

# **Sustainable Development & ESG Performance under the lens of H&S**

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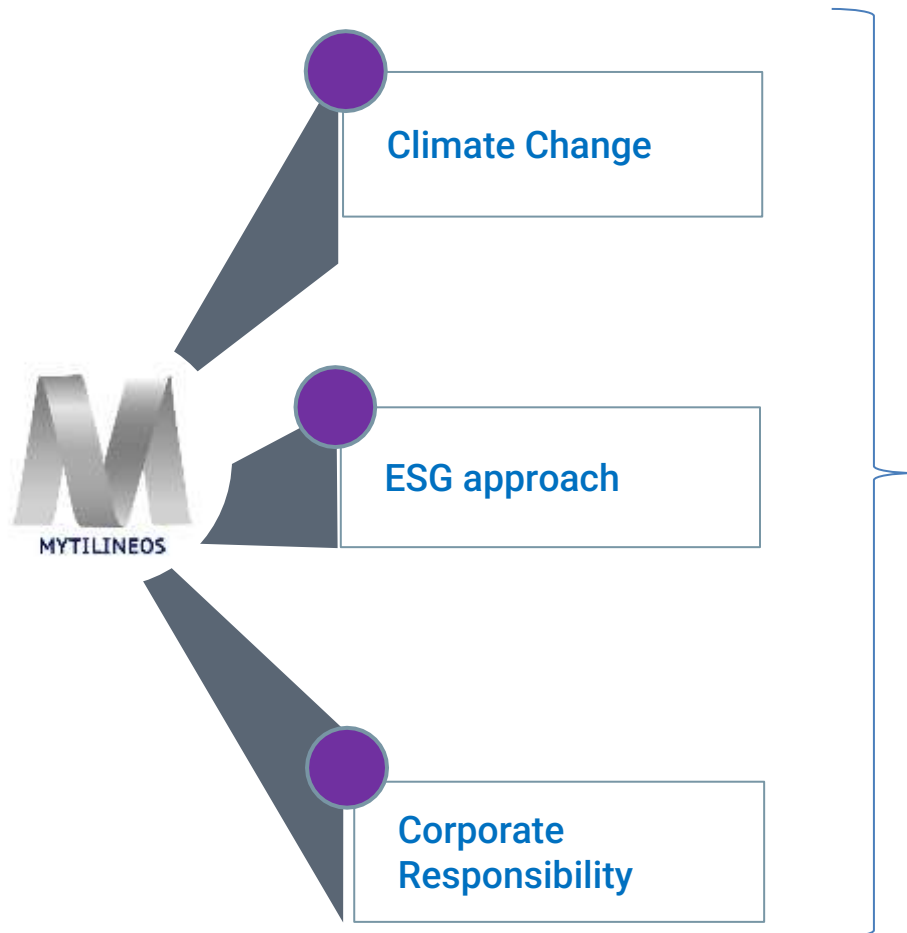
Sustainable Development Manager

