



Annual Financial and Sustainable
Development Report

2015



CORINTH PIPEWORKS S.A.

Delivering energy to the world



 **CORINTH PIPEWORKS S.A.**



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CORINTH PIPEWORKS S.A.

Corinth Pipeworks at a glance



... we have installed more than 20 million metres of steel pipes. That equates to half the earth's diameter!

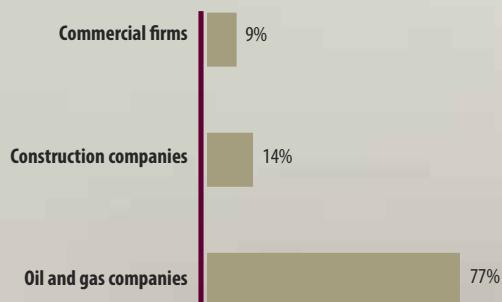
The sales figures are presented over a 10-year period while the balance sheet items cover a 5-year period due to the nature of Corinth Pipeworks' operations. The majority of projects last over a year and it would not be representative of the Company's activities to provide information for a limited number of years only.



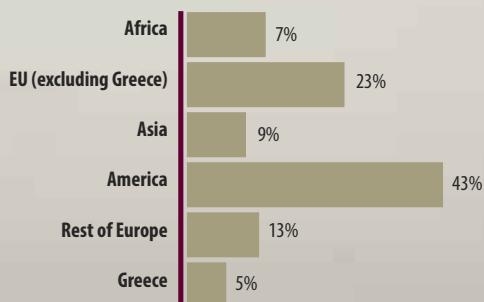
North America
~5,000 km*
 Columbia, Exxon, Denbury Resources, DCP Midstream, Spectra Energy, Cheniere, Enbridge, Panhandle, Kinder Morgan, Energy Transfer, Chevron Texaco, Shell Deepwater, Transcanada, Spectra Canada, EPCO, Williams, Plains All American, NiSource, Mississippi Power, Chaparral

Central and South America
~200 km*
 MLP, Cunado, Pemex, UPC, CFE, Repsol

Sales per category of customer (2005 - 2015)



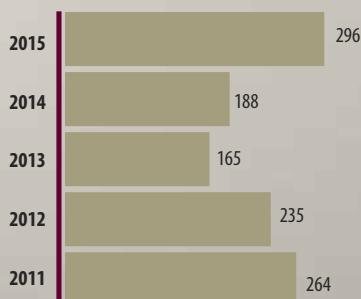
Average sales per geographical region (2005 - 2015)



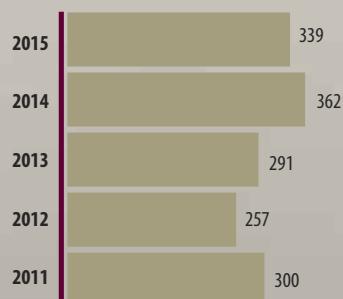
* Data relate to the 2002-2015 period



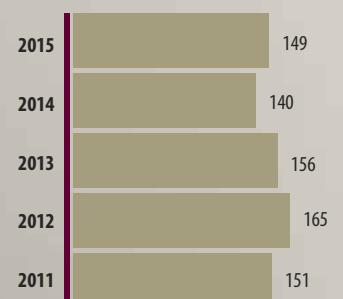
Revenues (in EUR '000)



Total assets (in EUR '000)



Equity (in EUR '000)





CORINTH PIPEWORKS S.A.

1a. Message from the Chairman of the Board of Directors

"Corporate Responsibility will continue to drive all our business activities, particularly in the current difficult economic environment. For us at Corinth Pipeworks, business success and social responsibility are closely related".

Over the last 5 years, the way people do responsible business has changed at global level. Greece is experiencing difficult, historically unprecedented times, and in the year ended we had to face even more unfavourable policies and economic conditions whose ramifications were felt by every family and business, including Corinth Pipeworks and its people.

Despite the difficult conditions that dramatically worsened in the second half of 2015, we still managed to make progress under our capital expenditure plan which was successfully completed, and in the field of Corporate Responsibility. For the third consecutive year, our Annual Report brings together a wide range of information in one place, setting out a detailed, transparent picture of what we achieved in line with international Corporate Responsibility standards, such as the GRI-G4 guidelines, the UN's Global Compact and the ISO 26000 international Corporate Responsibility standard.

We recognise that by operating in accordance with Corporate Responsibility principles we can bolster the Company's further growth, since it is a vital element of the programmes we design and implement. We focus on sectors we consider to be important, taking specific steps in each aspect of Corporate Responsibility:

- to safeguard the health and safety of our employees,
- to reduce our environmental footprint,
- to produce high quality products and carry out cutting edge research and development,
- to maintain jobs and allow our people to grow and develop, and
- to support local communities.

To respond to the challenges posed by the global and national economic recession, and to rise to the expectations of shareholders, employees, customers, suppliers and other stakeholders concerning our activities, we have factored important aspects into our business strategy, such as responsiveness to market and customer needs, adoption of technological innovations and maintaining excellent relations with the supply chain. The business model the Company implements, seeks to improve its performance and to develop a significant contribution to the society.

The progress we've made in the field of occupational health and safety is noteworthy, where we extended 5S and Lean 6 Sigma methodologies, seeking to bring about further changes in the culture all our employees adopt. Moreover, through a series of actions and initiatives we have consistently maintained the level of support offered to vulnerable social groups, as well as continuing to support education, sport and culture, in the local communities in which we operate. In addition, the blood donation programme we've been running for years, and the voluntary contributions made by our people to support our fellow citizens demonstrate that Corinth Pipeworks' employees are actively engaged with Corporate Responsibility issues.



We remain dedicated to our strategy of building a resilient, competitive Company that focuses on Sustainable Development. In 2016 we will continue to expand our product range, to put emphasis on prevention and continuous improvements on health and safety issues, and to promote ethical behaviour, transparency and compliance by developing a new ethics and compliance programme. Corporate Responsibility will continue to drive all our business activities, particularly in the current difficult economic environment. For us at Corinth Pipeworks, business success and social responsibility are closely related.

More so than ever, today we need to demonstrate our resilience, to set joint targets and to strive for a sustainable future. We are forging ahead with implementing our action plan, acknowledging that Corporate Responsibility can provide specific competitive advantages and contribute to the Company's long-term success.

Konstantinos Bakouris
Chairman of the Board of Directors



CORINTH PIPEWORKS S.A.

1b. Message from the Chief Executive Officer

Despite the difficult financial environment at global level, the Corinth Pipeworks Group completed its capital expenditure plan last year; a plan designed to expand and upgrade production facilities and extend our product range. In addition, last November TAP AG, the Transadriatic Pipeline operator, commissioned Corinth Pipeworks to supply large diameter pipes to cover around 495 km which will be used in pipeline's onshore section in Greece.

The international business environment in which the Corinth Pipeworks Group operates was negatively hit in 2015 by the fall in oil and gas prices, which led to many energy projects worldwide being postponed. At national level, economic developments over the summer of 2015 negatively impacted on all economic activity in Greece, making it harder for Greeks to do business on international markets.

In this negative environment, the Group achieved a major improvement in its financials, since it successfully implemented 3 energy projects it had undertaken in the USA. It also completed a major capital expenditure plan which had been launched in 2013 to build a new large diameter, special purpose pipes unit primarily for LSAW offshore deep water pipes and to upgrade the ERW/HFI mill to produce pipes of up to 24 m in length, as well to upgrade lining and coating mills to handle pipes of up to 24 m in length. . Now that investments are completed, the Company has expanded its product range to meet the rapidly increasing global demand for high tolerance pipes used to build off- and on-shore gas and oil pipelines.

In the same context, in 2015 Corinth Pipeworks presented consolidated revenues of EUR 296.2 million compared to EUR 188.2 million in 2014, reflecting a rise of 57.4%. Group gross profit stood at EUR 69.8 million compared to EUR 19.2 million the previous year. Consolidated EBITDA was up and stood at EUR 26.4 million compared to EUR 3.6 million in 2014, while consolidated earnings after tax and minority interests stood at EUR 7.8 million (which translates to earnings of EUR 0.0625 per share) compared to losses of EUR 5.6 million in 2014 (which translates to losses of EUR 0.0447 per share). Group net debt on 31.12.2015 stood at EUR 116.2 million compared to EUR 107.7 million on 31.12.2014, primarily due to increase working capital requirements during the year, to help fill orders the Group had accepted.

The international economic environment remains particularly volatile. Oil and gas prices continue to be exceptionally low, negatively impacting on demand for energy sector products. On the other hand, the high value of orders still to be filled by the Company, especially after an order for 270,000 tons of steel pipes for the TAP project was placed, which are to be delivered in 2016 and 2017, the steady USD / EUR exchange rate at levels that make the products more competitive, the low cost of raw materials and commissioning of the new special purpose pipe mill are all factors that are expected to positively impact on Corinth Pipeworks' performance.

The Group's dedication to offering innovative solutions can be seen in practical terms in the priority it attaches to research and development, and in its participation in programmes that are being implemented in partnership with academic bodies and organisations in Greece and abroad. In doing so, it is bolstering its own position and competitive advantages in the energy market, which is a field where continuing technological development, differentiation in the production process and use of cutting-edge technologies plays a vital role.

With a vast degree of accumulated experience, the Corinth Pipeworks Group is now well poised to combine the advantages of extensive production capacity with a wide range of products, putting it among the leading manufacturers in the sector worldwide.

Apostolos Papavasileiou
Chief Executive Officer

Exports to
40 countries



A global sales network

94%

of revenues relates to foreign projects (2006-2015)

Approved supplier of the world's largest oil and gas companies

One of the largest and most technologically advanced steel pipe manufacturers worldwide for the oil and gas industries

Major supplier of hollow structural sections to the construction sector

Production capacity

- LSAW 56" pipe mill: 400,000 tons
- ERW/HFI 26" pipe mill: 400,000 tons
- 100" SAWH pipe mill: 375,000 tons
- ERW/HFI 7 5/8" pipe mill: 150,000 tons



2. Corinth Pipeworks Group of companies

The Corinth Pipeworks Group is one of the world's most important manufacturers of high quality steel pipes used to safely transport oil, gas and water and to carry CO₂ and slurry and is also involved in the building and construction sector. The Group's key products are straight seam welding and submerged welding helical medium and large-diameter steel pipes as well as hollow structural sections.

Corinth Pipeworks' shares have been admitted to trading on the Athens Exchange since 1998. The Company is a subsidiary of Viohalco. Viohalco S.A. (VIO), whose registered offices are in Belgium, is a holding company with holdings in leading metal processing firms in Europe. With production plants in Greece, Bulgaria, Romania, Russia, FYROM, Australia and the UK, Viohalco's subsidiaries focus on technology and are specialised in manufacturing aluminium, copper and steel products as well as cables and steel pipes. Viohalco's portfolio also includes a division dedicated exclusively to technology and research and development as well as a new division specialising in recycling and waste management services. Moreover, Viohalco and its companies have significant land holdings, primarily located in Greece, and have implemented numerous property development projects.

Based in Greece, the Corinth Pipeworks Group has subsidiaries in Greece, the USA, Russia, Cyprus and Poland, their main focus being to support the parent company in operational and production terms, and in terms of customer service and product marketing. Corinth Pipeworks' subsidiaries are listed below:

Corinth Pipeworks' shareholder line-up in 2015

Viohalco S.A.	85.88%
Other shareholders	14.12%

Corinth Pipeworks America Co, USA

Corinth Pipeworks America Co is based in the USA and its goal is to promote Corinth Pipeworks' products and directly provide customer service to the Group's customers, as well as those of Viohalco companies, in North and South America.

Warsaw Tubular Trading, Poland

Warsaw Tubular Trading is based in Poland and its primary activity is to acquire holdings in companies engaged in similar activities.

ZAO TMK – CPW, Russia

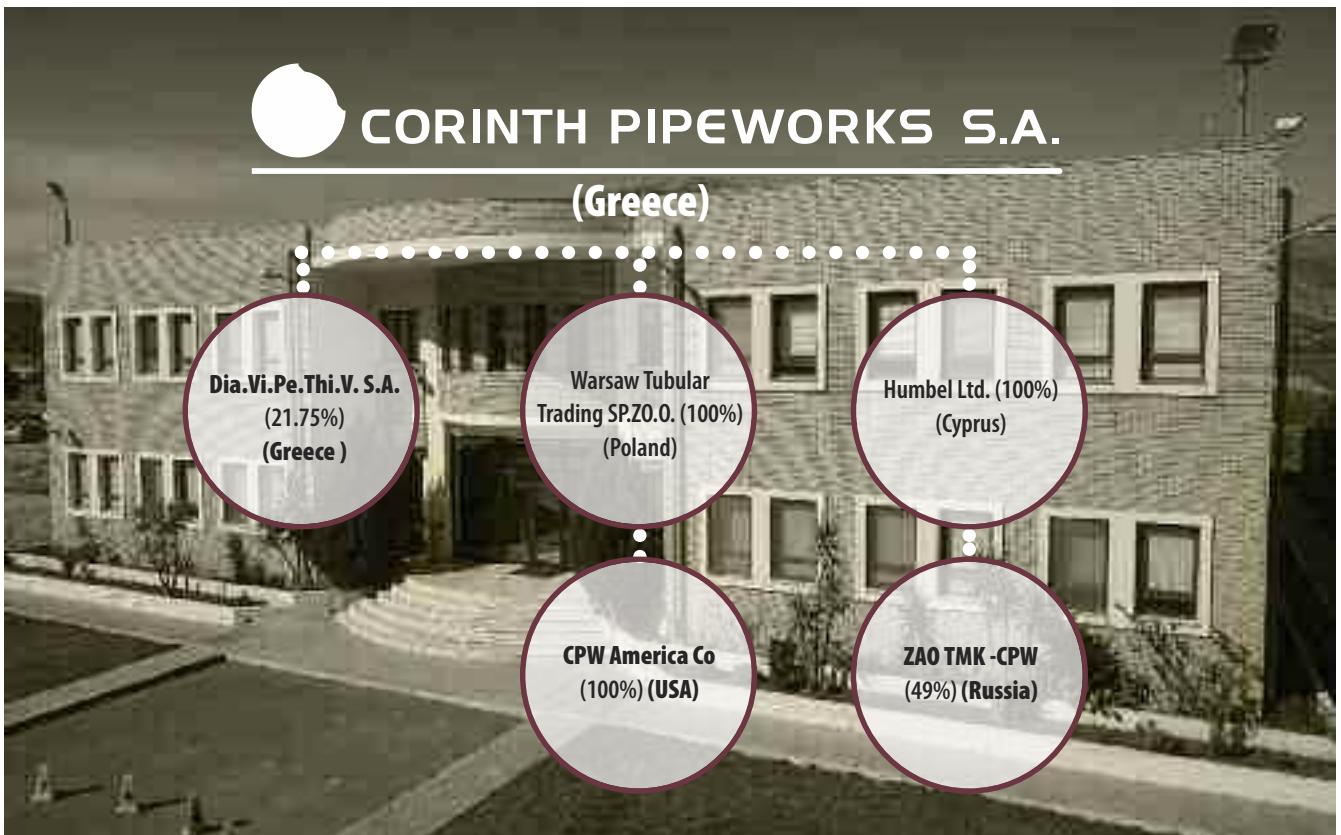
Corinth Pipeworks Group controls 49% of the **ZAO TMK-Corinth Pipeworks** joint venture via its wholly-owned subsidiary Humbel Ltd. ZAO TMK-CPW was set up in partnership with the Russian firm TMK, one of the world's largest pipe manufacturers. It manufactures medium-diameter steel pipes used to transport oil and gas.

Dia.Vi.Pe.Thi.V. S.A., Greece

Dia.Vi.Pe.Thi.V. S.A. is responsible for managing the Thisvi Industrial Area, where the Group's main production plant is located.

Humbel Ltd.

Humbel Ltd. controls 49% of the TMK-Corinth Pipeworks joint venture which manufactures medium diameter steel pipes used to transport oil and gas.



The Corinth Pipeworks Group has the following production facilities:

Thisvi plant - Corinth Pipeworks S.A.

The plant located in the Thisvi Industrial Area of Viotia is the Group's main production plant. The plant became operational in 2001 and overall facilities occupy 49.7 hectares, 10.3 hectares of which are under roof. The Thisvi Industrial Area has a fully-functioning port that operates in accordance with the International Ship and Port Facility Safety (ISPS) Code.

ZAO TMK-CPW production plant

ZAO TMK-CPW production plant is located in the city of Polevskoy in Russia. The plant sells the Company's products on the Russian and CIS markets. TMK is the largest pipe manufacturer in Russia, and one of the sector leaders globally.





3. Milestones

From 1969 to the present day Corinth Pipeworks has had a successful history in the field of steel pipe production and distribution. Throughout its history it has continuously improved its systems and operations, making the Company more effective and ensuring Sustainable Development.

1960s ○ **The Company was established**
1969 - Corinth Pipeworks was established, and the SAWH plant at Corinth commenced operations producing large diameter steel pipes.

1970s ○ **Production expanded and the Company emerged onto the global market**
1977 - Construction work on the ERW/HFI plant at Corinth was completed and production began.

1980s ○ **Certification and quality improvements**
1988 - Corinth Pipeworks received API Q1 certification from the American Petroleum Institute (API).

1990s ○ **Expanded capacity and international recognition**
1992 - The first lining mill became operational.
1993 - The Company's Quality Management System received ISO 9002 certification.
1998 - Shares in Corinth Pipeworks began to be traded on ATHEX.
- The second lining mill became operational.
- The first offshore project abroad was implemented.
1999 - The steel pipe manufacturing plant was upgraded to a HFI plant.

2000s ○ **Production improved and the Company became well-established on the global market**
2000 - Corinth Pipeworks America was founded
- The Company's Health and Safety Management System received OHSAS 18001 certification and its Environmental Management System received ISO 14001 certification.
2001 - The Thisvi Plant commenced operations.
2003 - The Company's Quality Management System received ISO 9001 certification.
2004 - Viohalco acquired a majority stake in Corinth Pipeworks via its subsidiary Sidenor S.A.
- An extensive restructuring plan was launched.
2005 - The Corinth production plant ceased operations.
2006 - Corinth Pipeworks and TMK established a joint venture to manufacture medium-diameter steel pipes in Russia.
2007 - The ZAO TMK-CPW joint venture's plant began operations in Polevskoy, Russia.
2008 - The investment in the large-diameter HSAW steel pipes production mill in Thisvi was completed.
2009 - The ERW/HFI mill was upgraded to produce steel pipes with an outside diameter of 26" (a world first).
- The first Corporate Responsibility and Sustainable Development Report was published in line with GRI-G3 guidelines.

2010s



Improved performance and Sustainable Development

- 2010 - The investment to manufacture hollow structural sections at the TMK-CPW plant in Polevskoy, Russia was completed.
- The 2nd Corporate Responsibility and Sustainable Development Report was published in line with GRI-G3 guidelines. That Report was comprehensive and ranked at GRI Level B.
 - The Corporate Responsibility and Sustainable Development Report received a High Performance Award from the University of the Aegean.
- 2011 - The external coating mill was upgraded with an acid wash facility.
- The 2010 Corporate Responsibility and Sustainable Development Report received a High Performance Award from the University of the Aegean.
- 2012 - A weld-on connectors mill was installed in cooperation with MITE and OSI to provide integrated solutions for casing pipes.
- A Memorandum of Understanding (MoU) was signed with SMS Meer to supply a new production unit for LSAW-JCOE steel pipes to be used for gas and oil transportation.
 - The Corporate Responsibility and Sustainable Development Report 2011 was ranked fourth in the assessment carried out by the University of the Aegean.
- 2013 - Relocation of the ERW/HFI line from the Sovel plant to Thisvi plant was completed. This was done to manufacture steel pipes with an outside diameter ranging from 2" to 7 5/8" in order to meet market needs for construction pipes, hollow structural sections, and thermo-hydraulic networks.
- The 2012 Corporate Responsibility and Sustainable Development Report won prizes at the BRAVO Awards in 4 categories overall, making it one of the best Reports of the year.
- 2014 - Work to install the new gas and oil transportation pipes manufacturing unit using the LSAW-JCOE method with equipment from SMS Meer commenced.
- Our accredited Corrosion Testing Lab, which offers acid environment tests, was completed.
 - 3 contracts for a total quantity of 163,000 tons of lined and coated steel pipes to build pipelines in the USA were signed.
 - The 2013 Annual Financial and Sustainable Development Report was published combining the two reports into one, achieving GRI-G3.1 Level A+ ranking. That ranking was verified by Global Reporting Initiative (GRI).
- 2015 - The investment in the LSAW/JCOE mill to manufacture pipes of up to 18m was completed.
- The ERW/HFI line was upgraded to enable the production of pipes up to 24 m long.
 - The lining/coating mills were upgraded to handle pipes of up to 24 m long.
 - TAP commissioned Corinth Pipeworks to supply large diameter pipes for 495 km (270,000 tons of steel pipes with a diameter of around 48") for the onshore section of the pipeline in Greece.
 - 'Export Excellence' Award as part of the 2015 Made in Greece Awards.
 - 2014 Annual Financial and Sustainable Development Report in a single text, maintaining GRI-G3.1 Level A+ rating, which is the highest rating available.
 - True Leaders Prize at the True Leaders awards organised by the ICAP Group.

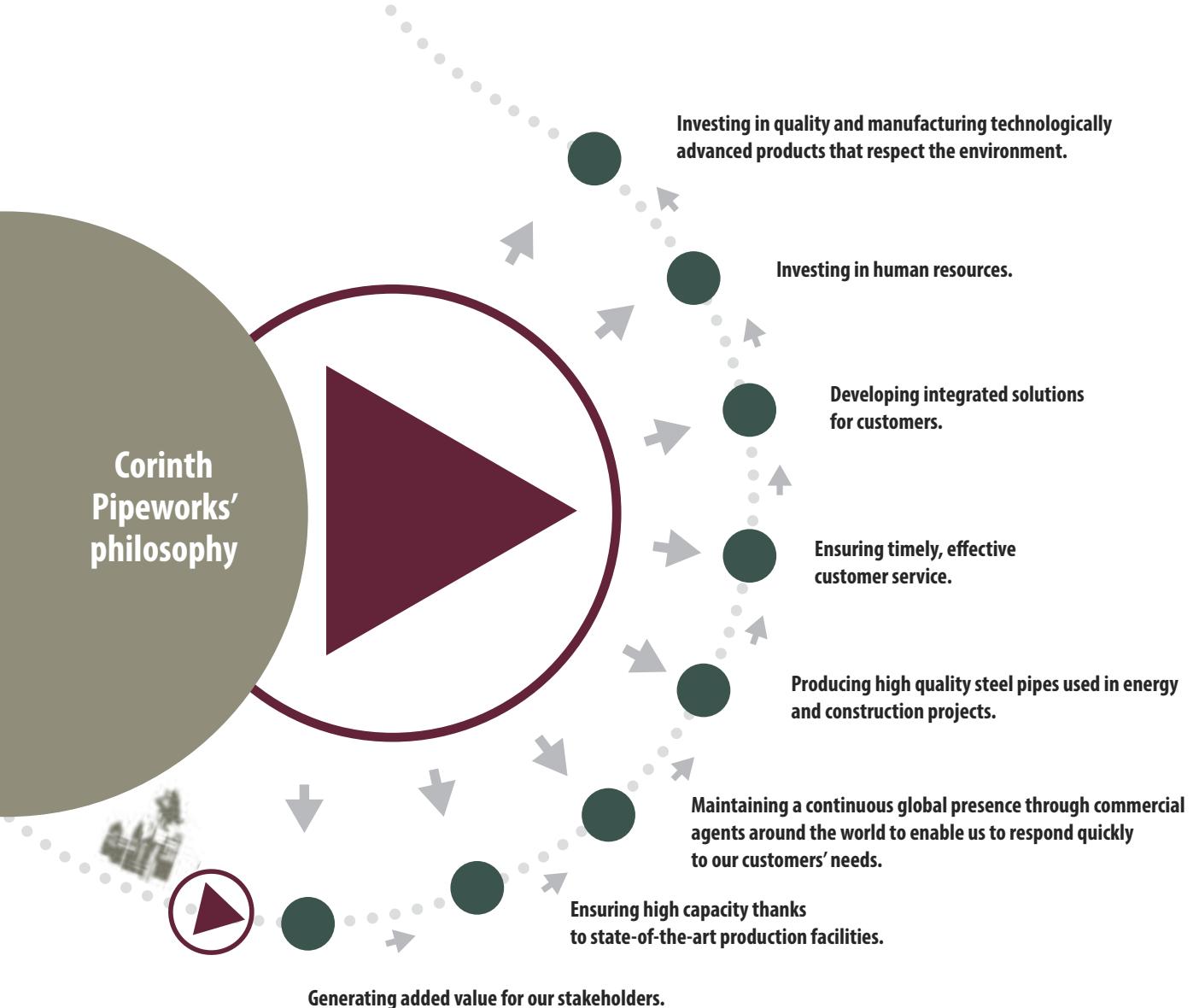


4. Striving for excellence

The philosophy of **striving for excellence** is a key part of Corinth Pipeworks' corporate culture and is reflected in the responsible way in which it operates and in the relationships it cultivates with stakeholders.

The main proponents of this philosophy are our employees, who work using the appropriate tools developed by Corinth Pipeworks, thereby giving the Company new impetus. At the same time, efficiency and target achievement have been reinforced, by setting new targets. Just one of those targets is to promote flexibility in how we respond to the most demanding of customer needs at national and international level.

For Corinth Pipeworks, **striving for excellence** means:



Vision, mission and values

Corinth Pipeworks is constantly evolving, but remains firmly committed to its vision, mission and values. Company commitments, coupled with the philosophy of striving for excellence we have adopted, drive our conduct and the way we interact with customers, associates, suppliers and all stakeholders.

Vision

Our vision is to reinforce our leading position in the global steel pipe market, to be acknowledged by our customers as a supplier of first choice, to provide our personnel opportunities for growth and development, to contribute to the development of the local communities in which we operate and to ensure maximum return for our shareholders.

Mission

- Generate added value for our shareholders
- Support our customers by offering top quality products
- Operate with health and safety in mind
- Respect the environment
- Invest in the personal growth and development of our personnel
- Build long-lasting relationships with our suppliers
- Contribute to the growth and development of local communities

Values

Integrity - Corporate Social Responsibility: We respect the country's laws and regulatory framework, as well as international Corporate Responsibility commitments and initiatives, and act in a responsible, ethical manner.

Commitment: We are a proud Company that takes personal responsibility for achieving top quality results.

Focus on results: We focus on effectively and reliably achieving high quality solutions for our customers.

Technological innovation and pioneering: We focus on technological expertise, to continuously offer high quality results and added-value solutions. We are developing a continuous learning environment for our people and are investing in research and development.

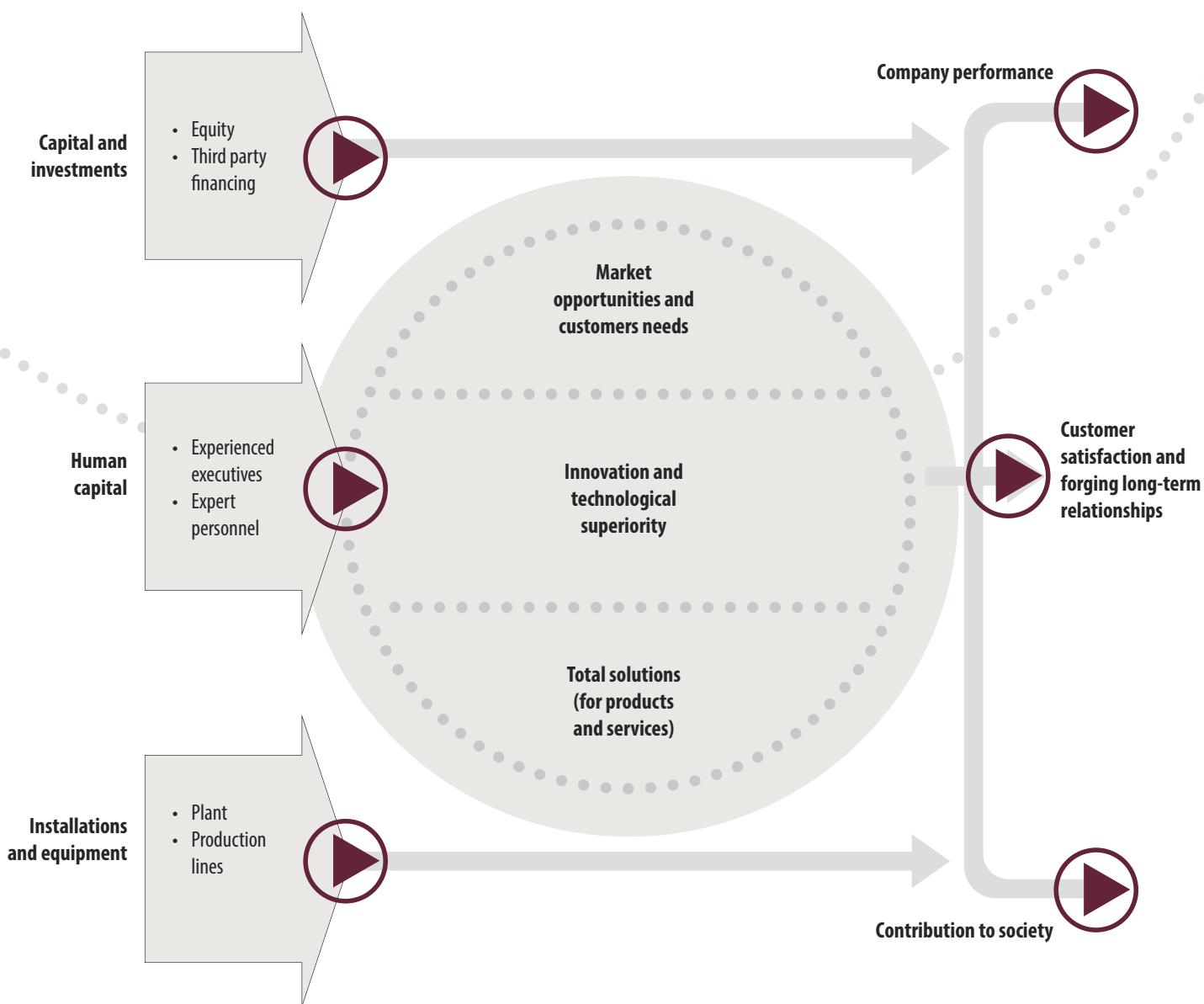
Team spirit: We have opted to work as a team, capitalising on the skills, ideas and views of each and every one of us in the best possible way. We all work together for the Company's benefit and feel a strong sense of shared responsibility.

Meritocracy: We are fair and transparent in all our dealings. We look at individuals' personalities and skills and place them in posts where they can make the maximum contribution and stand out. We think, act and communicate in a consistent way, acting from a place of integrity.



5. Business model, priorities and prospects

Corinth Pipeworks offers competitive products and services, striving for business growth and development that builds in added value for customers and all our associates. At the same time, the Company designates the resources it needs and operates on the global and domestic market to improve financial value for its shareholders. Corinth Pipeworks has factored important parameters into its business strategy such as responsiveness to market and customer needs, adopting technological innovations and maintaining excellent relations with the supply chain. The business model the Company implements, seeks to improve its performance and to develop a significant contribution to the society.



As part of the Company's business model, priorities have been set for sectors key to further growth and development:

Innovation and technological superiority	Customer-oriented philosophy	Corporate Responsibility	Top quality	Competitiveness	Investments in human resources
 <p>Corinth Pipeworks is constantly investing in innovation and cutting-edge technologies to set its product range apart from others, to develop new business opportunities and to meet customer requirements. To that end, it designs and manufactures new, innovative products on its own or in partnership with prestigious Greek and/or international bodies.</p>	 <p>Exceeding our customers' expectations and maximising their satisfaction lie at the very core of Corinth Pipeworks' business operations. The Company has developed a management model under which employees concentrate on meeting our customers' long-term needs and requirements.</p>	 <p>Corinth Pipeworks and its subsidiaries have incorporated the principles of Corporate Social Responsibility into their business operations and how they do things, having recognised that their long-term growth and the prosperity of society at large can only be achieved through Sustainable Development. Corinth Pipeworks has developed a Corporate Social Responsibility and Sustainability Policy and assesses and rates material issues every year.</p>	 <p>Corinth Pipeworks' superiority when it comes to manufacturing high quality products is ensured by collaborating with leading suppliers of raw materials, implementing a certified quality system across the entire spectrum of company operations, a culture of continuous improvement, as well as Management and personnel's commitment to total quality principles.</p>	 <p>The most significant elements in Corinth Pipeworks' competitiveness are high degrees of production efficiency, and optimum use of raw materials, resources and production equipment, coupled with optimised business procedures in relation to operating costs.</p>	 <p>Corinth Pipeworks' most valuable asset is its people. Their ideas and commitment to the Company's sustainable development underpin its success. Corinth Pipeworks invests in its people by adopting cutting-edge HRM practices while offering staff a safe, healthy working environment.</p>

International markets and prospects

Corinth Pipeworks seeks to develop cutting-edge, innovative products and services and, through the investments it implements, is expanding its product range to continue to rank among the top, reliable manufacturers of energy-sector steel pipes worldwide. As a company that seeks to contribute to developments in the dynamic energy sector and the building and construction sectors in which it operates, major emphasis is accorded to research and technology.



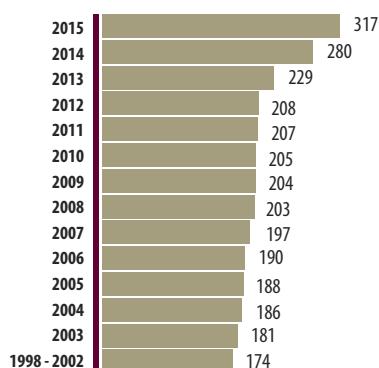
5. Business model, priorities and prospects

The Company focuses on the markets of Europe, Africa, America and the Middle East; regions where new energy and infrastructure projects are expected to be implemented in the years to come. Against that backdrop, Corinth Pipeworks' management team carefully examines both the features and needs of its target markets, developing an appropriate strategy, and then designs and implements investments to consolidate its position in those markets. Thanks to its continued robust capital structure, Corinth Pipeworks expects to further improve its operations, and to capitalise on opportunities created by the increase growth in foreign markets and investments that will be made in new energy and infrastructure sector projects.

