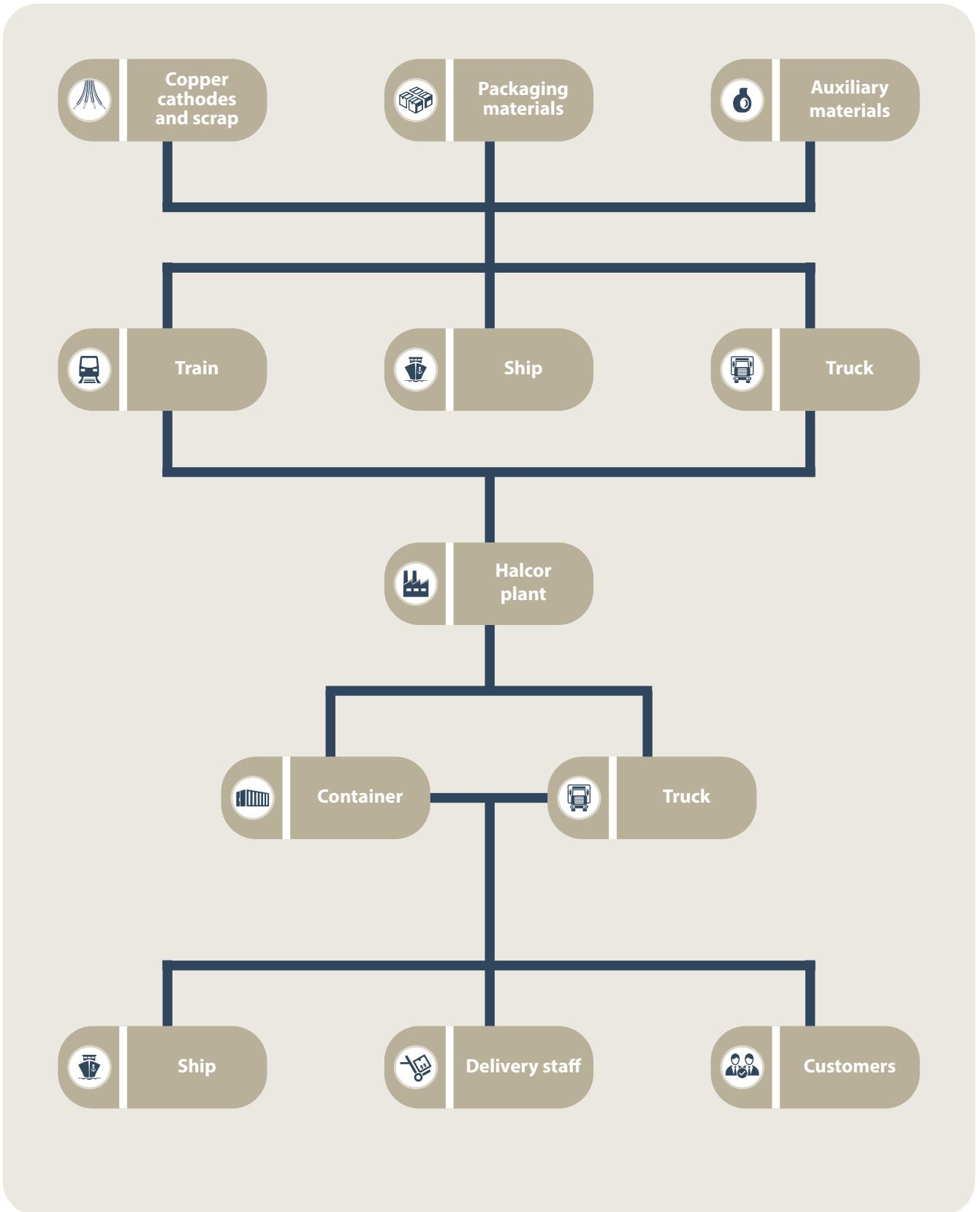
- copper from primary production (copper cathode)
- copper scrap (recycled copper).

However apart from the basic raw materials, the Company also procures materials related to production processes, support materials or components, packaging materials, and services.

Due to the nature of the Company's activity, the largest volume of purchases relates to metals, especially copper, and consumables needed for the production process.

Halcor's supply chain is made up largely (both in terms of volume of procurements and in terms of cost) of metal traders and suppliers from both Greece and abroad. In 2015 Halcor cooperated with a total of 1,537 suppliers, of which 1,191 came from Greece and 346 from abroad. Metal suppliers specifically were 102 in total. In 2015 the total value of payments to suppliers amounted to EUR 426,3 million.

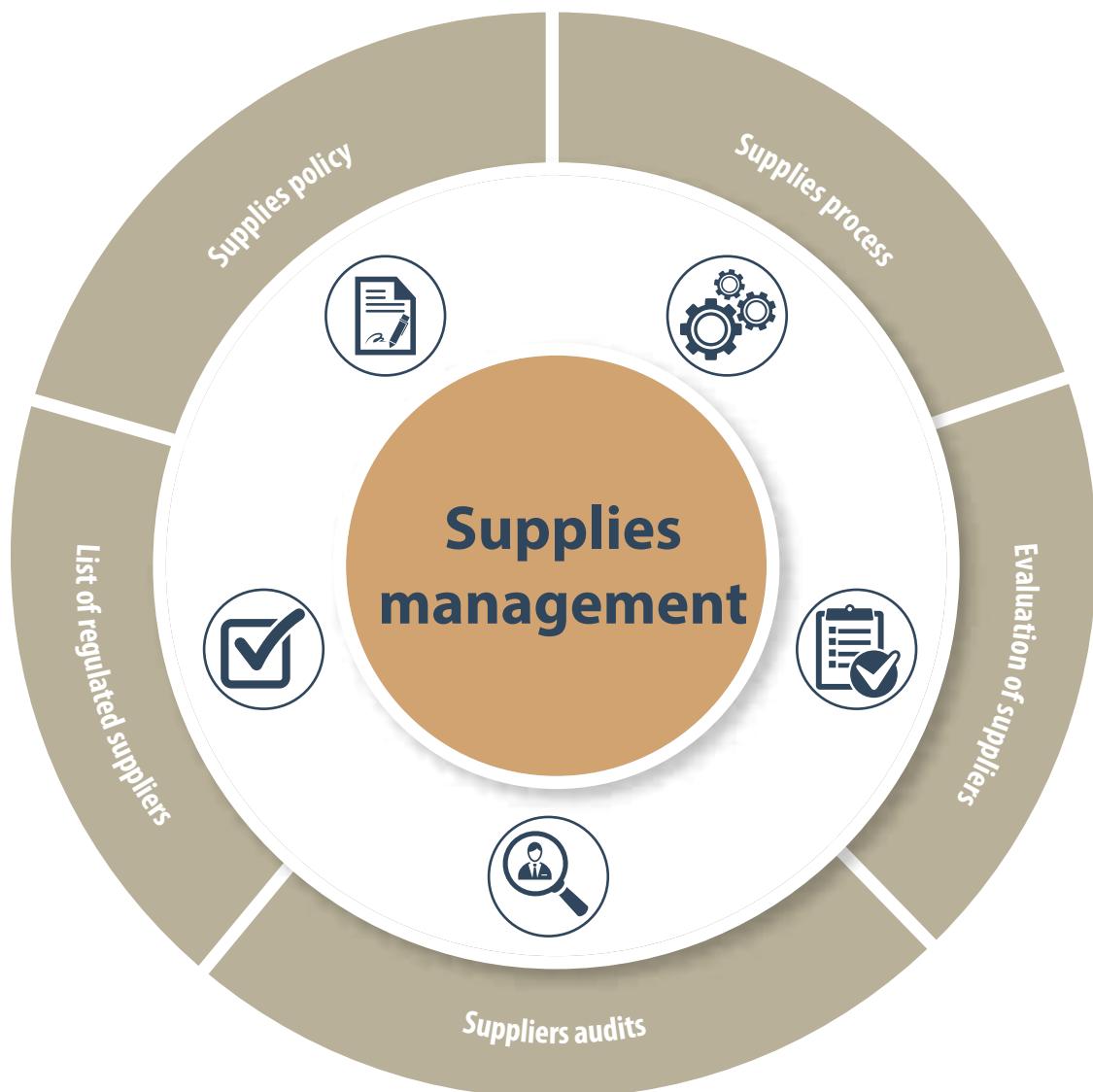
**Through the supply and use of a significant amount of copper scrap, Halcor significantly contributes to recycling and the promotion of circular economy both at national and at European level**



# Supply chain responsibility

## 3.2 Supply chain responsibility

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.



The development and maintenance of a responsible supply chain with added value for both parties is a commitment on which Halcor invests and will continue to invest in terms of permanent collaborations, both nationally and locally.



### 3.2.1 Evaluation and selection of suppliers

For Halcor, suppliers are key partners, as the quality of materials supplied to the Company is directly related to the manufactured produced. In this context:

- specific procedures are applied, to ensure the compliance of supplies and finished products with specifications and quality standards
- upon delivery of procured materials, control is conducted to determine whether or not they meet the agreed specifications and if not, the Company notifies suppliers of the results in the form of complaint, expecting the relevant improvement
- Halcor participates (as appropriate) in trial productions at our suppliers' premises and evaluate the results.

**The evaluation/ selection criteria for suppliers include, among other things, environmental criteria as well as corporate responsibility criteria.**

### 3.2.2 Environmental management in the supply chain

The impact from the operation of a business exists across the supply chain, in terms of economy, the environment and society. Halcor seeks to minimize its environmental footprint and in this context the implementation of environmental protection practices by suppliers, is a parameter that is often taken into consideration in order to evaluate its cooperation with suppliers.

The implementation of a certified Environmental Management System is rated positively in the overall evaluation of suppliers, and in some cases constitutes a necessary criterion. Additionally, according to the supply order process for specific materials, a certification of compliance with the REACH Regulation and the sending of the respective safety data sheets (SDS) are required.

Reference the assigned suppliers that manage Halcor's waste. In these cases environmental performance of the supplier is a crucial and decisive factor for their selection, while the Company takes care to ensure that the applicable legislation and relevant regulations are strictly adhered to.

Halcor's environmental department conducts all relevant controls and verifies the adherence to regulations and the necessary certificates to Company suppliers/associates used for the procedures of waste collection, transfer and management.

### 3.2.3 Ensuring the health and safety of associates

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.

# Supply chain responsibility

In 2015, the Company stopped its cooperation with one supplier, due to lack of compliance with rules concerning occupational health and safety.

### 3.2.4 Promoting responsible practices in our supply chain

The Company seeks to cooperate with suppliers that implement the applicable labour laws as a bare minimum. A necessary prerequisite for the commencement of cooperation with any contractor, is that they fill out and sign a special form, which warrants the their human resources are insured with the relevant insurance funds (and the company carries out relevant checks ).

In case of any contractor’s non-compliance or violation of the law regarding staff insurance, the Company immediately stops cooperating with said contractor.

#### Training of Halcor’s suppliers in matters of CSR, Corporate Governance and Transparency

Halcor, seeking to promote the principles of Corporate Responsibility and Sustainable Development in its suppliers too, organised and implemented in 2015 a specialized training seminar to its key suppliers on Corporate Social Responsibility (CSR), Corporate Governance and combating corruption.

Specifically, during the seminar, executives of Halcor’s suppliers were trained on the concepts of Corporate Responsibility and Sustainable Development, Halcor’s practices and actions to this direction were presented as well as the concept and significance of good Corporate Governance and the value of Transparency. Moreover, reference was made to the need to promote transparency practices in businesses and combating corruption.

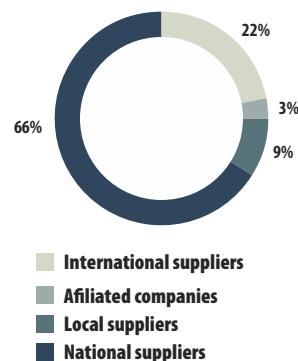
Halcor encourages the implementation of Corporate Responsibility practices in its suppliers and seeks cooperation with organisations that operate responsibly.

### 3.2.5 Supporting local suppliers

One of the positive effects of the Company’s operation is working with suppliers from the local/surrounding areas where it operates.

We aim to support national and especially local suppliers. During the supplier selection process, the locality of potential suppliers is positively evaluated and where feasible there is cooperation with local suppliers and contractors (from the Evia and Viotia areas). In this way we enhance local economy and encourage the development of local entrepreneurship.

Distribution of suppliers



Although the majority of our supplies are for raw materials - metals that can only be procured from abroad, in 2015, 26% of the total purchase amount (total domestic purchases excl. metals) went to local suppliers.

### 3.2.6 Use of recycled metal (scrap)

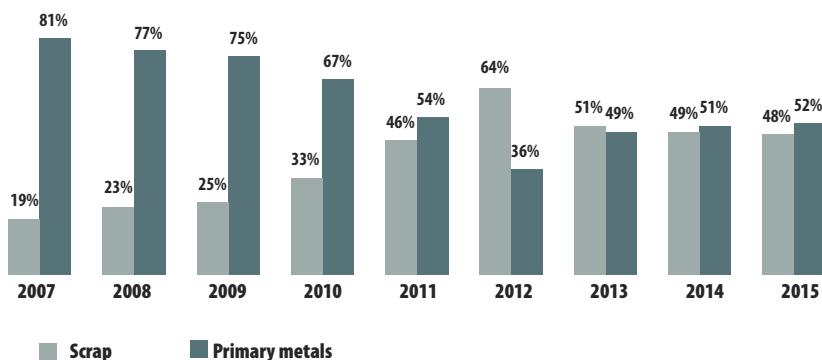
Recently the European Union adopted a set of measures and policies to enhance a circular economy in Europe, increasing the use of recycled materials and waste.

Copper is a valuable natural resource and its recycling has significant benefits in economic, environmental and social terms. For this reason, used old metals that have reached the end of their life cycle are a very useful raw material rather than waste for deposition.

**Halcor is the largest copper, zinc and copper and zinc alloys recycler in Greece**

Halcor, combining economic efficiency with environmental protection (reduction of inert waste) and the protection of natural resources (reduction of raw material consumption), aims to increase the use of larger quantities of various used metals (scrap) as raw material. In 2015, 48% of the Company supplies in metals, was scrap. In this manner Halcor becomes the greatest recycler of copper, zinc and alloys thereof in Greece, where metal recycling has a significant margin for improvement/increase.

#### Scrap proportion to total metal purchases



## Our goals for 2016

- Promoting the Code of Conduct for Suppliers and Associates for updating and raising awareness to all our suppliers.
- Update and raise of awareness to our suppliers on corporate responsibility issues.
- Evaluation of suppliers with corporate responsibility criteria.



# 4

## Creating value - Operating responsibly

The path towards Sustainable Development, to which we are committed, requires actions and measures in various areas, especially on important issues that are related to our activities.



Our  
commitment



Important  
issues



**We are committed to operate responsibly, creating added value for all stakeholders.**



# Creating value - Operating responsibly

## 4.1 Corporate Responsibility – Our approach

Halcor, through its operation, generates value for all stakeholders it is connected with: employees, customers, shareholders, suppliers, local community and the wider society. The implementation of responsible operation practices is our strategic choice, emphasising and focusing our attention over time to material issues and crucial pillars of corporate responsibility. We seek to achieve the “zero-accidents” goal with continuous upgrading of our work environment, we invest in our people and take care to minimize our environmental footprint. We build relationships of trust with our customers and partners and are always on their side, supporting the needs of the local community where we operate.

Issues of Corporate Responsibility and Sustainable Development in Halcor are managed in a systematic and comprehensive manner:

- A Corporate Responsibility and Sustainable Development policy has been established and applied
- A Corporate Responsibility team has been appointed and operates
- A strategic approach is followed for Corporate Responsibility and Sustainable Development issues
- International standards on Corporate Responsibility and Sustainable Development, guidelines and initiatives are applied
- A specific procedure is applied for the analysis and determination of material issues (materiality analysis) of Corporate Responsibility and Sustainable Development
- The Corporate Responsibility and Sustainable Development Report is issued annually, in accordance with the Global Reporting Initiative Guidelines (GRI-G4).

## 4.2 Corporate Responsibility and Sustainable Development Policy

Corporate Social Responsibility and Sustainable Development Policy of Halcor is in accordance with the Company's values of responsibility, integrity, transparency, effectiveness and innovation and is determined by the Management, which is committed to the following issues:

- implementation of the CSR Policy at all levels and in all the Company's operating entities.
- strict compliance to 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 on-going communication with all stakeholders in order to identify and record their needs and expectations. Development of mutual trust relations with the stakeholders makes a significant contribution to meeting the Sustainable Development objectives.
- providing safe and healthy working environment for our people, collaborators and any third party involved.
- protection of human rights and provision of a work environment of equal opportunities, free from any discrimination.
- open communications, based on transparency, with all the Company's stakeholders.
- continuing efforts to reduce the environmental footprint, though implementing responsible actions and preventive measures in accordance with Best Available Techniques, in order to reduce and minimize the impact of the Company's operations on the environment.
- continual pursuit of creating added value for the stakeholders.

The full text of the Company's Corporate Social Responsibility Policy can be found on the website [www.halcor.com](http://www.halcor.com)

### 4.3 Strategic approach of Corporate Responsibility and Sustainable Development issues

Halcor's approach to Corporate Responsibility and Sustainable Development aims at managing impacts arising from its operation, in order to maximize value for all stakeholders. The strategy according to which Halcor manages Corporate Responsibility and Sustainable Development issues is based on:

- the nature of the Company's activities
- Halcor's stakeholders, the opinions, expectations and relationship of the Company with any team
- the material issues on which the Company focuses, arranges for their management and on the basis of which specific performance indicators (KPIs) have been developed and are annually monitored.



### Corporate Responsibility Team

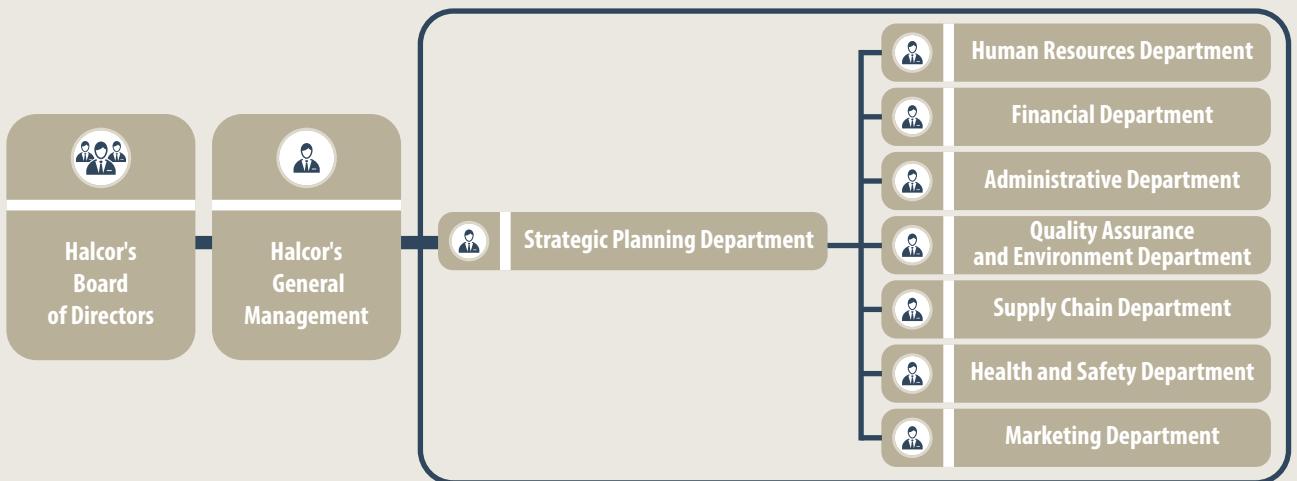
In order to improve its performance in the Corporate Responsibility sector and to comprehensively manage Corporate Responsibility issues in everything it does, in 2009 HALCOR set up a Corporate Responsibility Team. This team :

- consists of executives from the Company's Departments and is coordinated by the Strategic Planning Department, which reports to the General Management
- Is responsible for the implementation of actions and programs agreed in the context of the Company's continuous improvement
- reviews the development of corporate responsibility goals
- examines issues arising on a monthly basis and plans relevant actions.

# Creating value - Operating responsibly

The Board, which is the highest governance body of the Company, approves the Corporate Responsibility 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 Corporate Responsibility issues. Furthermore, the Board of Directors updates shareholders on Company CSR issues, by the published CSR Report, which is distributed during the annual general meetings of shareholders, as well as to customers, associates and other stakeholders.