Corporate Governance & Sustainable  
Development General Division



# Our Sustainable Development Strategy

## Hi level layers of MYTILINEOS Sustainable Development Strategy



## Decoding our Sustainable Development Strategy: Our approach to SDGs (UN Agenda 2030)



# We will continue to pursue growth aligned with the UN 2030 agenda for Sustainable Development



**Zero fatalities and life changing work-related accidents**  
**ESG linked compensation**



**Global RES portfolio 9.1 GW**  
**500.000 customers in electricity supply**



**-30% CO<sub>2</sub> reduction by 2030**  
**Net Zero by 2050**



**Among the leaders in the field of research for the exploitation of bauxite residues and the recovery of rare earths.**



**Key Suppliers' whitelist by 2025**



**>30% women in BoD by 2025**



**Zero water withdrawals from stressed water areas**



**Zero biodiversity incidents**



**Zero pollution incidents**



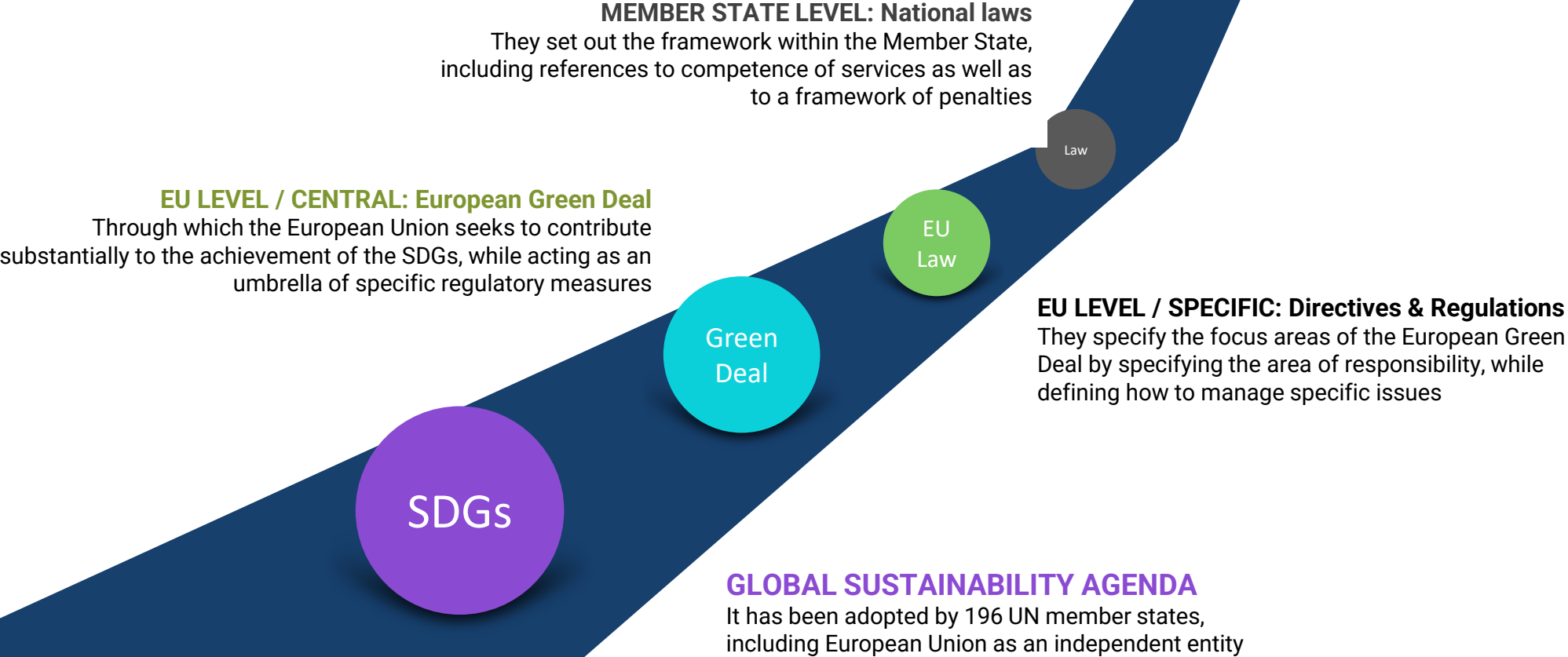
**MYTILINEOS Smart Cities platform**



**250.000 beneficiaries from our social initiatives and programs by 2025**



# Regulatory Framework for Sustainable Development



# CSRD: What is it?



**CSRD IS PART OF THE  
EUROPEAN GREEN DEAL**  
(CARBON NEUTRALITY BY 2050)

**CSRD REPLACES NFRD**

(large public-interest companies  
with more than 500 employees)

**CSRD IS IMPLEMENTED  
THROUGH 12 REPORTING  
STANDARDS**

(EUROPEAN SUSTAINABILITY  
REPORTING STANDARDS)

**50,000+ OBLIGED  
COMPANIES TO PUBLISH  
SUSTAINABILITY DATA**

(organizations with over EUR 20  
million in total assets and/or a  
net turnover of EUR 40 million  
and/or 250+ employees)

**10,000+  
NON-EU COMPANIES  
IMPACTED BY THE CSRD**

(annual EU revenue of more  
than €150m)

**THE FIRST COMPANIES WILL  
HAVE TO APPLY THE NEW  
RULES FOR THE FIRST TIME  
IN THE 2024 FINANCIAL  
YEAR, FOR REPORTS  
PUBLISHED IN 2025**