Investments

Every year Corinth Pipeworks makes major investments to maintain its technological superiority, and monitors international developments to provide customers with total solutions. These investments generate major benefits for the Greek economy and for the local communities in which the Company operates.

**Corinth Pipeworks' investments
1998-2015 (cumulative in EUR m)**



Our practice

Completion of the new LSAW-JCOE steel pipe production mill

In 2015 Corinth Pipeworks successfully completed a major investment by installing and commissioning the new LSAW-JCOE steel pipe mill.

The LSAW pipe mill (which became available in Q2 2015) can produce pipes with an external diameter from 16" to 56", up to 40mm thick, up to 18.3 m long and with steel grades of up to X100.

Using a pipe finishing press (in addition to the main press) it is possible to manufacture small-diameter pipes starting from 16" with a large wall thickness (1.00").

Thanks to this new investment, the Company has expanded its product range to meet the rapidly increasing global demand for high strength pipes used to build offshore and onshore gas and oil pipelines.

For more information about Corinth Pipeworks' new production plant, please visit:
<http://www.cpw.gr/facilities/thisvi-plant/production/law-pipe-mill/>







6. The Group's financial performance

The international business environment in which the Corinth Pipeworks Group operates was negatively hit in 2015 by the fall in oil and gas prices, which led to many energy projects worldwide being postponed. Having said that, the Group achieved a major improvement in its financials, since it successfully implemented 3 energy projects it had undertaken in the USA and also completed a major capital expenditure plan which had been launched in 2013 to build a new large diameter, special purpose pipes mill primarily for LSAW offshore pipes and to upgrade the ERW/HFI mill to produce pipes of up to 24 m in length, and lining/coating mills to handle pipes of up to 24 m long.

Certain key comments relating to the Group's consolidated financials, accompanied by relevant quantitative data, are provided below.

Sales: Consolidated revenues stood at EUR 296.2 million compared to EUR 188.2 million in 2014, reflecting a rise of 57.4%. Energy sector sales stood at EUR 268.3 million compared to EUR 160.6 million in 2014, reflecting a rise of 67%, while hollow structural section sales stood at EUR 27.9 million, up 1.1% compared to 2014 (EUR 27.6 million).

Gross profit: Consolidated gross profit stood at EUR 69.8 million compared to EUR 19.2 million in 2014. The rise in gross profit, compared to last year was due to the major rise in the volume of sales, and higher added value projects carried out in 2015 compared to the previous year. At the same time, the gross profit margin also rose to 23.6% compared to 10.2% the previous year.

Administrative expenses: There was a drop of around 4.9% (EUR 5.8 million compared to EUR 6.1 million in 2014).

Selling expenses: They stood at EUR 46.4 million compared to EUR 21.9 million in 2014. The rise in selling expenses compared to the previous year was primarily due to losses from derivatives reported by the Company and Group in 2015 from foreign currency hedging, and the increase in direct selling costs (transport, third party fees, etc.) due to the corresponding rise in the volume of sales and special delivery terms for the projects carried out in 2015 compared to those in 2014.

Net financial expenses: Financial expenses stood at EUR 7.9 million compared to EUR 3.0 million 2014. This increase in net financial expenses compared to the previous year was primarily due to the higher levels of working capital required during the year to fill orders, which is reflected too in the significant rise in revenues, and the investment capital valuation exchange differences.



Consolidated financial results (amounts in EUR '000)	2013	2014	2015
Revenues	165,365	188,190	296,223
Gross profit	16,270	19,211	69,798
EBITDA	4,637	3,608	26,382
EBIT	-5,107	-4,026	18,510
Earnings before tax	-3,420	-4,909	12,100
Earnings attributable to shareholders	-6,138	-5,556	7,759

Change in financials (%)	2013	2014	2015
Revenues	-29.5%	13.8%	57.4%
Gross profit	-63.1%	18.1%	263.3%
EBITDA	-78.2%	-22.2%	631.1%
EBIT	-153.2%	21.2%	559.8%
Earnings before tax	-129.0%	-43.5%	346.5%
Earnings attributable to shareholders	-163.6%	9.5%	239.7%

Profit margin (%)	2013	2014	2015
Gross profit	9.8%	10.2%	23.6%
EBITDA	2.8%	1.9%	8.9%
EBIT	-3.1%	-2.1%	6.2%
Earnings before tax	-2.1%	-2.6%	4.1%
Earnings attributable to shareholders	-3.7%	-3.0%	2.6%

Consolidated statement of financial position (amounts in EUR '000)	2013	2014	2015
Assets			
Fixed assets	116,143	155,058	183,615
Other non-current assets	24,219	17,583	15,815
Inventories	50,402	83,726	69,316
Customers and other receivables	58,031	94,725	49,456
Other current assets	1,334	1,709	1,789
Cash and cash equivalents	41,070	9,575	19,457
Total assets	291,199	362,376	339,448
Equity and liabilities			
Long-term bank debt	52,549	76,797	76,625
Other long-term liabilities	16,142	14,467	18,356
Short-term loan obligations	1,449	32,312	58,987
Other short-term liabilities	64,758	98,983	36,039
Total liabilities	134,898	222,558	190,007
Total equity attributable to shareholders	156,301	139,818	149,441
Total equity	156,301	139,818	149,441
Total equity and liabilities	291,199	362,376	339,448





6. The Group's financial performance

Consolidated cash flows (amounts in EUR '000)	2013	2014	2015
Operating cash flows	8,777	-30,607	27,340
Investing cash flows	-18,697	-45,185	-36,233
Financing cash flows	23,685	43,700	18,316
Total cash flows	13,765	-32,092	9,423
Cash on hand at year start	27,506	41,070	9,575
Foreign exchange differences	-201	597	459
Cash on hand at year end	41,070	9,575	19,457

In short, Group consolidated pre-tax results were profits of EUR 12.1 million compared to losses of EUR 4.9 million in 2014. Consolidated results net of tax were profits of EUR 7.8 million compared to losses of EUR 5.6 million in 2014.

Net debt in 2015 stood at EUR 116.2 million compared to EUR 107.7 million in 2014. Likewise, long-term loans in 2015 stood at EUR 76.6 million compared to EUR 76.8 million in 2014, while short-term debt rose in 2015 to EUR 59.0 million compared to EUR 32.3 million in 2014, due to higher working capital requirements. Equity stood at EUR 149.4 million, up compared to the figure of EUR 139.8 million in 2014.

Analysis of financial ratios

Some of the Group's key financial ratios are set out below.

Viability ratios		2013	2014	2015
Financial expenses coverage ratio*				
*EBITDA / net financial expenses	Times	1.51	1.20	3.33
Debt / Equity ratio	Times	0.86	1.59	1.27

Liquidity ratios		2013	2014	2015
Current ratio	Times	2.28	1.45	1.47
Quick ratio	Times	1.52	0.81	0.74

Both the liquidity and viability ratios have changed considerably due to the rise in both long- and short-term debt. Long-term debt has risen to finance construction of the new large diameter pipe mill. Short-term debt has risen primarily because of the greater need for working capital due to the large orders the Group took on at the end of 2015.





Activity ratios		2013	2014	2015
Inventory turnover ratio	Days	123	181	112
Receivables turnover ratio	Days	128	184	61
Accounts payable turnover ratio	Days	110	181	57
Cash conversion cycle (1+2-3)		141	184	116

Due to the nature of the Company's business operations, which are similar to those of the construction sector / project implementation sector, the cash conversion cycle ratios can be highly volatile especially in periods when large projects are being implemented.

As for the Russian energy market, because of the continuing problems the Russian economy faces and the further decline in the Russian rouble / EUR exchange rate in 2015, there was a dramatic drop in profitability for ZAO TMK – Corinth Pipeworks in which the subsidiary Humbel Ltd. has a 49% stake. That company, which operates on the Russian energy market, reported earnings after tax of EUR 2.5 million (down 33.7% compared to 2014).





CORINTH PIPEWORKS S.A.

7. Global presence

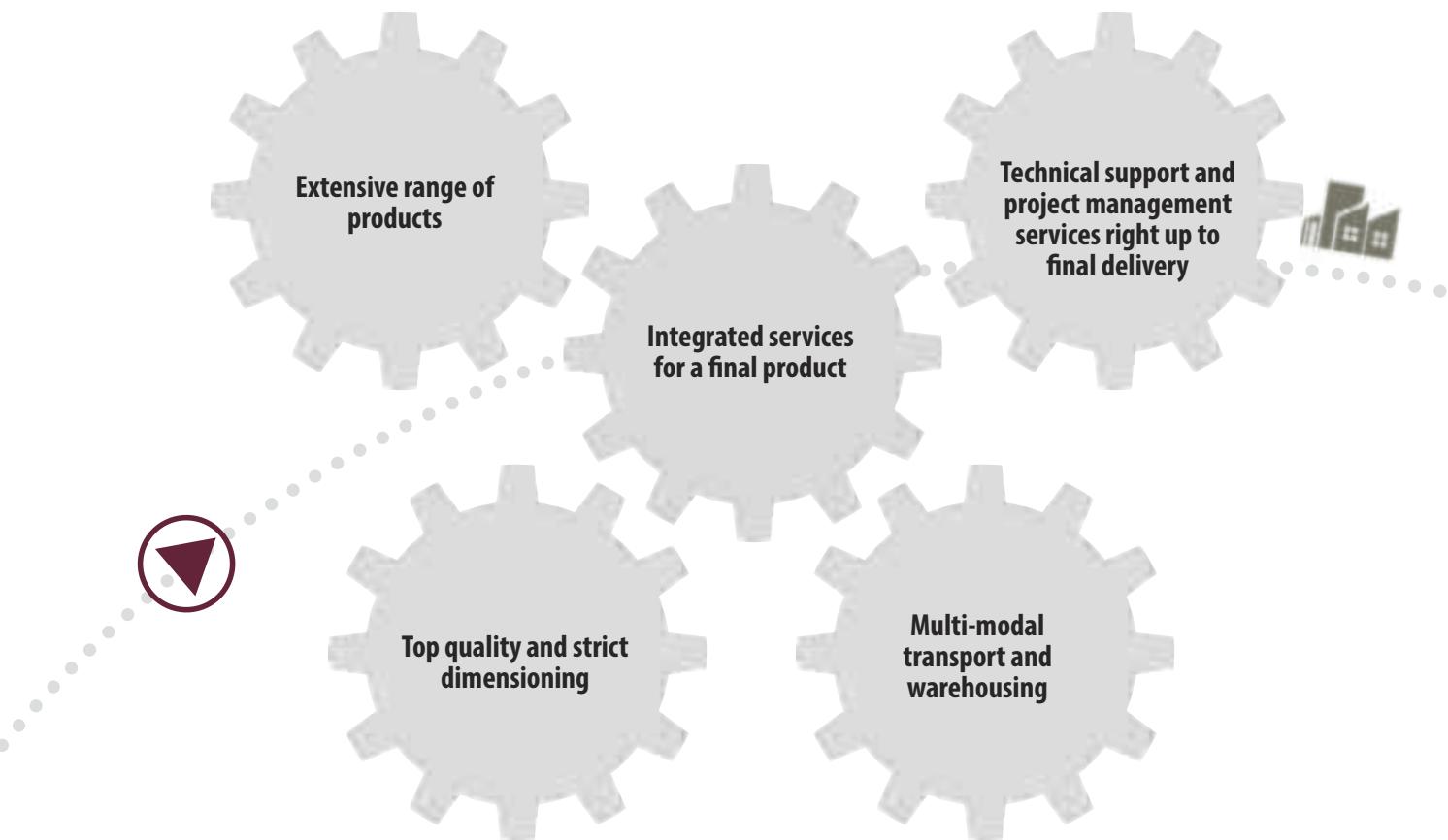


Every day 4km of Corinth Pipeworks pipes are installed somewhere around the world

Corinth Pipeworks combines pipe manufacturing expertise with a customer-oriented philosophy to meet even the most demanding needs of the market

7.1 Products and services

Corinth Pipeworks manufactures and distributes top quality products on the global and domestic markets, offering a series of value-added services that set it apart from the competition. Company products stand out for their technical characteristics, since they are according to international standards, and can be specifically tailored to meet customer requirements and specifications. In particular, the Company is well poised to offer customers total solutions, meaning a successful combination of high added value products and specialised services based on a one-stop-shop philosophy.



Delivering **solutions** to the world



7. Global presence

Products

Corinth Pipeworks' products are used to transport oil, gas, water, CO₂ and slurry and in the construction sector.

Onshore and offshore pipelines for oil and gas transportation

Pipelines for oil and gas transportation are manufactured for the energy sector with either external coatings or internal linings to ensure corrosion protection and the frictionless flow of the energy resources being carried. The autogenous welding process using high frequency induction (ERW/HFI), the LSAW process and the HSAW process guarantee high production reliability and dimensional accuracy.

Depending on their intended use, line pipes used for oil and gas transportation need to meet specific quality characteristics and standard. Compliance with safety standards is a vital prerequisite when manufacturing them.



Casing pipes

Casing pipes, used during drilling and extraction of oil and gas, are manufactured using the high frequency induction welding process (ERW/HFI) and are manufactured at grades H 40 and J 55 in compliance with the requirements of the International Standards (API 5CT / ISO 11960) or customer specifications. The ERW/HFI process guarantees reliable production and a high degree of accuracy of dimensional characteristics. Casing pipes are available to customers either with plain ends or with weld-on connectors.



Hollow structural sections

Hollow structural sections are primarily used in the construction sector. They are extremely important structural components in various types of engineering projects and, in particular, in metal constructions. The end products can be round, rectangular or square in shape, while their length is determined by customer specifications in each individual case. Hollow structural sections are manufactured in accordance with the European Standard EN 10219-1.



Pipelines for water transportation

Pipelines for water transportation are manufactured in order to transport water to long distances networks and to distribute it to places where it will be consumed. In accordance with customer requirements, the pipes can be externally coated or internally lined, thus ensuring corrosion protection and smooth water flow, in compliance with all hygiene and drinking water requirements.



Services

Corinth Pipeworks seeks to be the supplier of choice for the energy and construction sectors. Operating in what is a competitive market, the Company aims to carefully analyse customer requirements so as to not only effectively meet those requirements but exceed expectations. As a company offering total solutions, Corinth Pipeworks also provides its Greek and international customers with a series of value-added services. These include:

- Internal lining and external coating of pipes manufactured by other pipe mills.
- Tests on raw materials and end products in line with the EN / ISO 17025 standard at Corinth Pipeworks' accredited laboratory. Sour service performance testing (HIC and SSCC) is also available at its laboratory.
- Weld-on connectors units for casing pipes using in drilling/pumping facilities.
- Additional work at its facilities, such as treating, cutting, prefabricating and affixing special markings.
- Alternative solutions for the steel pipe manufacturing method, to reduce the cost of materials without compromising on functionality or quality (such as welded pipe solutions instead of seamless pipes, which have a significantly higher cost and longer delivery time).
- Optimum packaging, transport and storage processes
- Supply of pipes or subcontracting of pipe coating outside Corinth Pipeworks' own product range, to approved subcontractors as part of large projects, thus enabling us to offer total solutions.
- Multi-modal transportation of pipes, including loading on ships, offloading, and carriage by sea, carriage by rail, offloading and transport by trucks.





7. Global presence

7.2 Facilities – Production process



Corinth Pipeworks’ main production plant is at the Thisvi Industrial Area in Viotia, Greece. The Company also runs another plant in Polevsky, Russia, in partnership with the ZAO TMK-Corinth Pipeworks joint venture.

Thisvi plant (Greece)

1. ERW/HFI pipe mill

The raw material used in high frequency welding method (ERW/HFI) is a hot rolled steel coil. The edges to be welded are mechanically pressed together, and the heat required to generate the weld is created by the resistance of the edges to the electrical current flowing through them.

The ERW/HFI pipe mill manufactures pipes whose diameter ranges from 8 5/8” to 26”, with steel grades of up to X80 and wall thicknesses ranging from 4.78 to 25.4 mm and pipe lengths up to 23.2 m. The ERW/HFI pipe mill also manufactures large hollow structural sections (ranging from 180x180 to 500x500 and 600x400 mm) used widely in the metal constructions sector. The mill was manufactured by the German firm SMS-Meer.

2. 7 5/8” ERW/HFI pipe mill

The ERW/HFI pipe mill manufactures pipes whose diameter ranges from 2” to 7 5/8”, with steel grades of up to S355J2H and wall thicknesses ranging from 3 to 10 mm. The ERW/HFI 7 5/8” steel pipes are widely used in the construction sectors, networks and drilling. The mill was manufactured by the German firm SMS-Meer.

3. 100” SAWH mill

The Submerged Arc-Welded Helical (SAWH) mill manufactures large diameter steel pipes from high quality hot rolled steel coils. Welding is achieved by joining the ends of the metal together using submerged arc welding (SAW) techniques.

The SAWH mill manufactures pipes whose diameter ranges from 24” to 100”, with steel grades of up to X80 and wall thicknesses ranging from 6.00 to 25.4 mm. The mill was manufactured by the German firm MEG / SMS-Meer.

4. 56" LSAW pipe mill

In 2015 our investment in a LSAW-JCOE pipe was completed. LSAW large diameter, and high wall thickness pipes are manufactured using longitudinal submerged arc welding technology, which are used primarily in offshore pipelines. The raw materials used are hot rolled steel plates of specific width and length depending on the specifications required in each case. The new mill is able to manufacture pipes with an external diameter ranging from 16" to 56", wall thickness of up to 40 mm, pipe lengths of up to 18.3 m and steel grades of up to X100.

5. Weld-on connectors facilities

This facility manufactures weld-on connectors for casing pipes, offering customers a comprehensive end product. The weld-on connectors facility is run in partnership with MITE and OSI, offering services to the wider Mediterranean market.

The weld-on connectors facility can handle pipes with a diameter from 6 5/8" to 42", steel grades of up to X100 and wall thicknesses of up to 25.4 mm. The facility was built by Corinth Pipeworks and OSI.

6 and 7. External coating mills

TCP 40 mill: This mill provides steel pipe coatings such as triple layer of polyethylene (3LPE), polypropylene (3LPP) and single or dual layers (FBE) of fusion bonded epoxy. The TCP 40 mill can coat pipes with an external diameter of up to 40".

TCP 100 mill: This mill provides similar external coatings for pipes with an external diameter of up to 100". The TCP 100 mill underwent an upgrade to enable coatings to be applied to pipes of up to 23.2 m long.

8. Internal lining mill

TLP 56 mill: The TLP 56 mill provides internal coating of steel pipes with epoxy lining materials. It can process pipes with an external diameter of up to 56". This mill underwent an upgrade to enable coatings to be applied to pipes of up to 23.2 m long.

9. Accredited quality control lab

Corinth Pipeworks' Quality Control Lab is accredited by the Hellenic Accreditation System in line with EL0T EN ISO/IEC 17025, which certifies the lab's technical competence and guarantees the top level of services it offers to in-house and external customers. As an accredited lab, the lab collaborates with other accredited bodies to calibrate its equipment, actively participates in international inter-lab tests and constantly reviews the quality of its tests using certified benchmark testing materials. The lab's personnel are fully trained and can provide a wide range of tests in line with international regulations and standards such as ISO, ASTM, NACE, API and others. Sour service performance testing (HIC and SSCC) is also available at the new laboratory.

10. Port facilities

Fully-functioning port facilities are available at the Thisvi Industrial Area some 2 km from the Thisvi plant. These facilities which Corinth Pipeworks has exclusive use of, ensure it can achieve competitive transport costs, while also benefiting from shorter raw materials delivery times and improved end product delivery times. The Thisvi Industrial Area's port facilities have 2 docks: Dock A which has a docking depth of 11.10 m and is 205 m long and Dock C which has a docking depth of 9.50 m and is 90 m long.

The IMO has assigned the port facilities the international code GRITA 0001.

11. Storage facilities

Both raw direct and indirect materials used by Corinth Pipeworks and end products (before being shipped off to customers) are stored in suitable facilities.

Polevskoy plant (Russia)

The Group's first production facilities beyond the borders of Greece were opened for business in 2007 by the ZAO TMK-Corinth Pipeworks joint venture. The ZAO TMK-Corinth Pipeworks joint venture's facilities are in the city of Polevskoy in the Seversky region of Russia, located within the Seversky Tube Works (SWT), which is a subsidiary of TMK.

The plant's primary activity is to manufacture high-frequency welded pipes with a diameter of up to 21". The equipment used meets high technical specifications and manufactures pipes with an outer diameter ranging from 168 to 530 mm, wall thicknesses from 4.8 to 12.7 mm and lengths of up to 18 m as well as hollow steel sections in line with international quality standards.



7. Global presence

7.3 Quality management

For decades now Corinth Pipeworks operates on highly demanding, and highly competitive global markets that offer major prospects for growth. To bolster its competitiveness in those markets and enable the Company to grow profitably, Corinth Pipeworks implements a certified Quality Management System that complies with the requirements of international standards.

The foundations of quality

Quality management procedures and guidelines developed in accordance with international standards, a deep understanding of customer expectations, coupled with the Company's experience are the foundations on which quality rests.

Principle of prevention

Systematic application of proactive quality assurance methods and tools helps one avoid failures. For Corinth Pipeworks, prevention is more important than eliminating defects.

Supplier responsibility

The Company's suppliers contribute to the quality of products manufactured and services offered. They therefore need to comply with the same high quality standards as the ones adopted by Corinth Pipeworks.

Management and employee responsibility

Quality improvement is a responsibility and overriding goal for everyone at Corinth Pipeworks, from Senior Management to trainee employees.

Quality assurance of the products and services provided is an important part of Corinth Pipeworks' strategic plan and relates to everyone involved in implementing it, from senior management to suppliers, so as to ensure customer satisfaction.

Corinth Pipeworks manages the quality of its products and services:

- By putting emphasis on understanding customer requirements and constantly meeting them.
- By identifying and addressing risks and opportunities for customer satisfaction and product conformity with customer requirements.
- By developing policies and procedures across the entire range of operations and by making the resources needed available.
- By assessing the effectiveness of implemented policies and procedures.
- By monitoring and evaluating the results generated by the implementation of those policies and procedures.
- By revising and improving policies and procedures whenever that is considered necessary.

More information about Corinth Pipeworks' Quality Policy can be found on our website www.cpw.gr in the section entitled 'Quality'.

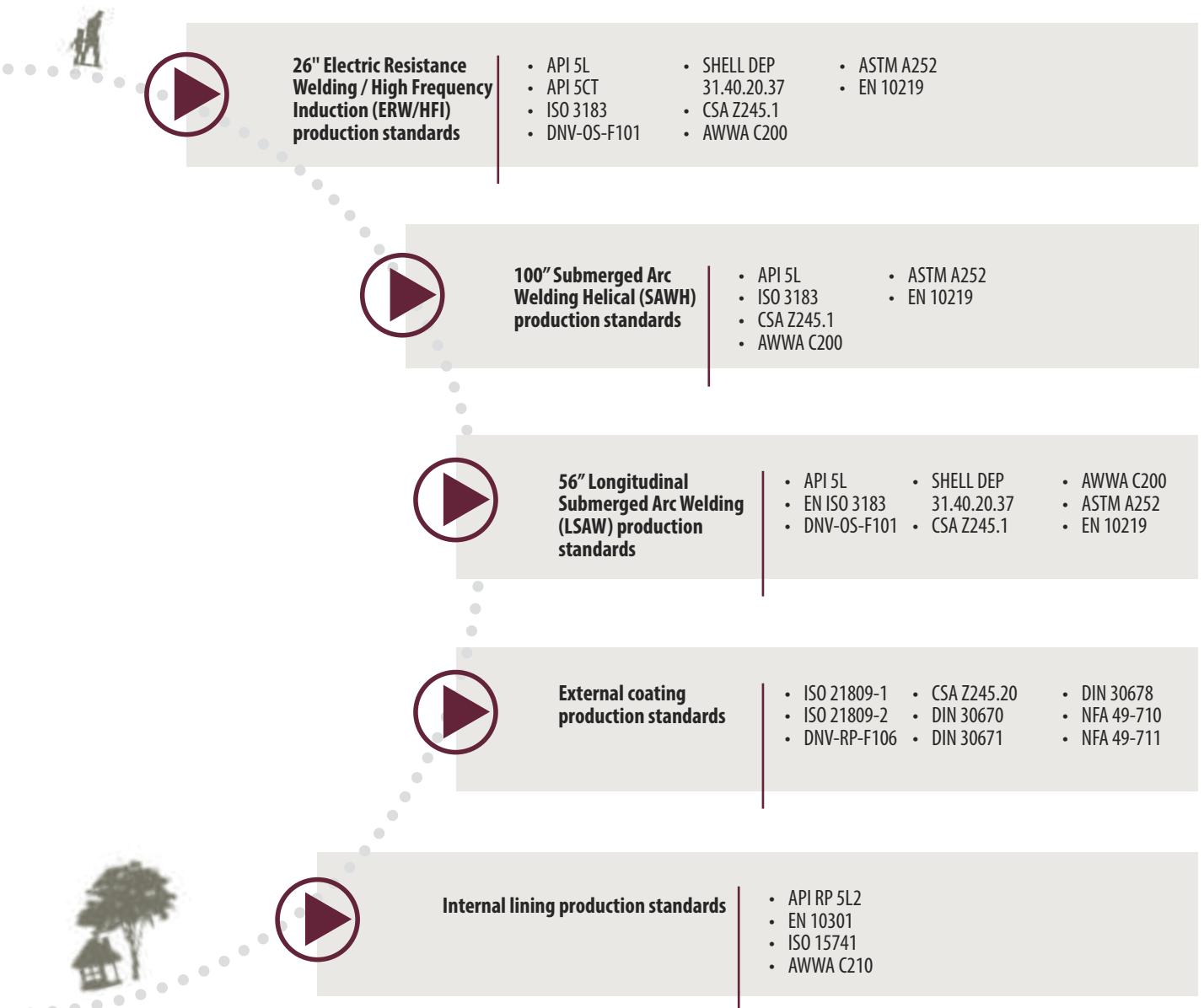




7. Global presence

Product labelling and responsible information

Very specific manufacturing standards are followed during all stages of the Corinth Pipeworks' production process, enabling all products to be labelled properly. In doing so, the Company confirms compliance with exacting standards during the production process, thereby enabling product traceability and identification.





All Corinth Pipeworks' products and services are checked to ensure conformity with legislative and regulatory requirements in terms of the necessary accompanying information. Specifically, product information includes data for:

- Raw materials,
- Content of substances that could have an environmental or social impact and
- Safe product usage.

When delivered to customers, all company products are accompanied with a quality certificate prepared in accordance with the requirements of international standards (EN/ISO) confirming the production process specifications, the raw materials used and the end product. Depending on the specifications defined in each contract, products may also be accompanied by a data book containing information about all the tests carried out. Customers also receive documented transportation, storage and usage instructions for our products.



7. Global presence

7.4 Customer service

In today's constantly evolving business environment, adopting a customer-focused philosophy is a strong competitive advantage. Corinth Pipeworks builds its strategic approach on managing and serving customers based on specific criteria, including each individual customer's requirements, ongoing communication and tailor-made solutions. The new investment made in 2015 will make a significant contribution to a stronger presence for Corinth Pipeworks in new markets, showcasing the range of products and services on offer, while also bolstering customer satisfaction and customer retention levels.

We interact with customers in a consistent, reliable manner, responding to their individual technical requirements, offering them value-added services. We make sure that customers receive top quality products and services, as well as on going information about the progress of their order.

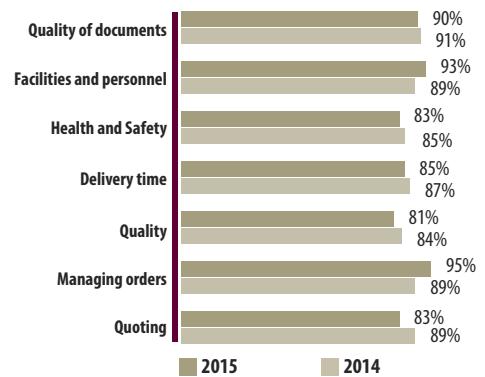


Customer satisfaction survey

Corinth Pipeworks methodically monitors customer satisfaction levels in order to improve its products and the services it offers. We aim to maintain excellent customer relations, and after each project undertaken is completed, we conduct customer satisfaction surveys in line with the international standards API Q1 and EN ISO 9001:2008. We send out a specific questionnaire to be filled out by customers. In it, they are asked to answer a series of questions and score each topic by order of importance.

After being revised in 2014, the questionnaire now also includes issues of Company performance on Corporate Social Responsibilities topics.

Customer satisfaction survey 2014-2015



Comparative presentation of the results of open-ended questions:

2015 87%



2014 66%

of customers who answered the customer satisfaction survey

33%



37%

of customers aware about the Company's Corporate Social Responsibility and Sustainability Policy

96%



96%

of those asked who would cooperate with Corinth Pipeworks again

92%



86%

Company score for overall performance during project implementation.



7. Global presence

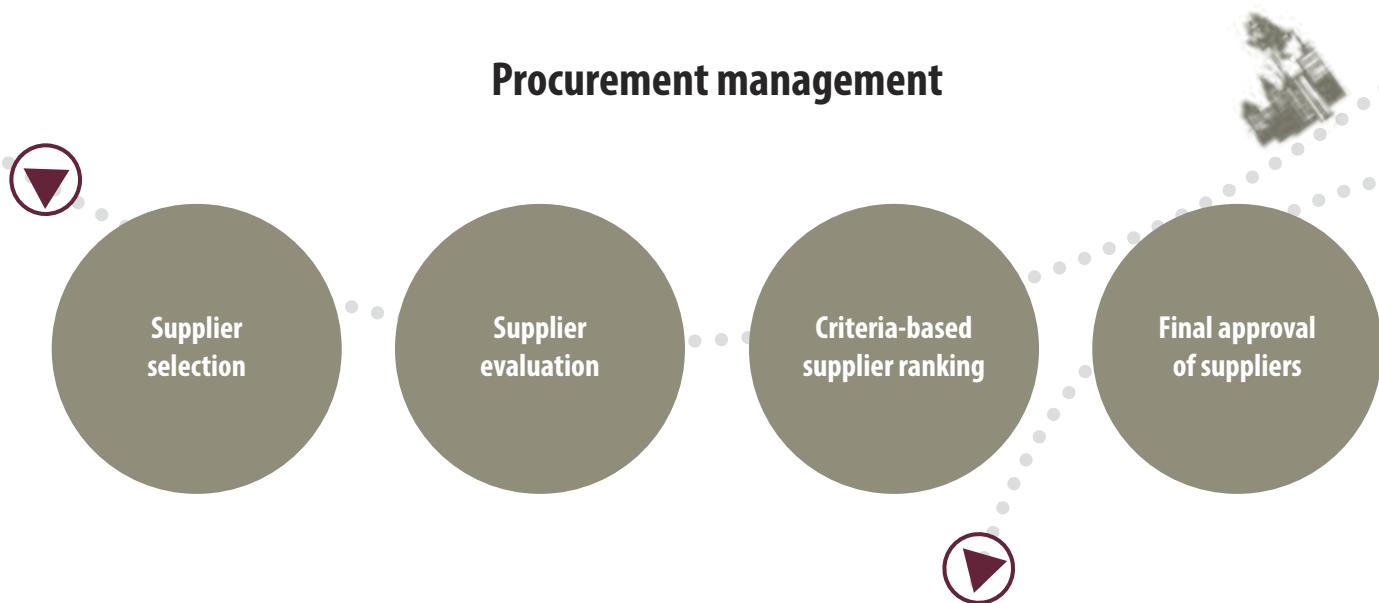
7.5 Supplier management

Corinth Pipeworks' firm goal of using top quality raw materials defines our long-term partnerships and trust-based relationships with respected suppliers. By carefully choosing the suppliers it cooperates with, the Company hopes to maximise gains on both sides.

Since the quality of raw materials is bound up with the quality of the end product, and therefore with customer satisfaction, the Company views suppliers as valuable partners and an integral part of its business operations.

Corinth Pipeworks' suppliers are divided into suppliers of raw materials, indirect raw materials, consumables, spare parts and other supplies, to make it easier to communicate with them and manage them. The Company collaborates with all suppliers that meet specific, objective criteria such as high quality, delivery times and service times, competitive prices, etc.

Procurement management



The specific stages in the supplier management process are outlined below:

Supplier selection



When seeking out suppliers, experience personnel from Corinth Pipeworks conduct a targeted market survey to approach those suppliers capable of offering the items required. To evaluate suppliers, we examine information from published data, as well as information from other companies that have already worked with those suppliers.

The Company opts for local suppliers if collaboration with the local supplier under the same terms and conditions is possible, or the specific supply of materials can be achieved under those same terms.



Supplier evaluation and re-evaluation

In this stage the Company's procurement managers contact potential suppliers asking for additional data and documents and get them to fill out a questionnaire to create records for each supplier. Evaluation and/or re-evaluation of suppliers relies on a series of criteria such as quality, financial situation, environmental and health and safety criteria as we strive to cultivate deeper awareness of corporate responsibility issues throughout the entire supply chain.



Criteria-based supplier ranking

In the next stage, suppliers are scored and ranked in light of the information provided, and the documents and data requested.



Final approval or rejection of suppliers

In the final stage, suppliers are either included in the list of associated suppliers, or rejected.



Quality of raw materials



Comprehensive range of mechanical equipment



Adequacy and skill of technicians



Quality, adequacy, speed and reliability in delivering orders



Existence of a certified Quality Management System



Existence of a certified ISO 14000 Environmental Management System or other equivalent certification*



Existence of a certified OHSAS 18001 Occupational Health and Safety Management System or other equivalent certification*

Suppliers' evaluation criteria

* Corinth Pipeworks attaches particular importance to its suppliers having a certified ISO 14001 Environmental Management System or other equivalent certification (or their intention to obtain certification in the near future). As a Company which strives to promote protection of the natural environment, Corinth Pipeworks seeks out suppliers with the relevant certificates. When specific materials are being ordered and procured we may also require suppliers to hold REACH certification and to send us the relevant Material Safety Data Sheets (MSDS).



7. Global presence

If appropriate, Corinth Pipeworks also uses additional methods and criteria to evaluate its suppliers and subcontractors, including:

- Inspecting their facilities
- Checking products or services upon delivery
- Placing trial orders* and using materials / services
- Having a quality system in line with an internationally recognised standard such as API, ISO, and so on.

