

Independent Limited Assurance Report to the Management of MYTILINEOS S.A.

KPMG Advisors Single Member S.A. was engaged by MYTILINEOS S.A. (further referred to as the “Company”) to provide limited assurance over selected aspects of the Greek version of the report titled “Sustainable Development Report 2020” (further referred to as the “Report”) for the reporting period 1 January 2020 - 31 December 2020.

Scope of our assurance engagement

Our engagement was designed to provide limited assurance in accordance with ISAE 3000¹ and the requirements for a Type 2 assurance engagement under AA1000AS v3 (2020)² on the following aspects of the Report (“Assurance Scopes”) on a sample basis:

- 1 The application of AA1000AP (2018)³ principles, as described in the section titled “Accountability Principles Standard AA1000 Index” of the Report.
- 2 The reliability of the General Disclosures required by the Global Reporting Initiative (“GRI”) Standards for the “Core” option, marked with the symbol “●” in the “GRI Content Index” of the Report.
- 3 The reliability of the Topic-Specific Disclosures and the respective “Management Approaches” (“MA”) for the “Material Topics” as they have been identified by the Company and its stakeholders, marked with the symbol “●” in the “GRI Content Index” of the Report.
- 4 The reliability of the Topic-Specific Disclosures for the “Other significant issues” marked with the symbol “●” in the “GRI Content Index” of the Report.
- 5 The linking of the Sustainable Development Goals (“SDG”) of the United Nations (“UN”) with the material issues of the Report.
- 6 The Report has been developed taking into account the United Nations Global Compact Advanced level criteria as described in the section titled “UN Global Compact Communication on Progress (Advanced level)” and the respective table of the Report.

Our work in relation to the GRI “in accordance” criteria, was to review the Company’s assessment that the appropriate indicators have been reported for the GRI “Core” option.

The nature, timing and extent of evidence-gathering procedures for limited assurance is less than for reasonable assurance, and therefore a lower level of assurance is provided for the data and objectives under the limited assurance scope. Readers should note that moderate level of assurance in AA1000AS v3 (2020) is consistent with limited assurance in ISAE 3000.

We have not been engaged to provide assurance over any prior reporting period data, information and corporate documents presented or mentioned in the Report.

Reporting criteria used by the Company

The Company applies the AA1000AP (2018) criteria for the four principles of inclusivity, materiality, responsiveness and impact as described in the section of the Report titled “Accountability Principles Standard AA1000 Index”.

For the Report, the Company applies the GRI Standards as declared in the section of the Report titled “Parameters of the Sustainable Development Report: Report details” as well as relevant internal guidelines.

The Company follows the United Nations Global Compact Advanced criteria taking them into account for the development of the Report as described and declared in the section of the Report titled “UN Global Compact Communication on Progress (Advanced level)” and the respective table.

The Company adopts and aligns with the global Sustainable Development Goals (SDGs) of the UN taking them into account in the linking of the material issues of the Report with the respective SDGs as described

and declared in the “Table of material and other sustainable development topics” in the section of the Report titled “Materiality process”.

Our conclusions are based on the appropriate application of the abovementioned criteria.

Exclusions from the scope of our assurance engagement

The scope of our work did not include the financial data of the Company in the Report, which are subject to the statutory auditor’s responsibility. Where financial information (text and/ or data) subject to the statutory auditor’s scope has been utilized within the scope of our work, KPMG’s work was limited to the reliability check of the transfer of these text/ data from the audited and published Annual Financial Report 2020 of the Company to the relevant -within our agreed scope- sections of the Report. To obtain a thorough understanding of the Company’s financial results and financial position, the relevant 2020 audited financial statements should be consulted.

The scope of our work did not include the review / testing of the operating effectiveness of the information systems used to collect and aggregate data in relation to the agreed assurance scope.

Assurance standards we used

We conducted our engagement in accordance with ISAE 3000 and the requirements for a Type 2 assurance engagement under AA1000AS v3 (2020). A Type 2 Assurance Engagement covers not only the nature and extent of the organization’s adherence to the AA1000AP (2018), but also evaluates the reliability of selected sustainability performance information.

As explained in more detail at the section “Responsibilities”, we conducted our engagement in accordance with the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code) which requires, among other things, the independence of the members of the assurance team and of the assurance organization, including not being involved in writing the Report. The Code contains detailed requirements regarding the integrity, objectivity, confidentiality and professional competence and behavior. KPMG has internal systems and processes to monitor compliance with this Code and to prevent potential conflicts regarding independence. Our engagement was conducted by a multidisciplinary team with extensive experience in sustainability (including environmental, social and financial aspects) and sustainability assurance.

Work performed to reach our conclusions

We planned and performed our work to obtain all the evidence, relevant documentation, information and explanations that we considered necessary in relation to the above scope. Our work included the following procedures using a range of evidence gathering activities which are further explained below:

- Inquiries of management to gain an understanding of the Company’s processes for determining the material issues for its key stakeholder groups inclusive of an evaluation of the results of the Company’s stakeholder consultation processes and their methodology.
- Interviews with senior management and relevant managerial staff of the Company concerning sustainability strategy and policies for material issues and the implementation of these across the business.
- Interviews with relevant Company representatives and staff responsible for providing information in the Report, during which we also reviewed on a sample basis, systems and/ or processes for information management, internal control and processing of the qualitative and quantitative information, at the Company level. In this context, we tested on sample basis, the reliability of the underlying text and/ or data references mentioned in the General Disclosures and the Topic-Specific Disclosures of our agreed assurance scope.
- Review on a sample basis, of the section of the Report titled “UN Global Compact Communication on Progress (Advanced level)” and the respective table of the Company’s response to the 10 Principles of the UN Global Compact in relation to the relevance of the table’s cross-references within the Report and against the respective criteria for the advanced level of the UN Global Compact which are mentioned in the document “GC Advanced COP Self-assessment”.
- Review, on a sample basis, of the table titled “Table of material and other significant sustainability topics” in the section of the Report titled “Materiality process” against the criteria for linking the SDGs

¹ International Standard on Assurance Engagements (ISAE) 3000: Assurance Engagements other than Audits or reviews of Historical Financial Information, issued by the International Auditing and Accounting Standards Board.