**DIGITAL FORMAT OF THE REPORT IS MANDATORY FOR MAXIMUM ACCESSIBILITY AND  
EASIER IDENTIFICATION OF DATA**

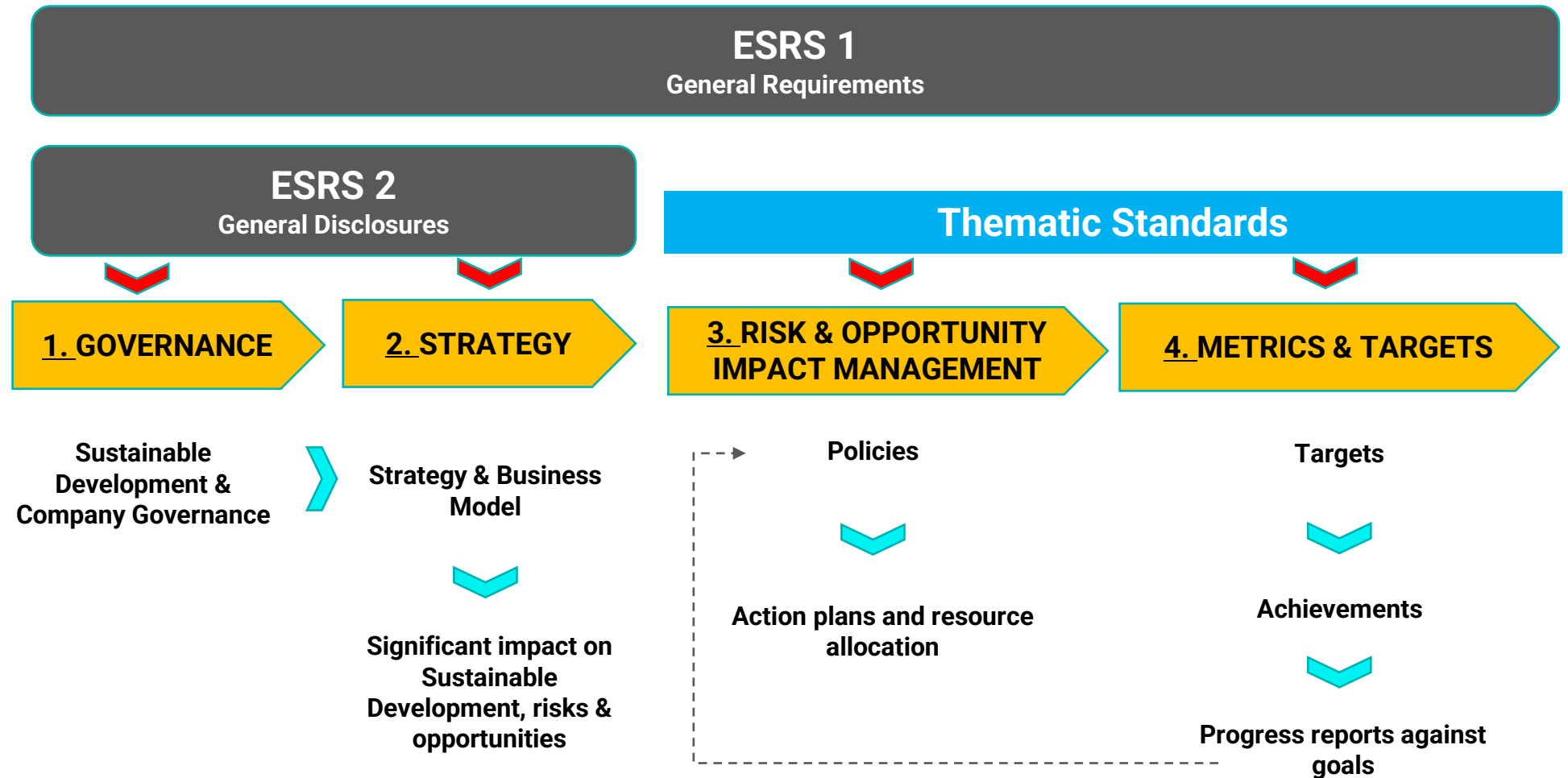
# CSRD: Key elements



## Elements characterizing the Directive:

- ✓ Description of the business model and strategy of the company on sustainability issues
- ✓ Disclosure of a corporate strategy to tackle climate change in line with the Paris Agreement.
- ✓ Implementation of Double Materiality
- ✓ Presentation of key impacts (results of the Double Materiality exercise), risks and opportunities
- ✓ Implementation of Due Diligence
- ✓ Disclosing measures, policies, and targets by theme, as well as progress made.
- ✓ Disclosure of data related to the company's value chain
- ✓ Disclosure of EU TAXONOMY data
- ✓ Development of a single annual Report (Financial Data and Sustainable Development Data)
- ✓ Mandatory external assurance of data by an independent third party.
- ✓ Digitization of standardized ESG data across the European market.