** Note that Corinth Pipeworks places trial orders for each production line a supplier has.*

Suppliers and the use of raw direct and indirect materials

Corinth Pipeworks forges trust-based relationships with suppliers and ensures lasting collaborations. The Company procures significant quantities of spare parts for machinery, high-tech parts and industrial consumables and materials vital for its production processes, maintenance work and running its plants in general. Corinth Pipeworks has developed a series of indicators to check usage of raw direct and indirect materials in the production process, which it monitors closely. In 2015 Corinth Pipeworks collaborated with 627 suppliers in total out of the 1,703 in its active supplier list. The main materials procured, used and consumed are presented in the table below.

Category	Type of material	Unit of measurement	Quantities 2014	Quantities 2015
Raw material	Steel coils **	tons	*	*
	Materials for internal and external anti-corrosion lining/coating and pipe welding	tons	3,300	2,000
Materials used in process	Lubricants (oil-grease)	Kg	66,212	108,575
	Oil (diesel, heating oil, generator oil)	Lt	496,000	872,083
	Butane-propane mixture	Kg	208,500	208,170
Packaging and product shipment materials	Timber for pipe shipments	m ³	2,651	2,533
	Rope for pipes	Kg	51,193	113,200
	Plastic pipe caps	items	22,750	14,600
	Metal strap for packing hollow sections	Kg	64,642	120,997
	Belts to secure / hoist cargo	items	1,970	3,017
	Other items needed to secure/hoist cargo (hooks, clasps, shackles, etc.)	items	1,711	3,223

** The Company prefers not to publicly disclose this specific data.*

*** The Company wishes to utilise steel, which is the key raw material, to the greatest extent possible and to optimally use other materials in order to contribute to the maximum possible reduction in natural resource usage.*





7. Global presence

7.6 Research and new technologies development in steel pipe production

Corinth Pipeworks' business sector is particularly competitive, marked by constant technological developments and changes in the production process. Thanks to staff members who constantly monitor developments and innovations in the sector, the Company is able to take on ground-breaking technical projects and has developed various partnerships with respected institutions and international research bodies.

Our practice

Developing know-how for the manufacture of offshore pipes that are subjected to plastic strain during installation

Reel-laying is a special method for offshore pipelines installation, during which pipes are subjected to plastic strain which affects their mechanical properties. The method is considered more cost effective than others (S-lay, J-lay) since the pipeline is welded onshore.

Corinth Pipeworks conducted an extensive programme of in-house tests and analyses at the ERW/HFI mill, taking account of the strictest requirements laid down in international standards and specifications. Utilising the know-how developed and capitalising on the results generated, in 2015 for the first time Corinth Pipeworks accepted an order for ERW/HFI pipes which will be installed with the reel-laying method.

The pipes were manufactured and delivered during the first quarter of 2016.



Technical works

Welding temperature monitoring at the ERW/HFI 26" mill

The high frequency welding process, used for ERW/HFI pipes, utilises pressure and heat in order to join the strip edges of the tube without the addition of a filler metal. Considering the severe conditions which exist in the welding area, the welding temperature cannot be measured using conventional techniques (such as pyrometers). That is why none of the international standards on pipe manufacturing (API 5L, EN 10208-2, ISO 3183, DNV-OS-F101) requires continuous monitoring of the welding temperature. Making use of a customised, dedicated thermography application, Corinth Pipeworks installed a high frequency thermographic camera in order to continuously monitor the welding temperature and to investigate the user of welding temperature in process control.

Application of inert atmosphere in the welding process at the ERW/HFI 26" mill

Research has shown that using an inert atmosphere in the ERW/HFI welding area can improve the quality of welding. More specifically, the more the formation of oxides is inhibited during welding, the smaller the probability that these oxides will be trapped in the weld, which significantly improves its mechanical properties. That is particularly important for pipelines operating at very low temperatures.

Corinth Pipeworks is also examining the effect of inert gas on ERW/HFI welding, and is considering installing the first trial device at an industrial level.

Application of phased array for pipe end testing at the ERW/HFI 26" mill

Corinth Pipeworks installed a phased array technique for testing ERW/HFI weld seam at pipe ends. Phased array technology is the latest development in terms of ultrasonic non-destructive testing. Use of phased array technology significantly improves the quality of testing, while at the same time is an innovative application of ultrasonic testing in the industry.

Determining temperature of change from ductile to brittle fractures using magnetic methods

The Drop Weight Tear test (DWTT) is one of the most important tests in the steel pipe industry associated with pipe ductility at subzero temperatures. Corinth Pipeworks developed a suitable non-destructive experimental device which records specific magnetic features of the steel being examined associated with its microstructure. Corinth Pipeworks also developed a method for determining the temperature of change from ductile to brittle fractures by analysing the material's magnetic features.

Institutes

EPRG (European pipeline research group)

EPRG is a certified association of European pipe manufacturers and gas transportation companies. Its members include the largest pipe manufacturers and pipeline users (oil and gas companies). The Group develops major research programmes in all fields of interest at international level through its collaboration with the respective organisations in the USA (PRCI) and Australia (APIA).

EPRG consists of 4 technical committees (plenary, design, materials and corrosion). Corinth Pipeworks has representatives on all 4 technical committees. EPRG's research activities, which Corinth Pipeworks monitors closely, focus on:

- Existing pipelines: Managing and preventing risks from leaks and failures while pipelines are in use, due to corrosion, mechanical impact or cyclic loading.
- New pipelines: Developing effective materials specifications and performance standards.
- Extension of the European gas network: More stringent requirements for long-term transportation of gas with high strength steel and advanced design methods.



7. Global presence

The Welding Institute

The Company receives information about important research developments and key industrial projects from the Welding Institute, which provides services relating to pipe welding technology.

Hellenic Research Centre for Metals (ELKEME S.A.)

In researching and developing new products and processes Corinth Pipeworks works in close quarters with the Hellenic Research Centre for Metals (ELKEME). Its activities in 2015 focused primarily on:

- Conducting crack tip opening displacement (CTOD) tests to analyse the toughness of high resistance steel.
- Testing tensile resistance at high temperatures
- Joint research on ERW/HFW pipes to meet specific very low temperature toughness requirements (arctic grade steel).

Corinth Pipeworks' cooperation with the Hellenic Research Centre for Metals aims to explore and certify the pipes' high quality properties and to develop products meeting particular requirements using specialised laboratory testing methods.

Research programmes

The oil and gas extraction and production sector, on which Corinth Pipeworks focuses, is a field where constant technological developments and the use of cutting-edge technologies are key. Corinth Pipeworks constantly monitors the latest technical and technological developments, and participates in major European and international research programmes that focus on product properties and excellent performance in use. Corinth Pipeworks was involved in the following specific programmes:

European research programme on the requirements for safe and reliable CO₂ transportation (SAR CO₂)

Over recent years, awareness about climate change and the need for power stations to reduce greenhouse gas emissions (CO₂) has resulted in the feasibility of capturing and transporting CO₂ through pipelines to appropriate underground storage pockets being explored as a viable technical solution.

The European research programme SARCO₂ seeks to research, develop and document the technical requirements for planning and manufacturing safe pipelines in order to transport carbon dioxide (CO₂) generated by various human activities. In addition to theoretical research, the programme also includes two controlled full-scale burst tests on a 120 m long CO₂ pipeline.

The 3-year research programme (covering the period 2011-2014) was extended for two further years and is still under way.

European research program on the investigation of the structural integrity of buried steel linepipes (GIPIPE)

The European GIPIPE research programme launched in July 2011 and ended in June 2014. The final technical report was submitted and approved in October 2015. The programme was coordinated by the University of Thessaly (Greece) and, using state-of-the-art experimental techniques and numerical simulations, was designed to explore the mechanical behaviour and structural integrity of buried steel pipelines subjected to constant ground strain, caused by earthquakes, landslides and extractive activities.



European research program on the strain-based design of spiral-welded pipes for demanding pipeline applications (SBD-SPipe)

The European SBD-SPipe research programme was launched in July 2013 and will run for 3 years (2013 to 2016). Centro Sviluppo Materiali SPA (CSM) in Italy is coordinating the programme. The main objective of the programme is to generate technical expertise in terms of planning regarding development and potential use of SAWH pipes in demanding onshore and offshore applications, thereby ensuring optimal performance under high strain conditions. The programme has not yet been fully completed. However, production and dispatch of pipes to the CSM research centre has been completed and the relevant tests are now being performed.



7. Global presence

7.7 Major projects

In 2015 Corinth Pipeworks undertook a major pipeline construction project in Greece (for the Trans Adriatic Pipeline) relating to helical submerged arc and longitudinal submerged arc steel pipes (for the new LSAW production line).



Our practice

TAP assigned an onshore pipeline contract to Corinth Pipeworks.

TAP AG, operator of the Trans Adriatic Pipeline, commissioned Corinth Pipeworks to supply large diameter pipes to cover a length of around 495 km on the onshore section of the pipeline in Greece following an international tender procedure and strict selection process based on exacting criteria that related to technical adequacy, health and safety, and international best practices.



More specifically, the contract relates to around 270,000 tons of steel pipes with a 48" diameter and was assigned to Corinth Pipeworks in cooperation with the Japanese firm Marubeni-Itochu Steel (in terms of know-how), which is one of the world's largest steel suppliers.

The TAP will carry gas from the immense Shah Deniz II deposit in Azerbaijan to Europe. The 878km-long pipeline will connect to the Trans Anatolian Pipeline (TANAP) at Kipi on the Greek-Turkish border and cross Greece, Albania, the Adriatic Sea and then come onshore in southern Italy.

Laying the TAP is expected to make it easier to supply gas to quite a few countries in SE Europe. TAP is also expected to promote economic development and create jobs along the length of the pipeline, since it is a major source of direct foreign investment and is not dependent on grants or subsidies.

"I'd like to congratulate Corinth Pipeworks and the firm, Marubeni Itochu Steel inc., which has partnered with it, for submitting a robust offer that reflects the industry's highest standards".

Ian Bradshaw, TAP's CEO

For more information about Corinth Pipeworks' new project, please visit:
<http://www.tap-ag.gr/>



Corinth Pipeworks has acquired significant experience over the years in manufacturing steel pipes as it operates in demanding markets in Europe, America, Africa and the Middle East, and is constantly improving its products and services in technological terms so that they meet even the most exacting of standards. The Company has implemented a large number of technologically demanding projects around the world. Some illustrative examples are set out below:

In 2015 Corinth Pipeworks successfully implemented 3 major pipe construction projects in the USA providing 200,000 tons of helical submerged arc and high frequency induction welded pipes in total.

Country and project objective	Year	Customer / Project	Pipe length in km	Pipe diameter		
USA	▲	2015	ENERGY TRANSFER	293	12,75"-20"-24"	
Algeria	▲	2015	BONATTI S.p.A.-OURHOUD ORGANISATION	9	20"	
Italy	▲	2015	SNAM RETE GAS	32	10,75"-18"-22"-26"	
Kazakhstan	▲	2015	KPO KARACHAGANAK	2	24"	
USA	▲	2015	PLAINS ALL AMERICAN – RED RIVER	532	16"	
Jordan	▲	2015	PETROJET	10	16"	
Egypt	▲	2015	AMREYA PETROLEUM	5	18"	
USA	▲	2015	KINDER MORGAN ENERGY	354	16"	
USA	▲	2015	ENERGY TRANSFER	256	30"-36"- 42"	
UK	●	2015	MITE/CONDUCTORS	5	20"	
UK	●	2015	EDGEN MURRAY/CONDUCTORS	13	20"-24"	
USA	▲	2014	PLAINS ALL AMERICAN - GARDENDALE TO THREE RIVERS	110	20"	
Greece	■	2014	PPC – Ptolemaida	32	32" - 40" - 44"	
USA	▲	2014	KINDER MORGAN ENERGY – LOBOS PIPELINE	350	16"	
France	▲	2013-2014	TIGF - ARTERE L'ADOUR	100	24"	
Tunisia	▲	2013-2015	OMV TUNISIA – NAWARA	400	24"	
Italy	▲	2013	SNAM RETE GAS - FORNITURA DI TUBI RIVESTITI	100	26"	
USA	▲	2013	NOV WILSON - NOV WILSON	50	24"	
			NISOURCE - LINE 700	30	20"	
			NISOURCE - PENNANT MIDSTREAM	45	20"-24"	
			COPANO – DK LOOP	95	24"	
			NOV WILSON – ETC	6,5	24"	
Egypt	▲	2013	EL WASTANI - SALMA TULIP AND ALLIUM	70	12,75"	
Italy	▲	2013	SNAM RETE GAS - FORNITURA DI TUBI RIVESTITI	29	30"	
USA	▲	2013	DENBURY - NEJD PHASE II	16,2	20"	
Algeria	◆	▲	2012	AIBEL/ BP -IN AMENAS	96	10,75"
Norway	◆	▲	2012	ALLSEAS / BG NORGE - KNARR FIELD DEVELOPMENT	107	12,75"
Azerbaijan	▲	2012	SOCAR - GAS PIPELINE	20	16"	
France	▲	2012	TECHNOFRANCE / TRAPIL - GAS PIPELINE	64	22"	
USA	▲	2012	MCJUNKIN REDMAN - EAGLE FORD	8	20"	
			NISOURCE – MIDSTREAM	99	20-24"	
			COLUMBIA GAS – MIDSTREAM	6,6	24"	
Italy	▲	2012	PIPEX - ENI GAS PIPELINE	6,7	22"	
USA	◆	2012	CHAPARRAL – COFFEYVILLE	112	8,625"	
			MISSISSIPPI POWER / SOUTHERNKEMPER COUNTY IGCC PROJECT CO ₂ PIPELINE	104	16"	
			DENBURY – GREENCORE	189	20"	
UK	●	2012	MITE – CONDUCTORS	5,5	20"	
USA	●	2012	SPARTAN – CONDUCTORS	37	10,75" - 13,375"	
Greece	▲	2012	HGTSO – Agii Theodori – Megalopoli	107	24" - 30"	



7. Global presence

Country and project objective	Year	Customer / Project	Pipe length in km	Pipe diameter
France	2012	GRT GAZ - ARC DE DIERREY	33	48"
Egypt	2012-2013	Production of Pipes with Weld-on Connectors	1,300 items	20"
Egypt	2012-2013	"GDF PROJECT" - Production of Pipes with Weld-on Connectors	120 items	20"
Algeria	2012-2013	"BERKINE" - Production of Pipes with Weld-on Connectors	350 items	20"
Kenya	2012-2013	"TULLOW KENYA" - Production of Pipes with Weld-on Connectors	900 items	20"
Greece	2011	DESFA - Agii Theodori - Megalopoli	151	24"
UK	2011	RWE / BREAGH OFFSHORE DEVELOPMENT	88,3	20"
USA	2011	DENBURY / GREENCORE	194	20"
France	2011	GRT GAS / HAUTS DE FRANCE	26,7	48"
Austria	2011	OMV AUSTRIA / WAG EXPANSION	61,8	48"
Italy	2011	SNAM RETE GAS / ZIMELLA GERVIGNANO	34,4	56"
Saudi Arabia	2011	SAUDI ARAMCO/CONDUCTORS	152,4	18,625"
Egypt	2010	GASCO/EDECO EL MAADIA	13,25	20"
Algeria	2010	ABB / EL MERK LOT 3-4	87,9	8,625" - 12,75"
Algeria	2010	BONATTI / EL MERK LOT 2	391,4	16" - 20"
USA	2010	WILLIAMS/PASCAGOULA EXPANSION	25,4	26"
Tunisia	2010	STEG/GABES ZARZIS DJERBA	10	12"
	2010	STEG/BASIN MINIER GAFSA VILLAGE	100	20"
Croatia	2010	PLINACRO / LIKA TO DALMATIA	95,2	20"
Saudi Arabia	2010	SAUDI ARAMCO/CONDUCTORS	91,5	18,625"
USA	2010	SPECTRA / TEMAX TIME III	87,6	36"
USA	2010	CARDINAL GAS/PERRYVILLE INTERCONNECT	18,5	48"
Algeria	2009	BP / IN AMENAS	60	10,75"
France	2009	GAZ DE FRANCE / ETREZ GENELARD	87,6	24"
Oman	2009	PDO / HARWEEL TO MARMUL	161,3	16 - 18"
Tunisia	2009	STEG / GABES, ZARZIS, DJERBA	170	12,75"
USA	2009	SPECTRA ENERGY / EAST TO WEST	23,7	36"
Algeria	2009	MITE-SAIPEM-SONATRACH / MENZEL	131,3	30"
UK	2008	EDF ENERGY / WEST BURTON GAS	19,6	24"
Ireland	2008	BORD GAIS / CURRALEIGH WEST	49	24"
Oman	2008	OMAN GAS Co. / MURAYRAT AL GHUBRAH	29,6	20"

The projects below related to:

- Gas or oil transportation 
- Transmission of CO₂ 
- Gas or oil drilling 
- Gas transportation 
- Transmission of water 
- Sour service 



8. Responsibility for the environment

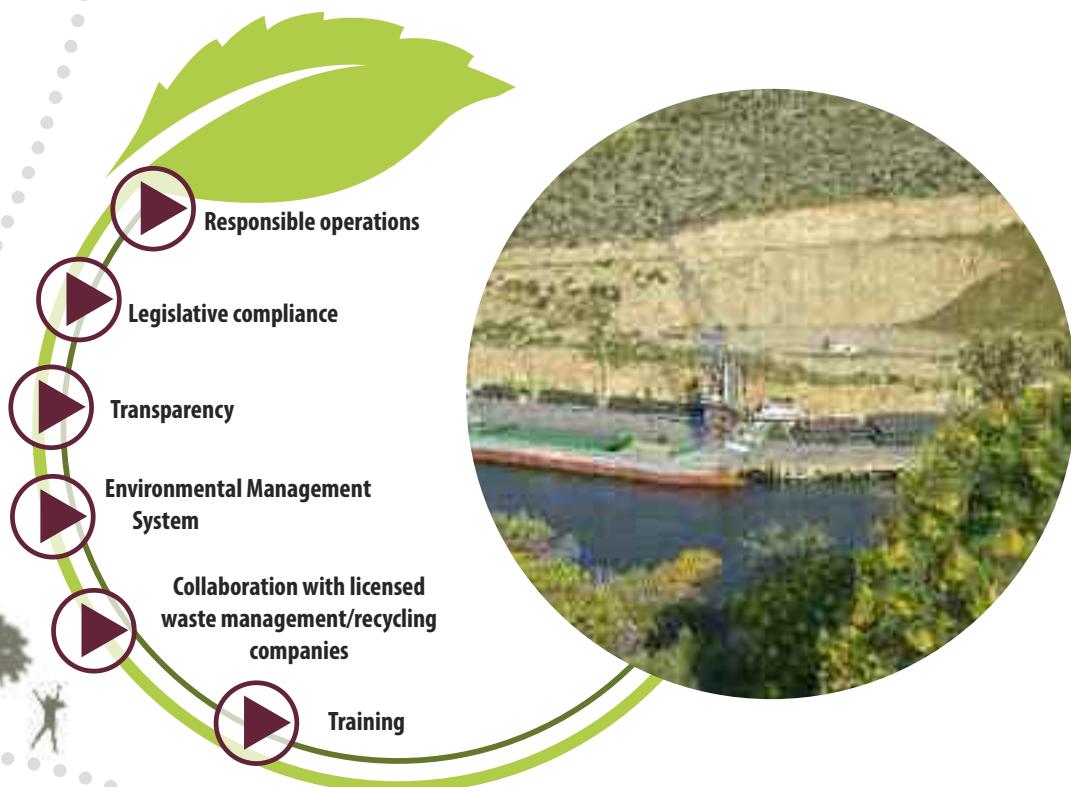
Reducing our environmental footprint is a priority for Corinth Pipeworks since environmental protection forms an integral part of Company strategy and culture

8.1. Our approach to environmental protection

Focused on operating responsibly, Corinth Pipeworks has recognised that respecting and protecting the environment are integral to its business growth. The Company strives to reduce its environmental footprint by complying with the applicable laws and international standards on environmental protection, and takes steps to reduce emissions thereby actively contributing to the fight against climate change.

Environmental policy and organisation

Corinth Pipeworks has developed, put in place and is constantly improving an Environmental Management System certified in accordance with the ISO 14001:2004 international standard and implements the key principles of its environmental policy without fail. Its key elements are outlined below:



At the same time, within the Company's structure there is a clearly defined post for a health, safety and environment manager who reports to the Thisvi plant director, whose main duties are to monitor whether environmental policy is being properly implemented in all company activities. The health, safety and environment manager also ensures that:

- All personnel receive training and updates
- Solutions are found and information disseminated
- Environmental KPIs are monitored and
- Improvements to how the Environmental Management System operates are achieved.



8. Responsibility for the environment

8.2 Actions for improvement

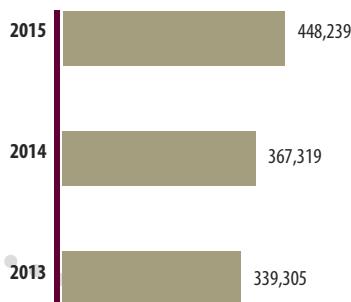
Corinth Pipeworks attaches particular importance to the consistency and continuity of the actions it undertakes to reduce its environmental footprint. The Company is improving its operating procedures and takes preventative measures, ensuring that it complies with Sustainable Development standards at all times.



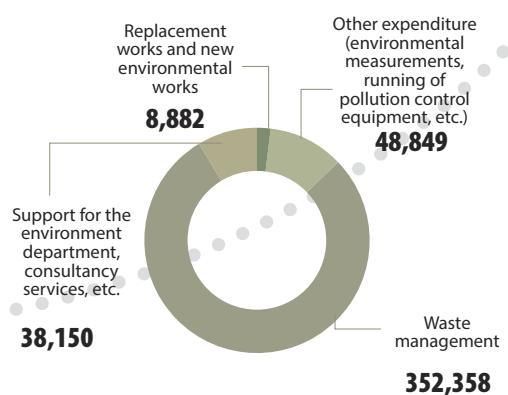
Environmental investments

In 2015 Corinth Pipeworks made investments worth EUR 448,239. The majority of that expenditure went on waste management, with EUR 352,358 being spent on that.

Environmental investments of the last 3 years (amounts in EUR)



Environmental investments in 2015 (amounts in EUR)



Employee training

Through a series of training courses Corinth Pipeworks' staff are kept environmentally aware and acquire skills and knowledge that helps each one make an individual contribution to the Company reducing its environmental footprint. During 2015, training on environmental issues rose by 8.65% for each employee.

417 hours of training on environmental issues

8.3. Corinth Pipeworks' environmental practices

Programmes to improve the Environmental Management System



Corinth Pipeworks ensures constant improvements are made to the Environmental Management System it implements, taking steps to reduce its environmental footprint. In addition, the Company ensures that employees are made more environmentally aware by providing them with training. In this context, in 2015 we ran the following programmes:

- a programme to monitor and manage environmental impacts,
- a programme to improve waste storage at the plant,
- a programme to improve sorting of recyclable waste at the plant,
- a programme to improve infrastructure for emergencies,
- a programme to improve the use of raw materials and resources,
- a programme to monitor environmental performance and
- a personnel training programme.

Initiatives to limit greenhouse gas emissions and reduce electricity and thermal energy consumption



Due to the nature of its activities, Corinth Pipeworks takes initiatives to reduce electricity and thermal energy consumption and limit greenhouse gas emissions.

To reduce VOC emissions, the Company has ensured -where possible- that it replaces the paints used in production with new low VOC content ones. Corinth Pipeworks uses more environmentally-friendly forms of energy (LPG) and renewable energy sources. Two network nodes powered by solar energy are also in use at the Thisvi plant. It uses solar panels to charge an array of batteries to provide electricity round the clock.

Initiatives to reduce CO₂ emissions released during product transport, from raw direct and indirect materials and in personnel transportation



As part of its environmental strategy, the Company seeks to limit CO₂ emissions released to the atmosphere from personnel transportation. To achieve that the Company:

- employs personnel from the local communities,
- provides rent subsidies for executives so that can live close to the plant,
- rents buses to transport its employees,
- Encourages car pooling,
- replaces face-to-face meetings with customers and associates abroad with video-conferencing where that is feasible,
- runs a scheme to replace leased petrol cars with new-tech diesel cars,
- ensures that company cars are regularly maintained to reduce fuel consumption.



8. Responsibility for the environment

To avoid pointless trips by road, the Company also makes considerable use of the Thisvi Industrial Area's port facilities close to the plant to transport raw materials and end products.

Initiatives to limit water usage



To reduce the quantity of water used in the production process, Corinth Pipeworks:

- has a system for recycling the water used to cool its units, which enables it to recycle a major part of the total quantity of water used,
- checks, maintains and improves -where necessary- hydraulic facilities to avoid leaks and consequently minimise the Company's water footprint.

Initiatives for proper management of chemicals



In properly managing the chemicals it uses in the production process, Corinth Pipeworks fully complies with the law to effectively protect both the environment and its employees. In addition, it does not use chemicals that damage the ozone layer and monitors the quantities of cooling fluids used to top up its systems every year. More specifically the Company:

- stores chemicals in dry, protected areas, in line with manufacturer specifications,
- trains users to avoid and remedy spills,
- procures approved spill absorbers,
- runs emergency drills,
- reduces the quantity of chemicals stored to the minimum needed,
- minimises the time waste is stored at the plant by working in close partnership with licensed waste management companies.

8.4. Climate change and greenhouse gases

The consequences of climate change are already visible both globally and at local level, impacting on the natural environment and the economy overall. In addition to the national strategies which are being followed, companies themselves also need to take steps to monitor and reduce emissions of gases that accelerate the effects of climate change. Against that background, Corinth Pipeworks takes account of the international Greenhouse Gas Protocol initiative and records, checks and attempts to reduce the emissions of gases released to the atmosphere from its activities.

As the diagram below shows, Corinth Pipeworks monitors and checks GHG emissions in the following stages:

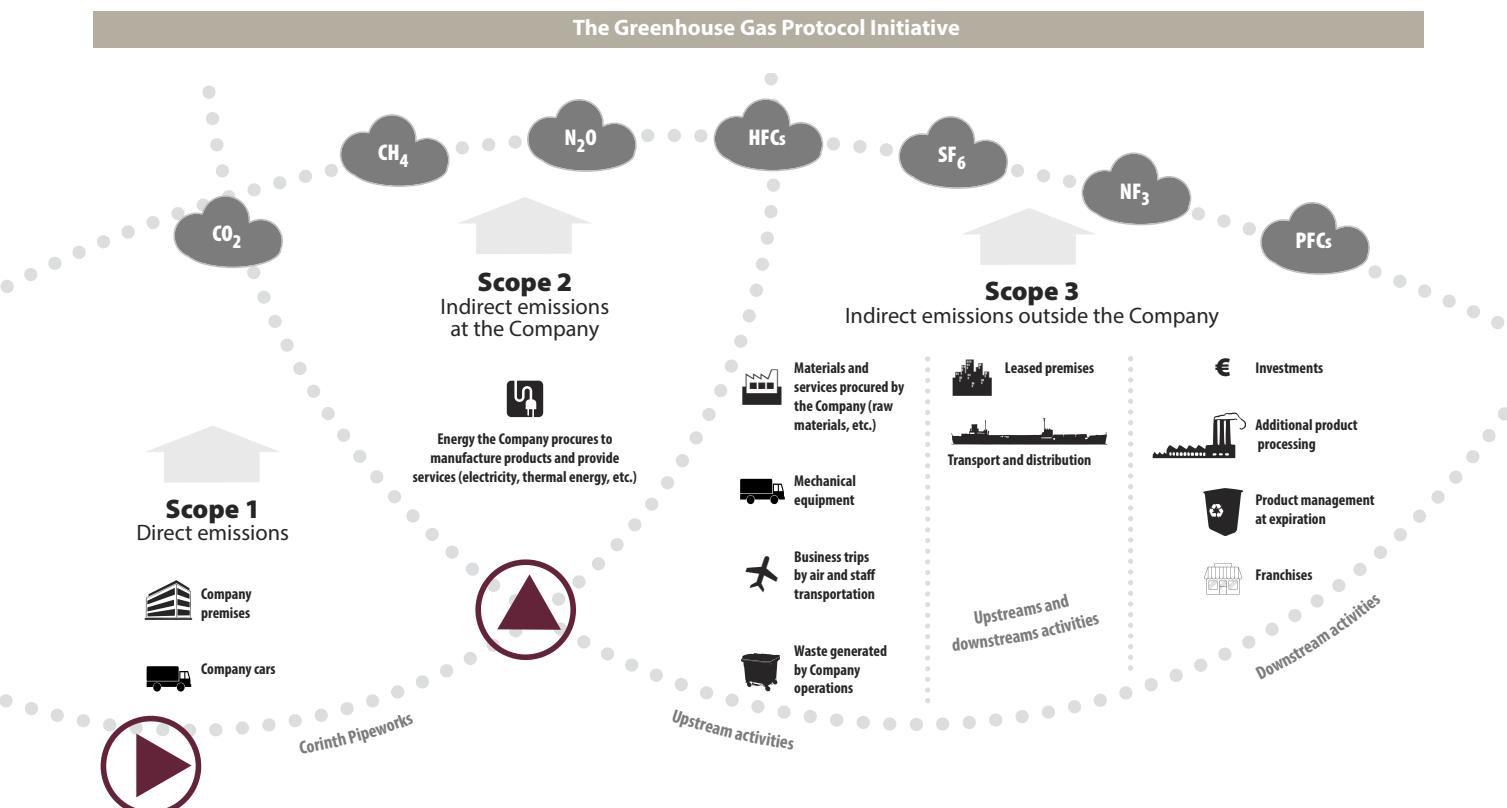
1. Direct emissions (Scope 1).
2. Indirect emissions, within the Company (Scope 2).

As for indirect emissions outside the Company (scope 3), Corinth Pipeworks systematically monitors and checks only those indirect emissions from personnel travelling by plane and other means of transport (see the section on 'Gas emissions').

The Company strives to reduce its environmental impact, and to constantly record and monitor that impact.

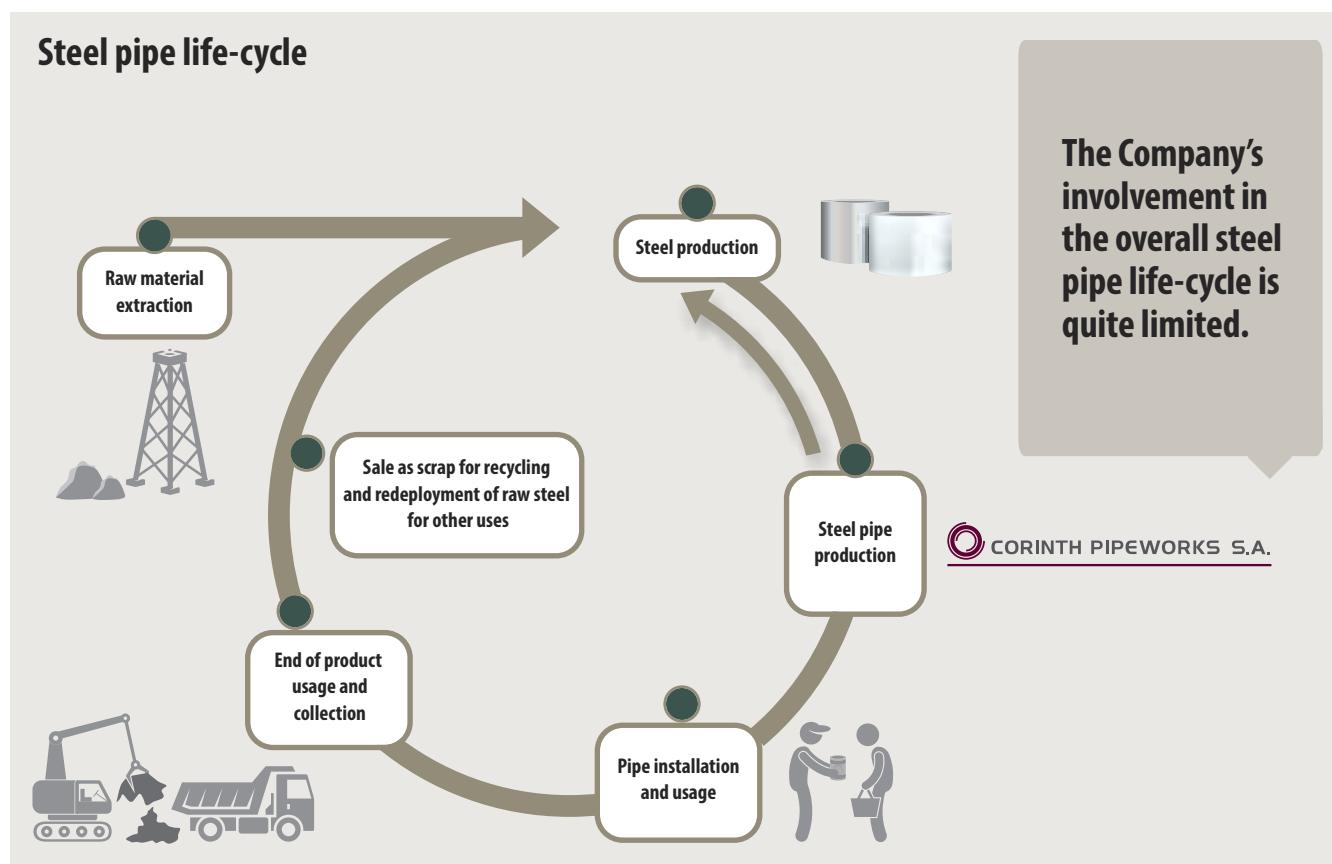
The Company's priority is to limit direct and indirect emissions, while using renewable energy sources.

The Company's contribution to the life-cycle of the products it manufactures is very limited.





