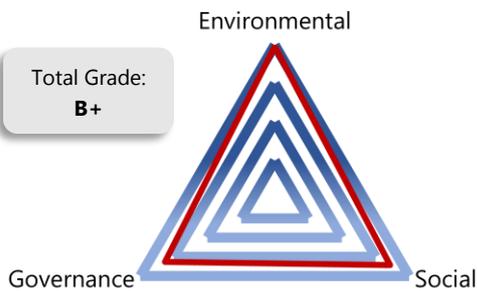


Figure 1: ESG Grading



GENERAL

Viohalco's detailed ESG study demonstrated that the company mostly aligns with the ESG principles and, based on their released financial statements and press releases, updates the interested investors in many aspects pertaining to this matter. The company, with Refinitiv's methodology, received an overall ESG score of **B+**, which is satisfactory under Greek standards. Particularly, it is one of the few Greek companies that actively provides sufficient information about environmental, social, and governance aspects. However, a great deal of issues still needs to be addressed, while some already mentioned information needs to be improved. Read the thorough analysis derived from the company's disclosed information below:

ENVIRONMENTAL PILLAR

GRADE: A-

Beginning with the Environmental Pillar, Viohalco the past few years has improved dramatically, by implementing environmental initiatives and earning an impressive average grade of A-.

Outstanding performance of 100% was succeeded in Environmental Innovation, with the continuous efforts of Viohalco towards the production of greener products that are less damaging to the environment. In addition, the category regarding the use of the company's resources also received a high score due to a high percentage of use of renewable energy and recycling. Viohalco's portfolio includes various companies dedicated to materials resource recovery and waste management services. Viohalco generally purchases electricity from the major energy suppliers of the countries they operate in, as none of their companies own their energy source. The company's strategic goal is to cover the entirety of its electricity needs with renewable energy. Given their geographic locations and the existing power market regulatory frameworks in these countries, currently, there are limited available, viable routes towards this objective. Finally, regarding the category of emissions weight, the company achieved an unusual relatively low grade. The company does not use "Emissions trading", a market-based approach used to control pollution by providing economic incentives for achieving reductions in the emissions of pollutants, nor the company has published any initiatives to reduce Sox and Nox emissions or any actions to mitigate the impact of Biodiversity loss caused by their actions. More measures should be adopted for this pillar by Viohalco, in order to address the environmental footprint and increase their Environmental Score. Overall, the company considers the environmental issues to a great extent and attempts to adjust accordingly each year.

SOCIAL PILLAR

GRADE: B+

Proceeding to the pillar with the largest weight in the overall ESG score, Viohalco managed to receive an average score of B+, primarily driven from its scores in human rights, community, and product responsibility subcategories.

Specifically, the company proves its social responsibility by operating in syndicate countries, such as Turkey, where it has been involved in a controversy for operating in a country with human rights limitations. In addition, during the last year it has donated around 650.000 Euro to charity and, adhering to its strong human right policy. It's also worth mentioning that in order to proactively mitigate the risk arising from defects in its products, Viohalco has implemented rigorous quality management systems at its plants, by applying fixed and formalized quality control procedures. Nevertheless, the good scores from the above subcategories were offset by the relatively low score in Workforce subcategory (C), which is mostly attributed to lack of diversity in both management and general staff, as a very small percentage of women work in the company, with an even smaller percentage holding management positions. Also, Low employee satisfaction, a negative net employment creation, and insufficient employee training are all cause for concern. A general conclusion for this pillar, is that Viohalco respects both its customers

Table 1: Environmental Grading

Resource Use	0.89	A
Emissions Reduction	0.45	C+
Env. Innovation	1.00	A+

Table 2: Social Grading

Workforce	0.37	C
Human Rights	0.86	A
Community Score	0.73	B+
Product Responsibility	0.83	A-

and employees, however, it is recommended that the company should attempt to improve their social pillar, with the Workforce subcategory being their main priority.

GOVERNANCE PILLAR

GRADE: B

Lastly, regarding the governance pillar, Viohalco achieved an average score of B, which is attributed mainly to the company's performance in the Management subcategory, which is the most significant of the pillar in terms of grading. The grade, as explained detailed below, is considered to be satisfactory.

Specifically, the majority of the Board of Directors is consisted of skilful and experienced members. It is composed by a total of fifteen (15) members, five (5) of which are independent and nine (9) non-executive members. Thirty three percent (33,3%) of the board is composed by female members. However, it should be noted that the CEO also serves as the company's chairman, giving him the total authority on the overall business decisions. In addition, certain members of the Board, including the CEO, are related, meaning that several of the decisions taken, could be directed, or even manipulated, minimizing opinion diversity and expression of the minority. Regardless of that, the shareholder policies grant multiple benefits, such as equal shareholder rights and shareholders vote on executive remuneration and tenure duration, among others. Lastly, the CSR strategy is well rounded with adequate stakeholder engagement and regular sustainability reports. The main drawbacks identified in this section were the absence of a sustainability committee and a sustainability external audit system. Overall, the information collected characterize the company as well-organised, without any major conflicts or discriminations, although there is still room for development in terms of their sustainability system.

CONTROVERSIES

GRADE: A+

The ESG score for Viohalco was good enough to keep the score associated with the controversies from impacting the final grade. However, it is important to highlight that despite facing only one criticism, which was the Asopos River's pollution for its use for industrial purposes—the company was able to earn a perfect A+ on this additional pillar. In the workshop held on Tuesday, June 6, 2017, in Schimatari Boeotia, Viohalco, as well as other participants, expressed their support to the environmental restoration of the adjacent Asopos River. Besides that, the company appears to adhere to all ethical standards and global ESG norms and principles.

Table 3: Governance Grading

Management	0.69	B+
Shareholders	0.55	B-
CSR Strategy	0.56	B-

Table 4: Controversies Grading

Viohalco	0.93	A+
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Editing & formatting:

Damaskou Despoina

Director, ESG Analysis

Dimitropoulos Panagiotis

Sub-Director, ESG Analysis



Environmental Pillar:

Koutouzos Michalis

Member of ESG Analysis team

Lazaraki Maria

Member of ESG Analysis team

Monopoli Georgia

Member of ESG Analysis team



Social Pillar:

Galiatsatou Marina

Member of ESG Analysis team

Konstantinakos Nikos

Member of ESG Analysis team

Tzias Andreas

Member of ESG Analysis team



Governance Pillar:

Giampasakis Pantelis

Member of ESG Analysis team

Synapidis Thanasis

Member of ESG Analysis team

Tsomos Thanasis

Member of ESG Analysis team

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