## Organisational Structure

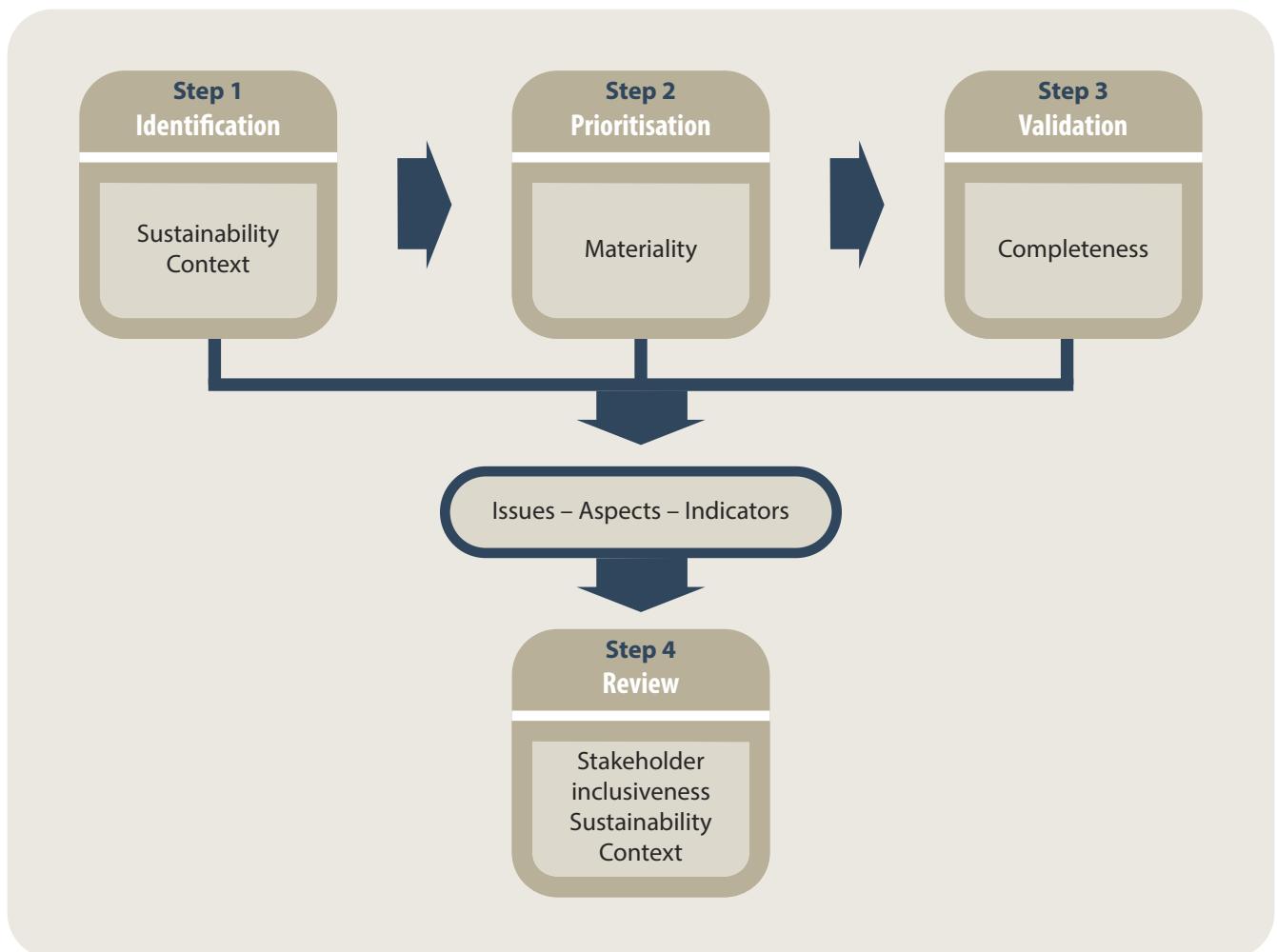


Based on this structure, the Company senior Management ensures its best updating possible, the control and responsible management of issues relating to its financial, environmental and social aspects of its operation.



#### 4.4 Focus on material issues: Materiality analysis

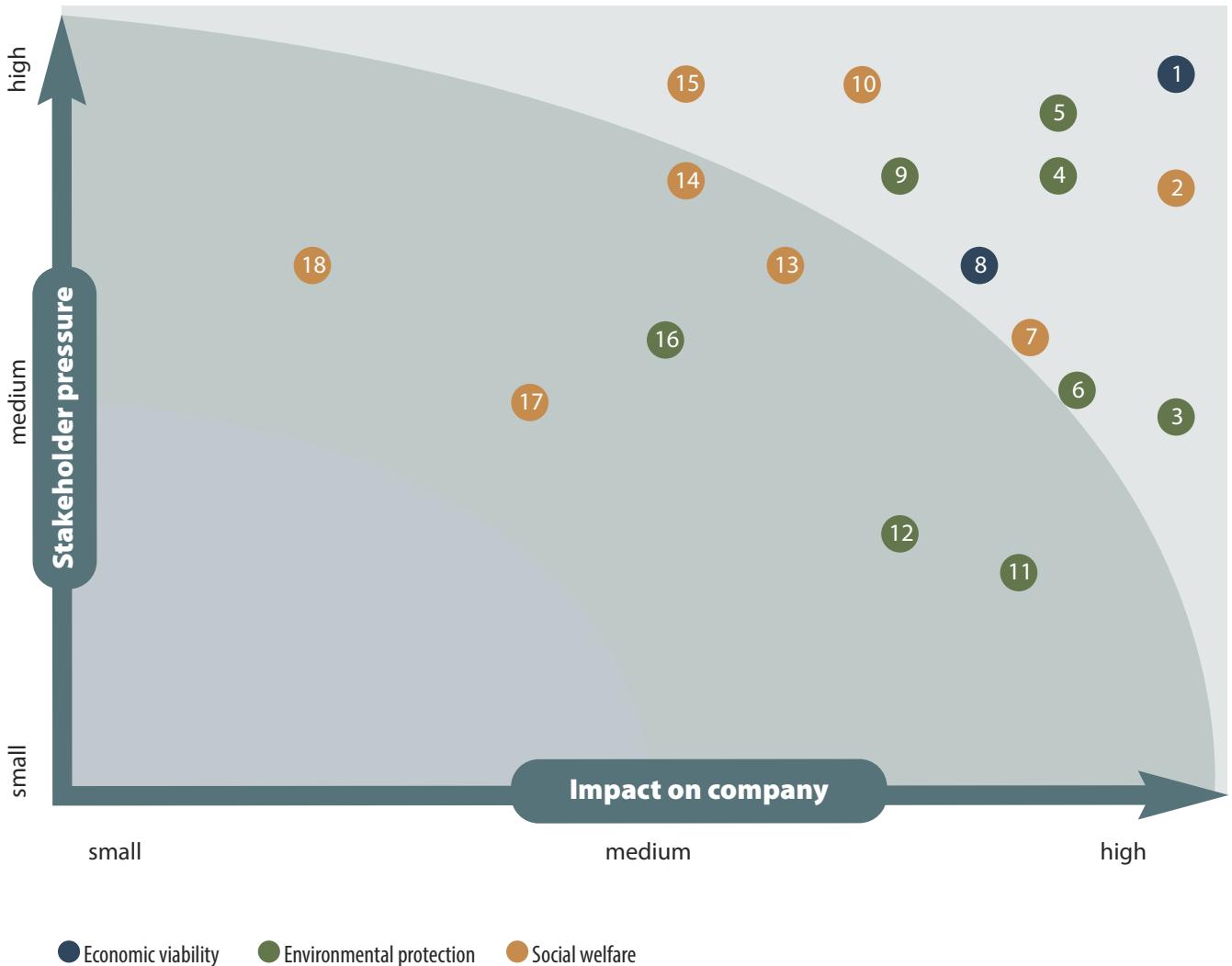
Halcor focuses its efforts on managing all impacts from resulting its activities. Aiming to identify areas with the greatest impact, Halcor implements a specific materiality analysis and determination procedure of material issues of Corporate Responsibility and Sustainable Development, in order to detect and prioritise the most important issues of Corporate Responsibility related to its operation.



Halcor regularly repeats this procedure in order to record internal and external changes and new trends that may arise. Specifically, according to the procedure followed for detecting material issues, the CSR Team met and from all the aspects of the GRI-G4 guidelines, those related to the operation of the Company were selected. Then, said aspects were prioritised on the bases of their relevance to the Company activities and to the extent of the impact they have on stakeholders. Subsequently, the fullness of the list of significant issues was checked and there was an overall review of the procedure. Throughout the procedure of material issues redetermination, the view of stakeholders on each individual matter was taken into account. The procedure followed is based on the GRI-G4 guidelines.

# Creating value - Operating responsibly

The following figure shows the prioritisation result of material issues of the Company, as arising after the procedure implemented in accordance with the GRI-G4 guidelines.



Halcor uses the results of prioritisation of the material issues of Corporate Responsibility and Sustainable Developments to design actions and set goals, in the framework of the continuous improvement of its performance and of the management of the impact from its operation.

Specifically, Halcor's material issues as resulted from the procedure followed (materiality analysis) are the following (per sustainability axis):

Sustainability area	Material/ important issues of Halcor
Economic viability	<ul style="list-style-type: none"> <li>• Financial performance (1)</li> <li>• Responsible supplies management (supporting local suppliers) (8)</li> </ul>
Environmental protection	<ul style="list-style-type: none"> <li>• Raw materials use (5)</li> <li>• Energy consumption and save energy (4)</li> <li>• Water use (6)</li> <li>• Air emissions (7)</li> <li>• Waste management (3)</li> <li>• Environmental footprint of products (12)</li> <li>• Environmental compliance (9)</li> <li>• Transportation of products and employees (16)</li> <li>• Suppliers evaluation (environmental profile) (11)</li> </ul>
Social welfare	<ul style="list-style-type: none"> <li>• Employee and third party health and safety (2)</li> <li>• Staff employment (14)</li> <li>• Training and development (15)</li> <li>• Assessment of suppliers for work practices (17)</li> <li>• Training on human rights (18)</li> <li>• Anti-corruption (13)</li> <li>• Legal and regulatory compliance (10)</li> </ul>

The limit (inside and/or outside the Company) for each material issue is illustrated in the following table:

Halcor's materiality issues	Limit	
	Within Halcor	Outside Halcor
Financial performance	√	
Occupational health and safety	√	
Waste management	√	
Energy consumption and save energy	√	
Raw materials use	√	
Water use	√	
Air emissions	√	√
Responsible supplies management (supporting local suppliers)	√	√
Legal and regulatory compliance	√	
Environmental compliance		√
Assessment of suppliers environmental profile	√	√
Assessment of suppliers for work practices	√	√
Environmental footprint of products	√	√
Anti-corruption	√	
Training on human rights	√	
Staff employment	√	
Training and development	√	
Transportation of products and employees	√	√

# Creating value - Operating responsibly

## 4.5 Applying international standards and initiatives

### ISO 26000: Implementing guidelines

Halcor implements the ISO 26000 guideline framework, as one of the most complete and comprehensive tools for Social Responsibility. The ISO 26000 has been developed by the International Standardization Organization (ISO), in order to set the general framework and define the principles and key issues in the field of Corporate Social Responsibility.

Halcor 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. The general framework of the method of implementation of the ISO 26000 guidelines by Halcor, is presented below, per thematic category, in interaction with the principles of the Global Compact of the U.N. (United Nations Organisation).

### Global Compact of the United Nations: Supporting its principles

the Global Compact of the UN (United Nations), is the greatest voluntary initiative on Social Responsibility issues internationally. The Global Compact calls on businesses worldwide to support ten universal principles relating to the observance and implementation of human and employment rights, environmental protection and the combating of corruption.

Halcor supports the Global Compact and ensures the incorporation of these ten principles, in the policies, procedures and systems it applies.



Category	The Global Compact's 10 Principles	Guideline framework ISO 26000	GRI indicators	CSR report section
Human rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights. Principle 2: Businesses should make sure that they are not complicit in human rights abuses.	Human Rights	EC5, LA4, LA6-9, LA13, LA14, HR1-11, S05, PR1, PR2, PR8 HR1-11, S05	Care for our people
Labour conditions	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour. Principle 5: Businesses should uphold the effective abolition of child labour. Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and recruitment.	Working practices	LA4, LA5, HR1-3, HR5, S05	Care for our people
		Fair operating practices	HR1-3, HR7, S05  HR1-3, HR6, S05  EC7, LA2, LA13, LA14-15, HR1-4, S05	
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.	Environment	EC2, EN18, EN26, EN30, S05  EN1-30, S05, PR3, PR4  EN2, EN5-7, EN10, EN18,5 EN26, EN27, EN30, S0	Environment protection
Anti-corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Corporate governance	S02-6	Presentation of Halcor S.A.
		Cooperation with local communities	S01-2, S011	Care for our people
		Consumer issues	PR1-9	Customer-oriented approach

### Sustainable Development Goals

In August 2015, more than 190 countries reached a consensus on the UN 2030 agenda Sustainable Development. The Sustainable Development Goals (SDGs) concern both developing and developed countries and focus on a wider range of subjects. Many of the 17 goals include elements related to the environment, the use of resources or climate change. Halcor recognizes the importance of taking action to achieve these 17 goals and the policies and practices it applies move in this direction. (source: [sustainabledevelopment.un.org](http://sustainabledevelopment.un.org))

# Creating value - Operating responsibly

ISO 26000

## Cooperation with local communities

In the areas where it operates, Halcor has developed communication and cooperation with the local communities. Halcor focuses particularly on supporting local communities, acknowledging the importance of the mutually beneficial coexistence and cooperation. Specifically:

- It supports local businesses by selecting, when possible, suppliers operating in the local community.
- It provides employment opportunities, covering a significant part of its needs in human resources, from the local community
- It supports on an annual basis a number of local organisations and associations.



## Consumer issues

Satisfying customer needs is a key priority for Halcor. Through an integrated customer-oriented approach the Company ensures the implementation of an effective customer relationship management, providing innovative solutions and high quality products. The certified Quality Management System applied highly contributes to this end. All Halcor's products meet high standards and have the relevant certificates. The Company has regular communication with its customers to detect and record any complaints and to take the appropriate correction and prevention actions. Furthermore, it ensures that it complies with all the requirements as regards the information it has to provide on its products and services. In 2015, like the years before, there were not any case of non compliance with the law and regulations, as regards the impact of its products, the information provided by the Company to its customers and the labelling that should accompany its products. At the same time, the health and safety of consumers is protected, while there was no case of violation of customer privacy.



## Fair operating practices

Responsibility in all of Halcor's operations is a strategic choice. To this day, no corruption case has been detected. The Company fully respects the right to ownership (material or intellectual) and seeks the promotion of social responsibility. In the previous years, a number of training and awareness programs have been organised for executives and employees, as regards the combating of corruption and the promotion of transparency.





### Environment

Halcor recognizes environmental protection as a priority and the implementation of a certified Environmental Management System serves as proof of this approach. Halcor ensures the continuous reduction of its environmental footprint, which is achieved by investment projects and programs implemented on an annual basis. The constant aim of the Company is the use of raw and auxiliary material with maximum efficiency, while at the same time Halcor is the greatest recycler of copper and its alloys Greece. The Company operates in conformance to current environmental legislation, while on many occasions, as a result of its commitment to environmental protection, its environmental performance exceeds the minimum limits set by the relevant legislation. Halcor aims at the continuous improvement of its performance as regards environmental protection.



### Human rights

Halcor recognises the importance of compliance and implementation of internationally agreed human rights. In this context:

- 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.



### Corporate Governance / Transparency

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:

- 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.

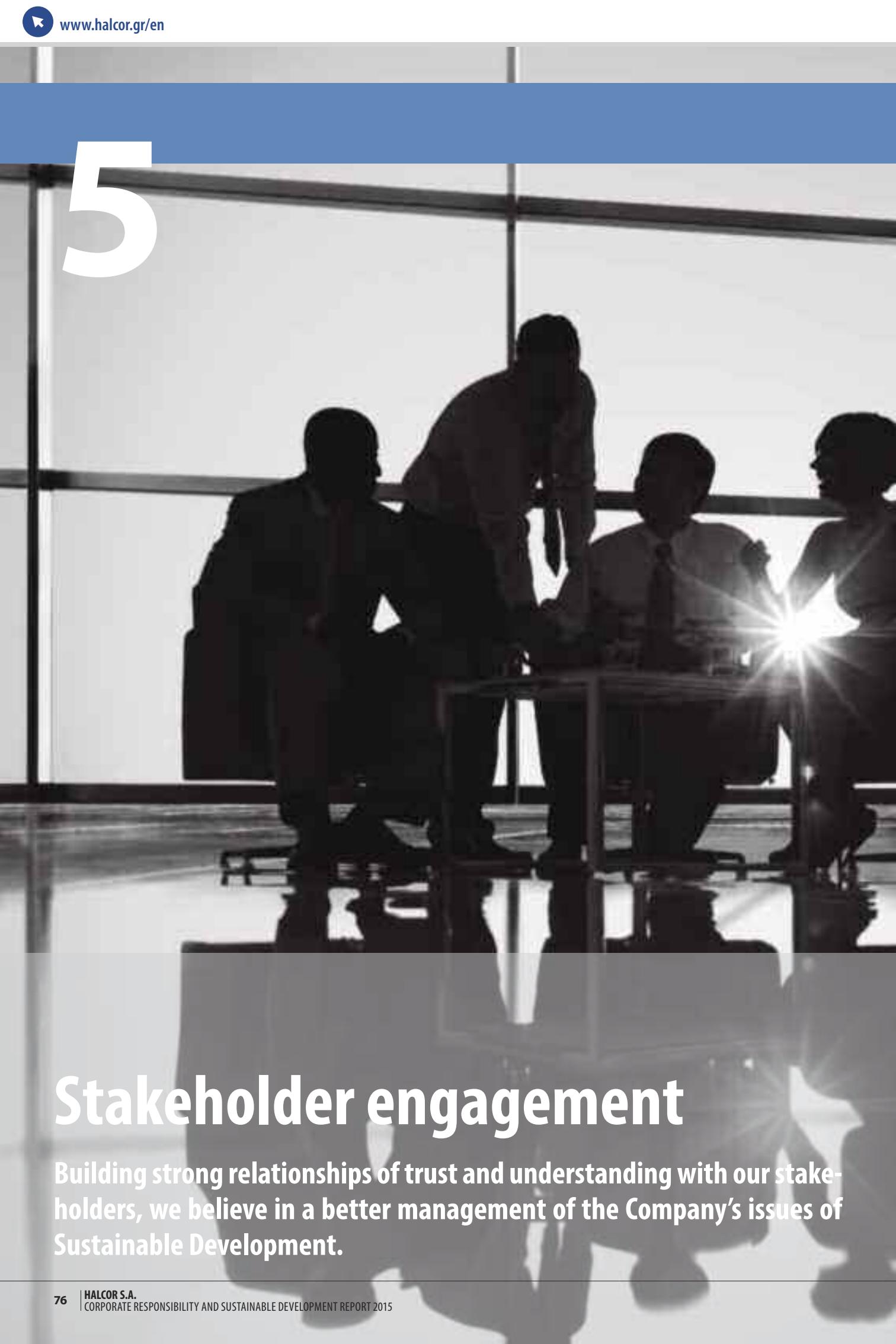


### Labour practices / Working conditions

The Company respects and acknowledges the internationally accepted labour rights. Among other things:

- 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 2015, like in the years before, no discrimination cases in work or hiring process were detected, nor reported.

# 5



## Stakeholder engagement

Building strong relationships of trust and understanding with our stakeholders, we believe in a better management of the Company's issues of Sustainable Development.



Suppliers

Shareholders –  
Investors

Human  
Resources

Government  
and institu-  
tional bodies

Scientific  
community

Customers

Non  
Governmental  
Organisations  
(NGO's)

Local  
communities

# Stakeholder engagement

## 5.1 Regular communication

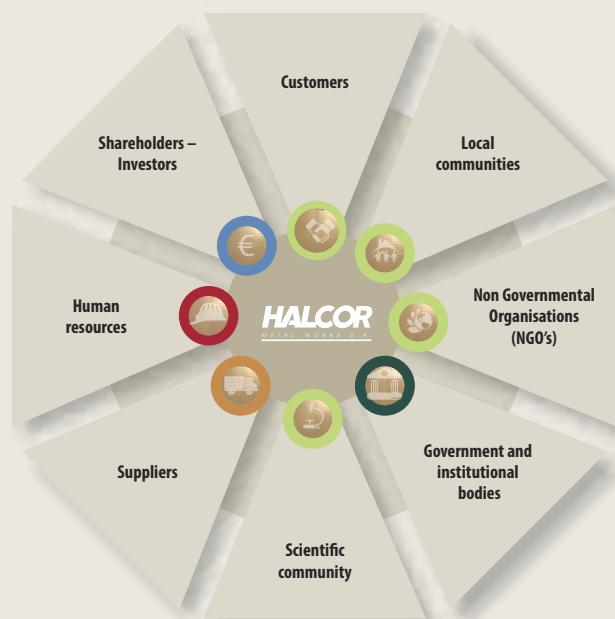
Halcor has recognised the significant and crucial role of its engagement with its stakeholders, as their views and comments help the Company to identify and prioritize the material issues, finding answers that promote the interests of society and of our activity .