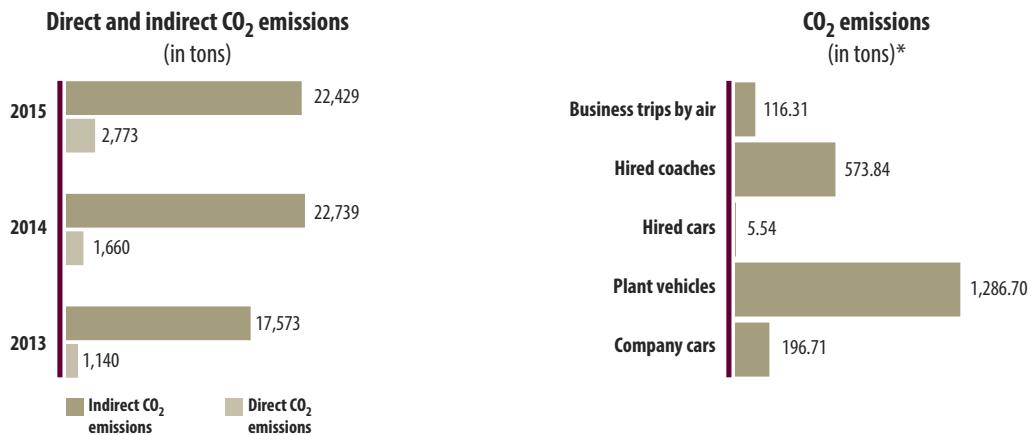
8. Responsibility for the environment



8.5. Environmental performance indicators

Greenhouse gases

Overall (direct and indirect) emissions in 2015 rose 3.3% compared to the previous year, and CO₂ emissions from transport were up 37% compared to the previous year. At the same time, there was a 55% drop in VOCs emissions and a small rise in total NOx emissions, which were up 5%.



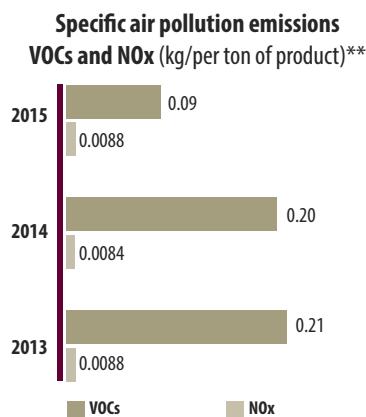
Direct emissions are measured based on the quantity of LPG used in production, oil used for heating and diesel used for hoisting devices.

A factor of 0.65 kg of CO₂ / KWh was also used to calculate CO₂ emissions for 2015.

A factor of 0.82 kg of CO₂ / KWh was also used to calculate CO₂ emissions for 2014.

A factor of 0.82 kg of CO₂ / KWh was used to calculate CO₂ emissions for 2013 (revised figures).

* The methodology used to calculate emissions reflects that used by the World Resources Institute (WRI) in its GHG Protocol.



The rise in CO₂ and NOx was primarily due to the increased demand for thermal energy thanks to rise in production, while VOC levels fell due to reduced production at the lining mill.

** NOx quantities are calculated based on LPG and oil consumption used in power generation.

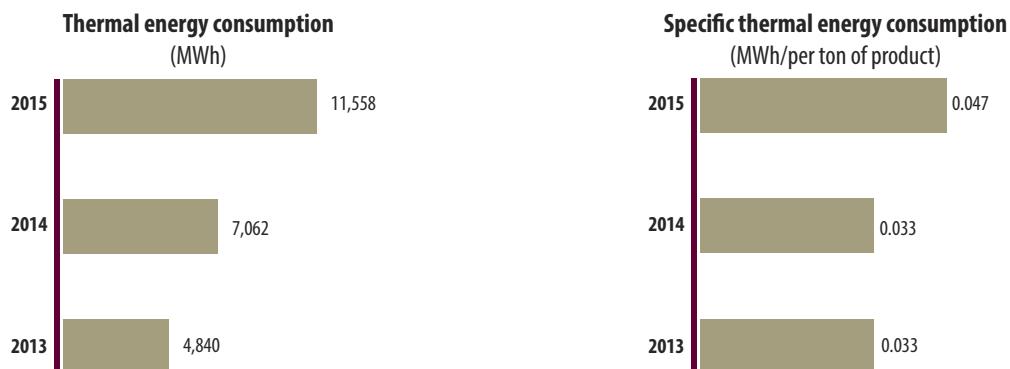


8. Responsibility for the environment

Energy consumption

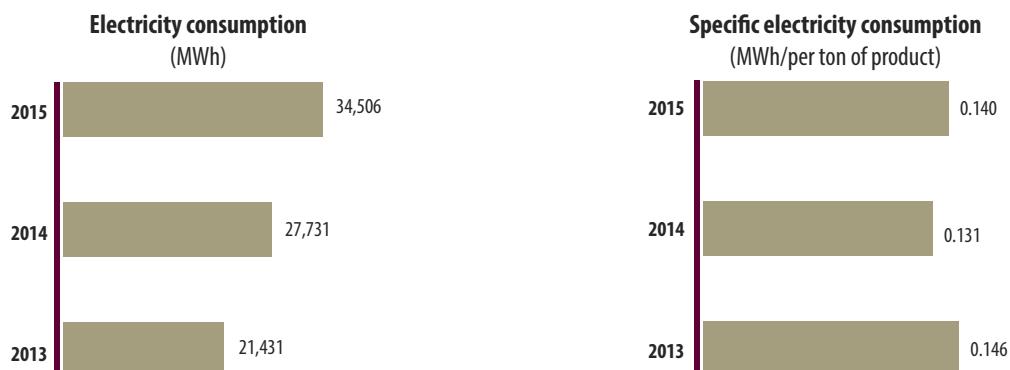
In 2015 thermal energy consumption overall was 11,558 MWh, up 63.6% compared to 2014 due to more frequent use of the back-up power plant. Likewise, overall thermal energy consumption was up 42.4%.

Thermal energy consumption



Electricity consumption

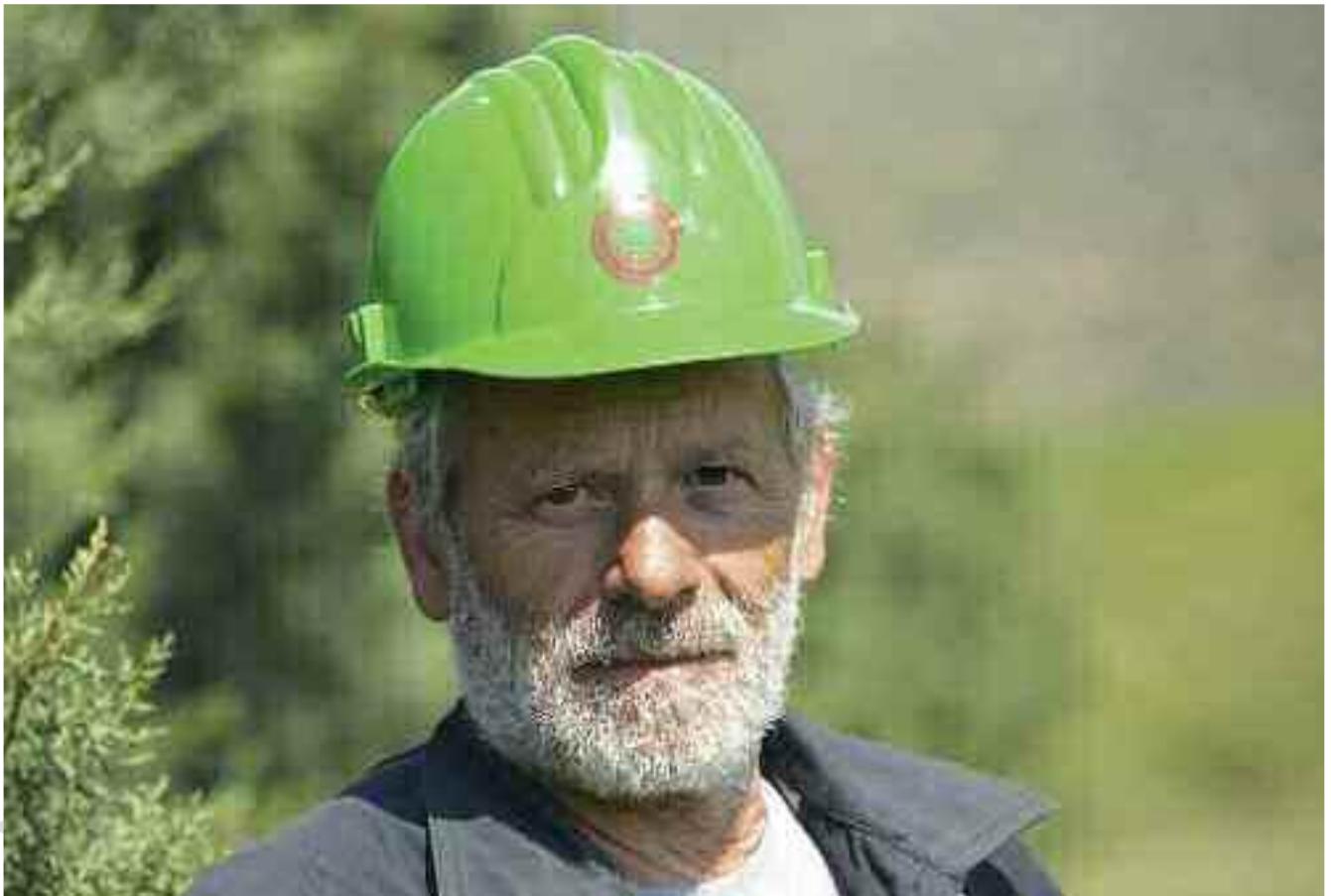
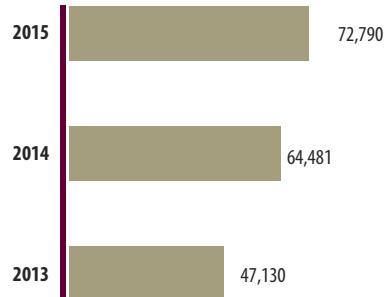
Electricity consumption in 2015 overall was 34,506 MWh up 24.4% compared to 2013, due to the increase in production. Specific electricity consumption was within the limits of the 3-year average.





Water consumption

Water consumption for industrial use (m³)



Water consumption per source (in m ³)	2013	2014	2015
Water transport network from the Mornos River	47,130	64,481	72,790
Mun. of Thiva water supply network	8,916	15,037	16,929
Purchased bottled water	2	2	3
Total water consumption	56,048	79,520	89,722



8. Responsibility for the environment

8.6. Noise abatement

Corinth Pipeworks' consistent aim has been to protect employees' health and to faithfully observe the laws and regulations relating to noise assessment and abatement. With that in mind, noise emission sources are regularly recorded at all Company production plants and measures are taken to reduce noise. In 2015 measurements of noise emitting sources were taken at the new LSAW – JCOE mill, so that preventative measures could be taken and rule out any incidents directly associated with them occurring.



8.7 Waste management

Corinth Pipeworks demonstrates its interest in environmental protection in practical ways by responsibly managing the final volume of waste generated by its production processes and ensures that it also constantly increases the quantity it recycles every year. With that in mind, it only cooperates with companies suitably licensed to transport, process and dispose of waste, which it inspects each month to ensure they are operating lawfully and hold the necessary permits and licenses. In 2015, increased production and the nature of work the Company engages led to a rise in certain categories of waste.



Waste management



All waste is sent for recycling, reuse or disposal in accordance with the relevant environmental legislation.



In 2015, increased production and the nature of work the Company led to a rise in certain categories of waste.



The Company's goal is to minimise the environmental impact by reducing the quantity of waste actually generated and to reduce the amount of waste ending up in landfill sites.



The methods used for each category of waste are outlined below depending on the procedures followed by the licensed waste management companies:

Waste (liquid and solid)	Management method	Quantity (in tons)		
		2013	2014	2015
Metal packaging	Recycling	4	5	13
Scrap steel	Recycling	_(⁽¹⁾)	_(⁽¹⁾)	_(⁽¹⁾)
Scrap cables – copper	Recycling	4	10	22
Ferrous metal dust and particles	Recycling	368	481	624 ⁽²⁾
Welding waste	Reuse as flux	168	238	204
Paper	Recycling	19	26	53
Wood	Recycling	61	94	229
Plastic	Recycling	215	282	122
Tyres	Recycling	3	3	4
Electrical & electronic equipment waste	Recycling	4	15	7
Epoxy powder	Energy generation	117	80	224
Waste to	Landfill sites	71	102	183
Materials for energy generation	Energy generation	1	1	5
Spent lubricating oils (liquid)	Recycling	7	6	9
Batteries	Recycling	1.9	1.4	2.6
Paint & varnish waste (liquid)	Energy generation	23	25	36
Emulsions (liquid)	Energy generation	116	556 ⁽³⁾	428
Contaminated soil	Energy generation	0.7	0	3.2
Waste grease	Energy generation	3.6	4.6	3.1
Contaminated absorbents	Energy generation	5	12	13
Fluorescent lamps	Recycling	0.2	0.3	0.6

(1) The Company prefers not to publicly disclose this specific data.

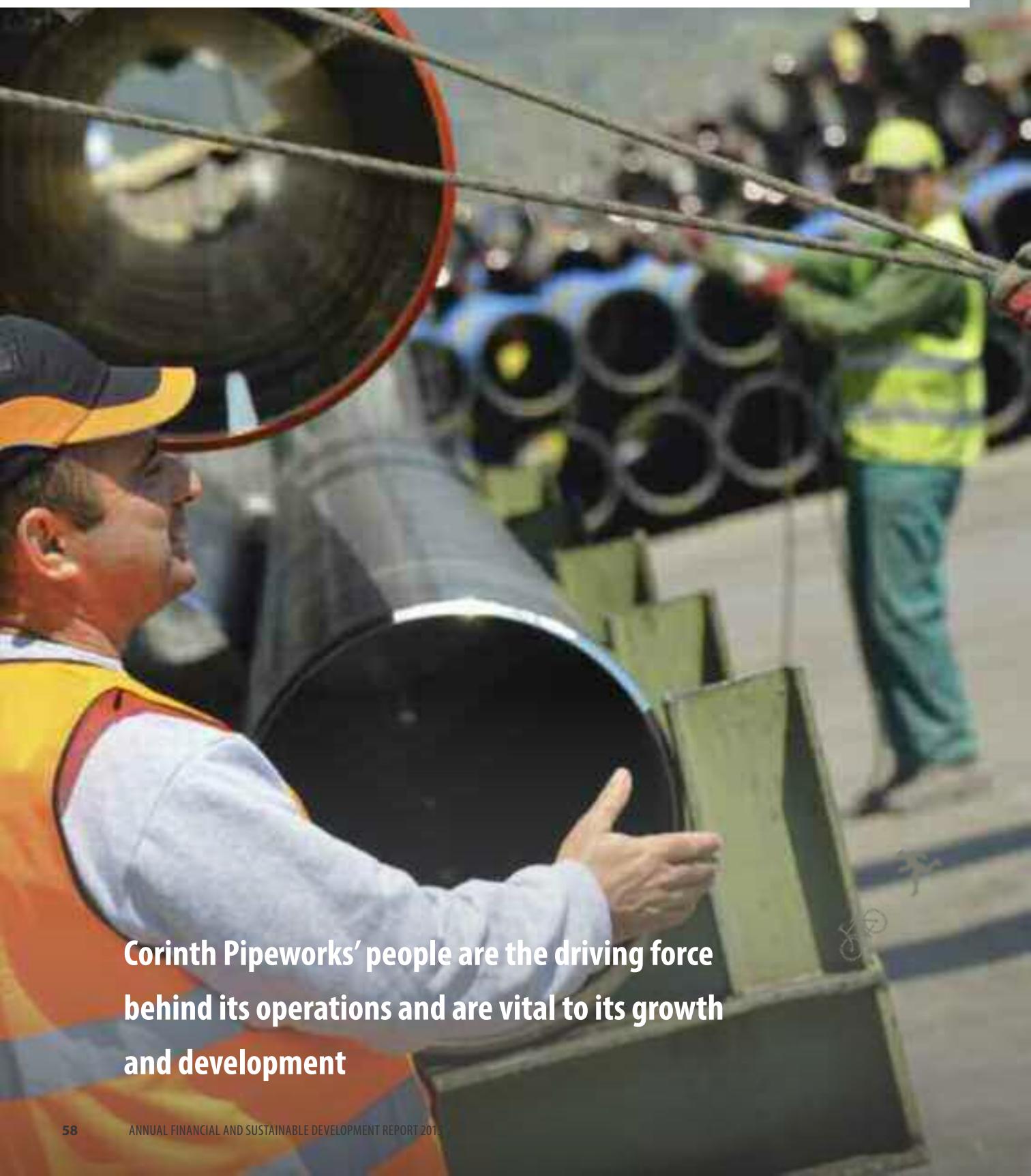
(2) The recorded increase in dust and particulates was due to increased orders manufactured at mills which produce such waste.

(3) The major fluctuations in quantities of emulsions are due to machinery and equipment maintenance.



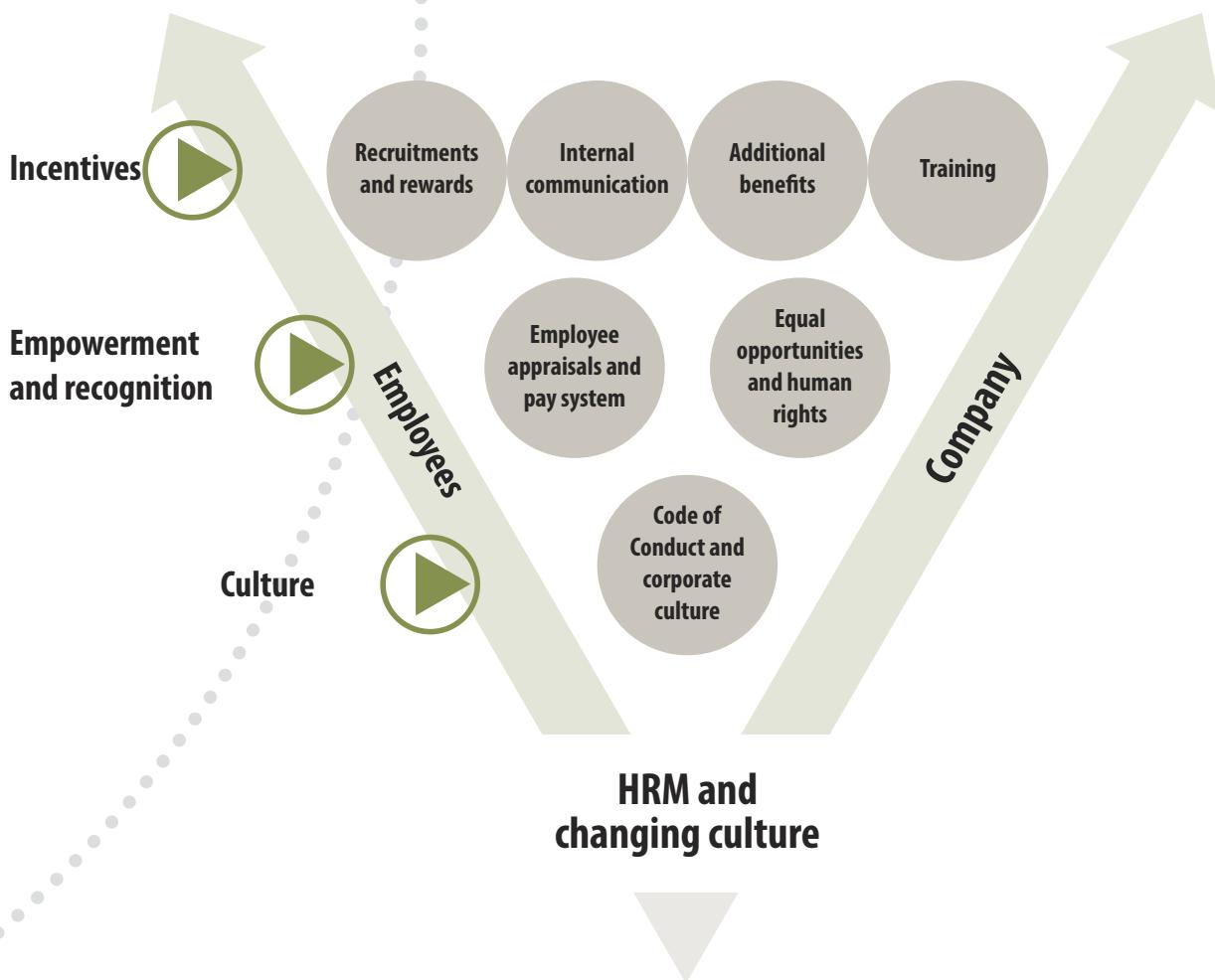
9. Corinth Pipeworks' impact on people

9.1 Corinth Pipeworks' human capital



Corinth Pipeworks' people are the driving force behind its operations and are vital to its growth and development

Corinth Pipeworks' employees are the driving force that enables it to achieve its strategic objectives. To that end, the Company ensures that it offers a top class working environment, since encouraging financials are intimately bound up with quality of work and employee performance. The Company's commitment is to provide employees with the tools for their own further advancement, and to retain already top class executives and employees, irrespective of their place in the hierarchy.



Code of Conduct

Corinth Pipeworks' Code of Conduct is the key tool for shaping corporate culture, coupled with effective implementation of the policies the Company has adopted. It includes fundamental principles, procedures, rules and all corporate values that guide its business operations and drive day-to-day conduct and practices. Ensuring that all employees, at all levels, are committed to these principles and values is of vital importance for how the Company performs.

The Code of Conduct clearly outlines the types of behaviour Corinth Pipeworks expects its people to follow and the way it engages in business activities and interacts with customers, suppliers and other associates. The Code of Conduct places particular emphasis on ethics, integrity, honesty, transparency, and on proper professional conduct at all levels in the Company's hierarchy.



9. Corinth Pipeworks' impact on people

The main sections of Corinth Pipeworks' Code of Conduct are:





The Code of Conduct encourages problem-free operations, fostering a positive image and building the Company's credibility, as it reflects all those moral values that inspire the day-to-day conduct of all employees.

Employee appraisal

Corinth Pipeworks views the personnel appraisal and remuneration system as a vital element in its further growth and development, since it offers important information about performance, work behaviour and whether the targets set are being met. The appraisal system is used to identify high performance, resolve any problems or training needs, and set new, clearer targets. During 2015 the Company ran an appraisal procedure, having already built in performance and operational indicators, such as productivity compared to financials and customer service levels. As part of this process, in 2015, a total of 13 management executives, 30 senior executives and 77 administrative staff and workers underwent appraisal.

Equal opportunities and human rights at Corinth Pipeworks

Corinth Pipeworks' Code of Conduct places particular emphasis on responsible human resources management based on equal opportunities and respect for human rights.

Equal opportunities

Corinth Pipeworks bases its relationships with personnel on equal treatment, to safeguard a fair, meritocratic working environment. Both recruitment and career development at the Company are determined based on qualifications and performance, without any discrimination on grounds of gender, nationality, age, marital status or other characteristics.

Corinth Pipeworks encourages women to join its staff and makes efforts to overcome those factors that might otherwise inhibit more women from joining the Company. They include the nature of its operations, since it is a steel pipe industry, and the distance its production facilities lie from major urban centres. To attract and help retain female personnel the Company is particularly sensitive to maternity issues. All female staff return to work after their statutory leave (childbirth and special maternity leave) is over. In 2015, 3 employees received maternity leave, and all returned to work the same year. In 2015 one female employee of the Company requested the special maternity protection benefit (which is offered in cooperation with the Hellenic Manpower Employment Agency) and granted it. Note that all female employees who have returned to work after their statutory leave is over, are still working at the Company even after a period of 18 months has elapsed (which is the period for which the law protects them against dismissal).

The Company is opposed to any form of discrimination and ensures that no distinction is drawn, in terms of pay or otherwise, (e.g. gender, nationality or other) for the same positions, across the entire range of its activities.

Human rights

Corinth Pipeworks recognises and respects its employees' rights, ensures equal pay and respects diversity and internationally protected human rights. The Company does not tolerate discrimination, child or forced labour or any form of harassment in its own operations or as part of its associates' operations.



9. Corinth Pipeworks' impact on people

Corinth Pipeworks respects the principles on human rights in the UN Global Compact, and by extension the guidelines it contains relating to:

- protecting human rights as a duty of each state and the regulatory framework it implements,
- respecting human rights which is the duty of each and every company and,
- dealing with human rights issues using recording and monitoring mechanisms.



In light of these principles, the Company:

- respects and expressly complies with the human rights laws enacted by the Greek State,
- operates with people mind, has put in place systems and procedures, recognises its employees' rights, ensures employees are rewarded and offers equal opportunities while respecting diversity.
- Has integrated provisions on how to deal with issues that may arise into its human rights procedures, identifies employee responsibilities and duties, and has put in place a system for managing these issues. The Company executives responsible for implementing the procedure are the CEO, the HR Director, other Directors, and heads of department.

It is worth noting that Corinth Pipeworks also defends fundamental human rights through the procedures it has adopted specifically for that purpose.

Corinth Pipeworks prohibits all manner of human rights violations.

Internal communication

Internal communication channels are a very important tool in HRM. The Company has a flexible internal communication system based on an 'open doors' policy. This policy helps reaffirm our corporate culture and promotes open dialogue, seeking to ensure that employees receive full and proper information. This policy also contributes to an improved climate of trust and a stronger sense of team spirit between employees.

The Company's open door policy includes:

- Daily departmental meetings before the start of shifts to address key issues at work, attended by the Departmental management, shift engineers and foremen.
- Weekly executive meetings attended by Directors and senior executives to plan activities, and review what divisions and departments have achieved.
- An annual meeting with personnel to the cut of the traditional New Year's Pie.
- The appraisal procedure the Company has in place.
- The Company's intranet.
- The notice boards at production facilities, and elsewhere.

During 2015, when the new production unit was completed, employees from the Company's Headquarters attended a whole-day event at the Thisvi plant. Employees were taken on a guided tour and briefed about the new LSAW-JCOE pipe mill, so that they could learn about Company developments and the opportunities that this investment opens up.

Employee benefits

Corinth Pipeworks acknowledges the value of its personnel and respects their need for job security and a work-life balance. With that in mind, the Company not only offers them the statutorily-mandated pay, but also offers employees a series of other benefits. Just some of these additional benefits are listed below:

Funding for postgraduate degrees or other long-term training courses

Loans and other forms of financial support

A savings scheme

Life insurance, medical and hospital care for employees and their families

Employee transportation to and from the Company's plant

Vouchers once a year and gift vouchers at Christmas for employees' children aged up to 12

As for the savings plan for executives, participation in which is optional and unrestricted, in 2015 the Company paid a total of EUR 103,569.36.

Employee participation corresponds to 26% of the total amount, with the other 74% being paid by the Company.



9. Corinth Pipeworks' impact on people

HR training

Corinth Pipeworks' business success is intimately bound up with its well-trained personnel, irrespective of their post or place in the hierarchy. In 2015 the Company ran a series of training courses to improve skills and allow all employees to grow and develop.

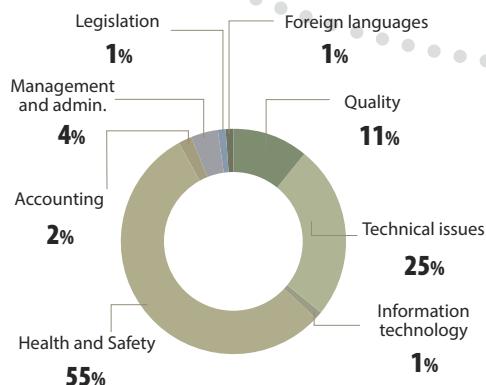
Hours of training per grade in 2015

	Total training man-hours			Training hours average		
	Men	Women	Total	Men	Women	Total
Directors	645	38	683	49.62	38.00	48.8
Senior Executives	830	37	867	28.62	9.25	26.3
Admin. staff and workers	1,858	151	2,009	5.3	4.9	5.3

In 2015, Company employees took part in a total of 89 training courses. A total of 3,824 hours of training were provided, with men receiving an average of 8.5 hours of training and women 6.3 hours. For yet another year, the Company attached great importance to issues of health and safety training and technical matters. In 2015, Corinth Pipeworks' invested around EUR 58,000 in training courses.



Percentage of hours on training by subject matter, 2015



Human resources at a glance

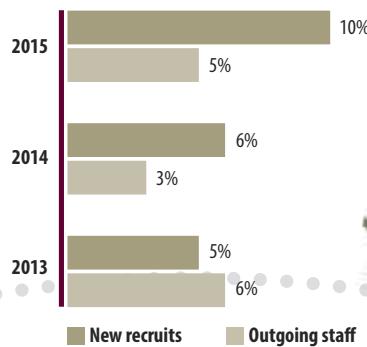
The Company looks after its people, providing all the tools needed to help them grow and develop and to keep them satisfied, resulting in a high retention rate for employees and improved attrition rates.

Recruitment and employee turnover

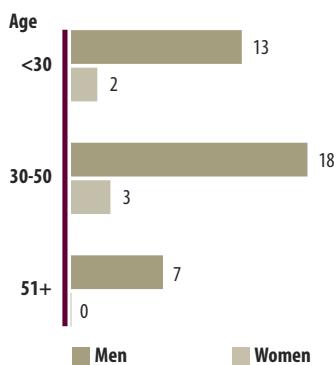
For yet another year, in 2015 the Company recorded personnel needs and despite the general economic instability affecting Greece, managed to recruit twice as many people as those who left service.

It recruited 43 people in total (36 of whom came from the local community in Viotia) while 20 left (all of whom were from the local community in Viotia).

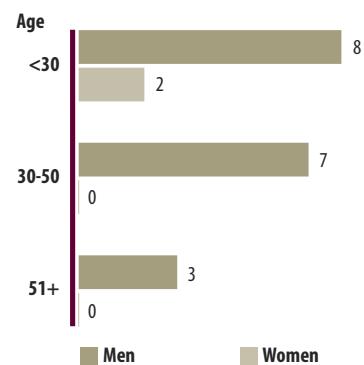
Employee mobility



Breakdown of new recruits, 2015



Outgoing staff, 2015





9. Corinth Pipeworks' impact on people

Human resources data

Staff by gender	2013	2014	2015
Men	361	374	393
Women	32	32	36
Total	393	406	429

Staff by gender and age bracket

Year 2015	below 30	30 to 50	51 and over
Men	17	298	78
Women	1	32	3
Total	18	330	81

Staff by gender and employment area

Year 2015	Men	Women
Prefecture of Attica	32	17
Prefecture of Viotia	361	19
Total	393	36

Staff by gender and grade

Year 2015	Men	Women
Directors	13	1
Senior Executives	29	4
Administrative staff and workers	351	31
Total	393	36





CORINTH PIPEWORKS S.A.

9. Corinth Pipeworks' impact on people

9.2 Occupational health and safety at Corinth Pipeworks



**For the Company, providing a healthy,
safe working environment is non-negotiable**



Our practice

Change in culture, 5s and Lean 6 Sigma methodology

Since 2013 Corinth Pipeworks has been gradually introducing the 5s methodology at its production facilities, having recognised the multiple benefits it offers in terms of organisation, culture and mentality. Starting from the programme to improve order, cleanliness and organisation in the workplace, we have gradually been making changes at our facilities on a pilot basis, improving organisational and safety issues in the workplace. These changes are gradually being extended to increasingly more locations at Company production facilities.

During 2015, in particular, the methodology was applied to 15 additional areas at the Company's production facilities and the goal is that in 2016 the remaining areas will be included in the programme's first steps.

In addition to having short-term goals, long-term goals have also been developed for programme implementation. Thanks to positive changes that arose from implementing the programme, the right conditions now exist for making real changes to Company culture. With that in mind, in order to take an integrated approach to change, to manage it properly and guarantee optimal outcomes to the greatest degree possible, introductory training on the Lean 6 Sigma methodology, as a tool for continuous improvements in procedures, has been offered.

As an acknowledgement of personnel's commitment to company objectives and the optimal results achieved, Corinth Pipeworks awarded personnel various prizes in 2015.

In light of the above priorities, and the team effort made by employees, we adopted certain criteria and awarded prizes to the following two departments:



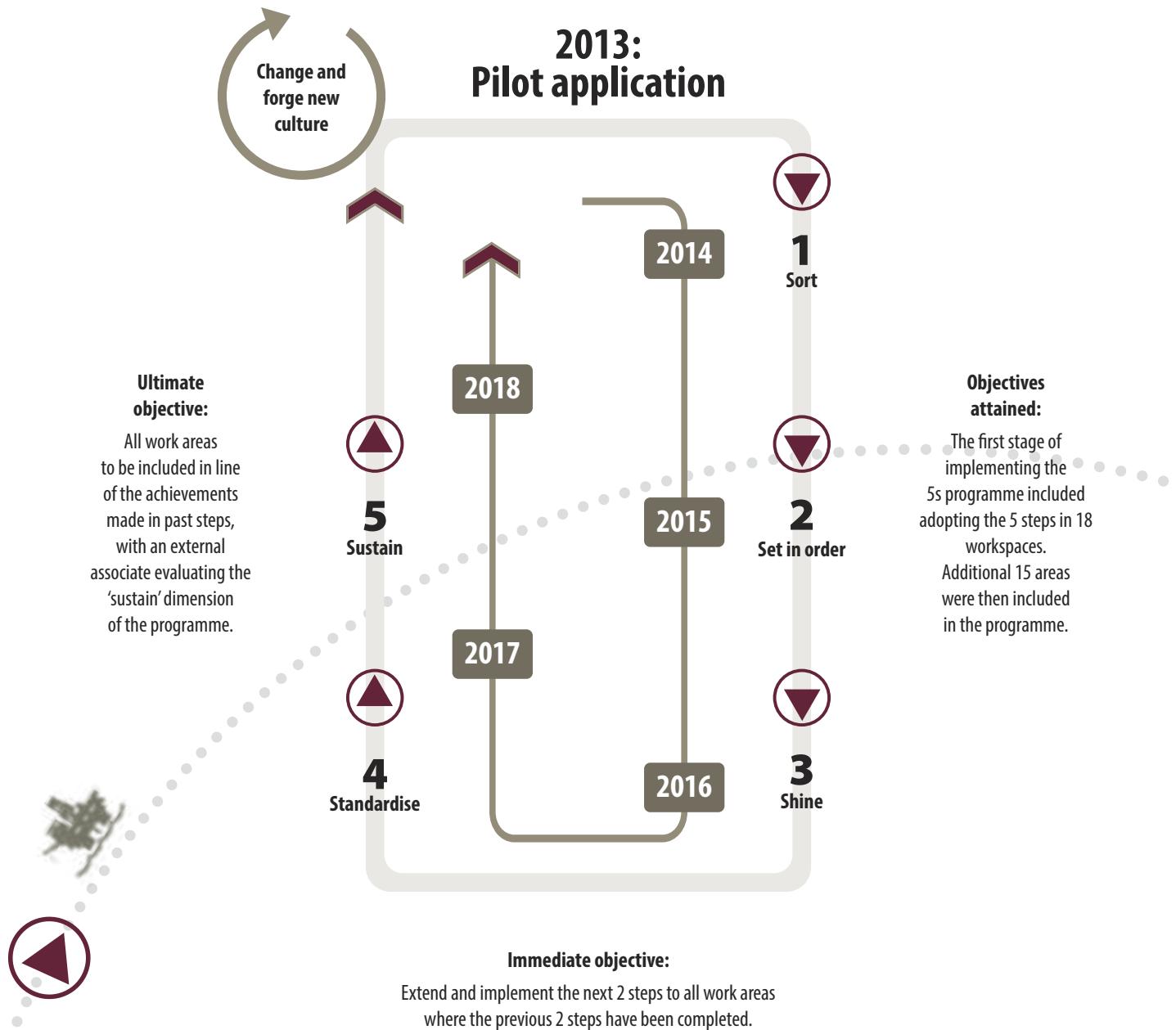
Personnel from the mechanical maintenance department at the HSAW mill received a prize for their consistent performance levels and continuing improvement as the best 5s team for both 2014 and 2015.



