

Business Ethics



Boundaries of the Material Topic [GRI 102-46] [GRI 103-1b]

Where the impacts occur:
The impacts of corruption in all its forms are an obstacle to Sustainable Development and can occur across the entire range of the Company's operation, with consequences for its local communities, the wider business environment and society as a whole.

By whom are the impacts caused:
The impacts may be caused by MYTILINEOS' Business Units, employees, subsidiaries, business partners and supply chain.

The management of the topic by MYTILINEOS contributes to Sustainable Development:
• The elimination of all forms of corruption and bribery and the safeguarding of business ethics.

Topic of increased significance to:

All Stakeholder groups in the context of their cooperation with MYTILINEOS.

Management Approach

[GRI 102-11] [GRI 103-2c]

MYTILINEOS acknowledges that ensuring transparency in all transactions arising in the context of its business activities is a key issue for sustainability and for the Company's further growth in the context of its international activity. The purpose of this disclosure is to inform MYTILINEOS' Stakeholders about the way in which the Company manages the need for both limiting its exposure to corruption and bribery and strengthening the culture of compliance with the anti-corruption legislation. [GRI 103-2b]

Addressing corruption and bribery is of major significance for MYTILINEOS, because: (a) it helps improve risk identification, assessment and management, as well as compliance with the laws, which for MYTILINEOS are non-negotiable principles in every geographical region or country where it operates, (b) it serves its business goals (such as fulfilling the relevant tendering requirements for the award of construction projects by private clients or financial institutions), and (c) it strengthens the Company's protection against fraud, embezzlement and abuse, further enhancing its corporate image.

Key Challenges / Impacts

[GRI 103-1a] [GRI 102-15]

MYTILINEOS acknowledges that corruption, bribery, fraud, violations of healthy competition, and money laundering undermine the moral environment of businesses and have a wide range of negative effects that include violations of Human Rights, adverse impacts on the environment, distortion of healthy competition and impediments to the distribution of wealth and to economic development. These impacts are a serious obstacle to

Sustainable Development, have a disproportionate impact on poor communities, and erode the very fabric of society.

Commitment

[GRI 103-2c]

Zero tolerance of situations of corruption and bribery, in accordance with the main priority areas of the MYTILINEOS' [Code of Business Conduct](#) and [Suppliers / Business Partners Code of Conduct](#).

Major risks

[GRI 102-15]

By operating in developing countries with high energy needs, which according to the Corruption Perception Index annual survey of Transparency International are countries with a high risk of corruption, MYTILINEOS may be exposed to risks involving facilitation payments or the extension of other benefits to the local business partners in order to ensure the continuation of the projects' smooth operation.

Any deviation from the Company's principles and ethical practices jeopardizes its good reputation and credibility, the Stakeholders' confidence in it and, by extension, its financial results and its ability to undertake new projects.

Risk Management / Control Practices

[GRI 103-2a] [SASB EM-MM-510a.1] [SASB IF-EN-510a.3]

Addressing corruption and bribery is a key element of the MYTILINEOS "Code of Business Conduct" and "Suppliers / Business Partners Code of Conduct." **For the Company, the reference point when it comes to addressing corruption and bribery is the principle of integrity, which relates to its long-standing commitment to zero tolerance of these issues. This commitment is fulfilled with the rigorous screening of third parties before entering into any agreement with them or making any payments to them, as well as by avoiding all transactions and contacts with any third party which may be guilty or suspect of encouraging conditions giving rise to corruption, extortion or bribery.**

To fulfil this commitment, MYTILINEOS takes action in a number of ways:

- The Company's operation as a "Responsible Corporate Citizen", is reflected by its participation in international transparency advocacy initiatives (UN Global Compact), national working groups and, more generally, its commitment to ethical business practices and sound corporate governance. MYTILINEOS has been formally committed to the 10th principle of the UN Global Compact, according to which "Businesses should work against corruption in all its forms, including extortion, bribery and facilitation payments". This principle acts as a catalyst in establishing a culture of ethics across the Company.
- As part of the Enterprise Risk Management activities, MYTILINEOS conducts on an annual basis a study on its potential exposure to corruption and bribery risks in its various business activities, and specifies measures to minimize these risks.
- In countries with a high risk of corruption, the Company ensures that a Grievance Mechanism is put in place, to which all employees (direct or indirect) have access in order to submit, either in their name or anonymously, complaints of violations

in connection with the policies on personal data protection, bribery and corruption, human rights or violations of the Company's Code of Conduct. The Company protects the complainants from retaliations, on condition that the complaint is made in good faith, even if it is not corroborated by the result of the investigation undertaken in response to it. In addition, the Company operates a central complaints mechanism for the submission of reports of violations to the Compliance Division Director. This mechanism is being enriched to reflect the provisions of Directive 1937/2019 of the European Parliament and of the Council and, following the enactment of the relevant local legislation, its revised version will enter into effect.