# CSRD: Reporting Standards



# CSRD: Linking to Other Instructions

	2022	2024	2025 ?
	<h2>EU TAXONOMY</h2>	<h2>CSRD (ESRSs)</h2>	<h2>CSDDD</h2>
Target	<ul style="list-style-type: none"> <li>• It classifies corporate activities according to their participation in the green transition.</li> <li>• It helps investors finance sustainable activities directly.</li> <li>• Transparency in Revenues - CAPEX - OPEX.</li> </ul>	<ul style="list-style-type: none"> <li>• It sets Double Materiality as the basis of publications</li> <li>• It focuses on impacts, risks &amp; opportunities of the SD</li> <li>• Coverage of the Company's core activities and value chain</li> <li>• Stakeholder Engagement</li> </ul>	<p><b>Obligation</b> of companies to apply Due Diligence to identify, <b>prevent and terminate adverse impacts on the environment and human rights</b> from their activity, subsidiaries and value chain.</p>
Disclosure issues	<ul style="list-style-type: none"> <li>• Tackling Climate Change</li> <li>• Adaptation to Climate Change</li> <li>• Sustainable use and protection of water and marine resources</li> <li>• Transition to the circular economy</li> <li>• Pollution prevention and control</li> <li>• Protection and restoration of biodiversity and ecosystems</li> <li>• Social TAXONOMY ?</li> </ul>	<ul style="list-style-type: none"> <li>• Climate change</li> <li>• Water and marine resources</li> <li>• Pollution</li> <li>• Biodiversity and Ecosystems.</li> <li>• Resource utilization and circular economy</li> <li>• <b>Employees of the Company</b></li> <li>• <b>Employees in the value chain</b></li> <li>• Affected communities</li> <li>• Customers and end users</li> <li>• Governance, Risk Management &amp; Internal Audit</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Adverse human rights effects:</b> <ul style="list-style-type: none"> <li>- <b>child labour,</b></li> <li>- freedom of association,</li> <li>- <b>forced labour,</b></li> <li>- rights of local communities,</li> <li>- etc.</li> </ul> </li> <li>• <b>Adverse environmental effects:</b> <ul style="list-style-type: none"> <li>- hazardous waste</li> <li>- biodiversity</li> <li>- etc.</li> </ul> </li> </ul>



# H&S under the new CSRD



1. Impact Identification
2. Risks Evaluation
3. Contribution to the Impacts
4. Policies & Commitments
5. Targets Setting & Monitoring
6. Measurement & Effectiveness of Results