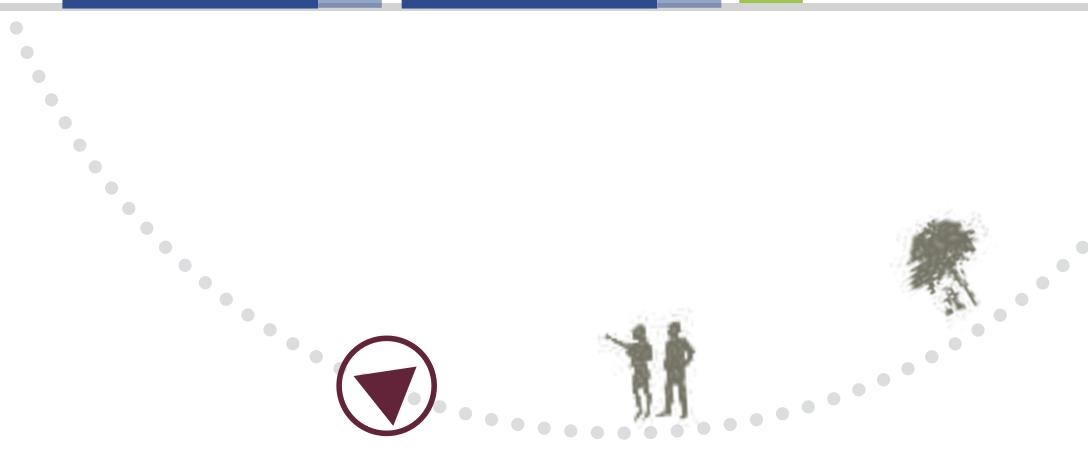
Personnel from the optical inspection – measurements department at the HSAW mill for its performance in 2015 earning the title of best 5s team.



9. Corinth Pipeworks' impact on people



An independent body will evaluate the results of the 5s programme. Those results will then be used to see where improvements in the workplace can be made, and what changes to how work is performed are needed, if any are needed.



“People are right at the centre of our operations”

“Excellence in the Company’s business activities is intimately bound up with safeguarding employee health and safety. Integrating specialised management systems into our operations, reflects the Company’s policy on health and safety issues”.

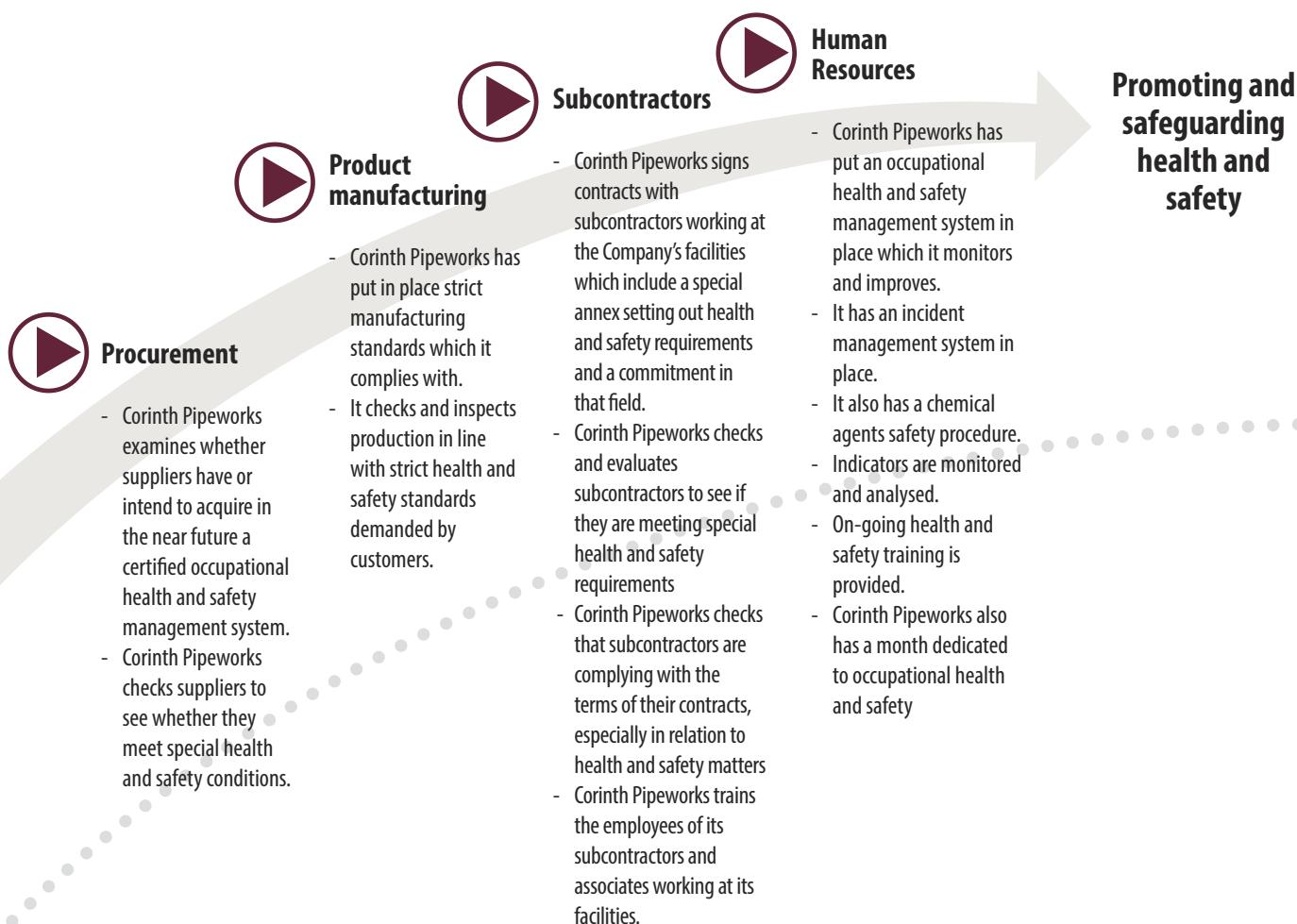




9. Corinth Pipeworks' impact on people

A comprehensive approach to health and safety

The Company takes a uniform, common approach to health and safety issues covering all its operations. Starting from the procurement of raw materials to be used in the production process, which impact on facilities and the end use of products, Corinth Pipeworks has put in place detailed health and safety procedures and practices. Throughout the entire production process, safeguarding employees –which is a critical aspect of all Company activities- is our primary concern.



More information about the Company's health and safety policy can be found on the Company website www.cpw.gr in the section entitled Sustainable Development / Health and safety



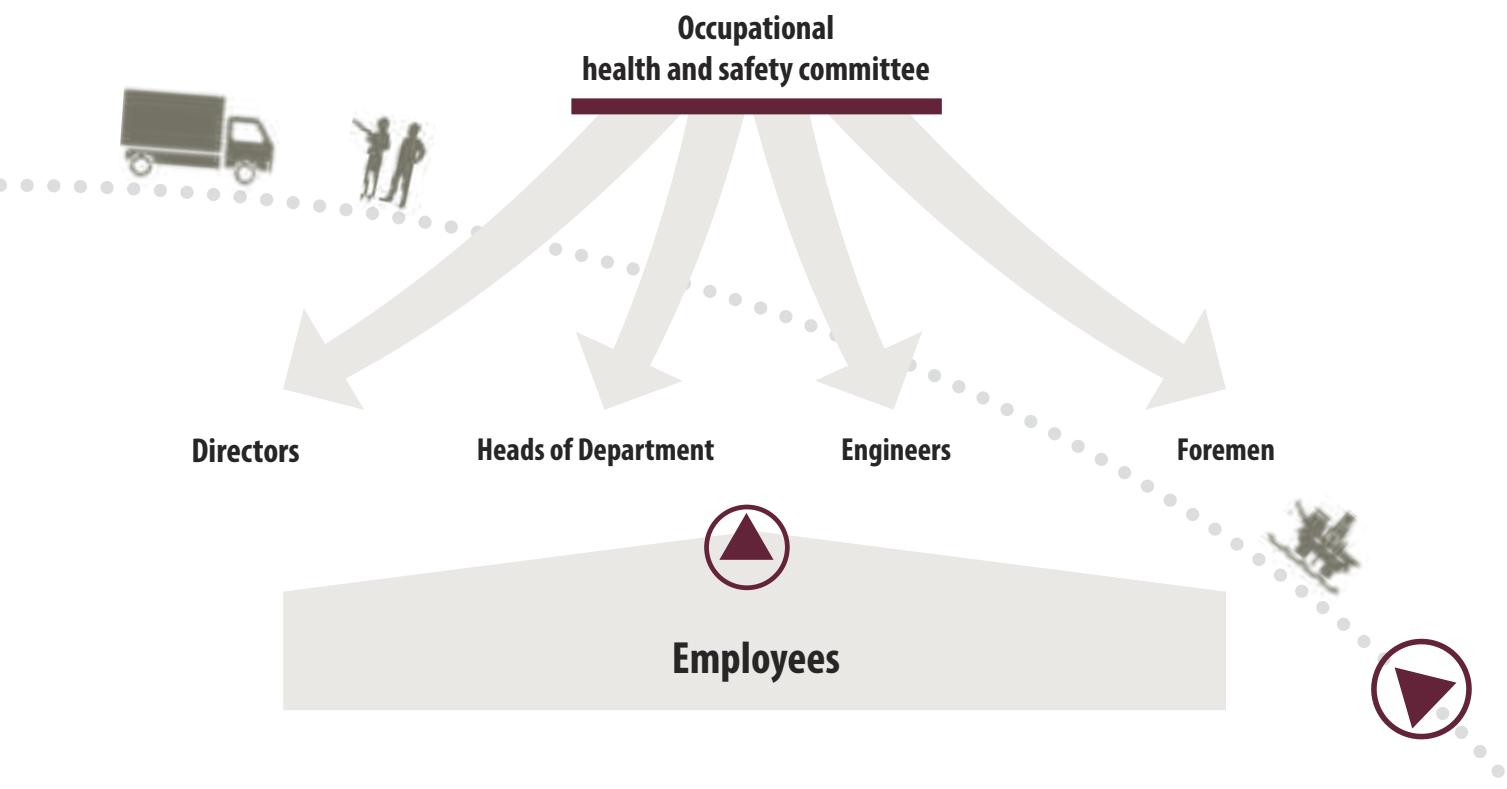
Improvement: an ongoing objective

At Corinth Pipeworks we promote health and safety by implementing a comprehensive occupational health and safety management system which is certified in accordance with the international OHSAS 18001:2007 standard. The system includes health and safety policy and procedures which lay down the general framework for implementation and continuing improvement of the system.

Health and Safety Committee

How a system is governed is a key factor in its successful implementation. That major role is played by the occupational health and safety committee. The committee was set up to be the main governance body in our occupational health and safety management system and its duties involve managing health and safety issues, and ensuring continuing improvements of Company performance in this field. It consists of 72 executives from Corinth Pipeworks and represents all employees on health and safety issues. In addition, each department also holds its own daily meetings at the start of each shift, or at regular intervals, about major issues at work. Those meetings are attended by the departmental director, engineers and shift foremen.

Given the committee's importance, various proposals to upgrade its operations and improve its efficiency are being examined. They are expected to be finalised and should be implemented during the following year.





9. Corinth Pipeworks' impact on people



Mechanism to record and monitor health and safety issues

The constant endeavour to improve the Company's health, safety and environmental management procedures led it to the recognition that monitoring these issues from the perspective of employees allowed it to identify critical areas where it could intervene. To that end, a mechanism to record and monitor health and safety issues was developed which employs suggestion boxes. Boxes are placed at locations which ensure that employees' privacy can be safeguarded and allows them to submit anonymous suggestions if they so wish. In order to ensure that the mechanism operates smoothly, a special employee suggestions form has been devised and the boxes have been installed at representative places around the plant (ERW/HFI, HSAW, courtyard, coating/lining mills). If a form is submitted, the health and safety committee works with the plant director to examine and evaluate the suggestions made, in light of specific, detailed criteria.

Incident management procedure

Our incident management procedure is used any time there is any incident during work, irrespective of its severity. It is a key pillar of the occupational health and safety management system, since it includes steps related to incident prevention and management. By following specific steps, we are able to draw real conclusions about health and safety issues. This procedure fully complies with the relevant legislation on the recording and disclosure of occupational accidents and illnesses and is in line with International Labour Organisation (ILO) standards.



Our practice

All employees undoubtedly contribute to and participate in improvements to occupational health and safety procedures and the outcomes generated.

During 2015 in particular, to acknowledge employees' contribution the Health and Safety Department recommended that the health and safety committee should offer prizes for 3 potential employee suggestions. The committee then evaluated specific proposals and decided to award a prize to an employee from the facility security department for his contribution to handling emergencies.

Rewards employee contributions

Subcontractor management

To ensure the Company operates properly, in light of the requirements of the occupational health and safety management system, Corinth Pipeworks has developed specific subcontractor management procedures which are implemented without fail.

As far as health and safety is concerned, Corinth Pipeworks includes a special section in agreements with subcontractors setting out terms and conditions and how contactors can comply with Company requirements in this critical sector.

The subcontractor management procedure involves systematically checking legal requirements, inspecting subcontractors in line with contractual conditions, managing them and then evaluating them after the project assigned has been completed. Subcontractor evaluation is an integral part of the procedure and can either take place at Corinth Pipeworks' own facilities where the subcontractor's staff are working or at the subcontractor's own facilities. An initial evaluation is performed when we start working with the subcontractor and then periodic evaluations are carried out in line with the requirements of the occupational health and safety management system. Moreover, the evaluation is performed by both the Company's officer overseeing the project and by the Company procurement department to form a well-round picture of the partnership with the subcontractor. In addition to quality criteria, we also look at compliance with the timeframe agreed; flexibility; the health and safety criteria used such as compliance with the necessary measures mandated by law, and required by the Company; the use of PPE by the subcontractor's staff; ongoing training, and so on.

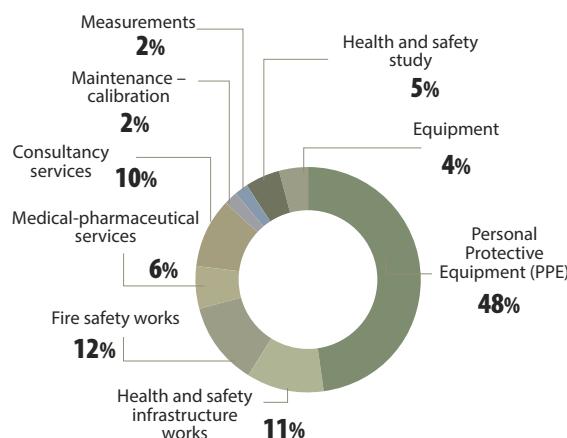
Various conclusions are drawn from the evaluation, suitable corrective measures are identified, if needed, and a date set by which the recommendations made need to be complied with. This dynamic process ensures that health and safety issues can be constantly monitored across the Company's entire range of operations and that subcontractors can be checked to ensure they are complying with their contractual obligations and suggestions for improvement which have been made.

Health and safety actions

Safeguarding health and safety requires everyone involved in Corinth Pipeworks' operations to participate with a high degree of awareness about these matters. The Company has taken a series of actions and steps and made investments to ensure this, as it seeks to ensure constant vigilance among employees. Some of the most important health and safety initiatives are presented below.

During 2015 Corinth Pipeworks made additional investments in occupational health and safety. Investments exceeded EUR 250,000, up 31.7% compared to the previous year, effectively confirming the Company's commitment to constantly improving and more effectively managing these issues.

Breakdown of health and safety investments, 2015





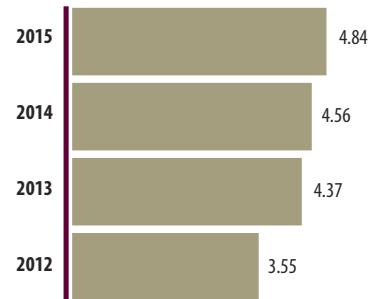
9. Corinth Pipeworks' impact on people

An emphasis on training

Particular emphasis is placed on ensuring that everyone who works for the Company has adequate knowledge of the basics as well as the specific information they need. To promote and adopt safe working behaviours, we organise training aimed at both Company employees and the staff of its associates and subcontractors.

In 2015, 1,790 hours of training on health and safety issues were provided, an increase of 9.3% compared to the previous year when 1,637 hours were provided. This made it the highest average figure for the last 6 years.

Average hours of health and safety training



Our practice

Over the last 3 years Corinth Pipeworks has had a month dedicated to occupational health and safety. In 2015, the month of November was dedicated to taking measures to promote health and safety during which specific events and presentations at the Thisvi plant were organised. Emphasis was placed on specific, critical subjects, the most important of which are outlined below:

- Fire safety and first aid training and drills.
- Seminars on the 5s and Six Sigma methodologies.
- Training on use of pressurised gas canisters.

November 2015
Occupational health and safety month



Targeted measures

Emergency drills

A series of drills were organised in 2015 relating to:

- Fire safety
- Hazardous chemical spillages to the soil
- Sequences of incidents resulting in employees being injured

These complex drills play a vital role in health and safety training. They are used to check staff's readiness for such situations and also improve knowledge about dangerous situations.

Occupational Risk Assessment Study

At the end of 2015 we began revising the Occupational Risk Assessment Study for all Company facilities and operations. The specific project is expected to be completed in 2016.

Safe working practices

During 2015 we began developing and revising safe working and environmental management practices by including an illustrated annex and this process is continuing in 2016. The annex will feature best practices and examples of dangerous situations, making it more reader-friendly and realistic.



Health and safety system inspections

During 2015, 230 health and safety visits / inspections were carried out (92% of the figure stated in the annual schedule) attended by all executives, and in particular the 72 heads of department and foremen.

The aim of health and safety visits is to identify unsafe conditions, promote dialogue and communication between inspectors and those being inspected to foster best practices, identify unsafe human behaviour and take suitable corrective and preventative measures.

Accident prevention measures

Corinth Pipeworks also takes a series of measures in the health and safety field annually or on a one-off basis at various locations around the Company's plant. These measures include:

- Continuing training for full-time staff and associates working at its facilities.
- In-house visits by the health and safety officer and external inspections.
- Weekly meetings with senior management, monthly meetings of production line health and safety officers.
- Equipment certification and inspections.
- Demarcating pedestrian and vehicle routes.
- Blocking off crossings.
- Controlled access via security doors to pipe handling areas.
- Controlled crossings at pipe rolling ramps using warning lights.
- Extra safety signs.





9. Corinth Pipeworks' impact on people

Health and safety results

The most important goal the Company has set itself for occupational health and safety is zero occupational accidents. To monitor how it is doing in relation to this goal, and to evaluate Corinth Pipeworks' performance overall in the health and safety sector, specific indicators are recorded and monitored.

The indicators used paint a picture of the steps and measures taken in the sector, and also provide a 'guide' for new actions to be taken, since they help identify areas or aspects that need improvement and/or measures to safeguard employee safety.

Performance in the safety sector

The Company's systematic actions and investments, coupled with employees' own awareness of these matters, have led to a drop in incidents over time and consequently to improvements in the relevant indicators.

In 2015 the number of incidents remained low, at around the same level as last year. One minor accident not resulting in absence from work was recorded along with 5 near misses. The level of near misses recorded is associated with acknowledgement of the importance of accident prevention and with the need to more systematically monitor such matters.

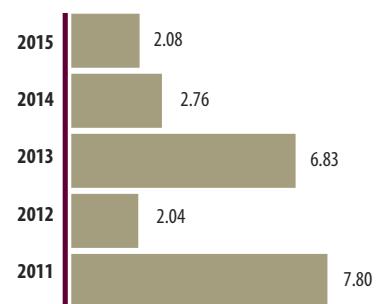
There were marginal improvements with the IR and LDR indicators even though the number of incidents remained the same, which is very encouraging since it reflects fewer serious incidents taking place. Both IR and LDR were lower.

In 2015 there were a total of 3 accidents (involving interruptions to and absences from work) just as in the previous year. The IR dropped by 24.6% because while the number of accidents was the same, the number of man-hours worked was 32.3% higher.

Breakdown of incidents



Injury rate (IR)

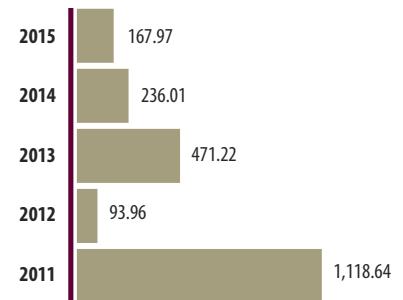


$$\text{Injury Rate (IR)} = \frac{\text{No. of accidents} \times 10^6}{\text{No. of man-hours worked}}$$

In addition, the number of days off work due to accidents was lower, which also impacted positively on the LDR indicator. Due to the fewer serious accidents compared to last year, and the higher number of man-hours worked, LDR was down 28.8% compared to last year.

Note that all 3 accidents involved male employees at the Company's production facilities at Thisvi. Even though the specific employees had the necessary PPE and had taken all precautions, the human factor played a major role.

Lost day rate (LDR)



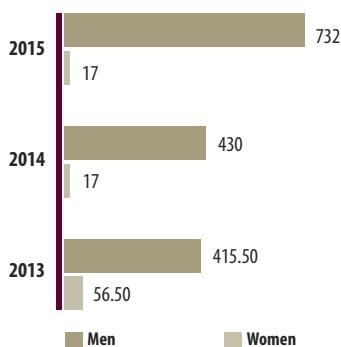
$$\text{Lost day rate (LDR)} = \frac{\text{No. of days lost due to accidents} \times 10^6}{\text{No. of man-hours worked}}$$

Taking these points into consideration, Corinth Pipeworks decided that in this sensitive area, actions and investments to promote employee safety will remain high so as to achieve its long-standing goal of 'zero accidents'.

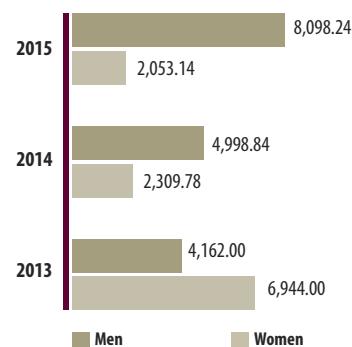
Performance in the health sector

It is worth noting that to date Corinth Pipeworks' employees have enjoyed good health with zero cases of occupational disease. In 2015, as in previous years, there were no cases of occupational disease. The number of absences and absenteeism due to illness unrelated to the working environment was as follows:

Number of days of absenteeism*



Absentee rate (AR)



$$\text{Absentee Rate (AR)} = \frac{\text{Days absent from work for other reasons (excluding accidents)} \times 10^6}{\text{Number of days worked}}$$

* Note that in calculating AR, it was assumed that each employee worked 1,840 hours.



CORINTH PIPEWORKS S.A.

9. Corinth Pipeworks' impact on people

9.3 Corinth Pipeworks' contribution to the society

Corinth Pipeworks supports the local communities next to which it operates and develops



By investing time and resources Corinth Pipeworks aims to bolster social cohesion, build partnerships with local communities and promote the further development of Greece's social fabric. The Company ensures developing harmonious relations with the local communities around it, and takes into consideration the concerns of local residents in taking decisions on jointly acceptable actions.

With that in mind, the Company has evaluated and monitors its activities at the Thisvi plant in detail to determine its impact on the environment. The Company has an ISO 14001-certified Environmental Management System in place (more information about the system is available in the section entitled 'Responsibility for the environment' of this Report) and regularly carries out special environmental analyses or inspections to record all environmental aspects of its production facilities' operations. Based on the most recent study which has been inspected by the competent public authorities, its environmental impact is rated 'low impact' for the environment. In addition, thanks to the preventative measures the Company is constantly taking, potential impacts also remain very low.

Developing local communities

As an active player in local communities, the Company has recorded, evaluated and prioritised key issues relevant to those communities. Based on the needs which emerged, it has taken steps in two key sectors: bolstering local jobs and entrepreneurialism, and supporting the day-to-day needs of local communities. The section below sets out the Company's activities in each sector:



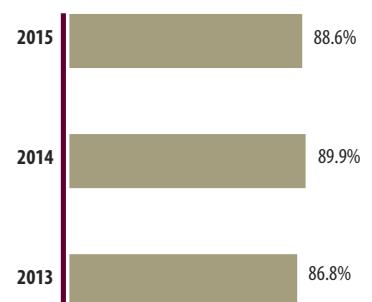
Bolstering local jobs and entrepreneurialism

To contribute to the growth of the local economy, the Company employs the vast majority of its personnel from local communities, and has developed partnerships with local suppliers. Partnerships with local suppliers are developed if they can satisfactorily meet the need for services or products from the local market.

Employing staff from local areas

Corinth Pipeworks has had a positive impact on the local job market, employing 380 local people (or 88.6% of its total workforce) in 2015. This high figure has remained unchanged over several years now since during the recruitment process the Company makes it a priority to hire staff from the local labour market. 28% of those in managerial posts also come from the local community.

Percentage of employees from the local communities



Supporting local suppliers

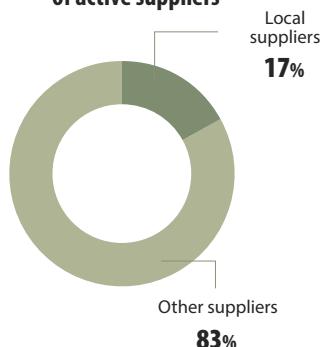
Local entrepreneurialism is supported by developing partnerships with suppliers and contractors from the areas around the Thisvi plant. It is Company policy to select suppliers and contractors who work near the Thisvi Plant or come from the wider Viotia Regional Unit, provided local suppliers can do the specific job or can offer the specific items under the same terms as a non-local supplier. In 2015, 284 of the Company's 1,703 active suppliers came from the local market.



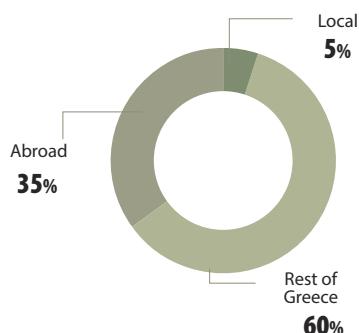


9. Corinth Pipeworks' impact on people

Geographical distribution of active suppliers



Percentage of purchases from suppliers by geographical location



B. Supporting the needs of local communities

Corinth Pipeworks has supported vulnerable local groups, offering sponsorship and donations to local associations and organisations, and supporting the activities of local communities across a broad spectrum of issues. Its activities fall into 5 broad categories:

Corinth Pipeworks' contribution to the society

Sports

Sport is a valuable social good, and all sporting activities impact positively on the day-to-day life of residents of local communities. Corinth Pipeworks responds to the needs of local communities in the sports sector, by providing financial support to the following sports clubs:

- Ellopiakos Sports Club
- Elikon Sports Club
- Paok Kyriakou Juniors Football Club
- Askris Sports Club
- Pangeorgikos Sports Club of Agios Georgios

Education

It is a vital priority for Corinth Pipeworks to support and develop education, and in 2015 the Company met the needs of local schools by offering heating oil or essential school equipment.

It also covered the travel costs of pupils attending school trips to Athens and made a contribution to the cost of maintaining school buildings and supported school libraries.

Environment

Recognising the growing need for environmental improvements in local communities, the Company is actively involved in environmental protection and preservation measures. Once again Corinth Pipeworks provided sponsorship for the Thiva Fire Brigade, helped clean up local areas (beaches, squares and schools) and installed rubbish bins. The Company also supported the work of the Alyki Improvement Association to open a channel leading to from Alyki lagoon to the sea.

Culture

Every year Corinth Pipeworks is involved in helping cultural events to showcase and preserve local heritage, supporting a wide range of initiatives and measures to promote culture.

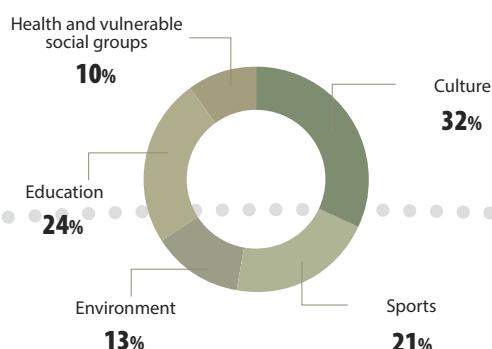
In 2015 the Company offered sponsorship to various cultural associations, museums and cultural events.

Health and vulnerable social groups

In 2015 the Company worked in partnership with the companies Dia.Vi.Pe.Thi.V and Elpedison Power located at the Thisvi Industrial Area and the NGO Medecins du Monde, providing free checkups to residents of the Thisvi Municipal Unit on 23-24.5.2015. Services were provided by a GP and cardiologist, orthopaedist and paediatrician. This initiative garnered a positive response with 116 local residents taking up the offer. In addition, Corinth Pipeworks also supported the initiative of the Women's Association of Ellopia to bring women to a special mammography centre and provided support of the Xironomi community surgery, and was also there offering support in a discrete and highly sensitive manner to individuals with serious diseases. Thanks to the assistance of Company employees, for yet another year Corinth Pipeworks also managed to collect packages of clothing, dry food, books and games (better known as 'Support Packets') for fellow citizens in need.

The Company's societal activities in 2015 per local community / area can be broken down as follows:

Societal actions per action area





CORINTH PIPEWORKS S.A.

9. Corinth Pipeworks' impact on people

Sports

Company employees recognise that sport is a key element in a balanced lifestyle. With that in mind 21 of them took part in the Athens Marathon on 8.11.2015 for a second consecutive year, providing practical support for this key event in the world Marathon calendar.

Collaboration with universities



Continuity and reliability

Internships at the Thisvi plant

Given its long-term partnership with universities, in 2015 Corinth Pipeworks gave 1 student the chance to be an intern at the Company. It also allowed another 9 students to work at the Company and gain professional experience.

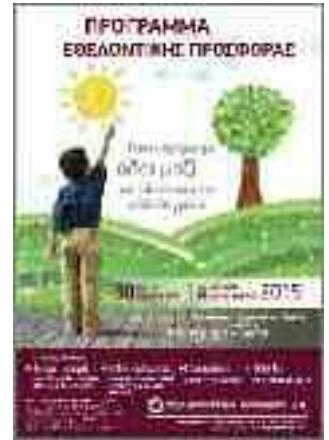


Volunteerism Programme: “Together for Social Solidarity” – “Support Packets”

The “Together for Social Solidarity” volunteerism programme helps raise awareness among employees about social solidarity and encourages them to donate clothing, non-perishable foods, books and goods to fellow citizens in need.

Company personnel donate what they can and Corinth Pipeworks undertakes to collect the items together and distribute them.

In 2015, 56 Support Packets were put together with the items collected which were then handed over to the Thiva and Livadia Holy Metropolis to be distributed to those in need in the Thisvi Municipal Unit. 10 boxes of various items of clothing and footwear were also delivered to the Panagia Makariotissa Association to be distributed to those in need.



Volunteer blood donations

Having recognised that donating blood is an important way in which one person can show solidarity with another, for the last 14 years Corinth Pipeworks has operated a blood bank for employees and their families. In 2015 a blood donation event was organised in partnership with the Georgios Gennimatas General Hospital in Athens at the Company’s plant in Thisvi, Viotia. A total of 51 employees donated blood, while 67 units from the Company’s blood bank were given to people in need.



Christmas party for children from local communities

Every year just before Christmas Corinth Pipeworks organises a party for children from primary schools and nurseries in the Thisvi Municipal Unit. The party was held on 16.12.2015 and attended by 110 pupils who enjoyed 3 hours packed with fun and activities including painting and decorating wooden toys, making and painting Christmas decorations, face painting, dance and a present-giving ceremony. The event was held at the Thisvi Museum of School Life. At the end of the event, the children received Christmas presents from Corinth Pipeworks.