We seek to maintain close cooperation and constant communication with our stakeholders in order to jointly identify and promote solutions to issues of concern to both parties. Consultation with our stakeholders is aimed at enhancing transparency and creating strong relationships of mutual trust and cooperation with all stakeholder groups and especially with the main/direct stakeholders who are employees, customers, suppliers, shareholders - investors, local communities, NGOs, government and institutional bodies and the scientific community.

To determine Halcor's stakeholder groups, an internally specific procedure is applied (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 communication with stakeholders). Through this procedure, the updated list of identified stakeholder groups (which consist of natural and legal persons that are affected or affect directly or indirectly the business activity of the Company) is prioritised and recorded.



## Relationship-interaction framework with direct - 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

### Human resources

- 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

Through the systematic and interactive communication we seek to maintain with our stakeholders, we identify the material issues of concern for each group, record said issues and plans the actions with the aim of our optimal response and constant improvement in individual areas.

The following table presents an overview of the dialogue and communication of Halcor with its stakeholders, portrays the main issues (expectations of stakeholders) set and recorded, while at the same time it shows the way we responded to them and the actions we implemented.

# Stakeholder engagement

Stakeholders	Halcor's commitment	Communication channels
 <p><b>Human Resources</b></p>	<p><b>Occupational health and safety</b>  <b>Personal and career development</b></p>	<ul style="list-style-type: none"> <li>• Constant communication between Management and human resources</li> <li>• Communication and updating via the Company intranet</li> <li>• Updating via e-mails and notices on bulletin boards</li> <li>• Updating via the Company website</li> </ul>
 <p><b>Shareholders / Investors</b></p>	<p><b>Good corporate governance and transparency in all activities.</b>  <b>Compliance with the legal framework and standards.</b></p>	<ul style="list-style-type: none"> <li>• Annual General Meeting of shareholders</li> <li>• Investor relations department</li> <li>• Updating of shareholders by the Board on any development in the Company</li> <li>• Issue of regular press releases, announcements and reports</li> <li>• 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</li> <li>• Investor Relations Officer</li> <li>• Shareholder Relations Officer</li> <li>• Presentation at the Hellenic Fund and Asset Management Association</li> <li>• Annual Report</li> <li>• Annual Corporate Responsibility &amp; Sustainable Development Report</li> </ul>
 <p><b>Customers</b></p>	<p><b>High levels of customer satisfaction.</b>  <b>Development of innovative products.</b></p>	<ul style="list-style-type: none"> <li>• Sales Department (constant contact, physical, over the phone or by email)</li> <li>• Company website</li> <li>• Customer satisfaction survey:</li> <li>• Participation at trade fairs</li> </ul>
 <p><b>Suppliers</b></p>	<p><b>Support of local suppliers and responsible practices of selection and evaluation of suppliers.</b></p>	<ul style="list-style-type: none"> <li>• Halcor's Procurement Department (constant communication, both physical and over the telephone)</li> <li>- Attendance at trade fairs and events</li> <li>• Training</li> </ul>
 <p><b>Local communities</b></p>	<p><b>Support for local communities to promote mutual growth.</b></p>	<ul style="list-style-type: none"> <li>• Constant communication with local bodies and associations</li> <li>• Participation in activities organised by local bodies and associations</li> </ul>



### Stakeholder's expectations

- Labour and insurance issues
- Staff evaluation issues
- Human resources personal and career development
- Updating on the goals of the Company and the achievement there of
- 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 Corporate Responsibility & Sustainable Development 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

- 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
- 41% of the Company's staV is drawn from the local community
- Selection of local suppliers
- Support for local bodies / sponsorships
- Employee volunteer initiatives

# Stakeholder engagement

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

Moreover, through the Corporate Responsibility and Sustainable Development Report that we publish annually from 2008 to date, we seek a more comprehensive update to all our stakeholders for the actions and activities carried out by Halcor.



2008



2009



2010



2011



### Stakeholder's expectations

- Support NGO's activities
- Partnership with NGOs

### Halcor's response

- Support for the NGOs "Pnoi", "AgaliaZO" and "The smile of the child"
- Halcor's participation in the Hellenic Network for Corporate Social Responsibility 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 2.6%
- Care for the environment
- Transparency and accountability (Corporate Responsibility & Sustainable Development Report)

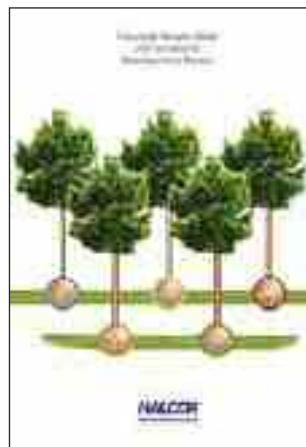
- Exchanges of views on issues of joint interest
- Extended applications of copper
- Effects of copper and other metals on the human body and the environment

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

This Report presents our programs, practices and performance in the framework of Corporate Responsibility and our future goals, centred on Sustainable Development.



2012



2013



2014



2015

# Stakeholder engagement

## 5.2 Review of Corporate Responsibility & Sustainable Development goals

Focusing on our strategy and our commitment for transparency in communication and response to the needs of our stakeholders, we achieved significant improvement at all levels and achieved most of the goals set for 2015. We note that in the area of environmental protection, where medium to long-term goals have also been set, the performance course is respectively shown.

<p><b>Environmental protection</b></p>	<ul style="list-style-type: none"> <li>• At the Halcor and Fitco Foundry and Pipework plants works have started and there is an ongoing procedure for their certification according to ISO 50001 on energy management.</li> <li>• Construction of a new pipeline routing treated liquid waste to the treatment unit of Elval S.A. is in the stage of final approval by the relevant departments.</li> <li>• The installation of a new technology unit for processing production water for use (reverse osmosis unit) in Recycling - Casting plant is underway.</li> <li>• The external areas marking was completed and employees and subcontractors were updated on environmental issues, health and safety issues and 5S issues.</li> <li>• Within the indoors area of the plant 70% of conventional light bulbs were replaced by energy saving bulbs.</li> <li>• The training on generic environmental topics was extended.</li> </ul>
<p><b>Occupational health and safety</b></p>	<ul style="list-style-type: none"> <li>• 10 health and safety audits were conducted by each production manager, per plant.</li> <li>• 10 monthly health and safety meetings were held per plant.</li> <li>• 1.8 hours of training was implemented for every production employee on matters of health and safety (exceeding the set goal of 1.5).</li> <li>• We implemented a staff awareness program on reporting the risk of accidents (near misses). This program will be strengthened within 2016 and relevant posters will be displayed in all areas inside the plant.</li> </ul>
<p><b>Care for our people</b></p>	<ul style="list-style-type: none"> <li>• In October we completed the comprehensive educational program we launched in 2010, on transparency, combating corruption and corporate governance. We have trained 96.7% of our administrative employees and 100% of our personnel on the above issues.</li> <li>• We have trained employees of our subsidiary Fitco on issues of CSR, transparency and corruption.</li> <li>• A total of 9 managers have been trained in the 6sigma methodology.</li> </ul>
<p><b>Customer-oriented approach</b></p>	<ul style="list-style-type: none"> <li>• We developed the new CUFE2P alloy tubes.</li> <li>• We penetrated new markets and expanded our customer database.</li> <li>• We extended the range of certified pipe sizes.</li> <li>• We arranged to procure a new tensile machine with modern software to control the mechanical properties of our products. It is expected to be installed within the first quarter of 2016.</li> <li>• A relevant training/information session was held to a group of Halcor suppliers with great success (a total of 17 people attended the relevant training by 13 suppliers).</li> <li>• The supply chain was recording and mapped.</li> </ul>

The Company's new goals for 2016 are listed at the end of each chapter of the Report.



**Aiming to achieve sustainable development and respect to our values and principles, we continue our course focusing on our commitments.**

# 6

## Care for our people

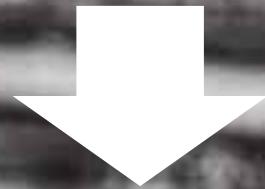
We acknowledge the vital contribution of the human factor to our successful business course and the achievement of our goals.



Our  
commitment



Important  
issues



- Safeguarding of jobs and supporting local employment
- Ensuring of the health and safety of our employees
- Respecting and protecting human rights
- Ensuring the constant education and training of employees
- Implementation of responsible employment practices (equal opportunities, additional benefits)

**2.6%**

increase jobs

**42.2%**

(180) employees  
from the local  
community

**91.8%**

men (392)

**80%**

employees received  
training at least  
once

**427**

employees

**8.2%**

women (35)

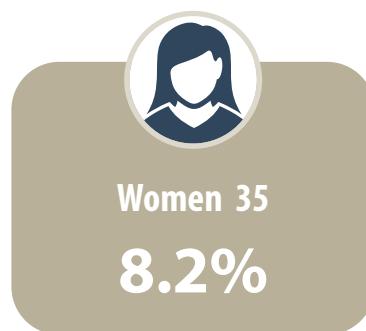
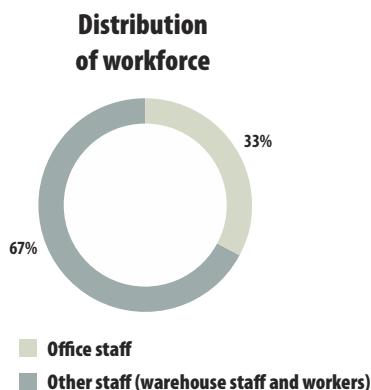
**2,662**

training hours

# Caring for our people

## 6.1 Human resource data

The total staff employed by Halcor, in the year 2015, amounted to 427 employees (full-time).

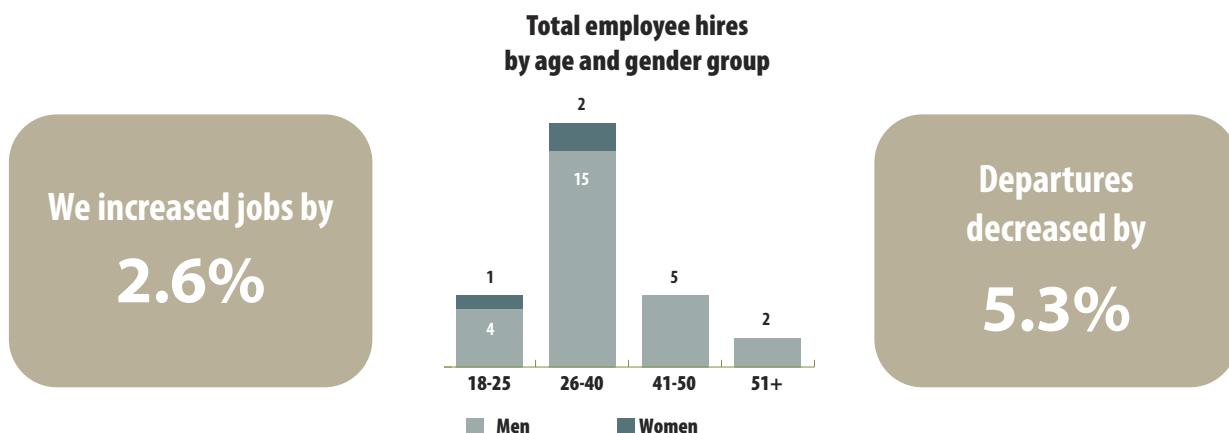


### Human resources data (31/12)

Human resources	2013	2014	2015
Men	384	383	392
Women	30	33	35
<b>Total workforce</b>	<b>414</b>	<b>416</b>	<b>427</b>
Employee departures (p.e. retirement, contract termination)	25	19	18
Employee hires	5	21	29
Third-party employees (e.g. contractors)	63	64	67*
Ethnic minority (and different nationalities) employees	22	21	20

\* This reflects the number of permanent contractor employees in packaging/loading.

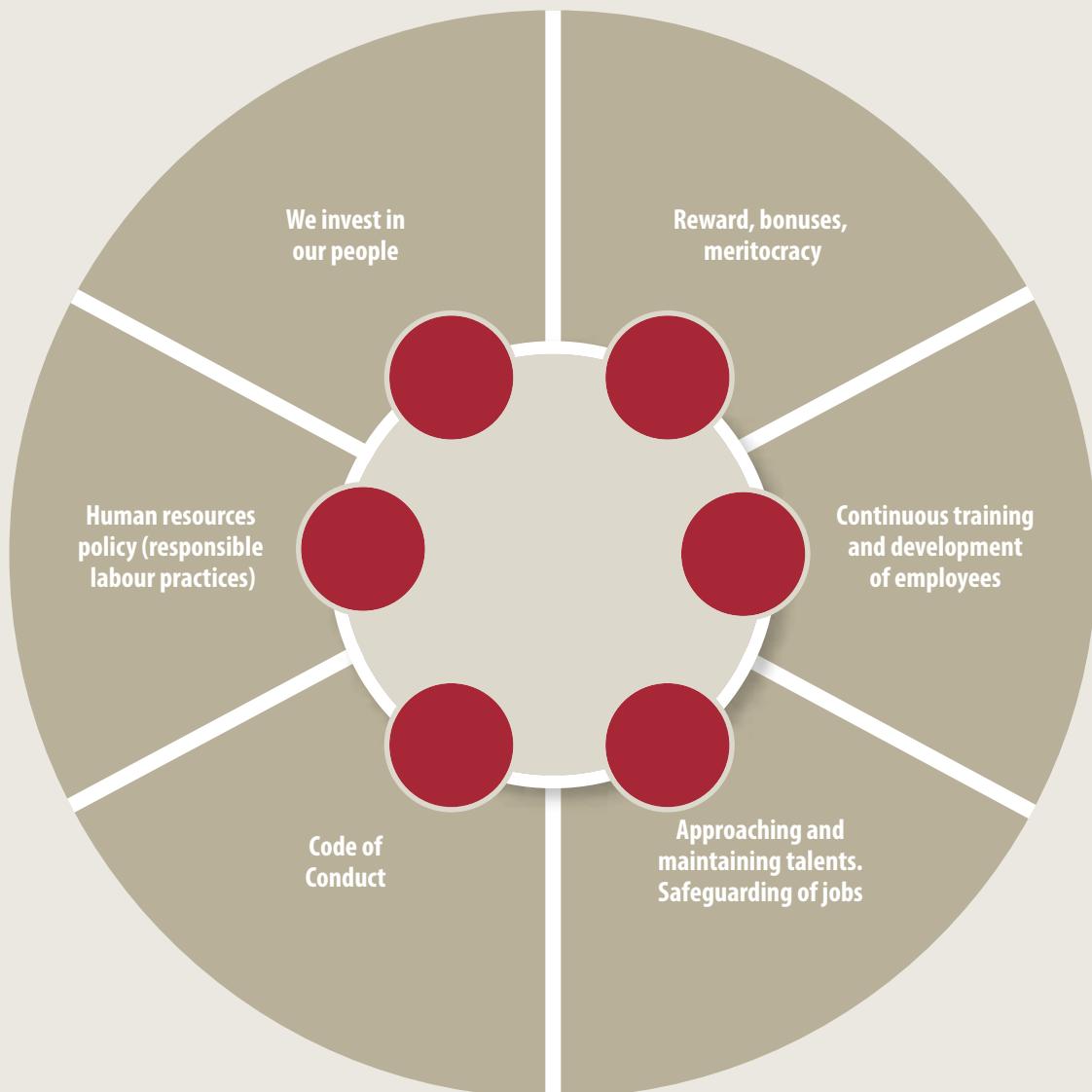
It should be noted that our Company makes every effort not only to maintain jobs, but also to increase them by hiring new employees. In this framework, Halcor hired 29 persons (3 women and 26 men) and 14 of them come from the local area (wider area of Viotia and Evia). So we managed to increase jobs by 2.6%. Departures have been respectively decreased by 5.3% compared with 2014.



We increased jobs by  
**2.6%**

Departures decreased by  
**5.3%**

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



**With fair wages, participation in the results, continuous training, professional development and recognition opportunities, the Company strives and seeks to continually inspire its people.**

## Caring for our people

From a total of 18 departures, 22.2% involved pensions, 50% voluntary resignations and the remaining 27.8% was contract terminations or dismissals.

Breakdown of departures (category)	2013	2014	2015
Dismissals	14	5	5
Contract termination	0	0	0
Resignations	3	2	9
Retirements	8	12	4
Total	25	19	18

The staff turnover rate was not only maintained at relatively low levels, but also dropped compared to the previous year and ranged at 4.22%.

Employee mobility percentage	2013	2014	2015
Employee hires (total new hires / total employees 31.12)	1.21%	5.05%	6.79%
Employee departures (total departures / total employees 31.12)	6.04%	4.57%	4.22%

The breakdown of our employees by age group shows that the majority, 72.4%, of the workforce belongs to the middle-age group (36-55 years), with 15.5% are younger than 35 years. The average age for an HALCOR employee is 44 years.

Distribution of workforce by age and gender group	18-25	26-35	36-45	46-55	55+
Men	3	55	136	145	53
Women	0	8	13	11	3
Total	3	63	149	156	56

All our employees (100%) are covered by labour contracts (national or sectoral collective ones) and are employed on a full-time basis (in 2015, the company employed no seasonal workers or part-time employees).

Total workforce by employment type and employment contract Category employment type and employment contract	2015		Total
	Men	Women	
Total employees	392	35	427
Full-time employees	392	35	427
Collective bargaining agreement	100%	100%	100%
Indefinite-term employment contract	100%	100%	100%
Fixed-term employment contract	0	0	0

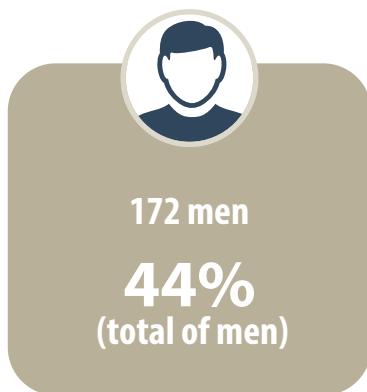
All Company employees are paid more than the minimum specified by the applicable legal data of the country on labour issues.

## We support and boost local employment

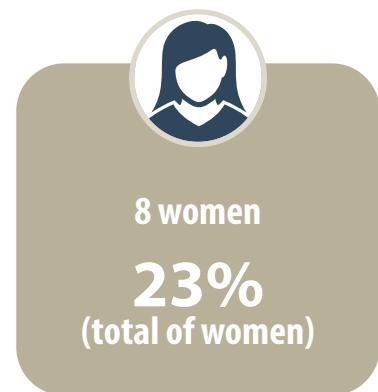
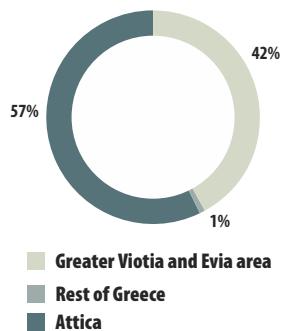
We seek to keep our business activities at a positive and productive interaction with the social environment in which we operate. We seek to contribute to the overall economic development of the country and benefit local communities by creating jobs and offering entrepreneurial opportunities. In 2015 42% (out of a total of 427 employees, 180 come from the local area and of these 180, 4 are managing and senior executives) of the Company's employees came from the local community (the wider region of Viotia and Evia). Furthermore, 14 out of the 29 (almost 50% of new hires) newly hired staff of the Company came from the wider area of Viotia.

We seek to satisfy a great part of our needs in human resources by hiring personnel from the local communities.

**180 (42%)**  
employees from  
the local area



Human resources data by geographical sector



## 6.2 Employee assessment

Aiming to our employees' continuous evolution and development, to the maximum exploitation of their skills and identifying their training needs, we implement an employee performance evaluation system that supports objectivity and transparency of evaluation.

The evaluation of employees takes place on an annual basis and is carried out approximately at the beginning of each year, with reference to the previous year. The human resources performance evaluation system is implemented on all executives and employees of Halcor, while a similar special system is also implemented on the labour staff of the Company. 32 executives have been evaluated for the year 2015 (59% men, 41% women). All of the evaluated employees (100%) have access to the results of their evaluation.

Employee assessment	2013	2014	2015
No. of employees assessed	50	44	32
Men	33	31	19
Women	17	13	13
Employees assessed who had access to assessment results	100%	100%	100%

# Caring for our people

## 6.3 Equal opportunities and respect to human rights

In the copper industry, where the participation of women is limited due to the nature of the metals industry, Halcor supports equal treatment of the sexes and equal opportunities as regards to selection, hiring, training and development.

Our goal is to offer a work environment of equal opportunities and promote a work philosophy without discrimination, respecting human rights. Applying the Code of Conduct in practice, we do not tolerate any kind of racial discrimination or discriminations related to gender, religion, age, nationality, social or national origin, physical or mobility disabilities, beliefs, sexual orientation. At the same time we apply a policy of human resources management, according to which all employees are treated in a fair and equitable manner.