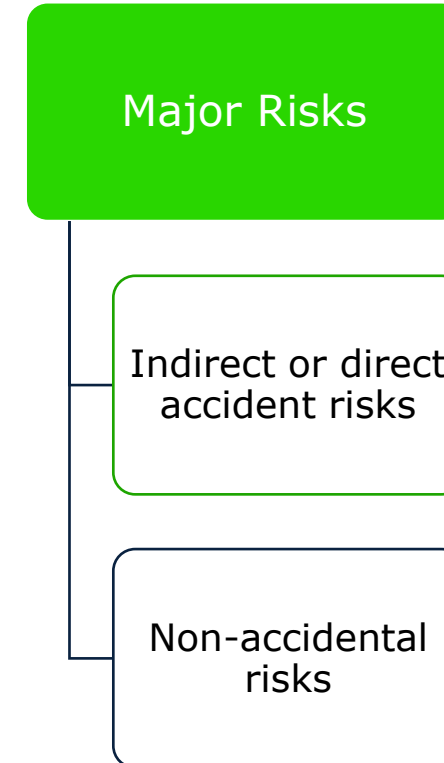
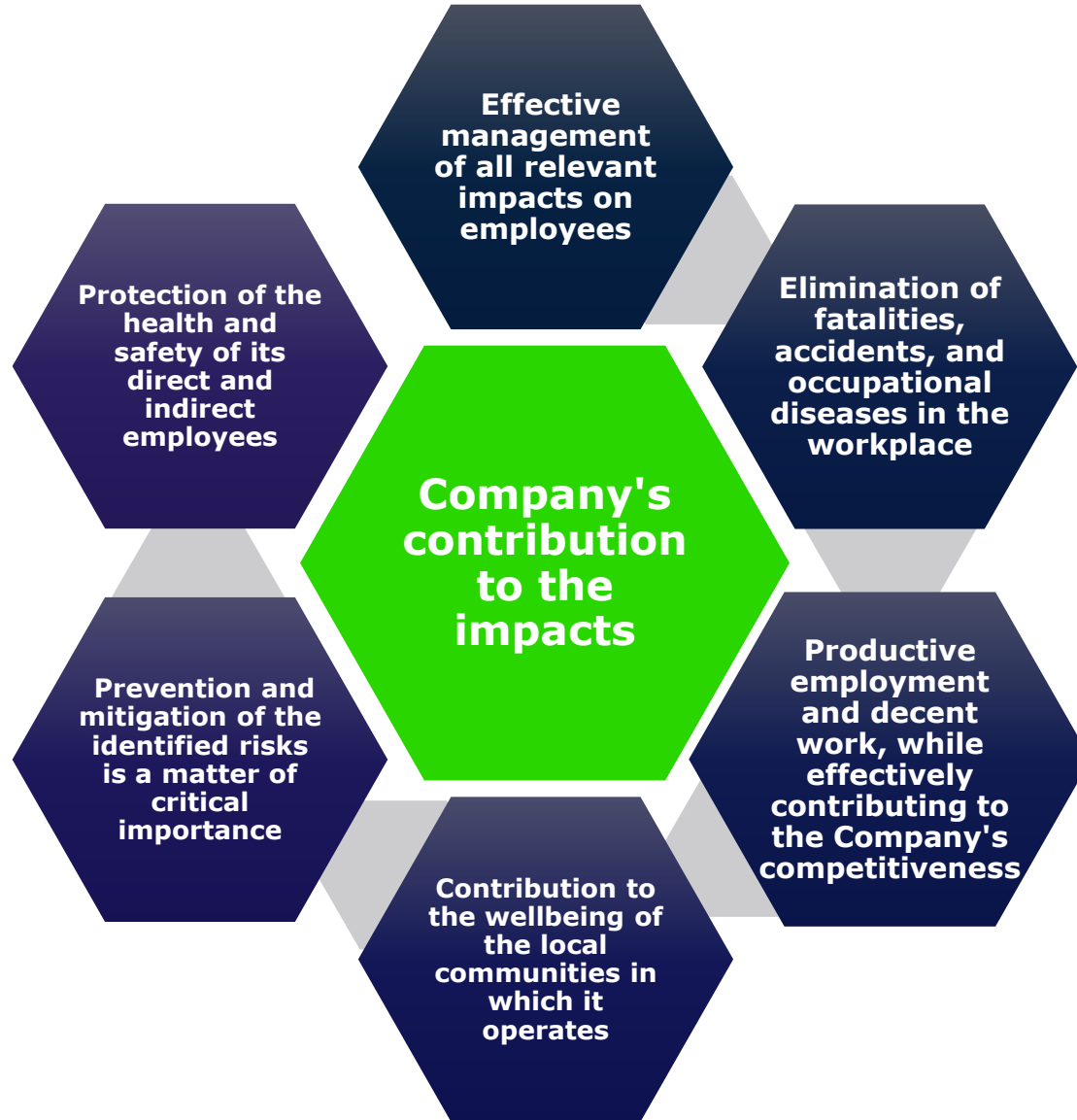
**FOCUS  
on IMPACTS  
not on the ISSUE**

# Occupational Health & Safety: IMPACTS



Key Impacts	Impact Type				Impact horizon
	Actual	Potential	Positive	Negative	
<b>Accidents in the workplace</b> , despite the strict framework of rules it applies to prevent fatalities and/or accidents.	✓			✓	Short-term
<b>Increase in the frequency and/or severity of fatalities, accidents or occupational diseases</b> , due to the failure to establish a Health & Safety philosophy in new and/or existing Company activities carried out in new areas, due to existing negative stereotypes and inappropriate work practices that predate the Company's operations.		✓		✓	Medium and Long-term
<b>Improvement of the morale and productivity of human capital and enhancement of decent and quality work</b> , due to the continuous promotion of health in the whole range of production activities, resulting in maintaining, over time, a low rate of accidents and absenteeism and zero rates of occupational diseases	✓		✓		Short, Medium and Long-term
<b>Continuous improvement of certified accident prevention and health promotion systems throughout the range of production activities</b> , ensuring the social acceptance of the Company's operation by its local communities, effectively contributing to the reinforcement of the Company's competitiveness.		✓	✓		Medium and Long-term

# H&S: Contribution to the impacts and major risks



## Company policies and commitments

Commitment to develop and promote a **strong health and safety culture**, in order to be able to guarantee and provide work areas free of relevant risks

Development of a centralized **Occupational Health & Safety Policy** covering all its business relationships

Commitment to **"No Accident and No Occupational Disease at Work"**

# TARGETS Safe & Productive Employment



## Targets

**Zero** Fatal accidents, life changing injuries & Work-related diseases

**LTIR <0.3 & TRIR <0.6**

**Yearly**

**To become Employer of Choice**

by **2026**

## Key Drivers

New central H&S policy in place

ISO 45001 in place

Preventing accidents by ensuring awareness of the activities' risks and reporting unsafe situations.