10. Corporate Governance

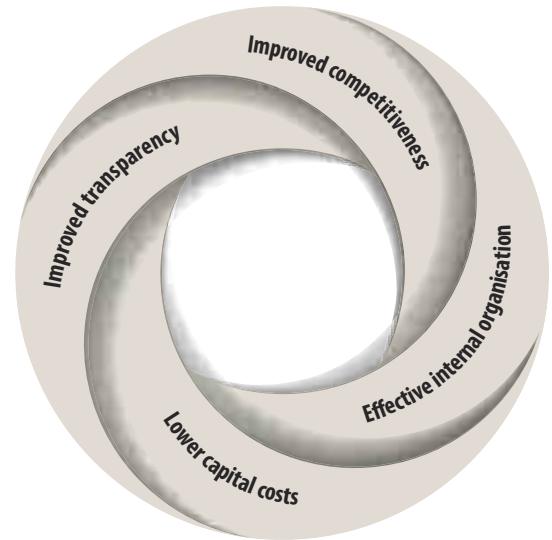
**We seek to maximise the Company's value
for the benefit of shareholders and all those
contributing to its growth and development**

10.1. Corinth Pipeworks' Corporate Governance framework

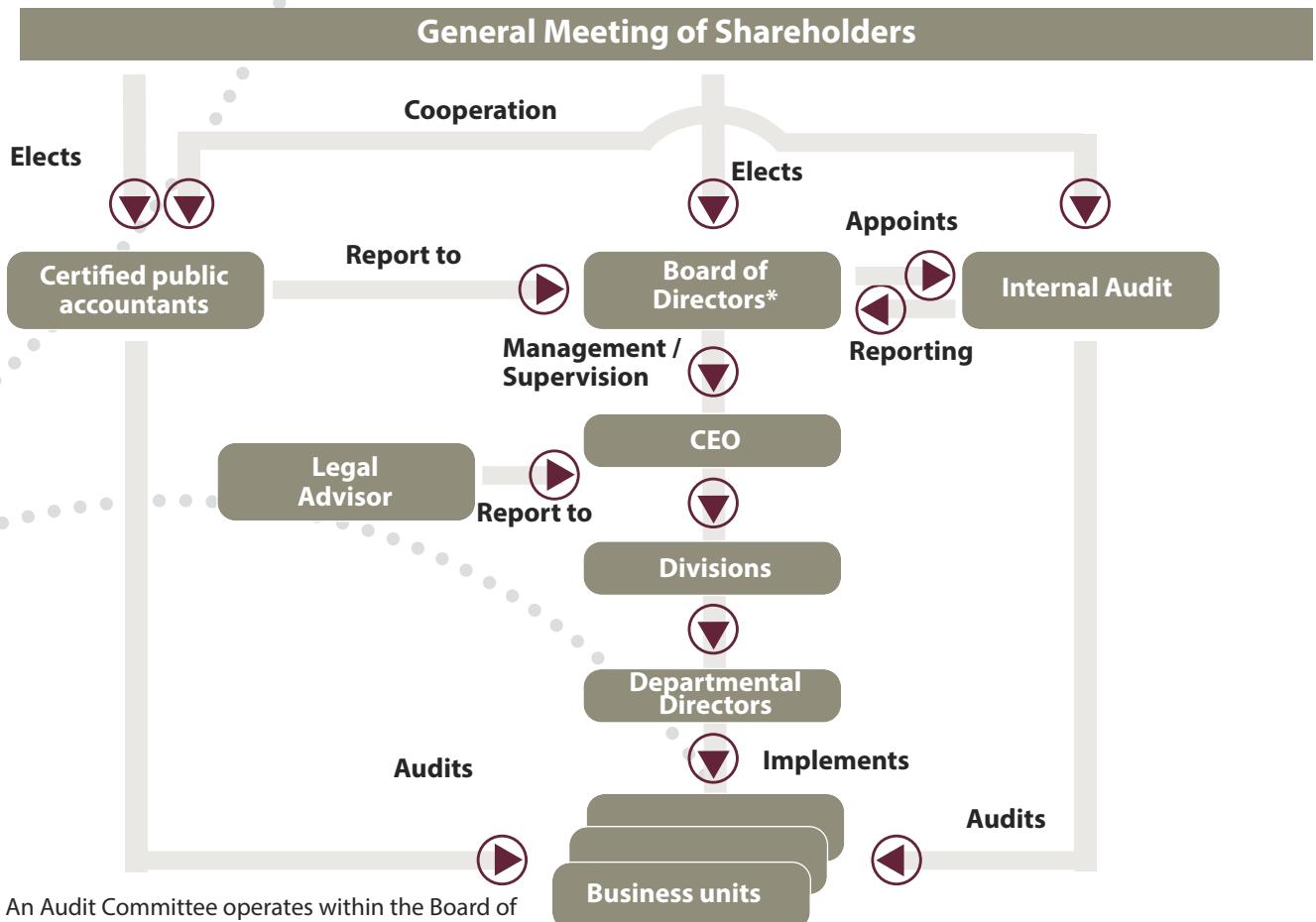
Corinth Pipeworks enjoys the benefits deriving from the adoption of sound corporate governance practices, and follows and complies with the national legislation currently in force. It has voluntarily adopted the Hellenic Corporate Governance Code developed by the Hellenic Council for Corporate Governance, with some deviations that are outlined in the Annual Financial Report.

To implement its strategy and achieve its goals, the Company has developed and put in place a suitable organisational structure with two-way channels of communication, while Company management is exercised by the General Meeting of Shareholders and Board of Directors in accordance with the specific provisions of the applicable laws and the Company's Articles of Association. Corinth Pipeworks' operations are supported by the Internal Audit Department, the Legal Advisor's Office and the Company's Divisions and various departments.

Benefits from adopting Corporate Governance practices



Corporate Governance Structure – System



An Audit Committee operates within the Board of Directors. The Audit Committee is appointed by the General Shareholders' Meeting.

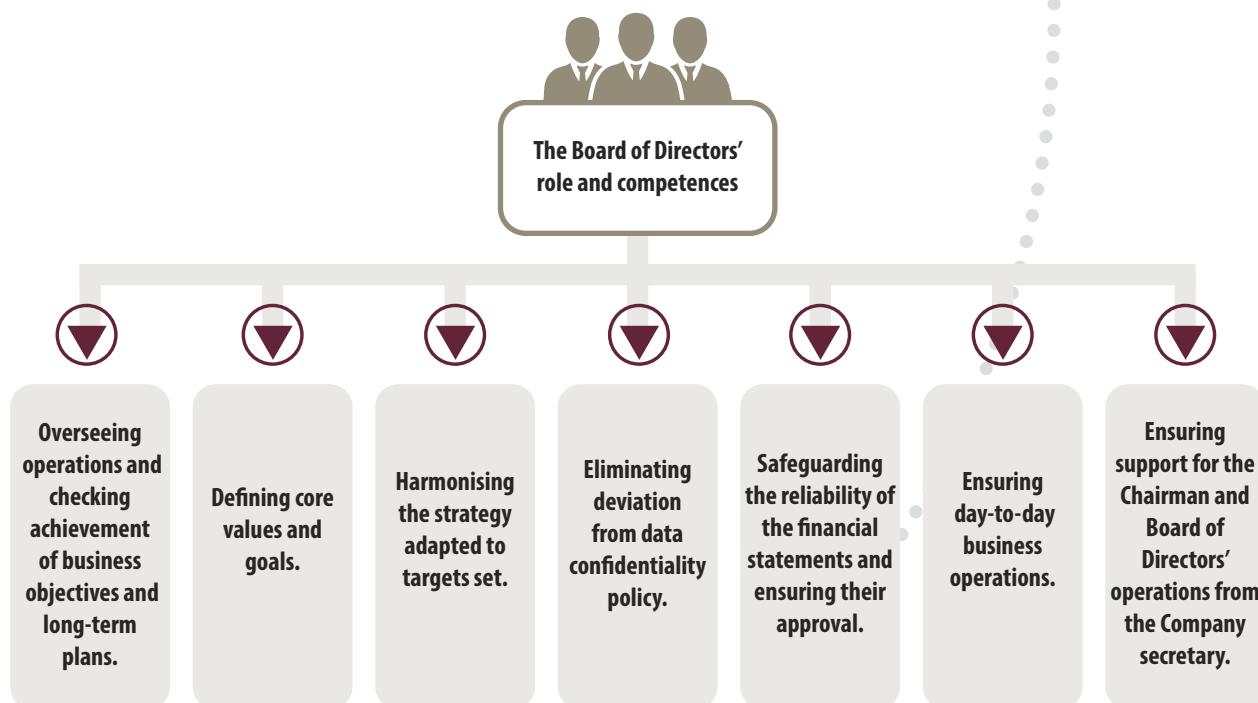


10. Corporate Governance

10.2. The Board of Directors

Corinth Pipeworks' Board of Directors is responsible for developing Corporate Governance principles and its Corporate Social Responsibility policies and monitoring their effectiveness.

The role and responsibilities of the Board of Directors are summed up as follows:



The Board of Directors meets regularly over the course of the year, to ensure that all Company activities are conducted in line with its principles, policies and strategy. In 2015 the Board of Directors, attended by all members, met 31 times.

The Company's Board of Directors attaches particular importance to health and safety and environmental issues, which always occupy an important place on its agenda. The Company has also developed a procedure that invites departmental directors to prepare periodic briefings about the progress of work and any major issues that have arisen, including issues relevant to the Company's environmental and societal performance.

Corinth Pipeworks' Board of Directors is selected by the General Meeting of Shareholders and serves a 1-year term in office. The Company's current Board of Directors consists of 6 members, the majority of whom are non-executive members, while 1/3 are independent, non-executive members, whose goal is to safeguard the interests of shareholders and guarantee the Company's continuing viability.





10. Corporate Governance

Composition of Corinth Pipeworks' Board of Directors

Konstantinos Bakouris, Chairman of the Board of Directors, Executive Member

Konstantinos has been Chairman of the Board of Directors of Corinth Pipeworks since 2005.

He holds an MBA from DePaul University, Chicago (USA). Since 2000, he has also served as a board member in a number of companies in the Viohalco Group. He is Chairman of International Transparency Hellas (since 2006) and Chairman of the Greek-Russian Business Council. He served as Chairman of the Board of Directors of Net Med NV from 2004 to 2008, as Managing Director of the Organising Committee for the Athens 2004 Olympic Games from 1998 to 2000 and Chairman of the Board of the Hellenic Centre for Investment from 2001 to 2002. He has also served as Chairman of Ralston Energy Systems Europe S.A. and as a member of the Worldwide Business Council of that company from 1986 to 1997. Between 1970 and 1986, he served as CFO, Managing Director, Vice-Chairman and CEO of Union Carbide in both Greece and Europe. Some of his other roles have included President of the European Portable Battery Association, President of the Greek Community of Geneva, member of the Advisory Board of Business Europe, member of the World Presidents' Organisation (WPO), member of the MBA Advisory Board at De Paul University, Chicago as well as Vice-President of the Hellenic Management Association.

Meletis Fikioris, Vice-Chairman, Non-Executive Member

Meletis has been Vice-Chairman of Corinth Pipeworks' Board of Directors since January 2005. He has been a member of the Athens Bar Association since 1973, acting as legal advisor for various companies or sitting on their Boards of Directors.

Adamantios Vassilakis, Non-Executive Member

Adamantios graduated with a degree in Political and Diplomatic Studies from Brussels Free University, and also attended the Hios Commercial School. During a long career in the Diplomatic Corps he served in numerous countries including Yugoslavia, the former USSR and the USA, and has held important positions of responsibility within the Hellenic Ministry of Foreign Affairs. In 2002, he was appointed as Permanent Representative of Greece to the United Nations. That same year, the UN appointed him as chief negotiator for Greece in discussions in the name dispute with the Former Yugoslav Republic of Macedonia (FYROM). In 2005, he was promoted to the rank of Ambassador and between 2005 and 2006 represented Greece during the Country's term on the UN Security Council in New York. While sitting on the Security Council, he took part in missions to Central African countries such as Congo, Burundi, Rwanda, Uganda, and Tanzania, as well as Sudan and Afghanistan. He also served as Chairman of the UN Security Council Sanctions Committee for the Ivory Coast and Sudan, as well as Chairman of the Security Council's Informal Working Group on improving the effectiveness of UN sanctions. He was appointed National Representative of Greece in 2007 in the negotiations held under the auspices of the UN to find a permanent name for FYROM. He has been decorated with the Grand Cross of the Order of the Phoenix.

Ioannis Stavropoulos, Executive Member

Ioannis graduated from the University of Piraeus and has been working at companies in the Viohalco Group since 1972. He served as CFO of Vitruvit S.A. in 1978, CEO of Hellenic Cables of Messolongi S.A. in 1989, KEM S.A. in 1998 and then at Sidenor S.A. in 1999. He sits as an executive member on the Board of Hellenic Cables S.A. and an ordinary member on the Board of Directors of various other Viohalco companies.

Nikolaos Galetas, Independent Non-Executive Member

Nikolaos is an independent member of the Board of Directors of Corinth Pipeworks. He holds a degree in theology from the University of Athens and has also studied at the Vienna University of Technology (Technische Hochschule Wien). He also holds a degree in electrical engineering from the National Technical University of Athens. During his long career, Nikolaos has held managerial posts at the Hellenic Industrial Development Bank (HIDB), the Planning and Development Company (EPA) and the National Investment Bank for Industrial Development (ETEBA), where he also served as CEO. Nikolaos also served as a management consultant for ETEBA and as well as for Eurobank Properties S.A. and sat on the

boards of a large number of companies, including EFG Eurobank Properties REIC and Greek Radio and Television (ERT), where he held the post of Vice-Chairman, and several subsidiaries in the ETEBA Group holding the post of Chairman of the Board of Directors during his long experience in the Group. Between 1990 and 1992, he was also an advisor to the Ministers of the Interior, Agriculture and Coordination.

Andreas Kyriazis, Independent, Non-Executive Member

Andreas has served on the Company's Board of Directors since 2005. He graduated from the School of Chemistry, Physics and Mathematics of the University of Athens. He has served as Chairman of the Union of Hellenic Chambers, the Union of Balkan Chambers, the Athens Chamber of Commerce and Industry, the Hellenic Productivity Centre, the Hellenic Management Association, and the Hellenic Timber Industry Association. He has also served as Vice Chairman of the Union of the European Chamber of Commerce and Industry and General Secretary of the Association of Greek Chemists.

Corinth Pipeworks' Senior Executives

Apostolos Papavasileiou, Chief Executive Officer

Apostolos has held the position of CEO at Corinth Pipeworks since November 2010. He holds a degree in chemical engineering from the University of Patra School of Engineering and holds an MBA from the University of Salford in Manchester, UK. Apostolos previously worked at Viohalco as Financial Planning, Budgeting and Reporting Director and at the Sidenor Group as Strategy and Investment Planning Director. Prior to that Apostolos held a series of managerial positions in the Nestle Group in both Greece and Switzerland (in the town of Vevey), where he was responsible for Supplier management, technical and industrial performance and operations strategies in projects located in various countries around the world.

Ioannis Papadimitriou, Chief Financial Officer

Ioannis assumed the position of company Financial Director in May 2011. He is an economist and graduate of the Department of Economics of the University of Piraeus. Between 1998 and 2003, he worked as an auditor at PricewaterhouseCoopers. He joined the Corinth Pipeworks Financial Services Department in 2003 and up to 2008 held various positions of responsibility within the Company. Between 2008 and 2011 he worked as Financial Controller at Newlead Holdings, a shipping company listed on NASDAQ.

Athanasios Kotzakis, Plant Director

Athanasios has held the position of Thisvi Plant Director since July 2009. He is a metallurgical engineer and graduate of the National Technical University of Athens and holds a postgraduate degree in metals and ceramic materials technology from the University of Manchester's Institute of Science and Technology (UMIST). He began his career at Viohalco in 1996 at KEM S.A. (which subsequently became BET) as Production Engineer. Before coming to Corinth Pipeworks he also worked as Head of Production at Sidenor, as well as Technical Director at the Sovel plant. From 2004 onwards, he was made responsible for the Sidenor Group's rolling mills and in 2007 he took up the position of Deputy Plant Director at Corinth Pipeworks.

Athanasios Tazedakis, Deputy Plant Director / Technology and Development Director

Since 2012, Athanasios has held the position of Deputy Plant Director and Technology and Development Director at Corinth Pipeworks. He graduated from the Mining Engineering and Metallurgy Department of the National Technical University of Athens and holds postgraduate degrees (a M.Sc. and Ph.D.) in welding from Cranfield University in the United Kingdom. He began his career at Corinth Pipeworks back in 1999 and since then has held various key positions such as Quality Director and ERW / HFI Mill Director at the Thisvi Plant.

Nikolaos Sarsentis, Raw Materials Procurement Director

Nikolaos has been working at Corinth Pipeworks since 2011. He holds a degree in mechanical engineering from University College London with an M.Sc. in advanced applied mechanics and in management science from the University of London's Imperial College of Science and Technology. He joined the Sidenor Group in 2006 as pipe sector Operational Director. Prior to that Nikolaos held managerial positions at the companies Friesland Foods, Tetra Pak, Alfa Laval and Diamant Bort.



10. Corporate Governance

Ilias Bekiros, Commercial Director

Ilias took up the position of Corinth Pipeworks' Commercial Director in 2014. He has a degree in mechanical engineering from the National Technical University of Athens, and an MBA from the Athens University of Economics and Business. From 2005 onwards, Ilias worked as Head of Product and Sales at Sidenor in charge of various products. Before switching to Corinth Pipeworks, from early 2013 he held the post of Sales Director for structural steel and hot rolled sheet metal.

Grigoris Kakanelis, Human Resources Director

Grigoris has held the position of Human Resources Director at Corinth Pipeworks since 2004. He graduated from the Department of Applied Informatics at the Athens University of Economics and Business and holds a degree in Business Administration from ALBA. He began his professional career with Corinth Pipeworks in 1997 as a Head of the IT Department and Head of the Shareholder Department. He was appointed as Head of Administrative Services and Human Resources in 2000.

Nikolaos Voudouris, Quality Director

Nikolaos has held the position of Corinth Pipeworks Quality Director since 2012. He has a degree and Ph.D. from the University of Patra's Department of Chemical Engineering. He also prepared a thesis on metallurgical materials at RWTH Aachen in Germany. Since joining Corinth Pipeworks in 2002 he has held various positions of responsibility as Quality Control Director, Quality Control Manager and Quality Control lab Manager.

Alexandra Tzanetopoulou, Legal Advisor

Alexandra has served as Corinth Pipeworks' legal Advisor since 2004. She is an attorney at law called to the bar of the Court of Appeal and a member of the Athens Bar Association. She also has an Executive M.Sc. in International and European Economic Studies from the Athens University of Economics and Business. Just some of her areas of expertise are international trade issues, international tender procedures, insurance law (and industrial risk insurance in particular), risk management and business financing. She graduated from the Athens law School of the National and Kapodistrian University of Athens and also holds a Diploma in Management Studies from Alba Graduate Business School. In 2013, she graduated from the Executive Training Centre of the Athens University of Economics and Business, receiving a Diploma in Negotiations.



Audit Committee

Corinth Pipeworks has put in place an Audit Committee in line with the provisions of Law 3693/2008 comprised of 3 non-executive members of its Board of Directors appointed by the General Meeting, 2 of whom are independent. The Audit Committee's task is to assist the Board of Directors better perform its duties relating to financial reporting, internal auditing and reviewing the statutory auditors. The Audit Committee enables the Board of Directors to fulfil its mission to ensure effective accounting and financial systems, to put auditing and risk management systems in place, to ensure compliance with the legislative and regulatory framework and that Corporate Governance principles are being effectively implemented.

More specifically, the Audit Committee has the following responsibilities:

- It examines the effectiveness of all management levels to safeguard the resources the Company manages and ensure that they comply with the Company's established policy and procedures.
- It evaluates procedures and data to determine whether they are adequate to attain the Company's objectives and assess the policy and the programme relevant to the activity being examined.
- It periodically checks the various functions of different divisions or departments to ensure that their functions are being carried out without problems, comply with Management guidelines, Company policy and procedures, and that they reflect Company objectives and standards of management practice.
- It examines internal audit reports and in particular evaluates their adequacy, confirms the accuracy and examines whether appropriate support for their conclusions is in place.

The Audit Committee examines and ensures the independence of the Company's external auditors and takes cognisance of their findings and the Audit Reports on the annual or interim financial statements of the Company. At the same time, it recommends corrective actions and procedures so as to deal with any findings or failures in areas of financial reporting or other important functions of the Company.

During 2015 the Audit Committee, attended by all members, met 4 times.

Corinth Pipeworks' Audit Committee

Meletis Fikioris,
Non-Executive Member

Nikolaos Galetas,
Non-executive and
independent member

Andreas Kyriazis,
Non-executive and
independent member



10. Corporate Governance

10.3. Internal audit system

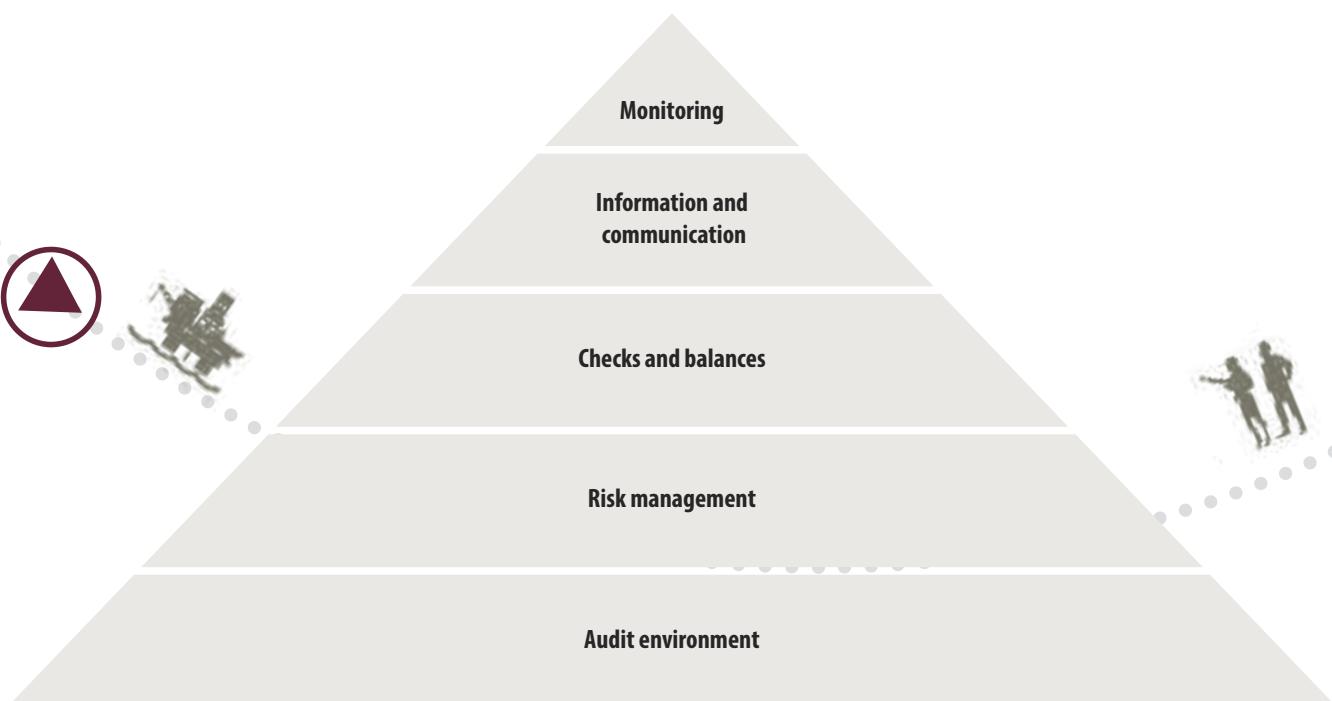
Corinth Pipeworks ensures the effectiveness and efficiency of its corporate operations, the reliability of its financial reporting and risk management systems, and compliance with the applicable laws and regulations through its Internal Audit System. Among other things, the Internal Audit System aims to ensure the thoroughness and reliability of the data and information required for accurate and timely determination of the Company's financial situation and the production of reliable financial statements.

The Internal Audit Department checks that procedure and internal audit system is being properly implemented, regardless of their accounting or non-accounting content, and evaluates the Company by reviewing its activities, acting as a one-stop-shop for Management.

The Company's Internal Audit Department carries out numerous checks throughout the year to examine how Corporate Responsibility policy is being implemented, and places particular emphasis on health, safety and environmental issues. The results of these checks are gathered together and presented as quarterly or extraordinary reports to the Audit Committee.

Each year the Board of Directors of Corinth Pipeworks reviews the Internal Audit System in terms of its scope and the effectiveness of the Internal Audit System, the adequacy of risk management and internal audit reports submitted to the Audit Committee and in terms of how responsive Management was to problems or weaknesses in the Internal Audit System which were identified.

Internal Audit System





10.4. Risk management system

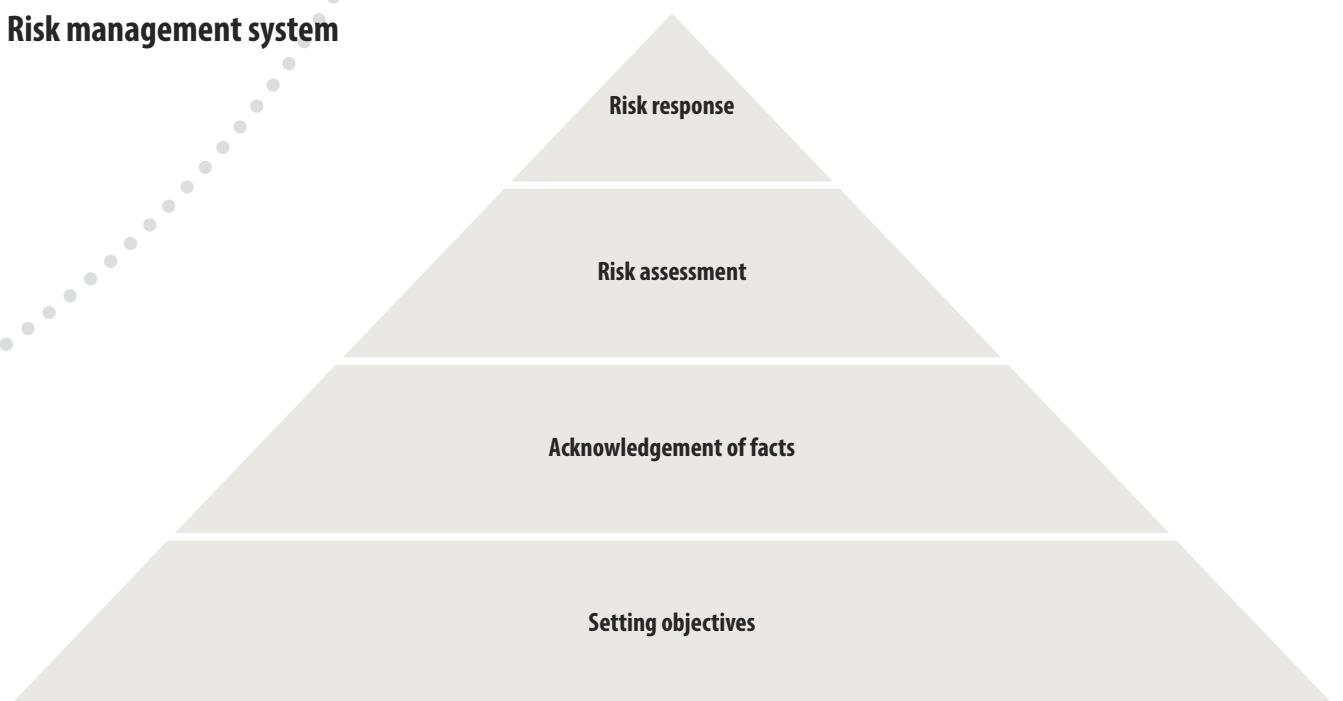
As a company which attaches great importance to the precautionary principle, Corinth Pipeworks has put in place practices and mechanisms to identify, record, evaluate and properly manage the risks associated with the Company's business operations, its exposure to the markets in which it operates and the general economic environment. Bearing that in mind, the Finance Division has developed a specific risk management policy based on the relevant Company guidelines.

Corinth Pipeworks' general method for managing contingent risks seeks to minimise any potentially negative impacts on the Company's financial performance and overall operations. Continuous reviews of the policy enable Corinth Pipeworks to take any changes in the Company's environment into due account in good time.

Corinth Pipeworks' risk management policies are implemented to enable it recognise and assess the risks the Company faces, to determine its risk appetite and to take appropriate preventative and corrective measures. Company strategy is to continuously evaluate the effectiveness of its risk management policies and to develop new monitoring tools all the time.



Risk management system





10. Corporate Governance

Just some of the key financial, business, environmental and occupational risks the Company is exposed to by the nature of its activities are outlined below:

Risk category	Description
Financial risks	<p>The major categories of financial risk associated with Corinth Pipeworks' operations are as follows:</p> <ul style="list-style-type: none"> • Liquidity risk • Operating Risk • Credit risk (banks and customers) • Market risk (foreign exchange risk, interest rate fluctuation risk, product price fluctuation risk) • Capital risk <p>The Company has issued specific guidelines to deal with financial risks, which the Finance Division implements as part of company risk management policy. More information about how financial risks are addressed is provided in Corinth Pipeworks' 2015 Annual Financial Report.</p>
Business risks	<p>The Company operates in the international energy sector, making it more vulnerable to the intense competition which has emerged over recent years. Business risks can arise from potential drops in capital expenditure by major energy firms or due to potential protectionism for local producers. Moreover, given that quite a few markets and the cost structure of certain competitors rely on the dollar, a stronger euro during the project tendering phase ceteris paribus, dictates a more aggressive pricing policy which will squeeze profit margins down. The vast majority of energy sector sales are on a per project basis, where both the price and cost of supply of raw materials over the project implementation period are fixed. However, the hollow structural sections market is subject to changes (which are often significant) both in price, and the cost of raw materials. Freight costs are also another major cost for the Company, and over recent years freight has been particular volatile. To address this the Company concludes contracts on a per project basis for a major part of its transportation requirements. Nonetheless, in quite a few cases this is not a feasible solution and ships have to be chartered on the spot market, thereby affecting project profitability.</p>
Environmental risk	<p>Environmental risk is the risk associated with air and water pollution as well as climate change. To assess environmental risk, environmental indicators -tied into the financial indicators in order to record environmental risk in financial terms- are used.</p>
Occupational risk	<p>Occupational risk is the risk associated with occupational health and safety which can emerge from occupational exposure to harmful agents in the workplace. Indicators tied into the likelihood and/or frequency with which employees are exposed to such agents in the workplace, and the serious impacts these could have on the Company's staff, are used to assess occupational risk.</p>

To reduce the likelihood and importance of risks occurring, the Company takes a series of preventative actions and implements various measures after monitoring the quality, environmental and health and safety indicators it has developed. These indicators are monitored systematically as part of the management systems the Company has developed and implemented, and are also notified to all levels within its structure. Corinth Pipeworks:

- has carried out all the risk assessment studies mandated by law,
- implements strict operating and safety criteria (in full compliance with Greek and European law),
- has developed a detailed contingency plan for emergencies and
- works closely with the local authorities and the fire service to ensure that any potential incidents can be quickly and effectively dealt with.

10.5. Avoiding conflicts of interest

Respecting the precautionary approach and the need to protect stakeholder interests, Corinth Pipeworks has adopted specific measures and practices to identify, check and address all cases of conflicts of interest. More specifically, at Corinth Pipeworks:



All cases or circumstances which constitute or could constitute a conflict of interests have been identified for all products and services the Company offers.



Suitable mechanisms and systems have been put in place to avoid and manage conflicts of interest.



These mechanisms are constantly updated to prevent any new potential conflicts of interest.



All executives, employees and associates are obliged to report their personal transactions to the Hellenic Capital Market Commission in line with the relevant legislation in order to avoid cases which could lead to conflicts of interest from access to privileged or other confidential information associated with Company transactions or customers.



10.6. Managing transparency and corruption issues

One of Corinth Pipeworks' fundamental priorities is to ensure that codes of ethics and transparency are complied with in its dealings with stakeholders. To achieve that goal, taking a precautionary approach the Company has set limits on the responsibilities and influence of each and every executive, has put in place checks and balances to prevent cases of corruption and provides executives with training about transparency and corruption. The Internal Audit Department has also developed a schedule of audits on these matters to ensure audits are carried out at regular intervals.

As part of this, over recent years Corinth Pipeworks has been sponsoring the activities of Transparency International Greece, related to the organisation's mission which is to combat corruption, promote transparency, accountability and integrity across the board, in all sections of society.



11. Strategic approach to Corporate Social Responsibility

We operate on the basis of Corporate Responsibility values and principles and are committed to Sustainable Development



11.1 Corporate Responsibility and Sustainable Development action areas and policy

At Corinth Pipeworks, Corporate Responsibility is an integral part of our decision-making process since it relates to our all operations. The Company's strategic approach is reflected in the corporate responsibility action areas it has identified for itself.

Corinth Pipeworks' Corporate Responsibility action areas



The Company has developed and adopted a CSR policy which sets out its commitments for each corporate responsibility action area.



Corporate Social Responsibility and Sustainable Development Policy

Corinth Pipeworks and its subsidiaries have incorporated CSR principles in their business operations, thus recognising that their long-term growth and prosperity of society can only be achieved through Sustainable Development. Concern for the employees' Health and Safety, respect and protection of natural environment, integrated response to the customers' needs and harmonious coexistence with the local communities, where it operates, are the main issues of Corporate Social Responsibility of Corinth Pipeworks.

Corporate Social Responsibility and Sustainable Development Policy of Corinth Pipeworks is consistent with the Company's values, responsibility, integrity, transparency, efficiency and innovations and is determined by the Management, entirely committed to the following issues:



11. Strategic approach to Corporate Social Responsibility

- implementation of CSR Policy at all levels and in all Company's operating segments.
- strict enforcement of effective legislation and full implementation of standards, policies, internal guidelines and procedures applied by the Company as well as other commitments, arising from voluntary agreements, signed and accepted by Corinth Pipeworks.
- two-way and on-going communication with all stakeholders in order to identify and record their needs and expectations. Development of mutual trust relations with the stakeholders makes a significant contribution to meeting Sustainable Development objectives.
- providing safe and healthy working environment for employees, collaborators and all the visitors.
- protection of human rights and providing work environment of equal opportunities, free from any discrimination.
- open communication, based on transparency, with all Company's stakeholders.
- continuing efforts to decrease the environmental footprint, through implementing responsible actions and preventive measures in accordance with international best practices, in order to reduce and minimise the impact of Company's operations on the environment.
- continuing pursuit to create added value for the stakeholders.

In order to realise the aforementioned commitments - even beyond formal compliance with the legislation - the Company voluntarily and responsibly has been planning and implementing the relative programs, while, at the same time, setting strategic priorities, which focus on the following areas of Corporate Social Responsibility of Corinth Pipeworks:



1. Economic development and Corporate Governance

The Company aims to achieve positive financial results, implements a system of sound corporate governance and, assesses and manages business risks in order to safeguard the interests of the stakeholders. It develops procedures and takes measures both to enhance transparency and to prevent and combat corruption.