² AA1000 Assurance Standard (AA1000AS v3, 2020), issued by AccountAbility.

³ AA1000 Accountability Principles (2018), issued by AccountAbility.

with the material issues of the Report based on the document “Linking the SDGs and the GRI standards”.

- Enquiring, on a sample basis, about the Company’s assertions within our agreed assurance scope through evidence collection, covering internal and external documentation such as correspondence, minutes of meetings, reports, presentations and research and survey results.
- Interviews, with personnel from the central offices of the Company in Athens, which were selected on the basis of a risk analysis including the consideration of both quantitative and qualitative criteria.
- A media analysis and an internet search for references to the Company during the reporting period.
- Review of the Report and in relation to the assurance scope mentioned above, to ensure there are no material disclosures that are misrepresented or inconsistent with our findings.
- Checking the table “GRI Content Index” provided by the Company, in respect to its consistency with the GRI “in accordance - Core” option criteria in order to verify the relevant statement of the Company.

Our conclusions

The following conclusions should be read in conjunction with the work performed and scope of our assurance engagement described above.

Assurance Scope 1: On the AA1000AP principles of Inclusivity, Materiality, Responsiveness and Impact (limited assurance):

Based on the procedures performed, as described above, nothing has come to our attention to suggest that the Company’s description of its alignment with the AA1000AP (2018) principles in the section titled “Accountability Principles Standard AA1000 Index” of the Report, is not fairly stated in all material respects. Without affecting our conclusion, the following are recommended:

- In relation to the principle of inclusivity, it is proposed that the Company continue to apply the practices (such as the implementation of thematic consultations in Business Activity Sector level or Central level, the training of suppliers for sustainability issues, the special consultation with Non-Government Organizations) in the context of stakeholder engagement. Moreover, in the context of continuous improvement the Company could investigate the organization of focus groups in pursuance of the further commitment of specific stakeholder groups into this process.
- In relation to the principle of materiality, the Company should maintain its current procedures that are characterized by regular materiality analysis which encapsulates the perception of internal and external stakeholders.
- In relation to the principle of responsiveness, the Company could further enhance its response to climate change issues by capitalizing the new sustainable development strategy and the relevant initiatives it has planned.
- In relation to the principle of impact, the Company could maintain the current approach by continuing, based on the planning of the Company, the regular implementation of the socio-economic impact study ensuring that the impacts identified through the study reflect the current trends of society and/or stakeholder needs.

Assurance Scopes 2, 3 and 4: On the reliability of the General Disclosures and the Topic-Specific Disclosures within our assurance scope (limited assurance):

Based on the procedures performed, as described above, nothing has come to our attention to suggest that the General Disclosures and the Topic-Specific Disclosures which are mentioned in the “Scope of our assurance engagement” above (as “Assurance Scopes” 2,3,4), are not fairly stated in all material respects.

Assurance Scope 5: For the linking of the UN Sustainable Development Goals with the material issues of the Report (limited assurance):

Based on the procedures performed, as described above, nothing has come to our attention to suggest that the Company’s description for the linking of the UN Sustainable Development Goals with the material issues of the Report, as mentioned in the table titled “Table of material and other significant sustainability topics” in the section of the Report titled “Materiality process”, is not fairly stated in all material respects.

Assurance Scope 6: The Report has been developed taking into account the United Nations Global Compact Advanced level criteria (limited assurance):

Based on the procedures performed, as described above, nothing has come to our attention to suggest that the Company in the development of the Report has not taken into account the criteria of the Global Compact Advanced level in all material respects, as described in the section of the Report titled “UN Global Compact Communication on Progress (Advanced level)” and the respective table.

Without prejudice to our conclusions for all the assurance scopes, as presented above, we provide to the Company’s management an internal report presenting in more detail specific findings and areas for improvement.

Responsibilities

The Company’s Management are responsible for preparing the Report, and the information and statements within it. They are responsible for the identification of stakeholders and material issues, for defining objectives with respect to sustainability performance and for establishing and maintaining appropriate performance management and internal control systems from which reported information is derived.

Our responsibility is to carry out a limited assurance engagement and to express a conclusion based on the work performed for the agreed scope, as described above. We conducted our engagement in accordance with ISAE 3000 and the requirements for a Type 2 assurance engagement under AA1000AS v3 (2020). ISAE 3000 standard requires that we plan and perform the engagement to obtain limited assurance about whether selected aspects of the Report are free from material misstatement. KPMG applies ISQC 1⁴ and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our assurance report is made solely to the Company in accordance with the terms of our engagement. Our work has been undertaken so that we might state to the Company those matters we have been engaged to state in this assurance report and for no other purpose. We do not accept or assume responsibility to anyone other than the Company for our work, for this assurance report, or for the conclusions we have reached.

KPMG Advisors Single Member S.A.



George Raounas
Partner
Athens, May 21st, 2021



⁴ International Standard on Quality Control 1 (ISQC 1): Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, issued by the International Auditing and Assurance Standards Board.