H&S Training with the use of new technologies

H&S targets in remuneration scheme

Effective collaboration with contractors

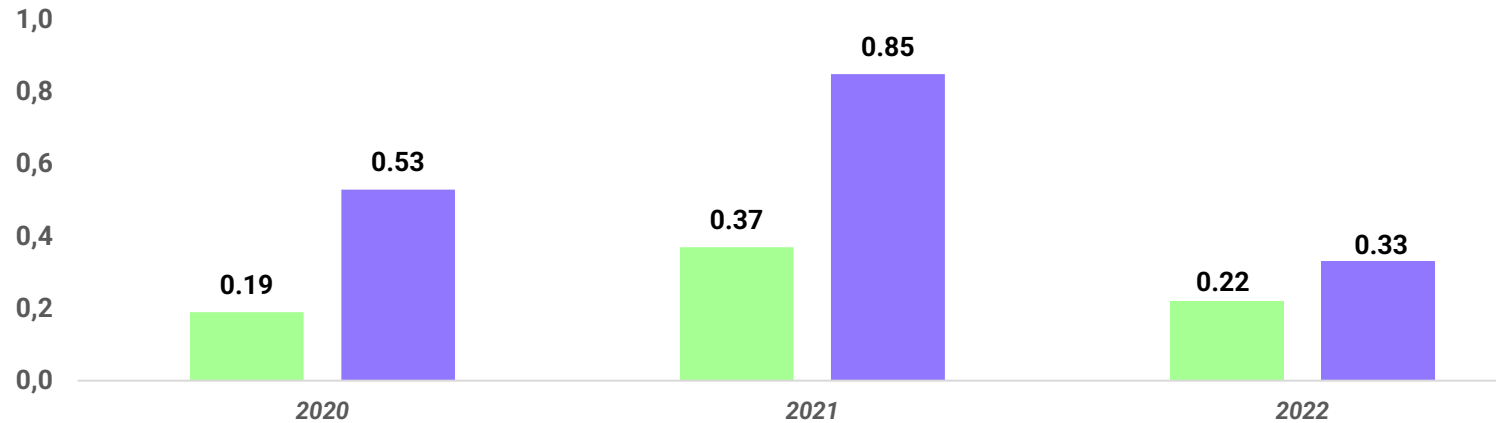
**We have committed to provide a diverse, fair and inclusive workplace through a new 3years HR Strategic Framework which consist of**

### **4 Pillars:**

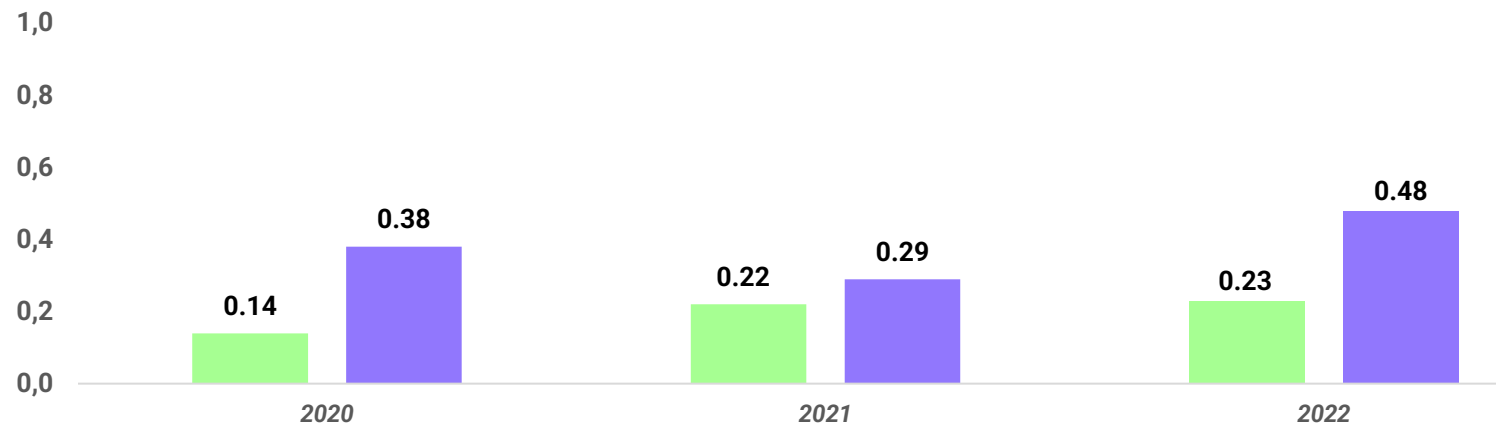
- o Reinforce our Foundations
- o Design the Future of Work
- o Empower our People
- o Nurture our Culture