2. Marketplace

The Company focuses on achieving best and complete customer satisfaction and invests in research and development in order to provide new products and services of high quality and added value, thereby improving its position alongside the ever evolving business environment. Additionally, responsible business conduct is required to be practiced by the Company's suppliers and collaborators.



3. Human resources

The Company respects and supports the internationally recognised human rights and implements fair reward, meritocracy and equal opportunities policies in respect of all its employees, free from any discrimination. It also provides opportunities for ongoing training and development of human resources with respect to its personnel diversity.



4. Occupational health and safety

A healthy and safe working environment is a matter of primary importance to the Company. The Company continually takes measures and implements investment plans, aiming at continuous improvement of health and safety at work.



5. Environment

Concerning the domain of environmental management, the Company applies the principle of prevention and takes systematic steps to minimise the impact of its operations on the environment. Aiming at environmental protection, the Company implements various programs for optimal management of resources, promotes metal recycling, reduction of carbon emissions and waste management.



6. Local communities

The Company designs and implements actions to meet the fundamental needs of society in terms of employment, development, education, health, environment, social welfare and culture. It encourages volunteerism and supports initiatives, in order to develop the local communities, in which it operates.

In respect of all the above key issues concerning Corinth Pipeworks and its subsidiaries, the Company sets targets of Corporate Social Responsibility and Sustainable Development, which are annually assessed for their effectiveness and revised when deemed necessary. The policy, the performance of Corinth Pipeworks in the issues of Corporate Social Responsibility, as well as the implementation of relative programs and achievement of its targets are disclosed, on annual basis, in order to provide to all stakeholders the necessary information. stakeholders' opinions are taken into account under the annually held management review of all the above issues.

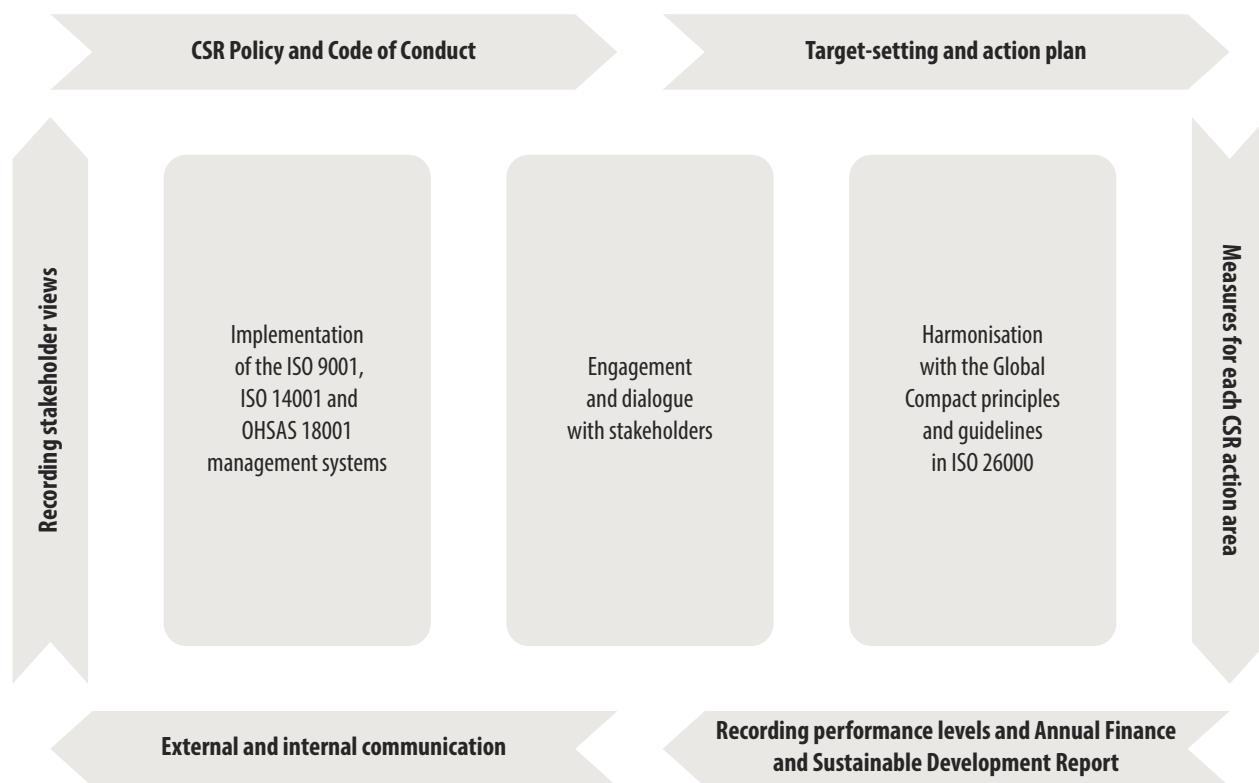




11. Strategic approach to Corporate Social Responsibility

11.2 Strategic integration and management of Corporate Responsibility

Corinth Pipeworks has made commitments on important aspects of its operations and has developed an action plan and laid down annual and/or biennial targets in light of those commitments. The Company's goal is to achieve continuing improvements in its operations at all levels. Corporate Responsibility issues enjoy 'total management' right throughout the entire Company. This includes:



Corinth Pipeworks ensures continuous improvement thanks to the integrated Management System it has put in place. This Integrated Management System includes the following three certified systems:

- The Quality Management System in line with ISO 9001:2008.
- The Environmental Management System in line with ISO 14001:2004.
- The Occupational health and safety System in line with OHSAS 18001:2007.

Using its Management Systems, the Company monitors and assesses its performance for each Corporate Social Responsibility pillar and is, in effect, able to comprehensively manage all aspects of responsible operation, and take suitable decisions that will bring it closer to Sustainable Development.

In order to more efficiently and carefully manage Corporate Responsibility issues, Corinth Pipeworks has established a Corporate Responsibility team which regularly examines issues that arise and devises the annual action plan. Our Corporate Responsibility Team consists of representatives from almost all Company Divisions, and reports directly to Corinth Pipeworks' CEO.

11.3 Engagement and dialogue with stakeholders

Corinth Pipeworks has recognised those groups directly or indirectly affected by its business activity, and those groups which can affect its activities in any way at any time, as stakeholders. The process of identifying and then ranking Company stakeholders is based on the methodology devised by the international body Global Reporting Initiative (GRI) and takes account of both the degree of influence each group of stakeholders has on the Company for each Corporate Social Responsibility priority and the degree of influence the Company has on each stakeholder group.

Since there are factors such as location, range and nature of Company operations that affect the character of these groups, the Company gives each a different weighting. Taking into account the factors affecting Corinth Pipeworks' relations with its stakeholder groups, the Company has identified the following interactive framework in respect of every stakeholder group:





11. Strategic approach to Corporate Social Responsibility

Engaging in dialogue with stakeholders helps Corinth Pipeworks better record the impacts of its operations for each individual stakeholder group. Engaging in systematic dialogue with all stakeholders enables the Company to more effectively manage and properly respond to social and environmental issues, and identify new challenges, new opportunities and new fields it could move into.

Communication channels with all stakeholders	Specific communication channels for each stakeholder group		
	Shareholders and Investors 	Customers 	Employees 
<ul style="list-style-type: none"> Company website: www.cpw.gr Annual Financial and Sustainable Development Report Company presentations at conferences, fora and institutional bodies Press releases, announcements, advertisements, articles. 	Annual General Meeting of Shareholders	Customer satisfaction surveys	Company intranet
	Investor Relations Department (Head of Investor Relations and Head of Shareholder Relations)	Constant contact face-to-face and by phone Attendance at fairs/exhibitions	On-going communication between the Management and Human Resources, via the Open Door Policy
	Regular press releases, announcements and reports	Project Management Department and product certification procedures	Briefings via email and announcements on notice boards
	Publication of the Annual Report	Attendance at industry or customer conferences, fora and events	Employee appraisals
	Publication of the Annual Corporate Responsibility and Sustainable Development Report	Marketing activities	
	Presentation at Association of Institutional Investors		
	Attendance at investor road shows		
Key issues and expectations per stakeholder group	Achieving economic growth	Quality products and services	Development and career advancement
Penetration into new markets	Projects implemented reliably and in time	Benefits	
Bolstering the Company's competitiveness and an outward orientation	Policies and procedures ensuring immediate customer service	Insurance coverage	
Sound Corporate Governance	Corporate Responsibility	Equal opportunities	
Transparent stakeholder relations			

Dialogue, and more generally, stakeholder engagement, as a concept, covers a wide range of two-way communication activities using various channels. Corinth Pipeworks enters into dialogue with stakeholder groups to identify key issues associated with each group and its operations/activities. By communicating and cooperating with each stakeholder group the Company can record the main issues and assess stakeholders' views and needs, to enable it to revise procedures and develop action plans to meet those needs.

Suppliers 	State and institutional bodies 	Local communities and NGOs 
Procurement Department for each category of supplies	Involvement in policy- and decision-making (via membership of the Hellenic Federation of Enterprises)	On-going communication with local community organisations
Communication with the Accounting Office about financial issues	Attendance at conferences	Participation in local community organisation events and activities
Attendance at trade fairs and events	Attendance at events organised by public agencies Participation in government surveys and consultations	Participation of company representatives in events and fora to exchange views
Suppliers systematically briefed about market developments	Participation in government surveys and consultations	Main member of the Hellenic Network for CSR (CSR Hellas)
	Membership of local bodies such as the Federation of Sterea Ellada Industries and the Hellenic Union of Industrial Energy Consumers (UNICEN)	
Merit-based / objective evaluation	Compliance with the applicable legislative framework and regulations	Supporting local entrepreneurship
Supporting local suppliers	Support for the State's actions and programmes	Development partnerships with NGOs and supporting their activities
Briefing suppliers about market developments	Responding to the State's demands in good time	Response to local community issues (such as support for local associations)
Integrating responsible operating criteria	Working to bolster Greek exports	Supporting health



11. Strategic approach to Corporate Social Responsibility

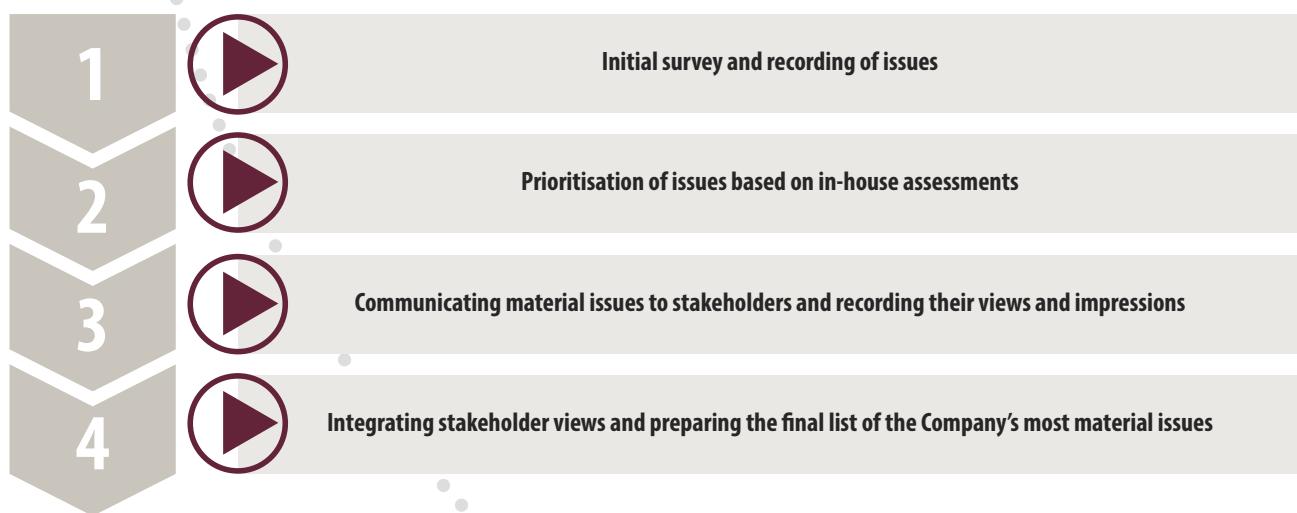
11.4 Materiality analysis

Each year Corinth Pipeworks updates its materiality map based on the responses received from its stakeholder groups. While this version of the Report was being prepared the Company ran a workshop to record and evaluate the most material issues and topics for Corinth Pipeworks. The materiality analysis was performed in line with the most recent Global Reporting Initiative guidelines GRI-G4 and the AA1000 standard from the international organisation AccountAbility. During the materiality analysis issues which could cause major changes to Corinth Pipeworks' performance were treated as material issues/topics.

Collecting and recording material issues helps Corinth Pipeworks:

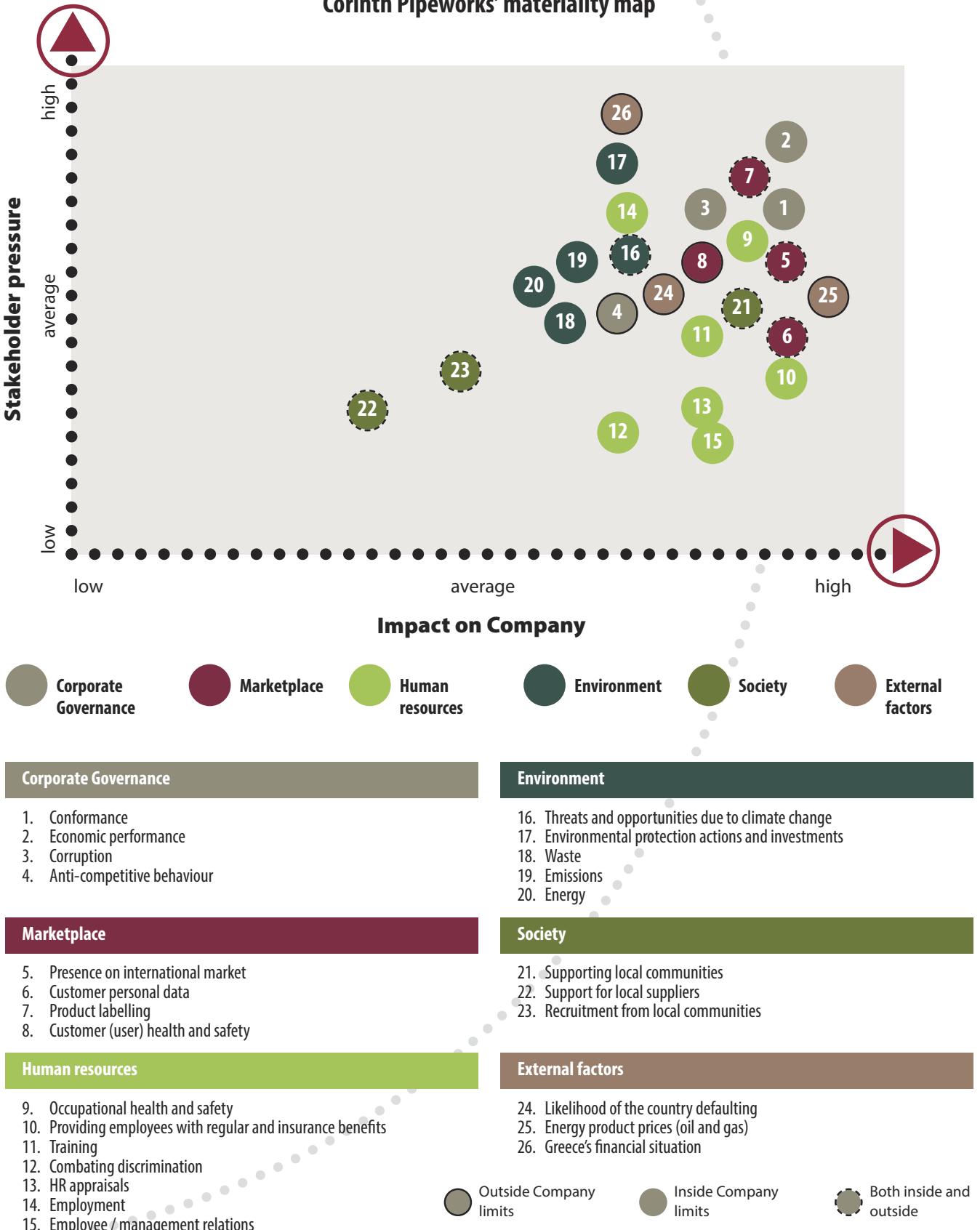
- identify, record and assess potential risks to Company Corporate Responsibility priorities,
- identify strengths, weaknesses and opportunities,
- identify issues associated with its long-term strategic goals,
- align its strategic goals with Sustainable Development.

Materiality analysis process



The materiality analysis carried out to draft this Report resulted in the materiality map below being prepared:

Corinth Pipeworks' materiality map



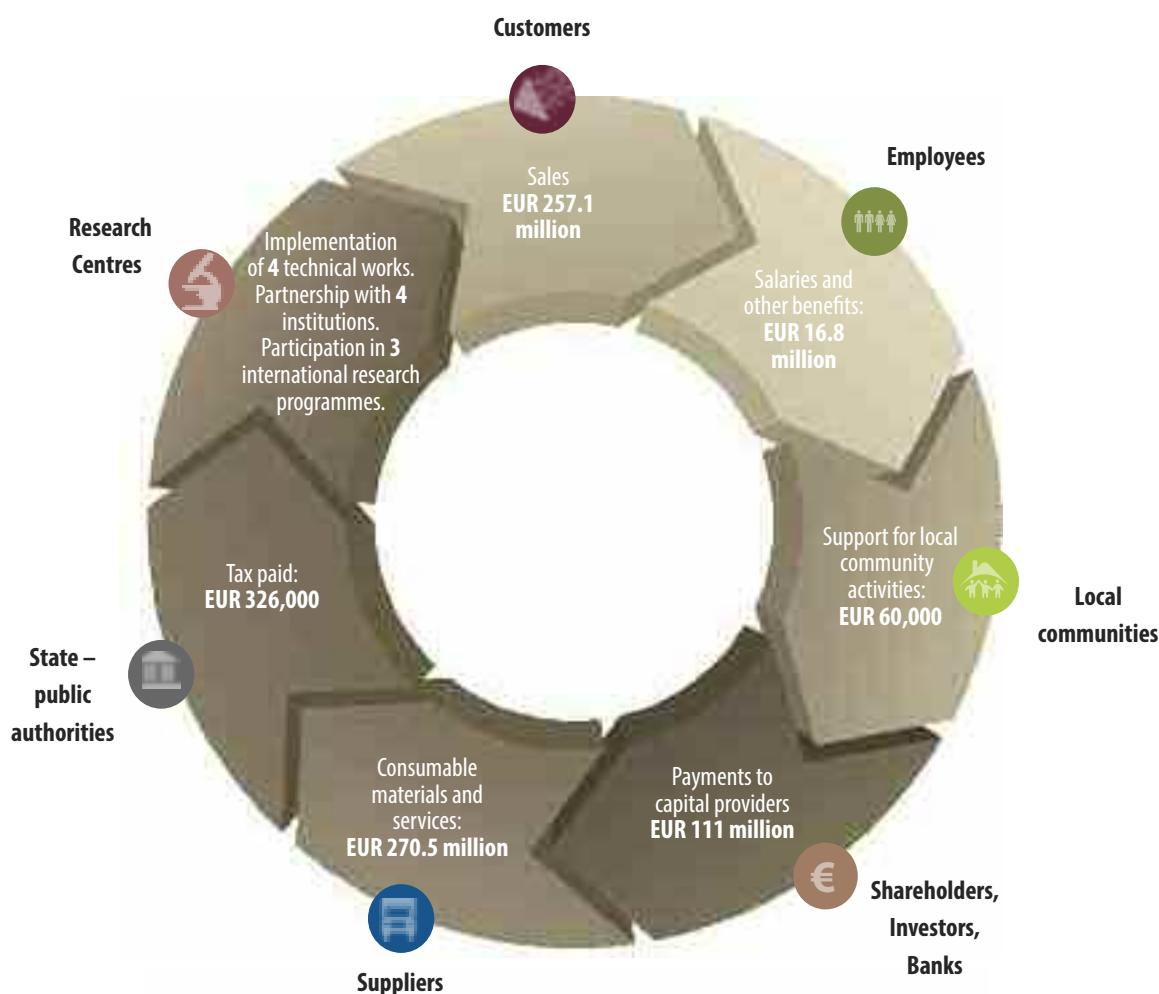


11. Strategic approach to Corporate Social Responsibility

11.5 Corinth Pipeworks' contribution to the society

Corinth Pipeworks generates added value through its business activities. The Company's objective is to contribute to the wider economic growth of Greece and the development of a sustainable society. The added value generated is Corinth Pipeworks' 'Contribution to the Society'.

The contribution to the society generated by Corinth Pipeworks in 2015 can be broken down as follows:







CORINTH PIPEWORKS S.A.

11. Strategic approach to Corporate Social Responsibility

11.6 Corinth Pipeworks' membership of networks

To build constructive partnerships on issues of sectoral or wider business interest and to adopt and promote Corporate Responsibility principles, Corinth Pipeworks has joined those professional organisations, associations or unions it feels obliged to join because of the nature of its operations (as in the case of the Athens Chamber of Commerce and Industry and the API), but has also opted to join a range of other bodies which offer mutual benefits. The Company is a member of:



Hellenic Network for Corporate Social Responsibility, since 2009. The Hellenic Network for Corporate Social Responsibility is the national representative of the European Network for Corporate Social Responsibility (CSR Europe). Its mission is to promote the concept of Corporate Social Responsibility to both the business world and social environment, with a view to achieving a balance between profitability and sustainable development.



Athens Chamber of Commerce and Industry (ACCI). One of ACCI's key objectives is to promote the principles of Corporate Social Responsibility and support environmentally responsible business operations.



Hellenic Federation of Enterprises (SEV). Corinth Pipeworks has adopted the SEV Board's Code of Conduct for Sustainable Development.



Federation of Sterea Ellada Industries (SBSE), since 2009. The Federation's role focuses on highlighting industrial needs and putting in place the conditions for achieving Sustainable Development in a responsible manner.



American Petroleum Institute (API). Members of the Institute are committed to intensifying their efforts to improve the compatibility of their operations with the environment as well as investing in the development of energy resources to provide high quality products and services. API represents oil and gas producers.



European Steel Tube Association (ESTA). ESTA is the European Steel Tube Association, which was established to engage in market watch, issue statistical reports on production per country, and brief its members about major strategic issues affecting the industry, with a particular focus on economic, environmental and social sustainability.



The Welding Institute. The Welding Institute provides services in the field of pipe welding technology and also resolves potential problems that emerged during all pipe production stages. It provides outstanding guidance to its members as well as technical advice on specialised topics or projects, and also verifies techniques used in the working environment.



European Pipeline Research Group (EPRG). EPRG is a certified organisation comprised of European gas pipeline manufacturers and companies. The research team deals with issues of gas pipeline technical integrity as well as pipe manufacture, operations and maintenance.



National Association of Pipe Coating Applicators (NAPCA). NAPCA represents pipeline coating/lining manufacturers, pipeline distributors, companies involved in the manufacture and sale of those materials as well as their suppliers. Its fundamental values include ethical business development standards and safeguarding human life.

11.7. Awards, appraisals and distinctions

“Made in Greece 2015 Award”

Corinth Pipeworks received a ‘Made in Greece 2015’ award from the Hellenic Institute of Marketing as part of the Made in Greece Awards. The Made in Greece Awards were organised for the second year running by the Hellenic Institute of Marketing under the aegis of the Ministry of Economy, Development and Tourism, with the support of the Hellenic Federation of Enterprises and the Panhellenic Exporters Association.



Corinth Pipeworks’ award in the Export Excellence category was based on the following evaluation criteria

- Level of exports and change over time, in absolute terms and proportionally to domestic revenues.
- Change in export effort over time.
- Stage of internationalisation and strategies for foreign market penetration.
- Future export plans.
- Degree of involvement of Greek production factors (labour, facilities, raw materials, inputs) and level of Greek added value.

The Export Excellence award rewards Corinth Pipeworks’ long-term endeavours to export steel pipes for oil and gas, coupled with the fact that for several years now its export rate has been 93-95% of production. Note that the steel pipes the Company has supplied over the last 15 years are sufficient to go around almost half of the Earth’s perimeter. Corinth Pipeworks’ focus on exports is contributing to more jobs, especially in the local community, and to supporting the Greek economy. The key features of Corinth Pipeworks’ successful export performance is the overall high quality of its products and services, and customer trust in its brand, which has been earned by maintaining consistent quality over all these years.

ICAP True Leaders

Corinth Pipeworks received an award from ICAP as one of the 54 True Leader companies and groups in 2014. The event took place in October 2015, with companies and groups that met specific objective, measurable criteria, high levels of performance and progress based on the data published for 2014 receiving prizes. Those criteria included company profitability, increase in staffing levels, a high ICAP credit score, and revenues.



This is a particularly important award for Corinth Pipeworks since only companies that satisfied numerous, difficult criteria against a backdrop of uncertainty and negative developments in Greece’s economy, received awards at this event.



11. Strategic approach to Corporate Social Responsibility

11.8. Performance against 2015 targets

Each year we set ourselves targets for each Corporate Responsibility objective and record how much we have improved. The Company's performance compared to the targets set for 2015 was as follows:

	Performance in 2015	Comments/Remarks
Marketplace		
Obtain EL0T EN ISO/ IEC 17025 certification for the new acid environment corrosive testing section of our quality control lab from the Hellenic Accreditation System.		Underway, but we expect this to be completed in 2017. We are in consultations with the Hellenic Accreditation Council to determine the accreditation requirements since this is the first time the relevant standards are being implemented in Greece. Section 13. Quality certifications.
Obtain certification for the new LSAW-JCOE production plant in line with international standards.		The necessary certifications for the new mill have been completed (API 5L, ISO 3834-2, DNV CE). Section 7.3. Quality Management § Product labelling and responsible information
Human resources		
Develop and roll out an induction programme for new recruits.		The programme is being implemented without problems.
Implement a new employee appraisal system.		Section 9.1. Corinth Pipeworks' human resources § Employee appraisal.
Occupational health and safety		
Keep the health and safety training rate at ≥ 4.5 hours per employee.		Health and safety actions. § An emphasis on training The average number of hours on health and safety training per employee was 4.84 hours in 2015.
Conduct an occupational risk assessment study for the new LSAW production line. Prepare the relevant safe work guidelines.		Targeted measures The target was partially achieved. The Risk Assessment was carried out. Safe work guidelines are in the process of being prepared.
Revise safe work guidelines for the HFIW production line and coating/lining mills by including a photo-based annex showcasing best practices and unsafe working conditions.		Targeted measures The target was not achieved since priority was given to other activities.
Environment		
Increase the environmental training rate by 5% to ≥ 1.1 hours per employee.		The new indicator for environmental training is 1.13 hours/employee, Up to 8.65% compared to 2014. Section 8.2. Actions for improvement § Employee training.
Implement and keep up the 5s programme on tidiness and cleanliness in the workplace (≥ 70%).		The 5s implementation rate was 71.8%.

Target fully met

Target partially met

Target not met

11.9. Corinth Pipeworks' targets for 2016

Targets per Corporate Responsibility action area



Marketplace

- Upgrade the TCP 40l coating mill from a 40" external coating mill to a 48" one.
- Install tensile strength equipment at the quality control lab to carry out high temperature tests.



Human resources

- Connect appraisal results to the annual training programme.



Occupational health and safety

- Health and safety training indicator: ≥ 4.5 hours/employee.
- Adopt an additional lock out-tag out procedure to secure machinery during maintenance in order to prevent accidents.



Environment

- Implement the 5s programme At $>70\%$ of all facilities.
- Environmental training indicator: ≥ 1.2 hours/employee.



Corporate Governance

- Design and implement a regulatory compliance / ethics and compliance programme
- Update the corporate vision, mission and value statement.



12. Corporate Social Responsibility key performance indicators

The table below records key performance indicators of Corinth Pipeworks with regard to its economic, environmental and social performance over the last 3 years:



Economic growth	2013	2014	2015
Net sales (in EUR '000)	157,309	161,310	257,170
Net profit (in EUR '000) – before taxes	-3,079	-5,771	5,468
Net profit (in EUR '000) – after taxes	-5,611	-5,933	3,213
Total assets (in EUR '000)	133,475	172,210	200,675
Total capitalisation (in EUR '000)			
Equity	148,151	137,584	145,043
Debt	53,999	109,108	135,612
Operating costs (in EUR '000)	165,237	170,934	245,411
Payments to providers of capital (in EUR '000)	103,570	13.4	111,023
Total payments to government agencies (taxes paid) (in EUR '000)	2,497	642	326
Net earnings per share (EUR)	-0.0452	-0.0478	0.0259



Human resources	2013	2014	2015
Number of employees	393	406	429
Training in man-hours (attendances x hours)	3,721	2,661	3,559
Amount spent on training (in EUR)	41,144	27,411	57,638
Number of injuries (minor accidents not resulting in absenteeism)	13	15	16
Number of injuries resulting in absenteeism	6	3	3
Near misses	30	39	34
Absences – lost days due to accidents (maternity leave not included) (*)	414	257	242
Injury Rate (accidents involving lost working time x 10 ⁶ / Total man-hours worked)	6.83	2.76	2.08
Lost Days Rate	471	236	168
Number of fatalities	0	0	0
Number of occupational diseases	0	0	0



Marketplace	2013	2014	2015
Payments to suppliers (in EUR '000)	150,331	196,100	270,540
Number of complaints	0	0	0



Environment	2013	2014	2015
Total thermal energy consumption (MWh)	4,840	7,062	11,588
Total thermal energy consumption (GJ)	17,425	25,423	41,609
Specific thermal energy consumption (MWh/tn product)	0.033	0.033	0.047
Total electricity consumption (MWh)	21,431	27,731	34,506
Specific electricity consumption (MWh/tn product)	0.146	0.131	0.14
Direct CO ₂ emissions (tons)	1,140	1,660	2,773
Indirect CO ₂ emissions (tons)	17,573	22,739	22,429
Total CO ₂ emissions (tons)	18,713	24,339	25,201



Society	2013	2014	2015
Employees drawn from the local community (%)	86.5	89.9	88.57
Voluntary blood donations (units)	63	87	67
Total level of sponsorship (in EUR)	79,972	36,190	60,438





13. Quality certificates

API 5L / Production of oil and gas steel pipes



API 5CT / Production of steel pipes for casing applications



Quality lab accreditation

EN 10219-1 (CE factory production control)



ELOT EN ISO/IEC 17025 accreditation from the Hellenic Accreditation System





13. Quality certificates

Quality Management Systems

API Q1



ISO 9001



Welding procedures and controls quality management systems

DIN EN ISO 3834/2 AD2000-MERKBLATT



UDT Poland



ZETOM Poland





14. General information about the Report

Corinth Pipeworks' 2015 Annual Financial and Sustainable Development Report outlines how the Company responds overall to modern-day economic, environmental and social challenges. For the third consecutive year, it presents financial and non-financial data in a single document.

Scope and boundary

Corinth Pipeworks' Report is produced each year and covers all Company operations. Given that the Company's main production activities take place in Greece and consequently the most important issues identified by the materiality analysis relate to the Company's facilities in Greece, the sections relating to Sustainable Development priorities do not include information pertaining to subsidiaries, joint ventures/consortiums, associates, suppliers or third parties. Other sections may contain certain information pertaining to the Corinth Pipeworks Group to provide readers with a wider picture of Group operations.

- The terms 'Company' and 'Corinth Pipeworks' refer to Corinth Pipeworks S.A.
- The term 'Group' refers to Corinth Pipeworks and its subsidiaries in Greece and abroad.

The 2015 Report (covering the period 1.1.2015 to 31.12.2015) includes the 8th consecutive Corporate Responsibility and Sustainable Development Report published by Corinth Pipeworks. All previous annual reports (Financial and Corporate Responsibility Reports from the Company) are available at <http://www.cpw.gr>.

Limitations and significant changes

Corinth Pipeworks' 2015 Report covers a broad range of issues that relate to the Company's economic, environmental and social impact, but there is no specific limitation on the scope or boundary of the Report. There were no acquisitions, sales, joint ventures and other activities which could affect the comparability of data on a year-on-year basis.

In preparing this single Report there were no major changes in the scope, boundary or valuation method used except in certain instances where specific data relating to the Corinth Pipeworks Group overall is provided. If revisions have been carried out, a specific reference is made in the relevant sections, tables or diagrams and the reasons for the revision at those points are clearly stated. Moreover, there have been no major changes relating to size, structure or ownership of the Company which affect the content of the 2015 Report.

The project team

A special team of executives from all divisions and departments of the Company was formed to prepare the Report (the Corporate Responsibility Team). The team's main task is to collect all information required pertaining to the Corinth Pipeworks' various Corporate Responsibility sectors.

Team Coordinator: Sofia Mylothridou.

Members from specific divisions and departments: Theofanis Alexopoulos, Eirini Bellou, Kimon Danielides, Alexandros Fafoutis, Vasilis Galanis, Giannis Gourousis, Thanasis Kotzakarlis, Dimitra Lymberi, Xenophon Mamakos, Ilias Mitropoulos, Giannis Papadimitriou, Nikos Sarsentis, Thanassis Tazedakis, Giorgos Tsironis, Nikos Voudouris and Sofia Zairi.

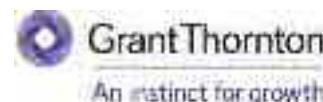
Methodology

Corinth Pipeworks' 2015 Report was prepared in accordance with the latest guidelines for Corporate Social Responsibility / Sustainability Reports issued by the international organisation, Global Reporting Initiative (GRI - G4). The principles applicable to determining content were used when preparing this Report. These principles are as follows:

- The principle of "Materiality"
- The principle of "Stakeholder inclusiveness"
- The principle of "Sustainability context"
- The principle of "Completeness".

When deciding about the content of the Report, the Company's Corporate Responsibility team conducted a materiality analysis based on the guidelines in GRI-G4. The results of that process are presented in the section entitled 'Strategic approach to Corporate Social Responsibility'.

Corinth Pipeworks' 2015 Report was prepared with the support and expert guidance of Grant Thornton (www.grant-thornton.gr) in relation to data collection, evaluation and authoring.



