



Chairman's Message

2021 was a year of contrasts. At its dawn, it was full of expectations for the post-Covid-19 era, thanks to the developed vaccines; in the long run, it became disruptive and troublesome not only due to the Omicron variant that gained ground, but also due to the new geopolitical and economic challenges emerged, the extreme growing climatic phenomena as well as the energy transition rising to the challenge of the energy crisis. At an international level, the changes in the political arena in several countries, from the US and Germany to Afghanistan, have given rise to new realities.

In Greece, our reflexes were rapid and we reacted very effectively with the business community responding and supporting the Greek economy and the country itself. This is what we did at MYTILINEOS, right from the outset. With systematic work and sound management, flexibility and readiness, we shielded our activity and demonstrated our ability to respond under every circumstances, having a plan and working hard, creating value for all the ecosystems we operate in.

For MYTILINEOS, 2021 was a real milestone, with new historically high levels of turnover and profitability, with new commitments in the ESG criteria that mark the transition to new high levels of economic performance in the coming years. Despite of the constant twists and turns in 2022, we brace ourselves for the even more important things to come, creating the conditions for reaching new peaks.

Last year, we achieved the objectives we have set, boosting our profitability, in the midst of an unprecedented global energy crisis. We showed resilience and maintained our growth pace. At the same time, we accelerated the execution of the largest investment program in our history, which exceeded the €379 million in total value over the course of the year, while maintaining high liquidity levels. During the year, we launched new projects, such as the increase in aluminum production to 250.000 tons, the construction of the new 826MW power plant, the development and construction of new RES plants with total capacity of more than 2.5GW both in Greece and abroad; turning MYTILINEOS into a key player in the global challenges posed by climate change and the need for a smooth energy transition. The Company's diversified business model and strong synergies between the Business Units enable us to maintain our strong economic performance and continue our investment plan without limitations; in addition, via our fully vertically integrated production model and strict cost control, we ensure our strong financial performance.

In 2021, MYTILINEOS became the first industry in Greece and one of the world's leading companies to set clear de-carbonization targets for 2030 and 2050, fully incorporating ESG criteria into our overall strategy of reducing CO2 emissions by 30% by 2030 and go net zero by 2050. The pinnacle of our journey towards 'greenification' of our activities is to improve our ESG performance, in almost all indices, by improving our overall performance compared to 2020; while during the year, Sustainalytics – one of the world's most important and valuable ESG Rater – recognized us as one of the 'Top industrial companies' for our ESG performance, ranking 2nd out of a total of 114 companies in the sector of Industrial Conglomerates.

The Power & Gas Business Unit of MYTILINEOS in 2021 repeated its strong performance for another year. Protergia maintained its position in the first place among private energy suppliers, further strengthening its market share. By identifying in time the challenges, it adapted its trade policy, both to protect its clients and to safeguard its profitability. Subsequently, as part of our strategy to further develop our RES footprint both in Greece and abroad, we acquired a portfolio of 20 solar parks under development, with total capacity of 1.48GW as well as 25 energy storage projects under development, with 43.2 MW of wind farms at an advanced stage of construction. Finally, the construction of the new combined cycle gas turbine plant (CCGT) of 826 MW continued; when in commercially production, in the second half of 2022, MYTILINEOS will own the most efficient fleet of thermal plants in the Greek market, with a total installed power capacity, including RES, of 2.3GW. Therefore, the market share held by the Company today, in terms of production, is expected to eventually double.

In the Metallurgy Business Unit, aluminium prices continued their upward trend for most of 2021, maintaining strong prospects for 2022. MYTILINEOS' alumina and aluminium plants maintain their highly competitive position in the global cost curve, while strengthening their path towards green transition. Alumina's production capacity increased to 875.000 tons, while following the completion of the "NEW ERA 250" programme, the production rate of aluminium reached 250.000 tons. In addition, the production of 65.000 tons of recycled aluminium significantly reduces MYTILINEOS' carbon footprint, leading to a 25% reduction of the required electricity on a per ton of production basis, aiming to make the company an international reference point for 'Green' aluminum. In 2021, the new multi-annual agreement with Glencore on the sale of alumina and aluminium on favorable commercial terms was announced.

The Renewables & Storage Development Business Unit continued to grow, focusing on the timely completion of contracts and new projects and investments in targeted markets with increased green energy needs, both through the construction of projects for third parties as well as through its own development platform. The Build, Operate & Transfer (BOT) projects played an important role in the performance of the Business Unit, as during the year we completed two new agreements for the sale of 89MW and 100MW projects to Romania and Spain respectively. Overall, the capacity of mature and in-operation BOT projects at the end of 2021 stands at 1.963 MW, while total capacity of the BOT portfolio for early stage development projects is ~3.0GW. In addition, through the RSD Business Unit, we have further developed our potential for 'Engineering, Procurement and Construction (EPC)' as well as operation and maintenance in the PV and energy storage market, further strengthening the RES portfolio, as well as our position in this rapidly growing market.

In 2021, the Sustainable Energy Solutions Business Unit, which returned to profitability through its new strategic approach to projects promoting energy transition and sustainability, increasing its total assets by 50%. In this context, recognizing the significant development prospects in the area of environmental solutions, MYTILINEOS utilizes its competitive advantage as a Turn-Key contractor for large-scale projects, such as the implementation of "Protos Energy Recovery Facility", with a view to undertaking similar projects. Moreover, during the year, an agreement was reached on the construction of three Transmission & Distribution projects, marking the Business Unit's dynamic penetration in this area. To conclude, the European Recovery Fund is expected to offer significant opportunities for the Greek economy with MYTILINEOS being ready to take advantage of the opportunities likely to arise, drawing on its strong credentials and expertise in infrastructure projects and projects that promote energy transition.

The last few years form important milestones in the global history and development. Sweeping changes, one succeeding the other, have created a versatile environment where crises appear to be the new norm, seriously impacting on economies and societies. In these challenging conditions, MYTILINEOS displays resilience, effectively turning challenges into opportunities, evolving and constantly creating conditions for growth, increasingly internationalizing its activities by increasing its size, not only in financial terms, but also in human resources, with additional headcount of 1.000 direct and indirect employees within one year.

In 2021, we showed that not only can we achieve our goals but also take them a step further. I can promise that in 2022 too, we will do the same.

Evangelos G. Mytilineos

MYTILINEOS Chairman and CEO