# Our Safety performance

**Employees**



**Contractors**



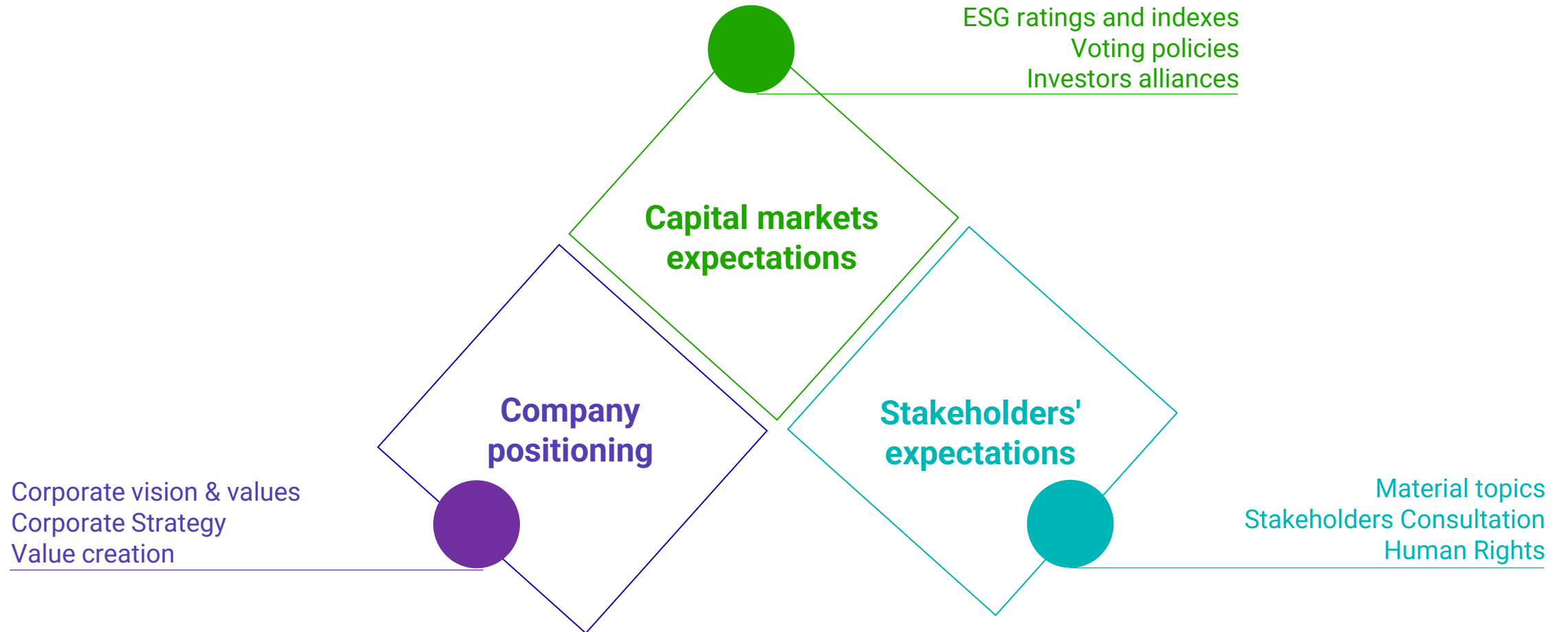
■ Lost Time Injury Rate (LTIR) / 200,000 work hours

■ Total Recordable Injury Rate (TRIR) / 200,000 work hours

## Central Occupational Health & Safety annual Targets:

- Zero Fatalities ✓
- Zero life changing injuries ✓
- Zero occupational diseases ✓
- LTIR <0.3/ 200,000 working hours ✓
- TRIR <0.6/200,000 working hours ✓

# ESG KPIs & targets selection process



## Our performance is consistently recognized by top ESG Raters

Raters	Scale (high to low)	2021	2022	Year on Year
	100 - 0	48	60	+12 pts (percentile 91%) 
	AAA - CC	-	A	1 <sup>st</sup> year of assessment
	>=10 - 100	22.4	22.4	Stable (percentile 98%) 
	A - D <sup>-</sup>	C	B	Upgraded by 2 levels (percentile 75%) 
	1 - 10	1.3	1.3	Stable (percentile 99%) 
	5 - 0	3.9	4.2	+0.3 pts (percentile 93%) 
	100 - 0	58	67	+9 pts (percentile 93%) 