In Halcor there are employees from **20** ethnic minorities

Respect for human rights governs all processes and practices of human resources management in Halcor. We are opposed to any type of forced or child labour. The Company is in full compliance with the national legal provisions as regards child labour and implements procedures that eliminate the chance of any such cases (control of ID cards upon recruitment etc.) With respect to human rights and in implementation of the relevant national laws, no salary-related or other discrimination is made in Halcor on the basis of the employees' sex in all our activities.

In 2015, as in previous years, no incident of discrimination was recorded or reported and there has been no incident of forced or child labour.

In our human resources, the participation rate of men is much higher than that of women, and this is mainly due to the nature of Halcor activities (industry) and the physical demands of such work and also the distance of production activities from large urban centres. The rate of men and women employees is approximately 92% to 8% respectively.

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

Hierarchical level	Number of employees		
	Men	Women	Total
Board of Directors	11	0	11
Managers	13	0	13
Senior executives	32	1	33
Office staff	62	33	95
Plant personnel	285	1	286
Total*	392	35	427

\* The Board of Directors members are not included in the Company's total Human Resources.



## 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.

### Our commitment

As a company firmly focused on human values, we ensure that:

- Responsible HR practices are used.
- A working environment based around fair pay, and respect for human rights and diversity is in place.
- All employees are given equal opportunities.

### Child labour

The Company is opposed to 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 2015 as well as in previous years.
- We do not collaborate with suppliers who support child labour and for that reason we perform relevant audits on our suppliers.

### Forced labour

Halcor is opposed to and condemns forced and mandatory labour. All work carried out at the Company must be provided voluntarily. Elval 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.

### 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').

### Discrimination, equal opportunities and diversity

We respect human rights and have a deep-felt sense of responsibility towards our staff and so:

- Implement a HRM policy that ensures equal opportunities free of discrimination.
- We condemn and do not allow forms of behaviour that could lead to discrimination, intimidation, gesturing or verbal/physical threats.

# Caring for our people

## **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.

## **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.

## **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.

## **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 (the entire staff ) are paid above the minimum limits set by the National Collective Labour Agreement.
- 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").

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.



# Caring for our people

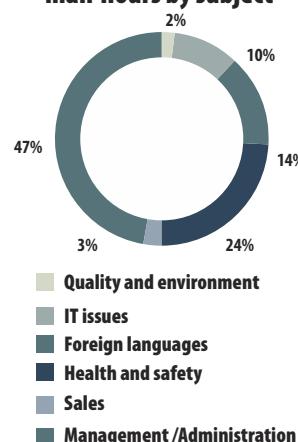
## 6.4 Professional development and training

We view the training and development of our people as an investment for the long term sustainable development of our Company. For this reason, we apply a particular policy of training and career development of our people, ensuring at the same time to provide continuous training opportunities to all employees combining both the demands of the sector and the business targets of Halcor.

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 health and safety, environment, quality, sales and other technical informatics issues. Training in administration/management issues, combined with the promotion of lifelong learning complement educational needs.

In 2015, about 80% of the Company's employees (341 employees in total) participated in at least one training program. Overall, in 2015 we counted over 2,660 hours of training, which correspond to 6.2 hours (the average training hours per participant in 2015) per employee from all employees of the Company.

**Distribution of training man-hours by subject**



Training indicators per employee category/hierarchy						
Position/Rank	Total training hours (2015)			Average hours of training per category		
	Men	Women	Total	Men	Women	Total
Managers	318	-	318	24.5	-	24.5
Senior executives	963	-	963	30.1	-	29.2
Office staff	448	320	768	7.2	9.7	8.1
Plant personnel	613	-	613	2.2	-	2.1
<b>Total</b>	<b>2,342</b>	<b>320</b>	<b>2,662</b>	<b>6.0</b>	<b>9.1</b>	<b>6.2</b>

### Training program on transparency and combating of corruption

During 2015 Halcor completed a large educational program on transparency, combating corruption and corporate governance that started being implemented as of 2010. The program aimed to educate all executives and all administrative employees of the Company on these issues. In 2010, specifically, we completed the training of all Halcor executives, while during the three years between 2012 and 2015 a total of 88 people were trained out of a total of 91 administrative employees. The Company in total has trained on issues of corporate governance, transparency and combating corruption, 96.7% of its administrative employees and 100% of its executives.



### 6sigma training program

Halcor being deeply committed to total quality and continuous improvement, has launched the training of its executives on 6sigma system methodology. This system is a mode of action which, based on data, allows a firm to achieve its objectives. 6sigma differs from other programs or initiatives as regards the fact that:

- it is a measurement system documenting the causes of the problem with data
- it allows systematic improvement
- it shows how it contributes to achieving the objectives
- it ensures preservation
- it establishes a corporate culture where works with measurable benefits are examined and implemented.

The 6sigma approach involves the analysis of processes in order to meet customer requirements, to reduce costs, to increase profitability, to accelerate processes, etc. During 2015, 9 managers of Halcor were trained on the 6sigma system. A similar training will be repeated within 2016 and, besides managers, Halcor's foremen will be also trained on the 6sigma system as well as some other employees.

### 6.5 Remuneration and additional benefits

We recognize, appreciate and reward the efforts of our people that support and meet the business goals of Halcor.

Halcor continues to offer its people a range of additional benefits (apart from legally vested benefits):

- by rewarding them for their performance and their important contribution to the development of the Company and
- by striving to continuously develop better working conditions for its workforce and improve the living standards of employees and their families.

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 transport of employees by corporate means
- provision of half-board
- annual gift vouchers.

Additional benefits in accordance with Company policy:

- provision of accommodation when required
- provision of Company car and mobile phone
- provision of special savings plan.

# Caring for our people

Aiming to support employees and their families on important health issues, we ensure that relevant information, support and prevention programs are implemented.

Support schemes for serious illnesses									
Program beneficiaries	Training / Education		Counselling Support		Prevention / Risk assessment		Blood bank		
	Yes	No	Yes	No	Yes	No	Yes	No	
Employees	√		√		√		√		
Employees' families		√		√		√		√	

## 6.6 Employee volunteer actions

In Halcor, we are proud that our people -are aware of the true meaning of volunteering and the importance of organised offering- support social groups with their actions. In this context, Halcor employees participate in a number of voluntary actions offering particularly their time, abilities and skills in order to support and meet the needs of social groups in need. Halcor supports and promotes voluntary actions of its employees.

### Volunteer program

Since 2010, the internal program "Everyone contribute for a society as solidarity" was launched. This action aims to support families in need by organising an internal awareness campaign among employees to collect food, clothing, toys and books. Therefore, for yet another successful year, despite the adverse economic conditions, the employees contribution has been significant. Along with the contributions from employees, Halcor, wishing to reward the initiative of its people, made a substantial contribution by purchasing substantial quantity of food as well. The volunteer program was completed in December 2015 and goods collected were donated to "Agios Vlassios" chronic diseases sanatorium of Livadia.

### Voluntary blood donation

Halcor, demonstrating particular awareness of voluntary blood donation issue, from 2008 until today, carries out a relevant program, to meet the needs of employees and their families. On an annual basis 2-3 blood donation programs are scheduled and implemented in the Company facilities, in cooperation with Laiko Hospital.

Over the last five years we have managed to collect 197 units of blood, as a result of our employee's voluntary contribution and Halcor's blood bank has helped 67 -people in total (we helped with a total of 125 blood units).

	2013	2014	2015
Blood units collected	54	51	28



## 6.7 Social actions

Cooperation with local communities in the regions where we operate, is highly important for us. Our goal is to contribute to the development and sustainability of local communities. For this reason, Halcor supports on an annual basis a number of , associations, schools and other local organisations. The main actions of social contribution for 2015 were the following :

- NGO Support:
  - 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).
  - The last three years our Company supports the work of NGO "Volunteers against Cancer- AgaliaZO".
  - Halcor has chosen to support as a sponsor the work and activities of NGO "To hamogelo tou Paidiou".
- Support of the school community:
  - We support the school community and educational institutions on an annual basis (e.g. School Workshop Centre of Livadia, Special Professional Education Workshop of Piraeus, Special Training Workshop of Ag. Dimitrios) either by providing copper products, or by providing necessary school material.
- Support of local associations and bodies:
  - For the second consecutive 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.
  - Halcor stands firmly on the side of local authorities in the context of a long-term cooperation. For yet another we managed to meet the needs of local authorities (e.g. Police Station) in stationery and various other materials.
  - For the first year it supported the Captain I. Liapis association, whose main activity is to promote Greco-Roman wrestling, weightlifting, shooting and archery.

## Our goals for 2016

- Evaluation of jobs - job grading system.
- Training of all administrative employees on issues of CSR and on the Code of Conduct.
- Training on issues of CSR and transparency/combating corruption to employees of subsidiary Fitco.
- Continuing training for employees (managers, foremen and selected employees) on the 6sigma methodology.
- Training of Halcor suppliers on issues of CSR, transparency and combating corruption.
- Training of subsidiary Fitco suppliers on corporate responsibility.



# 7

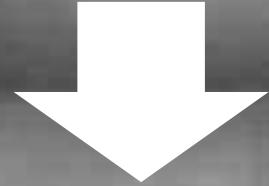
## Occupational health and safety

Ensuring the health and safety of all employees and cooperators is our highest priority, commitment and decisive effective factor for our daily operations.

Our  
commitment



Important  
issues



- Ensuring the health and safety of employees, associates and visitors
- Creating an occupational environment without risks, accidents and occupational diseases
- Compliance with the applicable legal framework and implementation of higher standards in health and safety matters
- Prevention and constant improvement in the area of occupational health and safety
- Promotion of a health and safety culture in all Company activities, also including cooperating companies, contractors and suppliers.

**244,000**

EUR  
investments

**5%**

frequency index of inci-  
dents (LTI): reduction

**121**

hours of thirds party  
training (contractors)

**7**

incidents (LTI)

**6%**

Lost day rate (LDR):  
reduction

**83%**

of production employees  
has been trained at least  
once

# Occupational health and safety

## 7.1 Occupational health and safety management

We have set as a priority and our primary concern, to protect the health and safety of our people and constructors and we are committed to compliance with all the necessary safety requirements. Our position is established both by the official policy of Halcor and by the fact that the Company follows an integrated management of health and safety since 2010, through a certified Occupational Health and Safety Management System (according to OHSAS 18001: 2007). This system:

- is designed to minimize risks
- focuses on prevention by taking all necessary measures
- aims to eliminate or minimize accidents and occupational diseases,
- is based on the continuous improvement of health and safety conditions at work
- covers (scope) all production facilities of Halcor (Copper Tubes plant, Recycle-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, injuries and occupational diseases, while at the same time they ensure a collective and comprehensive protection. Maintaining our leading position in the market, we apply industry standards in health and safety issues, incorporating in our activities both current national and European legislation, and any regulatory requirement or international practice.

The main objectives of our policy on health and safety at work are the following:

- integrating health and safety at all levels of administrative functions and decision-making in the Company's hierarchy.
- continuous updating and training of human resources on issues related to health and safety at work, so they can actively participate in the overall prevention and protection effort.
- assessment and control of occupational risks through proper assessment, and taking the necessary protective measures.
- promoting continuous improvement of the working environment, in conjunction with the preservation of our resources and third party property at workplaces where our Company operates.

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.
- 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.



### Health and Safety Department

- Manages health and safety issues.
- Monitors the correct implementation of work safety measures
- Ensures the implementation and continuous improvement of the health and safety system in all facilities

### Halcor's Management

- Is informed immediately of any issue related to health and safety
- Ensures the proper implementation of the health and safety policy
- Is informed on the compliance of the Company with the relevant legislation
- Approves the necessary resources for the implementation of health and safety programs

## Compliance

Under the Occupational Health and Safety System applied, its compliance with the relevant applicable legislation is evaluated on a yearly basis. In 2015 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.

**No occupational disease occurred just like all previous years**

## 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, we apply the philosophy of the 5S system (Sort, Set in place, Shine, Standardise, Sustain) since 2009.

The 5S system vision, "to create a workplace that is safe, clean and tidy at any time", is an integral part of the philosophy and commitment of Halcor to be a pioneer on issues of Corporate Responsibility. 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.

**An effective methodology for the constant improvement of the work environment with direct and obvious benefits in the area of health and safety**

# Occupational health and safety

On an annual basis, scheduled audits 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.

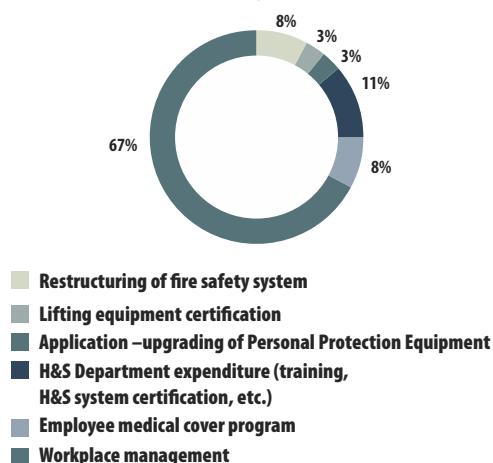
Furthermore, work groups have been created, with the participation of a significant number of employees, while at the same time, in all production sections of the plant and on the external auxiliary areas, tables with photographs (before and after) and various information on the progress of the implementation of the system, have been posted. The Company was inspected in 2015 by an independent body and certified for the proper implementation of the 5S system.

## We invest on health and safety

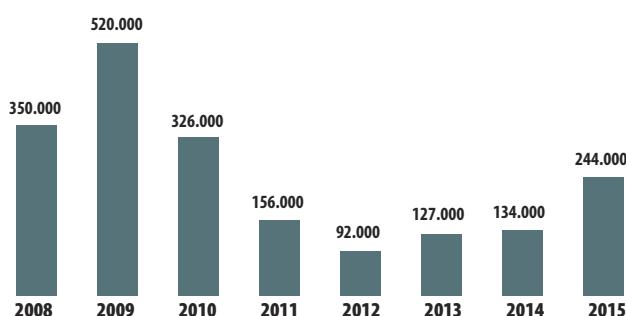
Proving our commitment in this sensitive area in practice, we invest systematically and substantially on infrastructure improving safety in the workplace. For the period 2008-2015 we invested over EUR 1.9 mil. in infrastructure and measures to safeguard health and safety at work. Annual needs for health and safety are evaluated and prioritised and corresponding actions are carried out in accordance with the targets set by the health and safety department of the Company's plants and approved by the Management of Halcor. The Company's total expenditure on health and safety in 2015 amounted to EUR 244,000, with the largest portion (67%) relating to the upgrade and improvement of workplaces.

**EUR 244,000  
expenditure on  
health and safety  
in 2015**

**Investments & operational expenditures on health and safety (%)**

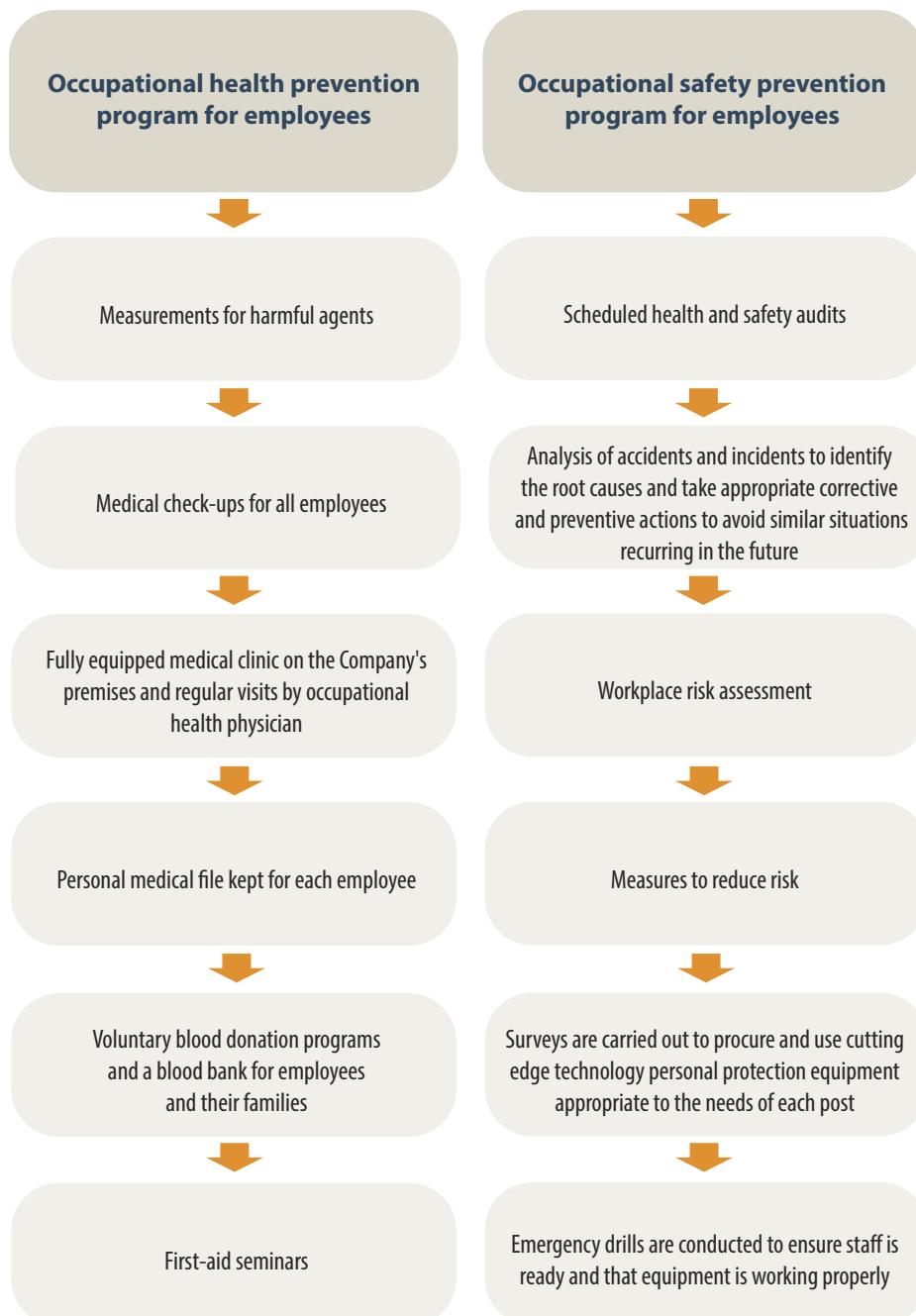


**Investments & operational expenditures on health and safety (EUR)**



## 7.2 Health and safety programs

We set appropriate priorities and we establish programs to apply our policies effectively and achieve our health and safety objectives. For this reason, we carry out a series of actions aimed at promoting and strengthening the “safety culture” as well as at our continuous improvement in health and safety issues, always focusing on prevention.



# Occupational health and safety

## 7.3 Training for health and safety

Training plays a particularly important role in ensuring safe carrying out of activities and maintaining adverse events in low levels. For this reason, Halcor places particular emphasis on the training of the employees on health and safety issues. In the framework of the occupational health and safety management system implemented by Halcor and in order to create and enhance a “safety environment”, the company implements an extensive training program.

Training needs for 2015 were recorded, evaluated and focused on the following themes:

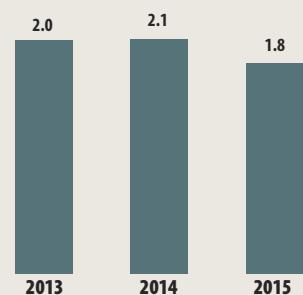
- Safe start at work
- Safety when working at height
- Risk at work
- Handling of chemicals and management of chemicals leaks
- Safe forklift handling
- Safety during maintenance
- Performing hot work
- Manual handling of loads
- Hearing protection
- Skin protection
- Safety on site
- Prevention by participation
- Safe lifting of loads
- Reducing stress at work
- Identifying risks
- Powered cables
- First Aid - CPR
- Emergency and fire fighting exercises.

A total of 70 training seminars have been carried out and:

- 533 hours of training have been completed, attended by 243 of the 292 production employees of Halcor (83% of production employees have trained at least once) and
- 121 hours of training to contractor employees that carry out work within the Company facilities.



**Average training hours per production employee**





### Health, Safety and Environment month

For yet another year, the “Health, Safety and Environment month” that has become an institution, has been successfully completed. Since 2010, Halcor organises every year at its premises the “Health, Safety and Environment month” that aims to raise awareness among employees (on health and safety at work and environmental management) and make clear the safety priorities for each production facility, through dialogue, exchange of views and relevant training .

In Halcor we believe that with continuous training and related activities such as the “Health, Safety and Environment month”, we enhance awareness among employees. In this way we achieve better results and performance in the fields of health, safety and environmental management.

In 2015, the information/training program included presentations and seminars on:

- the correct implementations of security measures
- tidiness and cleanliness and thus a safer workplace
- communication of incidents/accidents and especially near misses by employees to prevent potential incidents
- implementation of measures to prevent occupational risks and accidents
- prevention and addressing of environmental effects.

