

Regulatory Compliance



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

Where the impacts occur:
The impacts of non-compliance with laws and regulations occur primarily within the operational boundaries of the Company and of its subsidiaries, strategic partners and suppliers. They can also extend to the entire economy and to the environment, in the context of sustainable development, as well as to 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 enforcement of and compliance with non-discriminatory laws aimed at promoting Sustainable Development.

Topic of increased significance to:

- Employees
- Suppliers
- Shareholders / Investors / Financial Analysts
- NGOs
- Press representatives
- Local communities

in the context of their cooperation with MYTILINEOS.

Management Approach

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

For MYTILINEOS, a fundamental and non-negotiable principle is that its business activity is carried out in complete alignment, conformance to and compliance with the laws in force and the principles of operation applicable in every geographical region or country where the Company operates. Compliance with the legislation (environmental, social and product-related) is a core element of the Company's business activity and a major issue at least of equal significance with the other issues that the Company is managing in the context of its ongoing and responsible development. This stance is based, first and foremost, on the principle of adhering to the provisions of the law, as well as to the agreements concluded and the voluntary commitments undertaken by MYTILINEOS through its Business Units. [GRI 103-2b]

Key Challenges / Impacts

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

Maintaining regulatory compliance at environmental, social and product level, in order to ensure that the overall corporate activity is lawful and corresponds to high standards of responsible entrepreneurship, strengthening the environment of trust between the Company and its Stakeholders in their interactions with it (customers, employees, suppliers, administrative authorities etc.).

Cases of non-compliance could have a significant impact on the profitability, financial position and cash flows of MYTILINEOS and, consequently, on its ability to meet its obligations.

Commitment

[GRI 103-2c]

Operation in full alignment, compliance with and conformance to the applicable legislation and the principles of operation in each region or country where the Company operates, in accordance with the main priority areas of the [Code of Business Conduct](#) and the [Suppliers / Business Partners Code of Conduct](#).

Major risks

[GRI 102-15]

- Financial risks, which may arise from possible negative outcomes of legal disputes regarding non-compliance with the legislation in general.
- Potential non-compliance of the Company with its obligations under the environmental legislation and, more specifically, with the terms of the environmental licenses of its industrial plants. In such cases, the competent authorities may impose fines or sanctions, and may also withdraw or refuse to renew permits and approvals in the event of a breach of the applicable regulations.
- The Company operates in countries with emerging economies, where institutional functions may be affected by political conditions and changes thereto. This could negatively affect the Company's activities.

Risk Management / Control Practices

[GRI 103-2a]

- In order to prevent the aforementioned risks, the Company: (a) complies with the legal and regulatory requirements of the geographical regions in which it operates, (b) ensures that its relations and activities comply with the established and applicable institutional framework, (c) is kept informed of its applicable legal obligations, and (d) has established procedures for monitoring developments in the legislation concerning its sectors of activity, and is reviewing and assessing its compliance with the applicable laws and regulations on a regular basis.
- Additionally, monitoring compliance with the approved environmental licenses (Environmental Terms Approval Decisions) of the Company's operational units, is a process conducted internally, on a regular basis, in each Business Unit, by qualified personnel, as well as annually, by a recognized independent organization which audits and certifies the Company's environmental management system.
- As a member of the UN Global Compact, the Company strives to ensure that its business practices are fully aligned with the Compact's internationally recognized Ten Principles. Furthermore, under its Corporate Social Responsibility Policy in place, MYTILINEOS commits to adopting a responsible, sustainable and ethical business conduct that is regularly evaluated on the basis of the achieved results, and to improve its environmental and social performance, as well as its performance regarding transparency and corporate governance.
- During tendering for a project, policies and procedures (management system or due diligence procedures) are applied to prevent bribery and corruption as well as anti-competitive behavior.

- The Regulatory Compliance Division has developed two training programs for the Company's personnel, which cover training in personal data protection (GDPR) and in MYTILINEOS' Code of Business Conduct. Both trainings make use of remote access (distance learning), given the requirements for teleworking and limiting face-to-face meetings, and are implemented online in asynchronous mode, checking that the employees have fully attended them and are fully familiar with the issues covered. The trainings combine references to the theoretical background, analyses of case studies from everyday work, awareness-raising of upcoming risks, and incident response and escalation methodology, where required. All employees, including the employees of MYTILINEOS' subsidiaries, were classified in terms of the nature of their work and duties, forming a target group whose members attended the relevant trainings according to their risk exposure. In addition, material has been developed and thematic trainings are taking place for specific employees in the following areas:
 - Initial training in Regulatory Compliance for new employees.
 - Healthy competition law.
 - Thorough screening of third parties using the in-house integrity screening platform.
 - Complaints platform management and investigation of complaints.

Results

[GRI 103-3a-ii] [SASB EM-MM-140a.2] [SASB IF-EU-140a.2]

- In 2021, the Company's compliance with the applicable legislation, coupled with the application of controls to ensure observance of the rules concerning its activity, **resulted in the absence of incidents of non-compliance with the legislation and with the applicable regulations at environmental, social and economic level.** [GRI 307-1] [GRI 419-1] [SASB IF-EN-160a.1]
- The Regulatory Compliance Division continued the implementation of trainings in personal data protection (GDPR) and in MYTILINEOS' Code of Business Conduct. In 2020, these trainings were held for Directors, employees whose responsibilities include the supervision of personnel, employees in positions where the nature of their duties involves a risk of non-compliance, and employees who perform the processing of personal data. **A total of 500 employees completed the training successfully** (83% completion rate). In 2021, the trainings were held for the remaining employees in the target group, with 90 employees successfully completing them (98% completion rate). The trainings are scheduled to be completed in 2022.
- In 2021, **there were no incidents of legal action against the Company or of financial sanctions imposed on the Company** for anticompetitive conduct, antitrust or monopolistic practices, corruption, bribery, cartel activities or price fixing. [GRI 206-1] [SASB IF-EN-510a.2] [SASB EM-CM-520a.1]