## Distinctions obtained in 2022



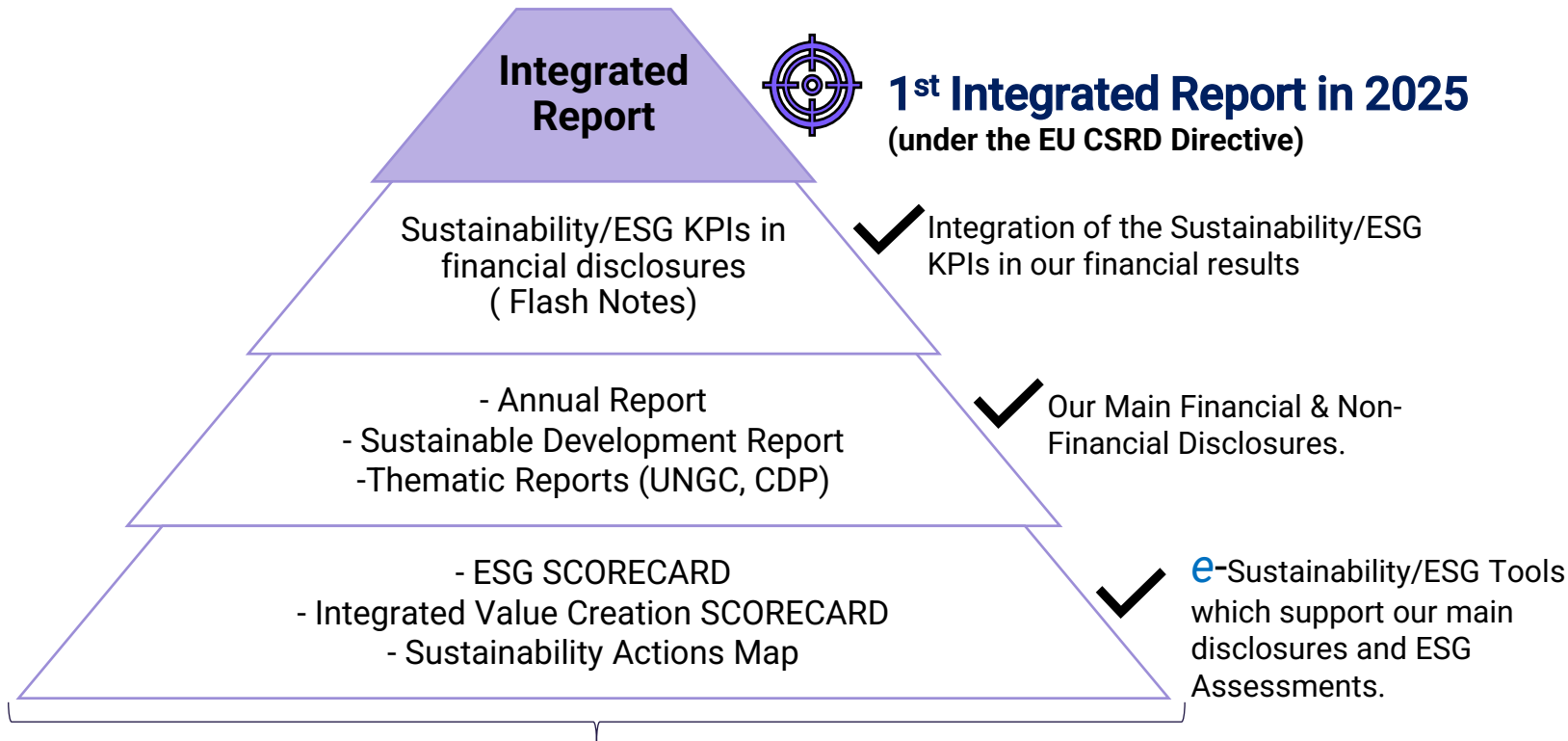
## Presence in indexes

Member of  
**Dow Jones Sustainability Indices**  
 Powered by the S&P Global CSA



# Our Reporting Strategy

We will continue to proactively promote the adoption of the most recognized reporting standards



**UPGRADING OUR REPORTING SYSTEM:**  
A new Sustainability / ESG Digitize Platform valid between 4Q 2023 - 1Q 2024

-   Since 2009
-   Since 2009
-   Since 2017
-   Since 2017
-   Since 2021
-   Since 2021
-   Since 2021

Thank you