## Action goal

**To promote health, safety and environmental issues and the always raise awareness among employees in this area to ensure continuous improvement of safe working conditions and accident prevention**

# Occupational health and safety

In summary, over the last 6 years:

- 74 employees of the Administration offices took part in an “Emergency exercise and fire fighting using a fire extinguisher and fire blanket”
- 28 employees from the Administration offices have been informed on “Breast cancer”
- 25 employees from the Administration offices have been informed on “Prostate cancer”
- 368 production employees participated in an “Emergency exercise”
- 393 production employees participated in a “Fire fighting exercise using a fire extinguisher and fire blanket”
- 222 production employees were informed on “Using a respirator”
- 51 production employees were trained by the Fire Department on “Fire prevention and control”
- 58 production employees were trained on “Provision of first aid”
- 118 production employees were trained on “Safe use of cranes”
- 62 production employees were trained on “Safe use of forklifts”
- 17 production employees were trained on the “Proper use of personal protective equipment”
- 40 production employees were trained on “Identifying risks and preventing accidents”
- 3 production employees were trained on “Using woven webbing slings”
- 32 employees were trained on “Management of chemicals leaks”
- 24 employees were trained on “Safety when working at height”
- 146 production employees were trained on “Musculoskeletal disorders - prevention and treatment”
- 73 production employees were trained on “Safe start at work”
- 66 production employees were trained on “Risk at work”
- 9 maintenance employees were trained on “Maintenance safety”
- 10 maintenance employees were trained on “Hot work”
- 51 production employees were trained on “Prevention by participation”
- 28 production employees were trained on “Reducing stress at work”
- 6 office employees were trained on “Work with visual display screens”.

Additionally as part of the “Month of Health, Safety and Environment”, blood tests and chest X-rays were carried out in 2015 to 89 production employees.

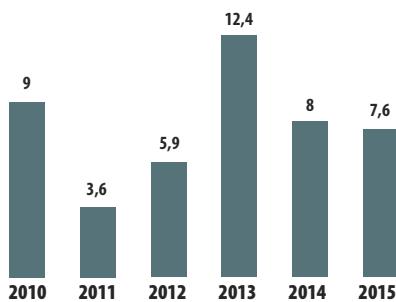
## Occupational health and safety performance

We systematically monitor and record our performance in health and safety. With the constant aim of continuously reducing accidents in order to eliminate them and maintaining the lack of occupational diseases to its employees, we, in Halcor, make every effort in this direction.

Health and safety indicators	2010	2011	2012	2013	2014	2015
Rate of injuries / accidents over total employees (%)	2.5	1.8	1.4	2.9	1.9	1.9
Number of incidents	11	4	6	12	8	8
Incidents without lost days	4	7	2	5	3	1
Injury rate (IR)	1.9	0.7	1.2	2.5	1.6	1.5
Accident Frequency Rate	9	3.6	5.9	12.4	8	7.6
Accident Severity Rate	370	124	41	65	47.3	149
Number of near misses	-	-	23	25	19	15
Total health and safety expenditures (EUR)	-	-	92,000	127,000	134,000	244,000

Reporting incidents is very important, whether this involves an “accident”, an “incident 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.

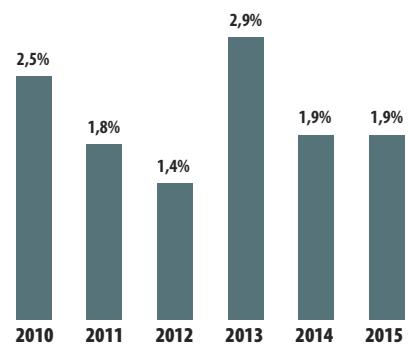
### Frequency rate



*The incident frequency rate shows improvement by 15.5%, compared to 2010.*

*The incident frequency rate dropped by 5%, compared to 2014.*

### Rate of injuries / accidents over total employees (%)



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

**Overall in the last six years there has been a significant decrease of days lost due to accidents (from 515 in 2010 to 158 in 2015)**

## 🎯 Our goals for 2016

- Training of intervention teams to provide cardio-respiratory resuscitation and defibrillator use.
- Consultations with heads of groups involved following incidents.
- Carrying out 12 H&S/head audits.
- Training of 1.5 hours/production employee.
- Informing employees (administrative staff) on health issues.
- 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.



# 8

## Environmental protection

Our concern is to continuously reduce our environmental footprint.



Our  
commitment



Important  
issues



- Rational management of raw materials
- Minimisation of environmental emissions
- Saving of natural resources
- Rational management of waste
- Increase of secondary material use

**2.6%**

reduction in specific consumption of electric power

**1.4**

EUR million investments and expenditure on environmental protection

**575MWh**

energy savings per year due to implementation of energy saving programs

**5.6%**

reduction in specific water consumption per tonne of product

# Environment

**“As an environmentally responsible company, Halcor does not jeopardise the growth and living standards of generations to come. It is committed to saving natural resources and water in particular, energy and raw material as well as to the constant improvement, pollution prevention and compliance with other than legal requirements, providing all necessary means”.**

*Extract of the Quality - Environment - Occupational Health and Safety of Halcor*

## 8.1 Our approach to environmental protection

Halcor management views environmental protection as one of the Company’s top priorities. To apply an effective management of environmental issues, the Company’s management is committed to provide all necessary means and resources. 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.



Recycling structures in our country have considerable scope to improve and Halcor actively supports efforts to create recycling infrastructure. By its contribution paid to the Hellenic Recovery Recycling Corporation from 2007 to this day, it has supplied the market with approximately: 762 blue wheeled bins or 1 recycling collection vehicle.



## 8.2 Management of environmental aspects

With a view to an integrated approach to environmental protection, the Company has created structures and implemented programs that have resulted in the systematic management of environmental issues.

### 8.2.1 Environmental Management System

The management’s concrete commitment to environmental protection is also reflected in applying an Environmental Management System, certified for many years in accordance with the requirements of international standard ISO 14001:2004.

At the same time, a specific Environmental Policy has been established and implemented (see <http://www.halcor.com/corporate-responsibility/environment/environmental-policy>); the Policy reflects how the Company ensures management on environmental aspects.

ISO 14001 certification at Halcor's plants No Plant	2013	2014	2015
1 Copper tubes	√	√	√
2 Recycling - melting	√	√	√
3 Titanium-zinc rolling plant (*)	√	√	√
4 Polyethylene sheet production line (plastic and rubber compounds plant) (*)	√	√	√

*This plant suspended production activities on 01.01.2011.*

### 8.2.2 Investments and expenditures on environmental protection

In order to upgrade the infrastructure on environmental protection and to continue to improve its relevant performance, significant investments are made on an annual basis. In 2015, a total of EUR 1.4 million was spent and invested on environmental management and protection. The following table shows more detailed information by category of expenditure and investments.

**In 2015, EUR 1.4 million was spent and invested on environmental management and protection.**

Category of environmental expenditures	Investments and expenditures 2015 (EUR)
Waste management by licensed contractors	393,530
Maintenance and operation of environmental protection equipment	402,353
Landscape improvement and maintenance	15,193
Monitoring environmental parameters Support to Environmental Management Department and consulting services	225,855
New environmental infrastructure and anti-pollution systems	329,731
<b>Total</b>	<b>1,401,424</b>

# Environment

### 8.2.3 Organisational structure for the environment

A special Environment Department operates, staffed with qualified personnel, to manage the environmental issues of the Company. The Department of Environment staff ensure that the environmental policy is applied and programs are implemented on an annual basis, and that the Environmental Management System is continuously improved.

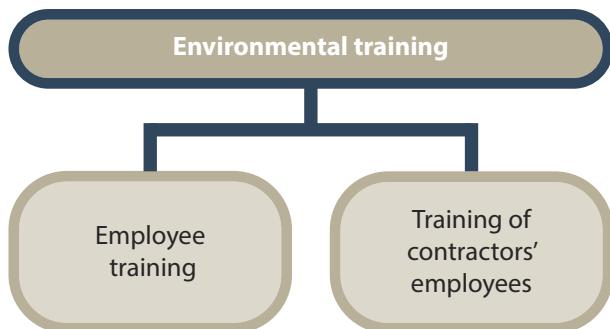
The senior management of the Company is updated directly from the Department's executives on all environmental protection issues and monitors the implementation of the Environmental Policy (via the annual review of the System).



### 8.2.4 Environmental training

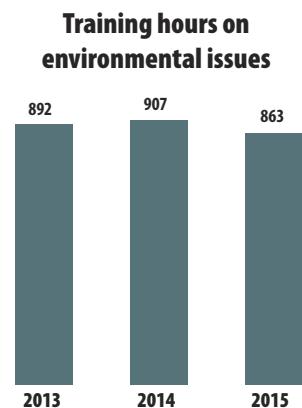
The continuous improvement of the Company's performance and the effective implementation of environmental policy depends largely on the participation and effort of all employees.

In order to raise awareness among employees and to create a relevant philosophy, the Company organises on an annual basis seminars and training for the staff on environmental protection.



In 2015, a total of 342 employees (of whom 65 are sub-contractors) were trained and 863 hours of training have been carried out on various environmental issues. In particular, the initial training carried out by the Company, involved general environmental issues and they further cover more specific sub-issues.

Training on environmental issues	2013	2014	2015
Employees trained (number)	196	282	277
Contractor's employees (number)	66	64	65
Total people trained	262	346	342
Number of workshops held	16	14	17
Training hours	892	907	863





## 8.3 Efficient use of natural resources

### 8.3.1 Halcor's product Life Cycle Assessment

In order to achieve an integrated approach to environmental effects of a product, it is imperative to carry out a study on all processes and activities taking place during its "life cycle" and not just on the production or use phase, respectively. The Life Cycle Analysis is a methodology used for the assessment and evaluation of environmental impact during the life cycle of a product.

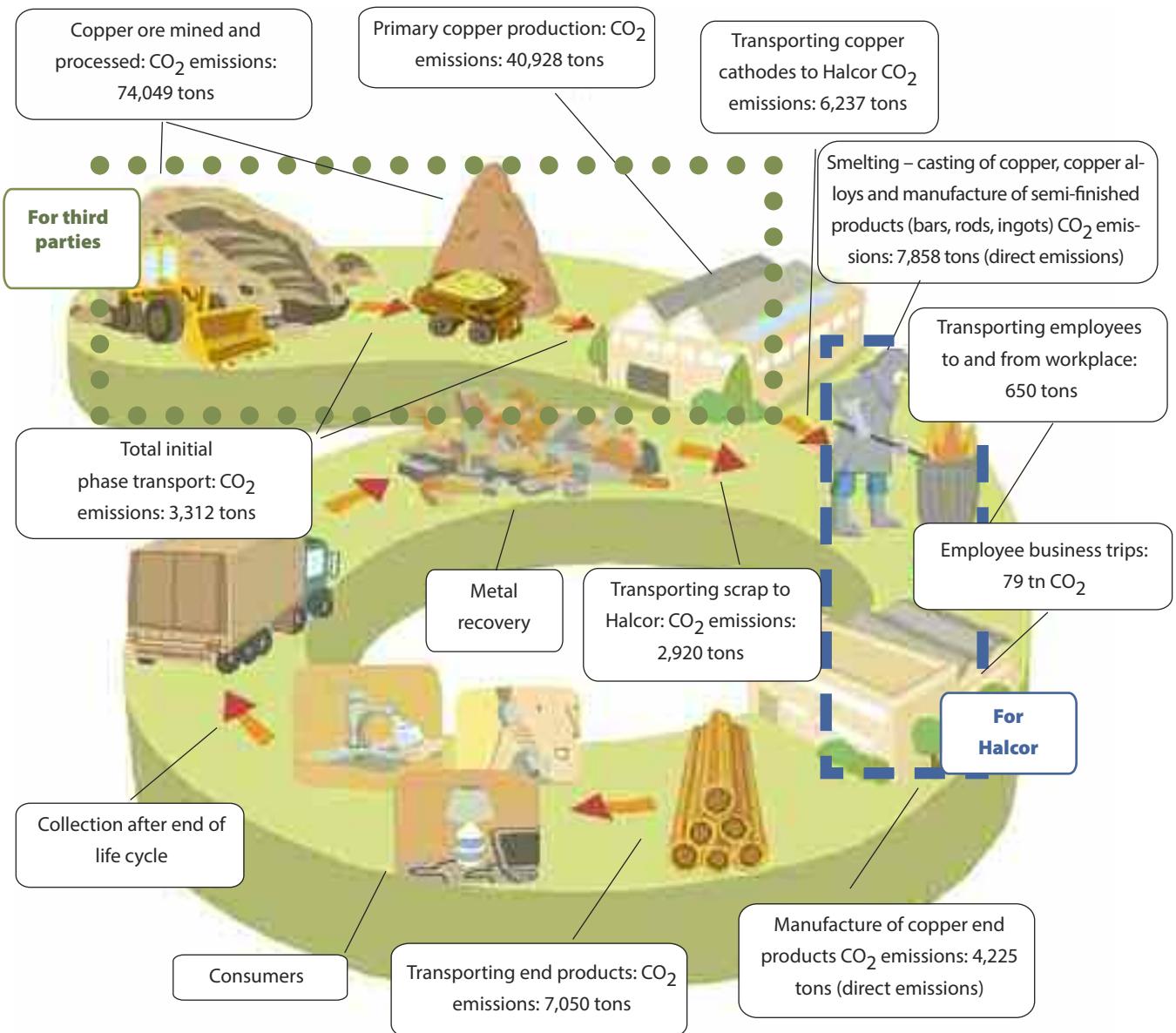
A significant part of Halcor's needs in raw materials (copper) is covered by the use of recycled metals that have completed their life cycle (scrap). In this manner there is an excellent combination of economic efficiency with reduction of the Company's environmental footprint, both as regards the reduction of natural resources mining and as regards the total environmental impact from the production of primary metals, since the use of scrap significantly reduces the consumption of energy, water and other resources.

# Environment

The CO<sub>2</sub> emissions from the various phases of the “life cycle” of Halcor’s products in 2015, are presented in detail in the following figure.

## HALCOR Copper Life Cycle Assessment\*

METAL WORKS S.A.



\*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 p. 139).

### 8.3.2 Raw materials

Halcor's main philosophy axis as regards the use of various materials is achieving the highest possible efficiency in their use. In this manner, the protection of natural resources is ensured, the used of materials is reduced while at the same time the environmental impact from production is minimised, with significant benefits for the society, the environment and the economy.

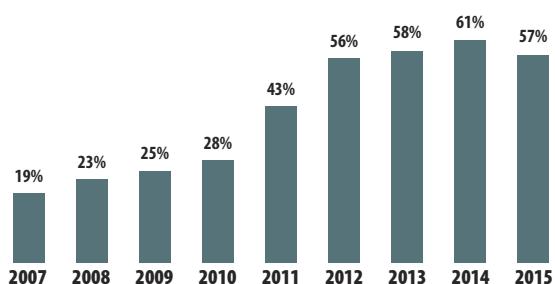
Halcor uses natural and other resources to cover its needs during the production process, and the main raw material used is copper. The largest part of the Company's need in copper is covered by the use of recycled metals that have completed their life cycle (scrap). Through the use of scrap, Halcor has become the largest copper and copper alloys recycler in Greece.

The use of scrap against primary copper production brings significant benefits to the economy and the environment, such as protection of natural resources, reduced energy consumption, reduction in water use, reduced emissions etc.

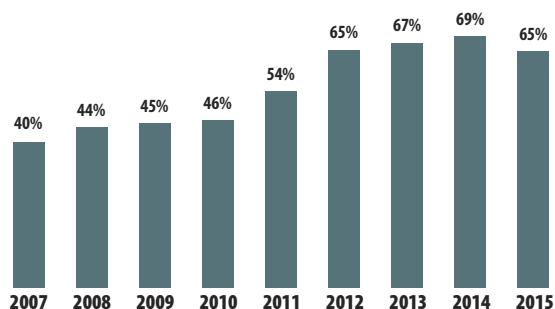
**Halcor is the largest copper and copper alloys recycler in Greece**

**In 2015, 64.8% of the metal consumed during the production process of Halcor (along with internal returns) came from recycled metals**

**Recycled metal consumption (percentage) in relation to total metal consumption (without internal returns)**



**Recycled metal consumption (percentage) in relation to total metal consumption (\*)**



In the above chart, the data from 2014 were revised due to incorrect entry.

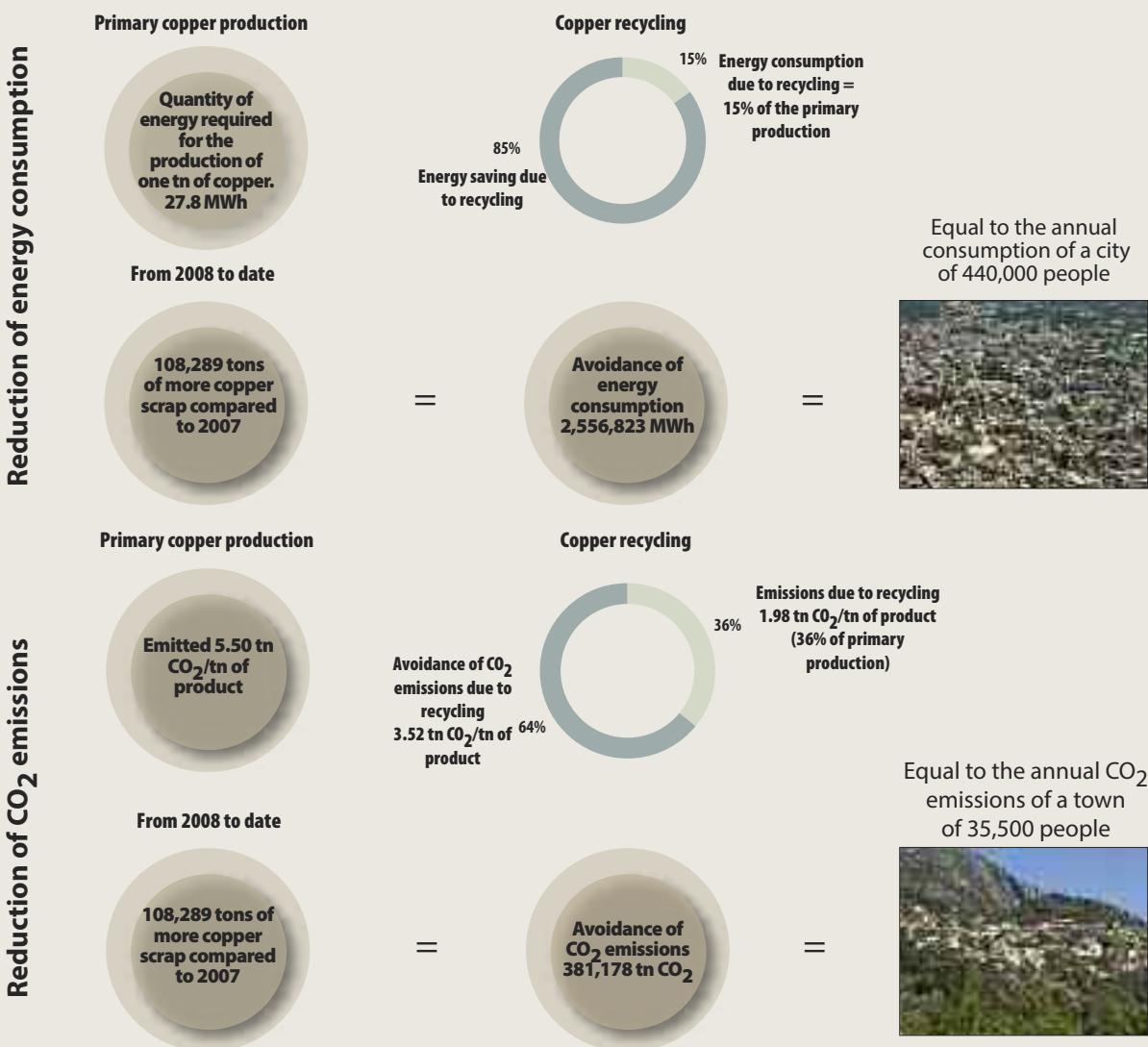
(\*) The quantities of recyclable metals from internal returns during the production process have been included in the chart.

# Environment

## Copper recycling: Major environmental and economic benefits

Metal recycling is particularly important for the environment, the economy and society. As of 2007 up to 2015, Halcor has recycled large quantities of metal, being the greatest copper and copper alloys recycler in the Balkans. In this way, there is significant contribution in the promotion of conditions for the creation of circular economy, with emphasis on the saving of natural resources, energy and cost. Halcor has significantly increased its use of scrap: The use of scrap was 19% in 2007 and in 2015 it reached 57%, thus significantly reducing the impact on natural environment, by reducing the consumption of energy, water and other resources.

