

# ESG Performance Statement 2020

## ESG Performance

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**Climate Change** • In 2020, we set ambitious targets for the reduction of our direct and indirect carbon dioxide emissions and for the decarbonization of our activities by 2030 and 2050. • We are consistently supporting with investments in RES the production of clean energy, which in 2020 rose to 8.5% of our total production, increased by 38% relative to 2019. • The absolute direct and indirect (Scope 1 & Scope 2) CO<sub>2</sub> emissions decreased by nearly 4% relative to their 2019 levels.

**Air Quality**: We reduced by 10% the total quantity of our NO<sub>x</sub>/SO<sub>x</sub> emissions, and by 14% the quantity of particulates emissions.

**Environmental management**: • We implement an ISO 14001:2015 certified environmental management system, and we also promote the systematic application of Best Available Techniques in all our Business Units. • Our expenditures for the protection of the environment in 2020 amounted to €71.6 million. • In 2020 there were no incidents of any form of pollution of the natural environment from our production activity.

**Circular economy**: In line with the principles of the circular economy, we increased the production of secondary aluminium using aluminium scrap as raw material, which grew to >20% of our total production, significantly contributing to the reduction of energy consumption and air emissions.

**Biodiversity**: • During 2020 there were no incidents of degradation of biodiversity because of the Company's activities. • We continued our mining activity in a responsible and sustainable manner, increasing to 83.3% the rehabilitation rate of the total exploitable land area used in mining operations, without earmarking new land areas for mining purposes.

**Water**: We withdraw water (ground water) from renewable sources, while our activity does not limit or threaten the adequacy of the water quantity available in the aquifer.

**Waste**: • The environmental R&D expenditures of the Metallurgy Business Unit stood at €6.5 million, representing investments in specialized programs for the development of new technologies for the exploitation of bauxite residues. **ASI** • The percentage of solid waste recycled and reused increased further in 2020, reaching 18.6%, while the amount of waste directed to landfills decreased by 39.1% compared to 2019.

**Environmental compliance**: There have been no incidents of non-compliance with environmental laws and regulations, as a result of which the Company avoided direct financial risks (e.g., fines) as well as indirect ones related to its image and reputation.

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**Occupational Health and Safety**: • Regarding the health and safety of direct and indirect employees, no occupational diseases were recorded, while lost time injury rates (with interruption of work for 3 or more days) per 200,000 work hours were kept at very low levels (0.19 & 0.14 respectively) with all workers having returned to work in good health. • Despite the efforts that are made on an ongoing basis, it is with regret that we report one fatality due to electrocution, involving an employee of a contractor in the Power & Gas Business Unit. • We continued to implement supplementary pharmaceutical and hospital care programs for all our employees and their family members, and we also secured privileged prices for SARS-CoV-2 RNA detection molecular tests, giving top priority, as always, to health issues.

**Labor practices**: • As an industrial Company, we increased by 5% our percentage share of total employment (direct & indirect) in our sector, in order to ensure our smooth operation, while we also kept the percentage shares of part-time and fixed-term employees very low. • Despite the adverse circumstances of the COVID-19 pandemic, we continued to invest in the development of technical and personal skills, covering 65% of our human resources with targeted vocational education and training programs.

**Human rights**: • We proceeded with the elaboration of a specialized Human Rights Policy which expresses the Company's zero tolerance of any violation of Human Rights. • We fully protected labor rights as well as the other categories of Human Rights related to our activity.

**Social Investments**: • Continuing with the implementation of our social policy, we implemented new social programs and investments in local infrastructure worth €3.21 million in total, benefiting nearly 30,000 citizens and making a significant contribution to all social aspects of the Sustainable Development Goals. • At the same time, the management of social issues, both centrally and at local level, has prevented the occurrence of risks that might have significant negative impacts on our financial results.

**Responsible supply chain**: We invested in training 40 of our key suppliers in the 10 Principles of the UN Global Compact and in Sustainable Development.

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**Corporate conduct**: • We further integrate the concept of sustainability into our DNA, making it a key pillar of our strategy, decision-making, and operations. • We implemented a custom training program in the Company's Code of Business Conduct for 300 employees. • We applied our "Zero Tolerance" approach in connection with incidents of corruption and bribery in all our activities, both domestically and internationally. • We successfully continued the dialogue with our Stakeholders, implementing a special thematic Consultation focused on the creation of our corporate Human Rights Policy, gaining the almost universal acceptance and support of all our Stakeholder groups for this initiative of the Company. • There were no financial sanctions arising from violations of our Code of Business Conduct. • We have strictly complied

with the legislation in force regarding our business activity; as a result, there were no incidents of non-compliance with the legislation nor any related environmental, social and economic impacts.

**Corporate Governance**: • Seeking to implement higher Corporate Governance standards, we continue our voluntary adaptation to the UK Corporate Governance Code - 2018, and have already aligned ourselves with approximately 70% of the relevant requirements. • We strengthen the supervision mechanism using which the Board of Directors oversees sustainable development issues, by creating a new Board Committee (Sustainable Development Committee). • We incorporate ESG KPIs into the variable fees of the Board members' remuneration.