- In 2021, the Regulatory Compliance Division of MYTILINEOS issued the corporate policy on the conflicts of interest of its employees and business partners, and collected the relevant declarations of commitment from Management Executives and employees in key Management positions.
- The Company ensures that its personnel is regularly trained, by category of exposure to regulatory risk, in the issues covered by the Code of Business Conduct, with in-depth analyses of corruption and bribery, healthy competition, fraud, rigorous screening of business partners and conflicts of interest.

Business ethics in MYTILINEOS' cooperation with third parties

- MYTILINEOS places particular emphasis on the analysis of the prevailing conditions and identification of potential risks or threats which may encourage the occurrence of such incidents in the corporate environment, through a third-party screening and due diligence process. This practice covers corporate activities that involve the risk of occurrence of incidents of corruption and bribery, such as charitable contributions, sponsorships, gifts and hospitality, third-party audits in relation to lists of individuals or entities subject to restrictions in connection with the financing of terrorism and human rights violations, brokering services and advisory services, with a view to establishing respective prevention procedures where these are not in place. The Regulatory Compliance Division has developed an in-house application to support the rigorous screening of third parties and the decision-making process of the Company on whether or not to cooperate with them. The application supports the classification of third parties according to the Company's exposure to regulatory risk, the in-depth audit of third parties according to the risk category in which they are classified, the interactions between the commercial departments, the Regulatory Compliance Division and the Management with the necessary documentation, and the retention of all the supporting documents supplied and the responses given by the third party.
- MYTILINEOS' Suppliers / Business Partners Code of Conduct aims at tackling conditions of corruption and bribery in the supply chain. MYTILINEOS carries out Supplier Integrity Checks prior to the commencement of the cooperation, while the Code provides for audits whose purpose is to ensure the implementation of the Code and to provide recommendations for corrective measures, where required.
- The Company ensures that all transactions carried out on its behalf by its shareholders, employees and major business partners and suppliers, are characterized by a high level of integrity. Through established procedures, applied primarily in the Purchases / Procurement Departments and in project management for the selection of suppliers and other business partners, controls are carried out annually on the conditions under

which every single transaction takes place, in order to identify and eliminate those that may possibly give rise to incidents of corruption or fraud.

- The Company applies prevention and detection systems and controls to ensure that suppliers comply with the standards of MYTILINEOS, disputed payments are avoided and the payments due are made correctly and are entered in the Company's accounting books in an accurate and transparent manner.

The Legal and Regulatory General Division, in which the Regulatory Compliance Division belongs, has been entrusted with the creation and implementation of mechanisms to safeguard the Company's protection at both preventive and control levels. Specifically, the Regulatory Compliance Director reports to the General Manager for Legal & Regulatory Affairs and to the Audit Committee of the Board of Directors, which approves and monitors the Regulatory Compliance work plan.

According to its Code of Business Conduct, MYTILINEOS does not make any donations to political formations or related persons.

Results

[GRI 103-3a-ii]

- In 2021, MYTILINEOS applied all necessary internal procedures to safeguard its policy. Through the screening mechanisms applied in the Purchases-Procurement Departments of the Company's Business Units, which have investigated both the process for the selection of business partners and all types of transactions, **no confirmed incidents of corruption were identified** that could possibly lead to dismissal or disciplinary action against employees on the grounds of corruption, nor any corruption-related incidents resulting in the termination or non-renewal of cooperation with business partners or public judicial cases against the Company or its employees for corruption. [GRI 205-3]
- The Regulatory Compliance Division has distributed the updated Code of Business Conduct (November 2019) to all employees and subsidiaries of the Company, against the recipients' signed proof of receipt and commitment to the Code. This procedure, which applies to every new employee, is expected to be repeated for existing employees also, in the event of major revisions/ renewals of the Code.
- The Metallurgy Business Unit of MYTILINEOS does not have production activity in the 20 countries with the lowest ranking in the Corruption Perceptions Index published by Transparency International. [SASB EM-MM-510a.2]