Energy saving, compared to the primary production of the same quantity of copper, is calculated as at least 2,556,823 MWh\* within a period of 8 years (from 2008-2015), namely the equivalent of annual consumption of a city of 440,000 people (calculated by the EU average).



\*100 GJ/tn is the amount of energy required for the production of 1 tn of primary copper.  
85% is the minimum energy saving



### 8.3.3 Raw materials and safe use

As with all industrial sites, it is necessary to use different chemicals in Halcor's facilities as well for the needs of the production process. Specifically, the use of chemicals is necessary for the proper processing of metals. The Company takes measures, in order to reduce the use of said chemicals to the minimum level required, while ensuring that it is always in compliance with the applicable law and regulations.

All actions undertaken by Halcor for the proper use and management of the substances it uses, are in conformity with the proper work instructions as cited in the Safety Data Sheets (SDS) and concern:

- storage in dry and protected areas, when so required
- training of users for the proper management and prevention of leakage to the environment
- conducting of security drills in case of emergencies
- taking of preventive measures to prevent leakage of chemical substances.

#### Exercise for addressing an chemical leak incident

The Company, in order to maintain the level of preparedness in response to a potential chemical leak incident, successfully held in 2015 a relevant exercise involving employees and executives

# Environment

## 8.4 Energy consumption and saving

Energy is used, mainly thermal (natural gas production, oil transport) for the Company’s operational needs. The main goal regarding energy consumption is both to reduce consumption, where feasible, and to increase its efficient use.

**Specific thermal energy consumption (KWh / tn product)**

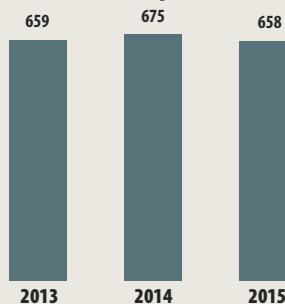


### Thermal energy

In 2015, the consumption of thermal energy amounted to 67,431 MWh, being slightly increased by 8.7% in comparison to the previous year. This small increase is mainly due to a production increase.

Respectively, thermal energy specific consumption (consumption per product quantity) was 793 KWh per product ton, this remaining on the same levels as the previous year (1.1% increase).

**Specific electric energy consumption (KWh / tn product)**



### Electrical energy

In 2015, the specific consumption of electric power amounted to 658 KWh per product tonne, achieving a slight decrease by 2.6% compared to 2014.

## Saving electrical energy

The Company’s main goal as regards energy consumption is to reduce it to the absolutely minimum levels necessary, and increase efficiency in its use. In 2015, a series of measures and actions were taken in order to save electricity. The total profit in energy saving from said interventions amounts to over 75 MWh per year. The most important actions to that direction were the following:

Intervention object	Intervention type (change and reconstruction of equipment)	Energy saving/year
Foundry lighting	Energy-saving lighting equipment of 250W, 150W, 36W, 18W has been replaced with LED equivalents of 100W, 30W, 18W, 10W	34,265 KWh
Administration office lighting	Replacement of 1,660 energy-saving lighting equipment of 18W T8 with new type LED equivalents of 10W	40,900 KWh



### **Energy saving program with gradual replacement of lighting equipment**

In recent years Halcor carries out a program to gradually replace all lighting lamps, in order to save energy. Specifically, there has been a gradual 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.

Having completed the upgrading of 78% of the internal lighting, there is a gradual reduction of the installed lighting power from 380 KW (September 2009) to 184 KW (September 2014), thus achieving a total power saving of 500 MWh/year.

At the same time, we are currently examining the optimal type of fixture with incorporated motion sensor and dimmer for use in various areas, such as parts warehouses, outdoor lighting etc.

Halcor aims at continuing the investment and intervention program in order to achieve further power saving in the following years.

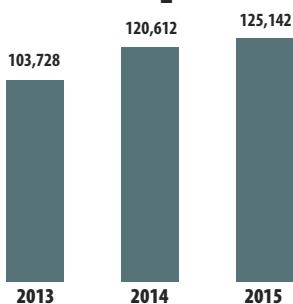
# Environment

## 8.5 Water use

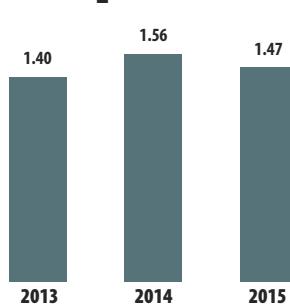
The use of water is necessary for the needs of the production process. Halcor acknowledges the importance of this nature resource and takes all measures necessary for its efficient use and for limiting the quantities used to the absolute minimum levels required. At the same time, whenever possible, recycling practices are applied, while special emphasis has been placed on the minimisation of liquid waste disposal.

In 2015, total water use amounted to 125,142 m<sup>3</sup> increased by 3.76% compared to the corresponding consumption of the previous year, due to increased production. In contrast, a significant reduction is noted in the specific water consumption by 5.58%, due to better water utilisation. This decrease reflects the continued efforts of the Company to save natural resources and reduce the environmental effects of its operations.

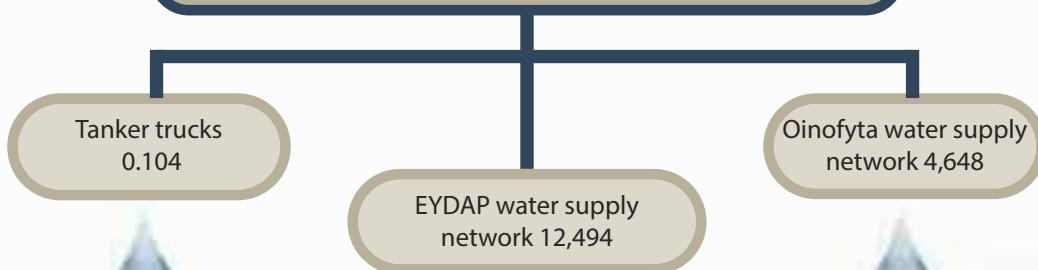
**Total water consumption**  
(m<sup>3</sup> H<sub>2</sub>O)



**Specific water consumption**  
(m<sup>3</sup> H<sub>2</sub>O /tn products)



### Water consumption by source (m<sup>3</sup>)

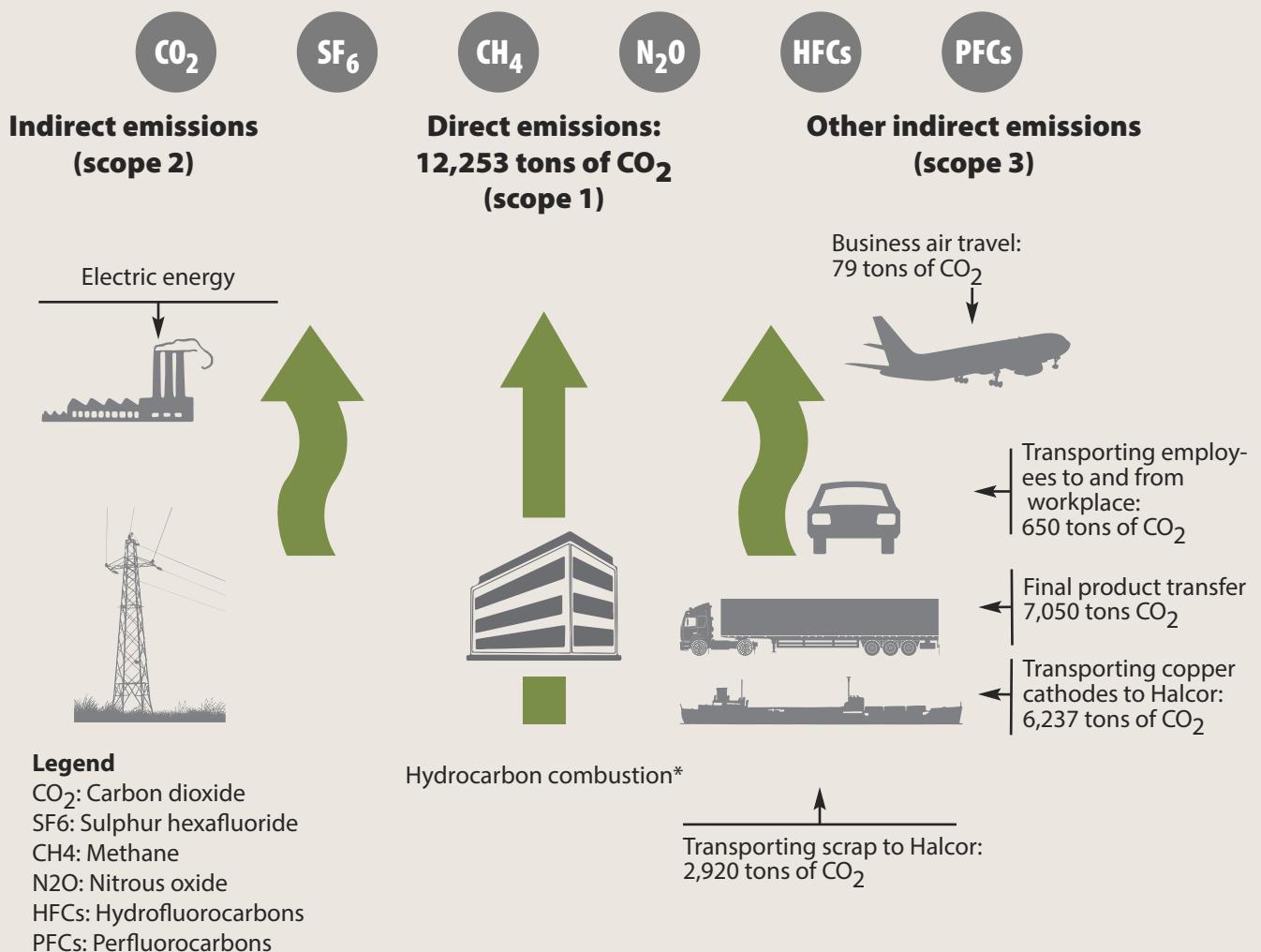


## 8.6 Air emissions management

Climate change is one of the major problems in the world and Halcor acknowledges the importance of the collective effort to combat this phenomenon. On this basis, a number of measures are taken and efforts are made for the reduction of the greenhouse gas emissions generated from the operation of the Company, such as:

- use of fuels with lower greenhouse gas emissions per power generated, such as natural gas
- frequent and appropriate maintenance and adjustment of equipment and automated systems, in order to achieve optimal combustion of fuel and therefore minimal emission of air pollutants.

### Green house gas emissions (2015)

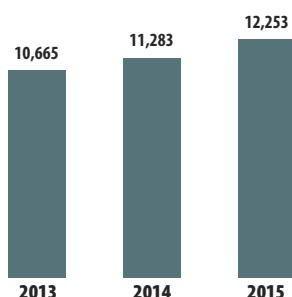


# Environment

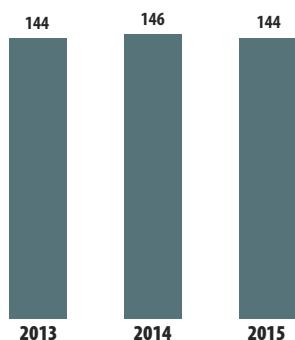
## 8.6.1 Carbon dioxide (CO<sub>2</sub>)

At Halcor, the main CO<sub>2</sub> emission sources are fossil fuel combustion for thermal energy in production and the traffic of forklifts. The total direct CO<sub>2</sub> emissions in 2015 amounted to 12,253 tn of CO<sub>2</sub> increased by 8.6% compared to the previous year, mainly due to increased production. In contrast, a reduction was noted in both specific direct, and specific indirect CO<sub>2</sub> emissions.

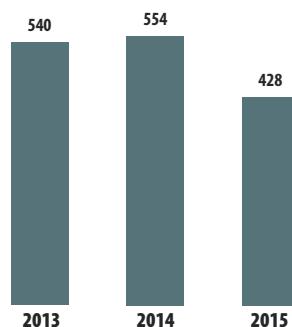
**Total direct CO<sub>2</sub> emissions (tn CO<sub>2</sub>)**



**Specific direct CO<sub>2</sub> emissions kg CO<sub>2</sub> / tn product**



**Specific indirect CO<sub>2</sub> emissions kg CO<sub>2</sub> / tn product**



\* The quantity of direct emissions is calculated based on natural gas consumption in production and the consumption of oil for the transfer. To calculate indirect CO<sub>2</sub> emissions, the coefficient 0.65 kg CO<sub>2</sub>/KWh was used for the year 2015 and for the past two years the coefficient 0.82 kg CO<sub>2</sub>/KWh was used.

## 8.6.2 Other air emissions (NO<sub>x</sub>) and reduction measures

Due to the combustion of fossil fuels (natural gas), during the production process of Halcor, nitrous oxide emissions (NO<sub>x</sub>) are generated. The company monitors, records and manages appropriately the greenhouse gas emissions, aiming at the minimum possible aggravation of the atmosphere. In this context, a continuous measurement system of suspended solid particles has been installed in the waste gas of the Recycling-Casting plant's furnaces.

A primary objective of the Company is full compliance with the applicable law. To this day, in accordance with the measurements made, the permissible limits set by the existing national law and the environmental terms of the facilities have not been exceeded.

In 2015, although overall NO<sub>x</sub> emissions amounted to 9.15 tn, slightly increased, the total specific NO<sub>x</sub> emissions amounted to 0.108 kg/tn of product, slightly decrease by about 2%.



### 8.6.3 Transport emissions

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. The Company ensures that such transfers are minimised, to the absolute minimum levels necessary, while the following are also implemented:

- 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

In 2015, CO<sub>2</sub> emissions for the transfer of copper cathode and scrap to Halcor facilities by ship and vehicles are calculated as 6,237 tn and 2,948 tn CO<sub>2</sub> respectively.

In addition, from business air travel of the Company's executives emissions of 79 tn of CO<sub>2</sub> have been generated and from the transfer of employees from and to the workplace emissions of 650 tn of CO<sub>2</sub>.

### 8.6.4 Other impacts

Apart from the gaseous emissions in the air, the transfers made, both as regards raw material, products and employees, have some, limited effects on the environment. These effects and the measures taken for their management are presented in p. 134.

# Environment

## 8.7 Waste management

As regards the management and use of waste, Halcor implements a specific policy and makes significant efforts by applying management practices, as required by the applicable law and the Best Available Practices.

At the same time, the Company aims at and achieves to exceed the minimum requirements of the law, by implementation of the Environmental Management System.

Halcor's approach, as regards waste management is based mainly on the avoidance of their generation and the reduction of their volume, while then, best practices are applied as regards their recycling and use.

As a result of their practices applied, there is a drastic reduction of the final volume disposed in landfills (XYTA). The largest part of the waste generated goes for recycling and energy use, while as shown in the diagram, only a small part of the waste is disposed to landfills, thus minimising the impact to the natural environment.

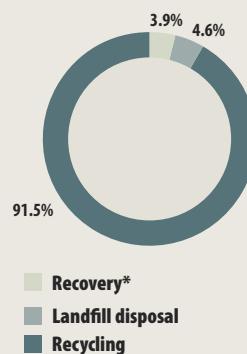
The special waste production in 2015 amounted to 223 kg/tons of product, being increased by 5.7% compared to the previous year, due to the increased production of special products.

For the appropriate management of liquid waste generated from the production procedure, the Company has Liquid Industrial Waste Treatment Systems. Specifically, three liquid waste treatment units are in operation; said units is where the primary treatment (sedimentation and oil removal - physical treatment) or even chemical treatment (pH adjustment) is made, as appropriate.

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 on disposal.

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.

Waste management method



\*Recovery (energy or other form of recovery)

**Halcor:**

- is in conformance with the applicable law
- takes additional measures in order to further reduce the volume of waste generated
- is affiliated with all Alternative Waste Management Systems (L. 2939/2001) concerning the waste generated.

### 8.8 Application of regulations and legislation

Implementing the applicable environmental legislation and regulations is a top priority for the Company and all necessary measures are immediately taken in this direction.

The laws and any changes existing in the legal framework and regulations are fully monitored and implemented, in order to achieve the indented level of implementation.

However, Halcor goes beyond mere compliance with the law and makes great efforts to achieve environmental performance that often exceeds the set minimums. A significant tool to that direction is the major capital expenditure plan implemented on environmental protection, intending and achieving environmental performance that exceeds the minimums set by law.

**In 2015, there was no case of non compliance with the applicable National and European environmental laws.**

### Audits and compliance with legal requirements

For the evaluation and for ensuring conformance to applicable National and European environmental laws, environmental controls are constantly conducted in all plants; during these controls, conformance to the law and observance of the procedures and environmental measures of the Company is checked. The results of these environmental controls, are presented to the Company management and when deemed necessary, additional measures are taken.

**In 2015 there were no complaints, no fines or other penalties imposed for environmental issues.**

## 🎯 Our goals for 2016-2018

- Construction 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 and Fitco.
- Installation of a new technology unit for processing production water for use (reverse osmosis unit) in the Melting and Recycling-Casting plant.
- Additional signage in external areas for the information of employees and subcontractors on environmental management, health and safety issues and 5S issues.
- Replacement of conventional light bulbs with energy saving bulbs in 100% of the indoors areas of the plant.
- Extending training on generic environmental topics
- Certification of the Company's Environmental Management System according to ISO 14001 edition: 2015.



# Halcor

# Key corporate responsibility indicators

## Customers

### Customers geographical distribution / product category

Categories	Europe	America	Asia	Africa	Total
Industrial tubes customers	56.5%	99%	91.7%	23.4%	65%
Installation tubes customers	43.5%	1%	8.3%	76.6%	35%

### Customers geographical distribution

Customers (tubes customers)	2015
National suppliers (percentage)	58%
International suppliers (percentage)	42%
Total (number of suppliers)	856

## Purchasing

### Number of suppliers per category /origin

Suppliers categories	2013	2014	2015
Local suppliers	145	148	136
National suppliers	877	991	1,016
International suppliers	315	323	346
Affiliated companies	41	40	39
Total	1,378	1,502	1,537
Suppliers from the local community (percentage)	11%	10%	9%

### Number of suppliers per category

Category	2014	2015
Total metal suppliers	115	102
National metal suppliers	28	22
Group metal suppliers (national)	10	5

### Suppliers expenditure distribution per category/origin

Suppliers categories	2014 (EUR million)	2015 (EUR million)
Total expenditure on suppliers (total suppliers)	387.7	426.3
Expenditure on metal suppliers	336	368.2
Expenditure on national metal suppliers (local suppliers)	28.9	36.3
Expenditure on international metal suppliers	307.1	331.9
Expenditure on suppliers except metals	51.7	58.1



## Halcor's purchased materials

Categories	Type of material	Measurement unit	Quantity/volume	2014	Non-renewable materials (N/R)	Quantity/volume	2015	Non-renewable materials (N/R)
				Presence in the final product			Presence in the final product	
Raw materials	Metals	Kg	n/a	√	N/R	n/a	√	N/R
	Metals	pieces	n/a	√	N/R	n/a	√	N/R
	Plastic	Kg	n/a	√	N/R	n/a	√	N/R
	Plastic	pieces	n/a	√	N/R	n/a	√	N/R
	Plastic	M	n/a	√	N/R	n/a	√	N/R
	Plastic	m2	n/a	√	N/R	n/a	√	N/R
Production related materials	Consumables	Kg	1,128,023	-	N/R	1,949,944	-	N/R
	Consumables	Lt	128,257	-	N/R	199,290	-	N/R
	Consumables	m3	4,431,507	-	N/R	4,876,336	-	N/R
	Consumables	pieces	29	-	N/R	77	-	N/R
	Fuels	Lt	220,699	-	N/R	227,067	-	N/R
	Fuels	m3	8	-	N/R	7.5	-	N/R
	Fuels	Nm3	5,246,124	-	N/R	488,036	-	N/R
	Fuels	Kg	0	-	N/R	25	-	N/R
Supporting materials or spare parts	Spare parts	Kg	105,632	-	N/R	100,434	-	N/R
	Spare parts	M	13,043	-	N/R	10,667	-	N/R
	Spare parts	Lt				1	-	N/R
	Spare parts	m2	128	-	N/R	70	-	N/R
	Spare parts	set	592	-	N/R	1,079	-	N/R
	Spare parts	pairs	6	-	N/R	17	-	N/R
	Spare parts	pieces	113,040	-	N/R	111,258	-	N/R
Packaging materials	Metals	pieces	-	-	-	10	-	N/R
	Metals	Kg	35,434	√ (only 30,118)	N/R	34,131	√ (only 29,011)	N/R
	Wood	pieces	111,215	√	-	127,617	√	-
	Wood	m3	414	√	-	353	√	-
	Paper	Kg	11,122	√	-	23,184	√	-
	Paper	pieces	1,693,849	√	-	1,874,939	√	-
	Belts	pieces	196,065	√ (only 189,865)	N/R	291,900	√ (only 283,243)	N/R
	Plastic	Kg	212,597	√	N/R	260,648	√	N/R
	Plastic	m	47,400	√	N/R	83,600	√	N/R
	Plastic	Km	696	√	N/R	857	√	N/R
	Plastic	pieces	204	√	N/R	209	√	N/R
Plastic plugs	pieces	9,347,877	√	N/R	10,506,300	√	N/R	

n/a : The Company does not publish this information.

## Human resources

### Human resources data by geographical sector and gender group

Geographical sector	2013			2014			2015		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Attica	221	24	245	216	27	243	217	27	244
Greater Viotia and Evia area	160	6	166	164	6	170	172	8	180
Rest of Greece	3	0	3	3	0	3	3	0	3

### Human resources data by geographical sector

Geographical sector	2013	2014	2015
Attica	12	12	13
Greater Viotia and Evia area	393	395	407
Rest of Greece	2	2	2
Other (relocation abroad)	7	7	5
Total	414	416	427

### Distribution of workforce by age and gender group

	18-25	26-35	36-45	46-55	55+
Men	3	55	136	145	53
Women	-	8	13	11	3
Total	3	63	149	156	56

### Distribution of workforce by age and gender group (percentage)

	18-25	26-35	36-45	46-55	55+
Men	0.7%	12.9%	31.9%	34.9%	12.4%
Women	-	1.9%	3.0%	2.6%	0.7%
Total	0.7%	14.8%	34.9%	37.5%	13.1%

### Total employee hires by gender and age group

	18-25	26-40	41-50	51+
Men	4 (13.8%)	15 (51.7%)	5 (17.2%)	2 (6.9%)
Women	1 (3.4%)	2 (6.9%)	-	-
Total	5 (17.2%)	17 (58.6%)	5 (17.2%)	2 (6.9%)



# Halcor

## Total employee hires by geographical sector and age group

	18-25	26-40	41-50	51+
Attica	3 (10.3%)	9 (31.0%)	1 (3.4%)	2 (6.9%)
Greater Viotia and Evia area	1 (3.4%)	4 (13.8%)	9 (31.0%)	-
Total	4 (13.8%)	13 (44.8%)	10 (34.5%)	2 (6.93%)

## Total employee departures by gender and age group

	18-25	26-40	41-50	51+
Men	1 (5.9%)	7 (41.2%)	4 (23.5%)	5 (29.4%)
Women	1 (5.9%)	-	-	-
Total	2 (11.8%)	7 (41.2%)	4 (23.5%)	5 (29.4%)

## Total employee departures by geographical sector and age group

	18-25	26-40	41-50	51+
Attica	2 (11.8%)	5 (29.4%)	4 (23.5%)	4 (23.5%)
Greater Viotia and Evia area	-	2 (11.8%)	-	1 (5.9%)
Total	2 (11.8%)	7 (10.5%)	4 (23.5%)	5 (29.4%)

## Employee assessment

	2013	2014	2015
No. of employees assessed	50	44	32
Men	33	31	19
Women	17	13	13
Employees assessed who had access to assessment results	100%	100%	100%

## Distribution of training man-hours by subject

	2014 Hours	2015 Hours
Health and safety	220	639
Sales	58	80
Management / Administration	550	1,248
Post-graduate programs	57	0
Quality and environment	60	64
IT issues	147	268
Foreign languages	443	363
Total hours	1,535	2,662

## Environment

### Environmental expenditures

Category of environmental expenditures (EUR)	2013	2014	2015
Maintenance and operation of environmental protection equipment	387,080	323,324	402,353
Support to Environmental Management Department and consulting services	177,932	199,862	225,855
Waste management by licensed contractors	196,338	318,055	393,530
Monitoring environmental parameters	70,557	46,116	34,762
New environmental infrastructure and anti-pollution systems	230,249	636,518	329,731
Landscape improvement and maintenance	10,460	20,455	15,193
Total	1,072,616	1,544,330	1,401,424

### Specific thermal energy consumption per production plant

Specific thermal energy consumption (KWh/tn products)	2013	2014	2015
Halcor's total thermal energy consumption	797	802	793
Recycling-melting	435	457	450
Copper tubes	370	356	365
Titanium-zinc rolling	-	-	-
Compounds	1,367	1,462	1,371

### Direct energy consumption by type of fuel

Type of fuel	2013	2014	2015 Volume	2015 Energy (GJ)
Diesel (lt)	185,678	212,753*	233,408	9,010
Natural Gas (Nm <sup>3</sup> )	4,996,117	5,246,124*	5,650,075	220,353
LPG kg	-	-	-	-
Total (kg)	-	-	-	229,363

\*Review due to incorrect register

\*\*There is no energy consumption from renewable sources of energy. There is no power sale.

\*\*\*To compute energy in Joule we use the factors: diesel 0,0386 GJ/lt (factor: [http://w.astro.berkeley.edu/~wright/fuel\\_energy.html](http://w.astro.berkeley.edu/~wright/fuel_energy.html)), natural gas 0,039 GJ/Nm<sup>3</sup> (factor: DEPA)

## Water

All water consumptions are from EYDAP, Elval and purchase invoices (for tanker trucks).



# Halcor

## Breakdown of waste by category and management method

Waste	Category	Waste management	Quantity (Kg)		
			2013	2014	2015
Mixed recyclables solid Recycling (scrap metal, metal packaging paper, wood, plastic)	solid	Recycling	11,667,513	13,569,645	15,817,953
Sewage sludge	solid	Recycling	-	-	-
Slag	solid	Recycling	601,857	684,083	677,703
Mixed materials	solid	Recovery	-	-	-
Waste	solid	Landfill disposal	587,270	641,750	857,510
Used oils	liquid	Recycling	288,364	325,317	391,999
Batteries	solid	Recycling	1,020	2,120	1,910
Filter dust	solid	Recycling	178,600	70,390	17,340
Emulsions	liquid	Recovery	498,900	558,420	638,780
Polluted absorbing materials	solid	Recovery	44,440	66,780	75,180
Fluorescent lamps	solid	Recycling	193	90	640
WEEE	solid	Recycling	4,130	2,100	4,560
Tires	solid	Recycling	2,700	3,150	6,470
Total waste			13,874,987	15,923,845	18,490,045

## Breakdown of PPC's fuel compound (as provided by PPC at country's level. 12months, 01/2015-12/2015)

Breakdown of production and interconnections	percentage %
Lignite	38
Oil	0
Natural gas	14
Hydroelectrical	10
Renewable energy	10
Interconnections	19
Network production	9
Total	100

## NO<sub>x</sub> emissions

Coefficient calculation: natural gas 0.0015162 kg NO<sub>x</sub> / Nm<sup>3</sup> petroleum 0.00248 kg NO<sub>x</sub> / It

## Environmental impact of transfers of raw material and products and employees' transport

Environmental impact of transfers of raw material and products and employees' transport	Environmental impact of transports	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 <sub>2</sub> 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 in vehicles (e.g. batteries, lubricants, etc.)	Non significant impact, due to limited quantities and appropriate management		
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		



## Occupational health and safety

### Number of accidents

Plant	2013	2014	2015
Copper tubes	11	6	5
Recycling - melting	1	2	3
Titanium-zinc rolling plant (1)	0	0	0
Total	12	8	8

(1) Production has stopped since 01.01.2011.

(2) All incidents are linked to male employees in the firm's production plant in Inofita Viotias all incidents concern

### Number of near misses

Plant	2013	2014	2015
Copper tubes	15	14	12
Recycling - melting	10	5	3
Titanium-zinc rolling plant (1)	0	0	0
Total	25	19	15

### Accident frequency rate

Plant	2013	2014	2015
Copper tubes	13.6	7.2	5.6
Recycling - melting	7,6	14,8	21
Titanium-zinc rolling plant(1)	0	0	0
Total	12.4	8	7.6

$$\text{Frequency rate} = \frac{\text{number of accidents (LTI)} \times 10^6}{\text{number of manhours worked}}$$

### Accident severity rate

Plant	2013	2014	2015
Copper tubes	78	44.5	67
Recycling-melting	0	73.9	682
	(45,765*)		
Titanium-zinc rolling plant (1)	0	0	0
Total	65	47.3	149
	(6,260*)		

$$\text{Severity rate} = \frac{\text{absence days due to incidents} \times 10^6}{\text{number of manhours worked}}$$



# Halcor

## Days lost due to incidents

Plant	2013	2014	2015
Copper tubes	63	37	60
Recycling-melting	0	10	98
	(6,000*)		
Titanium-zinc rolling plant (1)	0	0	0
Total	63	47	158
	(6,063*)		

## Total man-hours

Plant	2013	2014	2015
Copper tubes	807,842	832,102	888,961
Recycling-melting	131,104	135,335	143,660
Titanium-zinc rolling plant	29,206	26,764	25,983
Total	968,152	994,201	1,058,604

## Occupational health and safety indicators

Indicators	2013	2014	2015
Incidents without lost days	5	3	1
Fatal accidents	1	0	0
Injury rate (IR)	2.5	1.6	1.5
Occupational disease rate (ODR)	0	0	0
Lost days rate (LDR)	13	9.5	30
	(1,252 <sup>(1)</sup> )		
Absentee rate (AR)	104	139	239
	(10,020 <sup>(1)</sup> )		

(1) Including the penalty on the lost man-days due to the fatal accident, based on Viohalco's national regulation (respectively to the international practice).

$$\text{Injury rate (IR)} = \frac{\text{Number of injuries} \times 200,000}{\text{number of man-hours worked}}$$

$$\text{Occupational disease rate (ODR)} = \frac{\text{Number of occupational diseases} \times 200,000}{\text{number of man-hours worked}}$$

$$\text{Lost days rate (LDR)} = \frac{\text{Absence days due to accidents} \times 200,000}{\text{number of manhours worked}}$$

$$\text{Absence rate (AR)} = \frac{\text{Absence days to accidents} \times 200,000}{\text{number of mandays worked}}$$

**Occupational health and safety indicators – Contractors**

	2013	2014	2015
Total number of employees	63	64	160
Man-hours	159,440	160,484	443,105
Total health & safety and environment training hours	233	94	121
Total incidents	0	0	11
Days lost	0	0	51
Near misses	0	0	3
Frequency rate	0	0	25
Severity rate	0	0	115

**Key financials****Halcor S.A.'s key financials**

	2013	2014	2015
Revenue (EUR thousand)	446,045	396,015	451,690
Other revenue (EUR thousand)	3,290	3,205	3,367
Revenue from financial investments (EUR thousand)	75	98	249
Total revenue (EUR thousand)	449,410	399,318	455,306
Operating costs (EUR thousand)	434,910	386,056	429,582
Employee salaries and benefits (EUR thousand)	17,671	17,084	17,902
Payments to capital providers* (EUR thousand)	17,138	17,568	17,243
Net profit / (loss) (EUR thousand) – before taxes	(20,309)	(21,390)	(9,422)
Net profit / (loss) (EUR thousand) – after taxes	(28,487)	(16,112)	(11,226)
Net profit / (loss) per share (EUR)	(0.2813)	(0.1591)	(0.1108)
Company investments (EUR thousand)	1,325	5,951	18,388
Total capitalization (EUR thousand)	83,454	80,910	24,951
Equity (EUR thousand)	94,769	119,666	105,771
Total liabilities (EUR thousand)	305,099	321,288	33,417
Total assets (EUR million)	399,868	440,953	438,188

Note: The use of brackets in this table indicates that the numbers are negative.

**Social product****Annual contribution to social development (EUR thousand)**

	2013	2014	2015
Payments to suppliers (apart from those for materials and intragroup transactions)	43,776	42,212	55,918
Employee salaries and benefits (including social security contributions)	17,671	17,084	17,902
Payments to capital providers	17,138	17,568	17,218
Company investments	1,325	5,951	18,380
Total	79,910	82,810	109,418

**Occurred economic value**

	2013	2014	2015
Total revenue (EUR thousand)	449,410	399,318	455,305



# Halcor

## Fitco's purchased materials

Categories	Type of material	Measurement unit	Quantity/volume	2014		2015		
				Presence in the final product	Non-renewable (N/R)	Quantity/volume	Presence in the final product	Non-renewable (N/R)
Raw materials	Metals	Kg	n/a	√	N/R	n/a	√	N/R
	Metals	pieces	n/a	√	N/R	n/a	√	N/R
	Plastic	Kg	n/a	√	N/R	n/a	√	N/R
	Plastic	pieces	n/a	√	N/R	n/a	√	N/R
	Plastic	m	n/a	√	N/R	n/a	√	N/R
	Plastic	m2	n/a	√	N/R	n/a	√	N/R
Production related materials	Consumables	Kg	-	-	-	86,237	-	N/R
	Consumables	lt	-	-	-	1,404	-	N/R
	Consumables	m <sup>3</sup>	-	-	-	10,396	-	N/R
	Consumables	pieces	-	-	-	2,404	-	N/R
	Fuels	lt	11,601	-	N/R	11,901	-	N/R
	Fuels	Nm <sup>3</sup>	561,004	-	N/R	53,976	-	N/R
	Fuels	Kg	25	-	N/R	-	-	N/R
Supporting materials or spare parts	Spare parts	Kg	3,585	-	N/R	3,782	-	N/R
	Spare parts	m	1,265	-	N/R	633	-	N/R
	Spare parts	set	2	-	N/R	5	-	N/R
	Spare parts	pieces	55,592	-	N/R	56,435	-	N/R
Packaging materials	Metals	Kg	9,692	√ (only 8,238)	N/R	12,055	√ (only 10,247)	N/R
	Wood	pieces	2,281	√	-	3,969	√	-
	Wood	m <sup>3</sup>	93	√	-	111	√	-
	Paper	Kg	415	√	-	438	√	-
	Paper	pieces	4,076	√	-	2,260	√	-
	Belts	pieces	17,500	√	N/R	29,970	√	N/R
	Plastic	Kg	889	√	N/R	2,162	√	N/R

## Environmental expenditures

Category of environmental expenditures (EUR)	2014	2015
Maintenance and operation of environmental protection equipment	100,258	87,126
Support to Environmental Management Department and consulting services	45,975	60,953
Waste management by licensed contractors	143,293	121,360
Monitoring environmental parameters	54,014	41,227
New environmental infrastructure and anti-pollution systems	35,897	4,200
<b>Total</b>	<b>379,437</b>	<b>314,866</b>

## Energy saving actions

- Shutdown of pumping water pump after shift end
- Factory shutdown after shift end
- For 2016, the partial replacement of existing light bulbs is scheduled, with the respective LED type bulbs, of lower energy consumption

## Training on environmental issues

Training on environmental issues indicators	2014	2015
Total number of persons trained	66	60
Hours of training	61	60



### Calculation assumptions Halcor Life Cycle Analysis

For calculating the CO<sub>2</sub> emitted in the various phases of the Life Cycle, data and assumptions were used as follows:

- 1) For life-cycle analysis of Halcor in 2015, the same assumptions have been used with those of the year 2014 (see 2014 Corporate Responsibility and Sustainable Development Report, p. 117)
- 2) CO<sub>2</sub> 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 2014
- 3) CO<sub>2</sub> emissions from transporting finished copper products and from employee corporate travels have been calculated based on production change compared to 2014
- 4) The calculation of CO<sub>2</sub> emissions from employee transfer was based on the change in the number of employees compared to 2014.

### Calculation assumptions Fitco Life Cycle Analysis

For calculating the CO<sub>2</sub> emitted in the various phases of the Life Cycle, data and assumptions were used as follows:

- 1) For life-cycle analysis of Fitco in 2015, the same assumptions have been used with those of the year 2014
- 2) CO<sub>2</sub> emissions from primary metal production, from metals and scrap transport to Halcor for Fitco were calculated based on billet demand change compared to 2014
- 3) Direct emissions from melting - casting of metals and manufacture of semi-finished products were calculated based on billet demand change compared to 2014
- 4) CO<sub>2</sub> emissions from employee corporate travels have been calculated based on production change compared to 2014
- 5) The calculation of CO<sub>2</sub> emissions from employee travel was based on the change in the number of employees compared to 2014.

### Other information

G4-42: The too governance body approves all Company policies as regards Sustainable Development issues (Environmental Policy, Health and Safety Policy etc.), reviews Management Systems on an annual basis and approves the objectives.

G4-48 The Strategic Planning Manager and CSR Officer reviews and approves the report and ensures that all "material issues" are covered.

### Responsible information

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. For more information see Corporate Responsibility & Sustainable Development Report 2012, p. 62.

## About the Report

### Report profile

The Corporate Responsibility and Sustainable Development Report 2015 presents Halcor's programs, practices and performance in the framework of Corporate Responsibility and its future goals, centred on Sustainable Development. The Report covers calendar year 2015 (01/01/2015 - 31/12/2015), while it is the 8th consecutive annual report of the company, aiming at a more complete information of investors, shareholders, employees, customers, suppliers and other Company stakeholders.

Halcor has decided to publish on an annual basis a Corporate Responsibility & Sustainable Development Report, thus proving with its closer communication with all stakeholders. The Company website ([www.halcor.com](http://www.halcor.com)), at "Corporate Responsibility" includes all Corporate Responsibility & Sustainable Development Reports published by Halcor from 2008 to 2015, available for any interested party.

### 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 Corporate Responsibility information is briefly presented. Over the last eight years, the subsidiary Hellenic Cables S.A., which is listed in the Athens Stock Exchange, publishes a separate Corporate Responsibility and Sustainable Development Report.

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

In the Corporate Responsibility & Sustainable Development Report 2015 we followed:

- the Guidelines of the international Organisation Global Reporting Initiative in its latest version (GRI-G4) and to "In accordance - Core" coverage level
- AA1000 Accountability Principles Standard 2008.

At the same time, in the preparation procedure of its sections, the ISO 26000 guideline framework were used. The table of contents according to GRI and ISO 26000 is presented in pages 150-151.

### Methodology and project team

For the drafting of the Report a special team of executives has been established from all Halcor Departments involved. The main project of the team is to collect the information required and concerning the areas of Corporate Responsibility in the Company.



Halcor's Corporate Responsibility team members that cooperated for this edition, are:

- Coordinator: George Mavraganis
- Department Representatives - material officers: Thaleia Aggelidi, Ila Anagnostopoulou, Panagiotis Danamos, Katerina Kapeleri, Eftychios Kotsabasakis, George Samartzis, Dionysis Skarmoutsos, Vasilis Solidakis, George Tzortzos, Evi Dami-anidou, Spyros Hondrogiannis.

The creation of the Corporate Responsibility & Sustainable Development Report 2015 was made in cooperation with the company Action Public Relations Hellas LLC (in charge of the creative and visual imaging of the Report) and the specialised consultants (head of data collection, assessment and drafting of the CSR Report) Tania Takou and George Illiopoulos.

#### **External verification**

Halcor acknowledges the added value of external verification of the Report, as it increases the quality and accountability reliability to its stakeholders. For this reason the Company chose to proceed to an external verification of the data included in the Report chapters "Care for our people", "Occupational Health and Safety", and "Customer-orientated approach" in cooperation 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. The selection of the verification body was made by the Company CSR officer. The conclusions and comments made from the external verification procedure will be assessed by the Company for improving the quality of Corporate Responsibility Reports it publishes. In this framework, the Company intends in the future to expand the practice of data verification to other chapters of the Report as well.

Pages 142-151 present the Statement of the independent Body, who performed the verification. Contact point We welcome any question, clarification or suggestion on the improvement of the Report or Halcor's corporate responsibility practices, as we highly value the opinion of Company stakeholders.

#### **Contact point**

We welcome any question, clarification or suggestion on the improvement of the Report or Halcor's corporate responsibility practices, as we highly value the opinion of Company stakeholders.

**George Mavraganis**  
**Halcor S.A. Strategic Planning and CSR Coordination Director**  
**62th km of the National Highway Athinon - Lamias, 320 11 Oinofyta - Viotia - Greece**  
**Tel.: 0030 22620 48632, Fax: 0030 22620 48910**  
**E-mail: [csr@halcor.vionet.gr](mailto:csr@halcor.vionet.gr)**  
**[www.halcor.com](http://www.halcor.com)**



## GRI-G4 Indicators table

## 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, 5, 9, 16-17, 66-67, 69-70	-
G4-2	Description of key impacts, risks and opportunities	4.7, 6.2, 7.4.2	p. 20,21,69-70, Annual Financial Report 2015/p. 6-8	-
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. 8,14,48-49,50-51, Annual Report 2015/p. 17,19	-
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. 12	-
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	p. 4-5, p. 129	-
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. 11-12	-
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. 4-8, 8-9	-
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. 10-11, 15, 137	-
G4-10	Quantitative data of labor 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. 88, 90	√
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	p. 90	√
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. 58-59	-
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. 20, 66, 71, 75, 93, 98, 101, 102, 105	-
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. 24, p. 72-73	-
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. 50	√
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 2015/ FY 2015 Financial Report (Group and Company) of 31st December 2015 , p. 68	-
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. 69-70, p. 78-83	-
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. 71	-
G4-20	Aspect Boundaries within the organization	5.2, 7.3.2, 7.3.3, 7.3.4	p. 71	-
G4-21	Aspect Boundaries outside the organization	5.2, 7.3.2, 7.3.3, 7.3.4	p. 71	-
G4-22	Restatements of information provided in previous reports	5.2, 7.3.2, 7.3.3, 7.3.4	There are no restatements	-
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	-
G4-24	List of stakeholder groups engaged by Halcor	5.3	p. 79	-
G4-25	Basis for identification and selection of stakeholders	5.3	p. 78	-
G4-26	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	5.3	p. 78-83	-
G4-27	Key topics and concerns that have been raised through stakeholder engagement	5.3	p. 80-83	-
G4-28	Reporting period	7.5.3, 7.6.2	p. 140	-
G4-29	Date of most recent previous report	7.5.3, 7.6.2	Corporate Responsibility and Sustainable Development Report 2014	-
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. 141	-

Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference	External assurance
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. 140,142 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. 141, 152	-
G4-34	Governance structure of the organization	6.2, 7.4.3, 7.7.5	p. 18-19, Annual Financial Report 2015/p. 17-18, Annual Report 2015/p.48-50	-
G4-35	Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees	6.2, 7.4.3, 7.7.5	p. 67-68	-
G4-36	Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body	6.2, 7.4.3, 7.7.5	p. 67-68, 114	-
G4-37	Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics.	6.2, 7.4.3, 7.7.5	p. 79-84	-
G4-38	Composition of the highest governance body	6.2, 7.4.3, 7.7.5	Annual Financial Report 2015/p. 17, <a href="http://www.halcor.com/el/investment-relations/control/">http://www.halcor.com/el/investment-relations/control/</a>	-
G4-39	Report whether the Chair of the highest governance body is also an executive officer	6.2, 7.4.3, 7.7.5	Annual Financial Report 2015/p. 17	-
G4-40	Nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members	6.2, 7.4.3, 7.7.5	Corporate Responsibility and Sustainable Development Report 2012 p. 46-47, Annual Financial Report 2015 – p. 14-18	-
G4-41	Processes in place for the highest governance body to ensure conflicts of interest are avoided	6.2, 7.4.3, 7.7.5	p. 19	-
G4-42	Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts	6.2, 7.4.3, 7.7.5	p. 66-68	-
G4-44	Processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics	6.2, 7.4.3, 7.7.5	Corporate Responsibility and Sustainable Development Report 2012 p. 46-47, Annual Financial Report 2015/p. 17-18	-
G4-48	Report of the highest committee/position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered	6.2, 7.4.3, 7.7.5	p. 67-68, 140	-
G4-56	Organizational values, principles, standards and norms of behavior	4.4, 6.6.3	p. 66-67, 72-75	-

### 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. 13-16	-	-
	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. 13-15	-	-
	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 CSR Report 2012 – p.49-50	-	-
	G4-EC3: Coverage of the organization's defined benefit plan obligations	6.8.7	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 2015/ FY 2015 Financial Report (Halcor Group and Company) of 31st December 2015 - p. 21, p. 52	-	-
	G4-EC4: Financial assistance received from government	—	Annual Financial Report 2015/ FY 2015 Financial Report (Halcor Group and Company) of 31st December 2015 -p. 23, p. 54	-	-
Market Presence	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 88, 90-92	-	-
	G4-EC5: Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	6.3.7, 6.3.10, 6.4.3, 6.4.4, 6.8.1-6.8.2	p. 90, 92	-	-



Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference/comments	Reason(s) for omission/ non-disclosure	External assurance
Indirect Economic Impacts	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	p. 88, 91	-	-
	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 13-14, 49, 50, 58, 62, 91	-	-
	G4-EC7: Development and impact of infrastructure investments and services supported	6.3.9, 6.8.1-6.8.2, 6.8.7, 6.8.9	p. 8-9	-	-
Procurement Practices	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. 4, 12, 13-15, 26-27, 48-49, 50, 58-59, 62, 91	-	-
	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 62	-	-
	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. 62-63	-	-

### 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. 75, 112, 115, 116, 117	-	-
	G4-EN1: Materials used by weight or volume or volume	6.5.4	p. 117, 130	-	-
	G4-EN2: Percentage of materials used that are recycled input materials	6.5.4	p. 63, 117, 130	-	-
Energy	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 48-49, 112, 120, 121	-	-
	G4-EN3: Energy consumption within the organization	6.5.4	p. 120, 121	-	-
	G4-EN4: Energy consumption outside of the organization		p. 120, 121	-	-
	G4-EN5: Energy intensity		p. 120, 121	-	-
	G4-EN6: Reduction of energy consumption	6.5.4, 6.5.5	p. 120, 121	-	-
	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. 48-49, 120, 121	-	√
	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 112, 122	-	-
Water	G4-EN8: Total water withdrawal by source	6.5.4	p. 112, 122	-	-
	G4-EN9: Water sources significantly affected by withdrawal of water	6.5.4	p. 112, 122	-	-
	G4-EN10: Percentage and total volume of water recycled and reused	6.5.4	Water recycling is applied where feasible, however without being possible to have an exact measuring of the amount being recycled.	In 2015 it was deemed unattainable to accurately assess the total volume of water that is recycled.	-
	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 75, 112	-	-
Biodiversity	G4-EN11: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	6.5.6	The Company does not operate in or adjacent to protected areas	-	-
	G4-EN12: Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	6.5.6	There are no significant impacts as the Company does not operate in or adjacent to protected areas	-	-
	G4-EN13: Habitats protected or restored	6.5.6	Apart from tree planting these has no other restoration plan been developed	-	-
	G4-EN14: Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	6.5.6	There has been no negative impact on IUCN Red List species and national operations, by conservation list species since the Company does not operate in such areas	-	-



Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference/comments	Reason(s) for omission/non-disclosure	External assurance
Emissions	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 75, 112, 115-116, 118, 123-125	-	-
	G4-EN15: Direct greenhouse gas (GHG) emissions (scope 1)	6.5.5	p. 116, 118, 123-124	-	-
	G4-EN16: Energy indirect greenhouse gas (GHG) emissions (scope 2)	6.5.5	p. 116, 118, 123-124	-	-
	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. 116, 118, 123-124	-	-
	G4-EN19: Reduction of greenhouse gas (GHG) emissions	6.5.5	p. 123-124	-	-
	G4-EN21: NOx, SOx and other significant air emissions	6.5.3	p. 123-124	-	-
Effluents and Waste	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 75, 126	-	-
	G4-EN22: Total water discharge by quality and destination	6.5.3, 6.5.4	p. 126, 134	-	-
	G4-EN23: Total weight of waste by type and disposal method	6.5.3	p. 126, 134	-	-
	G4-EN24: Total number and volume of significant spills	6.5.3	There were no spills	-	-
	G4-EN25: Weight of transported, imported, exported, or treated waste deemed hazardous	6.5.3	p. 134 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. 47, 48-49, 50-51, p. 75	-	√
	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. 48-49, 50-51	-	√
	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, 6.7.5	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.	-	-
Compliance	G4-DMA / Διοικητική Πρακτική	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 75, 127	-	-
	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. 127	-	-
Transport	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 116, 123, 134	-	-
	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. 116, 123, 134	-	-
Overall	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 75, 112, 113	-	-
	G4-EN31: Total environmental protection expenditures and investments by type	6.5.1-6.5.2	p.113	-	-
Supplier Environmental Assessment	G4-DMA: Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 75, 61	-	-
	G4-EN32: Percentage of new suppliers that were screened using environmental criteria	6.3.5, 6.6.6, 7.3.1	p. 75, 61 All (100%) new suppliers related to environmental aspects (waste management) are screened using environmental criteria. In 2014, two new suppliers were screened according to such criteria. The total number of the Company's new suppliers for 2015 is 288.	-	-
	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	There were no significant actual and potential negative environmental impacts. p. 58-63	-	-



Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference/comments	Reason(s) for omission/ non-disclosure	External assurance
Environmental Grievance Mechanisms	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	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.13, 78-83, 112	-	-
	G4-EN34: Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	6.3.6	There were no grievances	-	-
<b>Social performance indicators</b>					
Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference/comments	Reason(s) for omission/ non-disclosure	External assurance
<b>Labor practices and decent work</b>					
Employment	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 87-89	-	√
	G4-LA1: Total number and rates of new employee hires and employee turnover by age group, gender and region	6.4.3	p. 88, 90-91, 131-132	-	√
	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. 94, 97	-	√
	G4-LA3: Return to work and retention rates after parental leave, by gender	6.4.4	The Company provides parental leaves to all employees who already have child or are about to have one. In 2015, 1 female employee took the parental leave they were entitled to. All employees who receive such a leave continue working in the Company 12 months after they take this leave.	-	-
Labor / Management Relations	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 67, 80-81, 89	-	-
	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 / Διοικητική Πρακτική	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 16, 61, 93, 100-109	-	-
	G4-LA5: Percentage of total workforce represented in formal joint management-worker health and safety committees	6.4.6	There is a Health and Safety Team which reviews annually Health Safety and Environment issues and 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. 108-109 The figures concern Halcor's production facilities at Oinofyta, Viotia. All incidents concern men employees.	-	-
	G4-LA7: Workers with high incidence or high risk of diseases related to their occupation	6.4.6, 6.4.8	p. 136	-	-
	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. 87, 89, 96	-	√
	G4-LA9: Average hours of training per year per employee by gender, and by employee category	6.4.7	p. 96	-	√
	G4-LA10: Programs for skills management and lifelong learning	6.4.7, 6.8.5	p. 96-97	-	√
	G4-LA11: Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	6.4.7	p. 91	-	√



Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference/comments	Reason(s) for omission/non-disclosure	External assurance
Diversity and Equal Opportunity	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 75, 89, 92, 94	-	√
	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. 92 Annual Financial Report 2015/ FY 2015 Financial Report/p 16-21. The members of the Board of Directors are of Greek nationality and do not belong in any minority group (ethnic minorities or disabled).	-	√
Equal Remuneration for Women and Men	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 75, 89, 92, 94	-	√
	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. 92 Halcor does not approve remuneration discrimination or any other kind of discrimination. Salaries are equal for all similar positions. Therefore, women's salary is equal to men's for the same work positions.	-	√
Supplier Assessment for Labor Practices	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 75, 61	-	-
	G4-LA14: Percentage of new suppliers that were screened using labor practices criteria	6.3.5, 6.4.3, 6.6.6, 7.3.1	p. 61-62	-	-
	G4-LA15: Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	6.3.5, 6.4.3, 6.6.6, 7.3.1	p. 61-62. There were no significant actual and potential negative impacts for labor practices in the supply chain and actions taken	-	-
Labor 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 labor practices filed, addressed, and resolved through formal grievance mechanisms	6.3.6	There were no grievances about labor practices	-	-

## Human rights

Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference/comments	Reason(s) for omission/non-disclosure	External assurance
Investment	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 75	-	-
	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 2015 no educational program took place since it was implemented in 2012 and all manager executives participated, Halcor's CSR report 2012, p. 74	-	-
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. 56, 94	-	√
Freedom of Association and Collective Bargaining	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 90, 94	-	-
	G4-HR4: Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	6.3.3-6.3.5, 6.3.8, 6.3.10, 6.4.5, 6.6.6	The Company respects the law and acts in accordance with the relevant legislation.	-	-
Child Labor	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 75, 92, 93	-	√



Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference/comments	Reason(s) for omission/ non-disclosure	External assurance
	G4-HR5: Operations and suppliers identified as having measures taken to contribute to the effective abolition of child labor	6.3.3-6.3.5, 6.3.7, 6.3.10, 6.6.6, 6.8.4	p. 92, 93 There is no risk of child labor – The Company is against child labor, is complies with relevant legislation and implements control procedures of relevant documents during personnel hiring in order to ensure that no child labor occurs.	-	√
Forced or Compulsory Labor	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 75, 92, 93	-	√
	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. 92,93 There is no risk of compulsory labor. The Company is against compulsory labor.	-	√
Security Practices	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 75	-	-
	G4-HR7: Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	6.3.4, 6.3.5, 6.6.6	p. 575, 92 During 2015 no educational program took place since it was implemented in 2012 and all manager executives participated and the security staff as well. Halcor's security staff consists of 100% company's employees and no security staff from third parties is used. Halcor's CSR report 2012, p. 74.	-	-
Indigenous Rights	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 74-75	-	-
	G4-HR8: Total number of incidents of violations involving rights of indigenous peoples and actions taken	6.3.4, 6.3.6-6.3.8, 6.6.7, 6.8.3	No incident of human rights violation of local people has been reported or recorded to date.	-	-
Assessment	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 74-77	-	-
	HR9: Total number and percentage of operations that have been subject to human rights reviews or impact assessments	6.3.3-6.3.5	No risk of human rights violations on the part of the Company has been identified. Therefore, it was not deemed necessary the elaboration of a relevant specialized study.	-	-
Human Rights Grievance Mechanisms	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 74-75	-	-
	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	-	-
<b>Society</b>					
Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference/comments	Reason(s) for omission/ non-disclosure	External assurance
Local Communities	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 80-81, 98-99	-	-
	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. 62, 72-75, 84, 96	-	-
	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 2015 – Corporate Governance – p. 17-18. All business units are being systematically audited. There have been no incidents of corruption.	-	-



Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference/comments	Reason(s) for omission/non-disclosure	External assurance
	G4-S04: Communication and training on anti-corruption policies and procedures	6.6.1-6.6.2, 6.6.3, 6.6.6	p. 62, 96 All new employees are explicitly informed based on the company's Internal Regulation which includes relevant issues. 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	p. 74	-	-
Compliance	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 53, 61, 66, 75, 94, 103	-	-
	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 2015	-	-
	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	-	-

### Product responsibility

Material Aspects	Management approach & performance indicators	ISO 26000	Page number(s) or reference/comments	Reason(s) for omission/non-disclosure	External assurance
Customer Health and Safety	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 26-27, 53	-	-
	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 have been no incidents of non compliance	-	-
Product and Service Labeling	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 52-53	-	√
	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. 52-53 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	p. 52-53 There have been no incidents of non compliance	-	√
	G4-PR5: Results of surveys measuring customer satisfaction	6.7.1-6.7.2, 6.7.6	p. 54-55	-	√
Marketing Communications	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 53, 139	-	-
	G4-PR6: Sale of banned or disputed products	—	p. 139	-	-
	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	-	-
Compliance	G4-DMA / Management approach	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	p. 52-53, 66, 75	-	-
	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 have been no administrative or judicial sanctions	-	-



## TÜV AUSTRIA Hellas Independent Assurance Statement for HALCOR's Corporate Responsibility and Sustainable Development Report 2015

### 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 2015 ('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.

The Provider has never provided any consulting services to the Company.

Economic and financial data were not audited. Instead, they were assessed with respect to the information contained in the 2015 annual financial statement which has been audited by other third parties.

### Scope of Assurance

The Provider undertook limited level assurance, according to AA1000 Assurance Standard 2008, and implemented the following tasks during April and May of 2016:

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.
2. Verification of the data included in the Report's chapters under the title "Care for our people", "Health & Safety" and "Client-oriented Approach".
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 «limited level / moderate assurance» and not the characterization «reasonable 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 reasonably documented information as well as that there is an effective data gathering, management and reporting system in place for issues which pertain to sustainable development.

The Provider concurs that the GRI-G4 "Core option" requirements as well as the 3 principles of AA1000 APS 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:

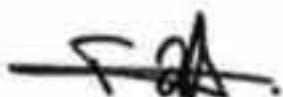
- Assurance of additional chapters in order to extend the report's validity.
- Assurance of the Report's qualitative information too.
- Provision of information for additional GRI G4 indicators, in order to fulfill the "Comprehensive option" requirements.

### 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.

On behalf of TÜV AUSTRIA Hellas,  
Athens, 20th of May 2016

**Kallias Yiannis**  
General Manager




**Sifakis Nikolaos**  
Lead Auditor



*Note: This Independent Assurance Report has been prepared as a translation of the original Greek version.*

## Greek Sustainability Code – Compliance table



Pillars	Criteria	Report section
Strategy	1. Strategic analysis & action	1.3 Our strategic priorities (page 16), Our strategy (page 7), 4.5 Applying international standards and initiatives (pages 72-75), 1.4 § Risks and opportunities management
	2. Materiality	4.4. Focus on material issues: Materiality analysis (pages 69, 70, 71)
	3. Objectives	5.2 Review of Corporate Responsibility & Sustainable Development goals (pages 84, 99, 109, 63, 55)
	4. Value chain management	Halcor Group (pages 4-5, 8-9), 3.1 Supply chain, pages 58-59 4.4. Focus on material issues: Materiality analysis (page 71)
	5. Responsibility	4.1 Corporate Responsibility: Our approach (page 66), 4.2 Corporate Responsibility and Sustainable Development Policy, 4.3 Our Corporate Social Responsibility and Sustainable Development approach (pages 67-68), CSR Team.
Process Management	6. Rules & procedures	4.1 Corporate Responsibility: Our approach (page 66), 4.2 Corporate Responsibility and Sustainable Development Policy, 4.3 Our Corporate Social Responsibility and Sustainable Development approach (pages 67-68), CSR Team, 4.5 Applying international standards and initiatives (pages 72-75)
	7. Monitoring	GRI-G4 indicators table, Key Corporate Responsibility Indicators, 7.3 § Occupational health and safety performance, 8 Environmental protection
	8. Rewarding schemes and motives for Sustainable Development	6.5 Remuneration and additional benefits
	9. Stakeholders engagement	5. Stakeholders engagement (pages 76-83)



Pillars	Criteria	Report section
Environment	10. Responsible products and innovation	2. Customer-oriented approach (pages 48-53), 2.1 Investing in research and technology, 2.2 Products innovation
	11. Use of natural resources	8.3 Efficient use of natural resources 8.3.1 Halcor's product Life Cycle Assessment, 8.3.2 Raw materials, 8.3.3 Raw materials and safe use, 6.4 Energy consumption and saving, 8.7 Waste management
	12. Management of resources	8.5 Water use, 8.4 Energy consumption and saving, 8.3.3 Raw materials and safe use, 8.7 Waste management
	13. Climate change and air emissions	8.6 Air emissions management
Society	14. Employment rights	6.3 Equal opportunities and respect to human rights (pages 92-94), 6.4 Employee training
	15. Equal opportunities	6. Equal opportunities and respect to human rights (page 92), GRI-G4 table : indicators LA12, G4-LA9
	16. Qualifications	6. Care for our people (pages 88-91), GRI-G4 table : indicators G4-LA9, G4-LA6
	17. Human rights in the supply chain	3.2.3, 3.2.4 Promoting responsible practices in our supply chain
	18. Corporate citizenship	6.7 Social actions (page 99)
	19. Initiatives and political influence	1.6 Participation in networks and organisations (pages 24-25)
	20. Corruption prevention and fighting	1.4 Governance structures (pages 18), 6.4 Employee training (page 96), GRI-G4 table : indicators G4-S03, G4-S05, G4-S08

The photographs in this Report were taken by the photographers Spyros Haraktinos, Simon Pitsillidis and Panos Georgiou.



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# Corporate Responsibility and Sustainable Development 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 2015 Corporate Responsibility and Sustainable Development 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 Corporate Responsibility and Sustainable Development report.

## What Halcor stakeholder group do you belong to?

- Employee
  Local community
  Shareholder / Investor  
 Non-governmental organisation
  Customer
  Public/Statutory body  
 Supplier
  Mass media
  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"/>	<input type="checkbox"/>
Data comparability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Data transparency	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Balance between sections	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Corporate Responsibility targets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Actions under each area of	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Corporate Responsibility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reference to international standards and systems	<input type="checkbox"/>	<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"/>	<input type="checkbox"/>
Visual illustrations	<input type="checkbox"/>	<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 useful	Needs improvement
Message from the Chairman	<input type="checkbox"/>	<input type="checkbox"/>
Halcor Group summary profile	<input type="checkbox"/>	<input type="checkbox"/>
Presentation of Halcor SA	<input type="checkbox"/>	<input type="checkbox"/>
Customer-oriented approach	<input type="checkbox"/>	<input type="checkbox"/>
Supply chain responsibility	<input type="checkbox"/>	<input type="checkbox"/>
Creating Value	<input type="checkbox"/>	<input type="checkbox"/>
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"/>
Environment protection	<input type="checkbox"/>	<input type="checkbox"/>
G4 and ISO 26000 indicators table	<input type="checkbox"/>	<input type="checkbox"/>



# Halcor

**In your opinion, did Halcor’s Corporate Responsibility 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 Corporate Responsibility Coordinator  
 62th km Athens-Lamia National Road, GR-32011,  
 Oinofyta, Viotia, Greece e-mail: [csr@halcor.vionet.gr](mailto:csr@halcor.vionet.gr)  
 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 Corporate Responsibility issues. Personal data is protected in the manner laid down by the privacy legislation.

**Contact details:**

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