External verification

The Company recognises the added value that external verification brings to the Report as it helps to increase the quality and integrity of its accountability in the eyes of its stakeholders. For that very reason, in addition to the external verification of financial data provided by certified public accountants, for the fourth consecutive year Corinth Pipeworks had data in the sections of the report on "Occupational health and safety at Corinth Pie works" and "Responsibility for the Environment" externally verified by an independent external body. Note that the specific sections were chosen based on the results of the Company's materiality analysis. The conclusions drawn and comments made during this external verification process will be utilised by the Company to improve the quality of the Reports it publishes. The final section of the Report sets out the GRI G4 indicator application levels and also contains a letter from the independent body which carried out the verification.

Sources of information

The data and information presented in this Report have been collected on the basis of the Company's existing record-keeping procedures, as well as from databases maintained as part of various management systems. The data collection and presentation methodology is based on the GRI Indicator Protocols contained in GRI-G4. Where data that is the result of processing or which is based on various assumptions is presented, the method or mode of calculation is always presented in line with Global Reporting Initiative guidelines (GRI – G4).

Updated or additional information regarding Corinth Pipeworks is available either from the Company's Corporate Responsibility team or on the Company's website www.cpw.gr.

Contact details

We welcome all questions, queries, clarifications or suggestions for improvement because we value your opinion. Please send any comments or observations to the address below and help us improve and develop even more, or alternatively or use the contact form below.

The Corinth Pipeworks Group

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15. International standards compliance tables



Corporate Responsibility generates significant value for Corinth Pipeworks, especially when it reflects the requirements of relevant initiatives and standards in this field.

At Corinth Pipeworks:

The following principles have been adopted:

- UN Global Compact – 10 principles
- OECD Guidelines for multinational enterprises and organisations

The following management systems are implemented:

- API Q1 and ISO 9001 Quality Management Systems
- ISO 14001 Environmental Management System
- OHSAS 18001 Health and Safety Management System

Procedures have been developed in relation to:

- The ISO 26000 guidelines on Corporate Responsibility

Annual reports are prepared based on:

- International Accounting Standards
- GRI-G4 framework of guidelines on CSR
- AA 1000

Certificates / accreditations for products, labs, quality procedures and welding tests:

- API 5L / Production of oil and gas steel pipes
- API 5CT / Production of steel pipes for casing applications
- Quality lab accreditation
- Welding procedures and controls quality management systems



15. International standards compliance tables

15.1 The UN Global Compact

Corinth Pipeworks respects the principles contained in the Global Compact and uses the Annual Report to showcase the actions it takes in relation to each Corporate Responsibility action area. The policies implemented and measures taken by the Company to comply with the principles contained in the Global Compact are presented in the table below. The following table also shows how the GRI-G4 indicators correspond to the Global Compact's Principles.

The Global Compact's 10 Principles	Policies	Systems and procedures	GRI-G4 Indicators	
Human Rights				
<p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights</p> <p>Principle 2: Businesses should make sure that they are not complicit in human rights abuses</p>	<p>Corporate Social Responsibility and Sustainability Policy</p> <p>For Corinth Pipeworks, respect for internationally accepted human rights is an unquestionable value.</p> <p>There is special reference to respect for human rights in the Company's recently revised Code of Conduct.</p>	<p>The Company ensures respect for human rights in all of its activities. More specifically, the Company has put in place:</p> <ul style="list-style-type: none"> • A special procedure on respect for human rights in the workplace. • Procedures referring to respect for human rights in its Internal Regulations. 	<p>G4-EC5, G4-11, G4-LA5 έως G4-LA8, G4-LA12, G4-LA13</p> <p>G4-HR1 έως G4-HR12</p>	
	Labour			
	<p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining</p> <p>Principle 4: Businesses should eliminate all forms of forced and compulsory labour</p> <p>Principle 5: Businesses should effectively abolish child labour</p> <p>Principle 6: Businesses should eliminate discrimination in respect of employment and occupation</p>	<p>Corporate Social Responsibility and Sustainability Policy</p> <p>The Company has an "open door" policy to ensure immediate contact between people at all levels within the Company.</p> <p>We implement equal opportunities, no discrimination policy.</p> <p>Special sections reflecting the labour relations policy adopted by the Company have been included in the Code of Conduct drafted in 2014.</p>	<p>The Company ensures that recognised labour rights are complied with in all its activities.</p> <p>The procedures specified in the Internal Regulations are implemented. Through the procedures in place, it ensures that all employees are over 18.</p>	<p>G4-11, G4-LA4, G4-HR1, G4-HR2, G4-HR4, G4-HR10</p> <p>G4-HR1, G4-HR2, G4-HR6, G4-HR10</p> <p>G4-EC6, G4-LA1, G4-LA12, G4-LA13, G4-LA15, G4-HR1, G4-HR2, G4-HR3, G4-HR10</p>

The Global Compact's 10 Principles	Policies	Systems and procedures	GRI-G4 Indicators
Environment			
<p>Principle 7: Businesses should support a precautionary approach to environmental challenges</p> <p>Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility</p> <p>Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies</p>	<p>Corporate Social Responsibility and Sustainability Policy</p> <p>Environmental Policy</p>	<p>The Company has an Environmental Management System in place which has received ISO 14001 certification. Corinth Pipeworks is making concerted efforts to reduce the environmental footprint from its facilities. The Company adheres to the precautionary principle in managing environmental issues.</p>	<p>G4-EC2, G4-EN19, G4-EN27, G4-EN31, G4-EN1 έως G4-EN34, G4-PR3, G4-PR4</p> <p>G4-EN2, G4-EN6, G4-EN7, G4-EN10, G4-EN19, G4-EN27, G4-EN28, G4-EN31</p>
Anti-Corruption			
<p>Principle 10: Businesses should work against all forms of corruption, including extortion and bribery</p>	<p>The Company is opposed to all forms of corruption and is committed to operating ethically and responsibly.</p> <p>Special sections reflecting the anti-corruption policy adopted by the Company have been included in the Company's revised Code of Conduct.</p>	<p>The Company has developed transparent procedures to combat all manifestations of corruption across its entire range of operations.</p> <p>The procedures specified in the Internal Regulations are implemented. There is also a special procedure to prevent and combat corruption.</p> <p>Numerous audits and inspections are carried out by:</p> <ul style="list-style-type: none"> • The internal auditor. • A team of independent auditors. 	<p>G4-S03 έως G4-S05, G4-S06</p>



15. International standards compliance tables

15.2. Greek Sustainability Code compliance table



Pillar	Criteria	Reference
STRATEGY	1. Strategic Analysis & Action	11.1 Corporate Responsibility and Sustainable Development action areas and policy 11.2 Strategic integration of CSR 11.5 Corinth Pipeworks' membership of networks and organisations (G4-15) 10. Corporate Governance. 10.4. Risk Management System
	2. Materiality	11. Strategic approach to Corporate Social Responsibility 11.3. Engagement and dialogue with stakeholders. 11.4 Materiality analysis (G4-19 and G4-20) 14. General Information about the Report (G4-21)
	3. Targeting	11. Strategic approach to Corporate Social Responsibility 11.9. Corinth Pipeworks' targets for 2016
	4. Value chain management	Corinth Pipeworks at a glance 2. The Corinth Pipeworks Group 7.7 Major projects (G4-8) 7.5 Supplier management (G4-12) 14. General Information about the Report (G4-21)
MANAGEMENT PROCEDURE	5. Responsibility	11. Strategic approach to Corporate Social Responsibility 11.2 Strategic integration of CSR
	6. Rules & Procedures	4. Striving for excellence § Vision, mission and values. 9.1. Corinth Pipeworks' human capital. § The Code of Conduct (G4-56)
	7. Recording & Monitoring	14. General Information about the Report (G4-33) 15. International standards compliance tables § GRI-G4 and ISO 26000 Indicators Table (external verification report and Statement on the Level Check) 16. External verification report and statement
	8. Pay Policy & Incentives for Sustainable Development	10. Corporate Governance. 10.2. The Board of Directors 11. Strategic approach to Corporate Social Responsibility 11.2 Strategic integration of CSR
	9. Stakeholder engagement	11. Strategic approach to Corporate Social Responsibility 11.3. Engagement and dialogue with stakeholders (G4-24 to G4-27 inclusive)
	10. Product responsibility & Innovation	8. Responsibility for the environment. 8.5. Environmental performance indicators – Energy consumption (G4-EN5). 7. Global presence. 7.6. Research and new technology development in steel pipe production. 8. Responsibility for the environment. 8.3 Corinth Pipeworks' environmental practices (G4-EN27)
ENVIRONMENT	11. Use of natural resources	7.5 Supplier management. § Suppliers and the use of raw direct and indirect materials (G4-EN1) 8. Responsibility for the environment. 8.5. Environmental performance indicators – Energy consumption. 12. Corporate Social Responsibility key performance indicators (G4-EN3) 8. Responsibility for the environment. 8.3. Corinth Pipeworks' environmental practices. 8.5. Environmental performance indicators § Water consumption (G4-EN8) 8. Responsibility for the environment. 8.7 Waste management (G4-EN23)
	12. Resource Management	8. Responsibility for the environment. 8.3. Corinth Pipeworks' environmental practices. 8.5. Environmental performance indicators § Water consumption (G4-EN8) 8. Responsibility for the environment. 8.7 Waste management (G4-EN23)
	13. Emissions and Climate Change	8. Responsibility for the environment. 8.5. Environmental performance indicators – Greenhouse gases (G4-EN15 to G4-EN17 and G4-EN19)



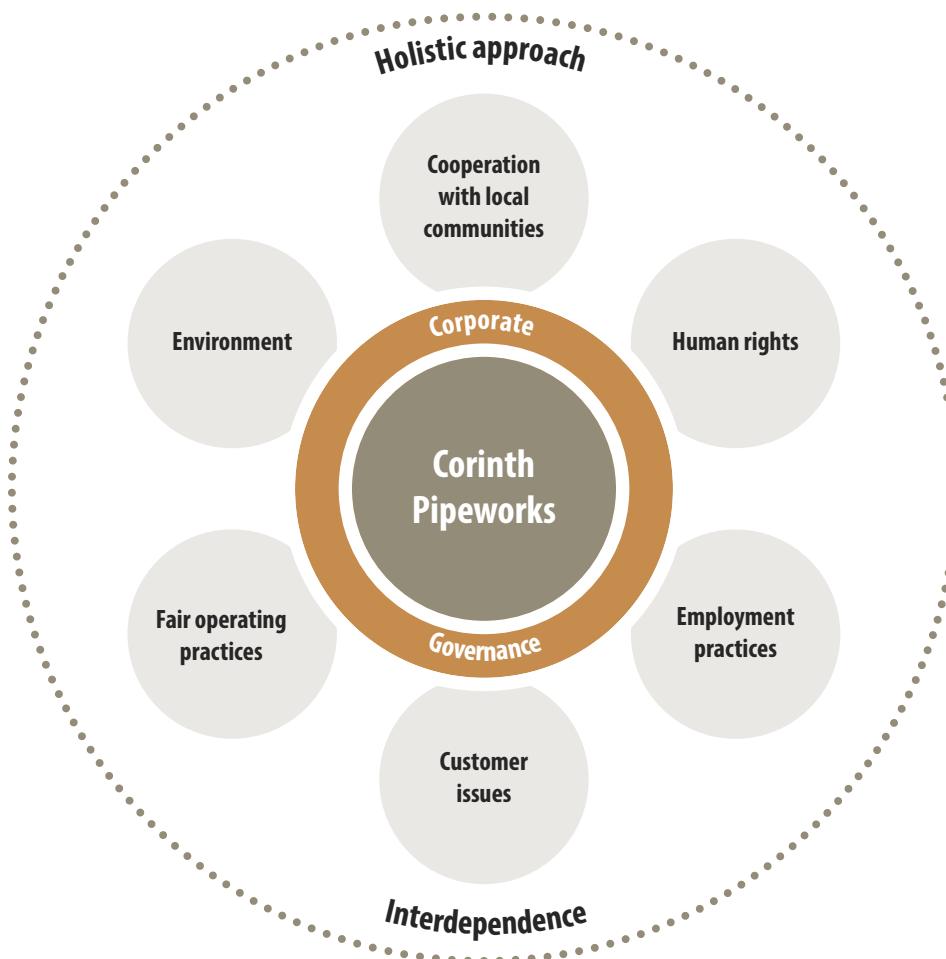
Pillar	Criteria	Reference
SOCIETY	14. Labour rights	9.1. Corinth Pipeworks' human capital. § Training human resources (G4-LA9) 9.1. Corinth Pipeworks' human capital. § Human resources at a glance. 10. Corporate Governance. 10.1. The Board of Directors § Corinth Pipeworks' senior executives (G4-LA12)
	15. Equal opportunities	9.2. Occupational health and safety at Corinth Pipeworks § Results in the health and safety sector (G4-LA6) 9.1. Corinth Pipeworks' human capital. § Training human resources (G4-LA9) 10. Corporate Governance. 10.1. The Board of Directors § Corinth Pipeworks' senior executives (G4-LA12) 9.1. Corinth Pipeworks' human capital. § Employee additional benefits § Equal opportunities and human rights at Corinth Pipeworks (G4-LA13)
	16. Employment	9.1. Corinth Pipeworks' human capital. § Human resources at a glance (G4-LA1) 9.1. Corinth Pipeworks' human capital § Employee additional benefits (G4-LA2) 9.1. Corinth Pipeworks' human capital. § Training human resources (G4-LA9)
	17. Human rights in the Supply chain	9.1. Corinth Pipeworks' human capital. § Equal opportunities and human rights at Corinth Pipeworks (G4-HR1) The Company selects its employees based on strict criteria, but having said that does not include specific terms and conditions on human rights in the agreements and contracts it signs. Respect for human rights is safeguarded by Greek and international law and consequently agreements the Company signs are concluded within that general legislative framework.
	18. Supporting local communities	6. The Group's financial performance. 9.3. Corinth Pipeworks' contribution to the society. 12. Corporate Social Responsibility key performance indicators (G4-EC1) 5. Business model, priorities and prospects. 7.6. Research and new technology development in steel pipe production. 9.3. Corinth Pipeworks' contribution to the society (G4-EC7)
	19. Involvement in Initiatives & Political Influence	11.6 Corinth Pipeworks' membership of networks and organisations (G4-16) 5. Business model, priorities and prospects. 6. The Group's financial performance. 9.3. Corinth Pipeworks' contribution to the society. 11. Strategic approach to Corporate Social Responsibility 12. Corporate Social Responsibility key performance indicators (G4-EC8)
	20. Anti-corruption	10. Corporate Governance. § Internal Audit System § Risk Management System § Managing transparency and corruption issues 11.1 Corporate Responsibility and Sustainable Development action areas and policy (G4-S03 and G4-S05 and G4-S08).



15. International standards compliance tables

15.3. The ISO 26000 Corporate Responsibility standard

Corinth Pipeworks has already put in place ISO-certified systems to manage key issues like quality, health and safety and the environment, and has now gone one step further by integrating the guidelines from this new standard into its processes and procedures. Since the new standard is a set of guidelines and does not require a certifiable management system, the endeavour to integrate the principles into our operations will be protracted and ongoing. The commitments the Company has made and steps it has taken for each key aspect of the standard are set out in detail below:



Corporate Governance

The Company is constantly improving and developing its governance system to ensure transparency across its entire range of activities. Corinth Pipeworks is committed to selecting the right Corporate Governance principles and practices, which will safeguard the interests of all its stakeholders. At Corinth Pipeworks ethical, responsible business practices are based on identifying potential risks and opportunities associated with every strategic decision taken. The Company also has a special procedure in place to prevent and combat corruption. More information is available in the section entitled 'Corporate Governance'.

Fair operating practices

Corinth Pipeworks seeks to ensure that decisions taken at both strategic and operational level promote ethical business and ensure transparent operations. The practices applicable to all Company operations are based on the rules and principles of responsible business behaviour since these are a means of achieving Sustainable Development. More information is available in the sections entitled 'Corporate Governance', 'Strategic approach to Corporate Social Responsibility' and 'Global presence'.

Customer issues

Corinth Pipeworks invests in research and development for cutting-edge technologies to enable it to manufacture safe, top quality products that offer excellent customer service. It carefully selects suppliers of raw direct and indirect materials to safeguard product quality. It operates in a responsible, ethical manner in a particularly competitive market. More information can be found in the section entitled 'Global presence'.

Labour practices

Corinth Pipeworks' personnel are the driving force behind its operations and are vital to its growth and development. The Company attaches great importance to developing a merit-based system to attract new talent, a transparent pay and promotions system and an up-to-date training and personal development system. Corinth Pipeworks is committed to continuous improvement of its Occupational Health and Safety System in line with the OHSAS 18001 standard. More information can be found in the sections entitled "Corinth Pipeworks' human capital", and "Occupational health and safety at Corinth Pipeworks".

Human rights

Respecting human rights and providing equal opportunities are inviolable principles in Corinth Pipeworks' Code of Conduct. The Company also has a special procedure for respecting human rights in the workplace and regularly offers specialised training on human rights. More information can be found in the section entitled "Corinth Pipeworks' human capital".

Cooperation with local communities

Corinth Pipeworks strives to promote local development, bolster local jobs and improve the quality of life of citizens in areas close to its facilities. It works closely with local associations, taking account of their needs and concerns, as it strives to develop jointly acceptable measures. A special procedure for 'Community involvement and collaboration' has also been devised. More information can be found in the section entitled "Corinth Pipeworks' contribution to the society".

Environment

Corinth Pipeworks operates responsibly, making its environmental commitments a reality and also recognises the importance of the precautionary approach in every decision it takes and every measure it implements. The Company has an Environmental Management System certified in accordance with the EN ISO 14001:2004 standard. It designs actions to reduce its environmental footprint and implements them in ways that place emphasis on proper waste management, such as re-use or recycling. More information can be found in the section entitled 'Responsibility for the environment'.



15. International standards compliance tables

15.4. The oil and gas sustainability reporting guidance

Corinth Pipeworks prepares its annual report in line with international standards and initiatives. Having adopted a wide range of guidelines, we are pleased to present how our report matches to the oil and gas industry sustainability reporting guidance. The specific publication is the result of collaboration between the Global Oil and Gas Industry Association for Environmental and Social Issues (IPIECA), the American Petroleum Institute (API) and the International Association of Oil and Gas Producers (OGP). This industry guidance contains KPIs that correspond to certain GRI-G4 indicators. This correspondence is presented below.

The correspondence between the relevant indicators is shown below:

Sector	KPIs in the guidance	GRI-G4 indicators
I. Environment		
Information about Corinth Pipeworks' performance on environmental issues can be found in section: "Responsibility for the Environment"	E1: Green House Gas Emissions E2: Energy use E3: Alternative energy sources E4: Flared gas E5: Biodiversity and ecosystem services E6: Fresh water E7: Discharges to water E8: Other air emissions E9: Spills to the environment E10: Waste	G4 – EN15, EN16, EN17, EN18, EN19, EN30 G4 – EN3, EN5, EN6 G4 – EN7 Non applicable G4 – EN11, EN12, EN13, EN14, EN26 G4 – EN8, EN9, EN10 G4 – EN22, EN26 G4 – EN20, EN21 G4 – EN24, EN30 G4 – EN2, EN23, EN25
II. Health and safety issues		
Information about Corinth Pipeworks' performance on Health and safety issues can be found in section: "Occupational health and safety at Corinth Pipeworks"	HS1: Workforce participation HS2: Workforce health HS3: Occupational injury and illness incidents HS4: Product stewardship	G4 – LA5, LA8 G4 – LA7 G4 – LA6 G4 – PR1, PR2, PR3, PR4, PR6, PR7, EN27



Sector	KPIs in the guidance	GRI-G4 indicators
III. Social and economic issues		
Information about Corinth Pipeworks' performance on social and economic can be found in sections: "Corinth Pipeworks' impact on people"	<p>a) Community and society SE1: Local community impacts and engagement SE2: Indigenous peoples SE3: Involuntary resettlement SE4: Social investment</p> <p>b) Local content SE5: : Local content practices SE6: Local hiring practices and performance SE7: Local procurement and supplier development</p> <p>c) Human rights SE8: Human rights due diligence SE9: Human rights and suppliers SE10: Security and human rights</p> <p>d) Business and transparency SE11: Preventing corruption SE12: Preventing corruption involving business partners SE13: Transparency of payments to host governments SE14: Public advocacy and lobbying SE14: Δημόσια πολιτική</p> <p>e) Labour practices SE15: Workforce diversity and inclusion SE16: Workforce engagement SE17: Workforce training and development SE18: Non-retaliation and workforce grievance system</p>	<p>G4 – S01, S02 G4 – HR8 Non applicable G4 – EC1, EC7, EC8</p> <p>G4 – EC9 G4 – EC6, EC8 G4 – EC9</p> <p>G4 – HR1, HR2, HR3, HR4, HR5, HR6, HR9 G4 – HR4, HR5, HR10, HR12 G4 – HR7</p> <p>G4 – S03, S04, S05 G4 – S03, S09, S010 G4 – EC1, EC4, S06 G4 – S06 G4 – S06</p> <p>G4 – LA1, LA12, LA13, EC5 G4 – LA4, LA8 G4 – LA9, LA10, LA11 G4 – LA16, HR3, HR12</p>



16. Independent external verification report

To: Management of **Corinth Pipeworks S.A.**

1. Independent Verification Report

The company **Corinth Pipeworks S.A.** (hereafter Corinth Pipeworks) has commissioned **TÜV HELLAS (TÜV NORD) S.A.** (hereafter **TÜV HELLAS**) to provide limited external assurance concerning the Sustainability Report for the period of January 1st of 2015 to December 31st of 2015 (1/1/2015-12/31/2015)



2. Scope of the verification project of the Corporate Social Responsibility Report

Scope of the assurance project is the conduction of the Application Level Check, according to the GRI G4 Guidelines Sustainability Reporting, referring to the Sustainability Report of **Corinth Pipeworks** for 2015, as well as the provision of external assurance service about the accuracy of the claims referring to the Material Aspect "Occupational Health and Safety" section of the "Social" Category, as well as the Material Aspects "Materials", "Energy", "Water", "Emissions", "Effluents and Waste", "Compliance" & "Transport" sections of the "Environment" Category.

The Application Level Check as well as the data accuracy verification of the Material aspects was conducted based on the corresponding correlation table of GRI G4 Indicators stated by Corinth Pipeworks in its Sustainability Report, in order to confirm the Company's compliance to the requirements of the GRI G4 for the "In accordance Core" Level.

The methodology used to verify the data as above, was based on the requirements of AA1000AS standard (2008). More specifically, the requirements for the provision of "moderate" service level assurance Type 2, based on AA1000AS, were followed. This service level means that "the assurance provider achieves moderate assurance where sufficient evidence has been obtained to support their statement, such as the risk of their conclusion being in error is reduced but not reduced to very low or zero".

3. The conclusions of TÜV HELLAS

Based on the scope of the project and as part of the verification procedures followed by **TÜV HELLAS**, the conclusions are as follows:

A. Adherence to the AA1000 Accountability Principles (Inclusivity, Materiality and Responsiveness) against the criteria found in AA1000APS

Inclusivity: Dialogue on Sustainability Issues with the Stakeholders

- We have not realised any matter that causes us to believe that major stakeholder groups were excluded from consultation processes, or that **Corinth Pipeworks** has not implemented the principle of Inclusivity in developing its approach to sustainability.

Materiality: Focus on the Material Issues related to Sustainability

- We have not realised any matter that causes us to believe that the Material Issues' definition approach which was followed by **Corinth Pipeworks** does not provide a comprehensive and balanced understanding of the Material Issues.

Responsiveness: Addressing the needs and expectations of Stakeholders

- We have not realised any issue which would lead us to believe that **Corinth Pipeworks** has not applied the Principle of Correspondence in the selection of subjects included in the Report.

B. Accuracy and completeness of data (qualitative and quantitative) related to the Application Level Check and claims accuracy of Material issues related to GRI G4 Guidelines Sustainability Reporting

- During the assurance project carried out, nothing came to the attention of TÜV HELLAS which would lead to the conclusion that the Report does not meet to the requirements of the GRI G4 for the "In accordance Core" Level, as reflected on the corresponding correlation table of GRI G4 Indicators.

- Nothing has come to the attention of TÜV HELLAS that would lead to the conclusion of the incorrect gathering or transferring of data concerning the claims referring to the Material Aspect "Occupational Health and Safety" section of the "Social" Category, as well as the Material Aspects "Materials", "Energy", "Water", "Emissions", "Effluents and Waste", "Compliance" & "Transport" sections of the "Environment" Category.

4. Review Limitations

The range of the review was limited to the activities of **Corinth Pipeworks** in Greece. No visits and interviews in subsidiaries and stakeholders of **Corinth Pipeworks** have been conducted. In case of any discrepancy in the translation between Greek and English version of the Corporate Social Responsibility Report, the Greek version shall prevail.

5. Review Methodology

In order to draw conclusions, the external assurance team of **TÜV HELLAS** conducted the following (indicative and not restrictive) methodology:

- Reviewed the procedures followed by **Corinth Pipeworks** to identify and determine the Material issues in order to include them within the Sustainability Report.
- Interviews were conducted with selected executives of **Corinth Pipeworks** having operational role in Sustainability issues in order to understand the current state of corporate responsibility activities and progress achieved during the period under reference.
- Reviewed the **Corinth Pipeworks** consultation approach with its stakeholders through interviews with executives responsible for communication with the interested parties at company level and review of selected documents.
- Reviewed the claims referring to the Material Aspect "Occupational Health and Safety" section of the "Social" Category, as well as the Material Aspects "Materials", "Energy", "Water", "Emissions", "Effluents and Waste", "Compliance" & "Transport" sections of the "Environment" Category, in connection with the findings of the above steps and suggested improvements in the Sustainability Report where necessary.

6. Responsibilities and Functions

The Team for Corporate Social Responsibility of **Corinth Pipeworks** carried out the Sustainability Report, thus, is responsible for the information and statements contained therein.

The Level Check conducted, as well as the provision of external assurance service about the accuracy of the claims mentioned into Material Aspect "Occupational Health and Safety" section of the "Social" Category, as well as the Material Aspects "Materials", "Energy", "Water", "Emissions", "Effluents and Waste", "Compliance" & "Transport" sections of the "Environment" Category, do not represent **TÜV HELLAS'** opinion related to the quality of the Sustainability Report and its contents.

The responsibility of **TÜV HELLAS** is to express the independent conclusions on the issues as defined in the project scope and in accordance to the relevant contract. The project was conducted in such a way so that **TÜV HELLAS** can present to **Corinth Pipeworks'** administration the issues mentioned in this report and for no other purpose.

7. Impartiality and Independence of the verification team

TÜV HELLAS states its impartiality and independence in relation to the project of assuring the Sustainability Report of Corinth Pipeworks. **TÜV HELLAS** had not undertaken work with **Corinth Pipeworks** and did not have any cooperation with the interested parties that could compromise the independence or impartiality of the findings, conclusions or recommendations. **TÜV HELLAS** was not involved in the preparation of the text and data presented in the Corporate Social Responsibility Report of Corinth Pipeworks.

Athens, May 12, 2016
For TÜV HELLAS (TÜV NORD) S.A.

Nestor Paparoupas
CSR Product Manager



AA1000
Licensed Assurance Provider
000-209



17. Annual Financial Report

Notice of Annual General Meeting to the Shareholders

NOTICE
OF ANNUAL GENERAL MEETING TO THE SHAREHOLDERS OF
“CORINTH PIPEWORKS, S.A., PIPES INDUSTRY AND REAL ESTATE”
G.E.MI. No 264701000 (Gen. Electronic Com. Reg.)

In compliance with the provisions of the Law and the Articles of Association of the Company, the Shareholders of «CORINTH PIPEWORKS, S.A., PIPES INDUSTRY AND REAL ESTATE» are hereby invited, by the Board of Directors, to attend the Company's Annual General Meeting, to be held on Thursday, May 26, 2016 at 09:30 hours at the PRESIDENT HOTEL, 43 Kifissias Avenue, Athens, in order to discuss and take decision on the following agenda:

AGENDA

1. To approve the annual financial statements, for the Company's financial year 2015 and the reports of the Directors and the Certified Auditors on them.
2. To discharge the Directors and the Certified Auditors from all responsibility for damages regarding the financial year 2015.
3. To appoint Certified Auditors, as well as the substitutes of them, for the financial year 2016 and approve their remuneration.
4. To elect the members of a new Board of Directors.
5. To appoint the members of the Audit Committee, according to article 37 of L. 3693/2008.
6. To approve Directors' remuneration, following art.24 par.2 of C.L.2190/1920.
7. To decide for the spin off of the industrial and commercial activities of the pipe and hollow sector of the Company and their contribution to the company with trade name “E.VI.KE.,S.A. INVESTMENT, INDUSTRIAL AND METALS TRADING, REAL ESTATE AND CONSTRUCTION ENTERPRISES, SOCIETE ANONYME”, in the share capital of which the Company participates by 100%, according to the provisions of the Article 52 of Law 4172/2013 and C. L. 2190/1920.
8. To grant powers of attorney.
9. To change the object and the trade name of the Company and to amend accordingly the articles 3 and 1 of its Articles of association.
10. Approval of contract according to the provisions of article 23A par. 2&4 of C.L. 2190/1920.
11. Various announcements.

RIGHT TO ATTEND THE GENERAL MEETING

Anybody appearing as a shareholder in the file of the Dematerialized Securities System, managed by “HELLENIC EXCHANGES, S.A.” (former Central Securities Depository), in which the company's shares are kept has the right to attend the General Meeting. A certificate in written form issued by the above entity should be used as a proof of the capacity to act as a shareholder, or alternatively the direct access to the electronic files of the entity. This capacity should exist on 21/05/2016 (Registration date), namely at the beginning of the fifth (5th) day before the date of the General Meeting and the pertinent written certificate, regarding the capacity of shareholder, has to reach the company on 23/05/2016 at the latest, namely on the third (3rd) day before the holding of the General Meeting.

The company considers as a shareholder having the right to attend the General Meeting and vote only whoever has the capacity to act as a shareholder at the respective Registration Date. In the case the provisions of the article 28a of C.L. 2190/1920 have not been followed, the shareholder in question attends the General Meeting only following its relevant permission.

To exercise the rights in question does not presuppose that the shares of the beneficiary should be blocked or another similar procedure should be followed, limiting the possibility for sale and transfer of the shares during the period of time between the Date of Registration and the General Meeting.

PROCEDURE TO BE FOLLOWED IN ORDER TO EXERCISE VOTING RIGHTS THROUGH A PROXY

The shareholder attends the General Meeting and votes in person or through proxies. Each shareholder can appoint up to three (3) proxies. Corporal bodies can attend the General Meeting by appointing as their proxies up to three (3) natural persons. Nevertheless, in the case the shareholder holds shares of a company appearing in more than one securities account, the above restriction does not prevent the shareholder from appointing different proxies for the shares appearing in each securities account in respect with the General Meeting. A proxy acting on behalf of more shareholders can give different votes regarding each shareholder. The proxy of a shareholder has to inform the company, before the General Meeting starts, about any specific fact, which can be useful to the shareholders for the estimation of the risk, regarding the fact that the proxy could serve other parties interests except those of the shareholder. According to the present paragraph a conflict of interests could happen especially when the proxy:

- a) He is a shareholder controlling the company or it is another corporal body or entity, which is controlled by this shareholder.
- b) He is a Board of Directors member or in the Company's management, in general, or a shareholder, who exercises control of the Company or other corporal body or entity controlled by a shareholder, who exercises control the company.
- c) He is an employee or certified auditor of the company or a shareholder having control of the company or other corporal body or entity controlled by a shareholder, who has control of the company.
- d) He is married to or he is a first degree relative of one of the natural persons mentioned in the cases (a) to (c).

The appointment or recalling of the shareholder's proxy is executed in writing and notified to the Company, through the same procedure, at least three (3) days before the date of the General Meeting.

The company will make available in its web site www.cpw.gr the form to be used for the appointment of a proxy. This form is to be submitted filled and signed by the shareholder to the Company's Investors Relations Service at the address: 16 Himaras street, 15125 Maroussi or sent by fax at the no 2106861347 at least three (3) days before the holding of the General Meeting. The beneficiary is called to take care to reconfirm the successful delivery of the form appointing the proxy to the company at the phone no 210 6861349, Mr. Konstantinos Kanellopoulos.

Each share issued by the Company has one voting right.

It is not provided by the Company's Articles of Association the possibility to attend the General Meeting through electronic means, without the natural presence of the shareholders in the place of its holding or the possibility to participate in voting at a distance.

MINORITY SHAREHOLDERS RIGHTS

According to the provisions of article 26 of C.L. 2190/1920 as it is in force today the Company informs its shareholders, regarding their rights, according to the par.2, 2a, 4 and 5 of the article 39 of the above law, which are the following:

- a) Following an application of shareholders representing 1/20 of the company's paid up share capital the company's Board of Directors has the obligation to include in the Agenda additional items, in the case the pertinent application reaches the Board until 11/05/2016, namely at least fifteen (15) days before the General Meeting. The application for the registration of additional items in the Agenda should be accompanied by a relevant justification or a draft resolution for approval by the General Meeting. The revised Agenda is published in the same way with the previous agenda, namely on 13/05/2016, thirteen (13) days before the date of the General Meeting and at the same time it is made available to the shareholders, at the company's web site, together with the justification and the draft decision submitted by the shareholders, according to the provisions of art. 27 par.3 of C.L. 2190/1920.
- b) Following an application of shareholders representing 1/20 of the paid up share capital the Board of Directors makes available to the shareholders, according to the provisions of art. 27 par. 3 of C.L. 2190/1920, at the latest until 20/05/2016 namely at least six (6) days before the date fixed for the General Meetings holding the draft resolutions regarding the items included in the initial or the revised agenda, if the application reaches the Board of Directors until 19/05/2016 namely at least seven (7) days before the date of the General Meeting.
- c) Following an application submitted to the Company by any shareholder until 20/05/2016, namely at least five (5) full days before the General Meeting, the Board of Directors has to provide to the General Meeting the specific information requested, regarding the Company's affairs, at the extent that those could be useful to a substantial estimation of the items of the agenda.



17. Annual Financial Report

The Board of Directors can provide a uniform answer to shareholders' application having the same contents. There is no obligation to provide information already available in the Company's web site, especially in question – answer form. In addition, following a request of shareholders, representing 1/20 of the paid up share capital, the Board of Directors should announce to the General Meeting the amounts of remuneration paid, during the last two years, to each Board of Directors member or the managers of the Company, as well as any payment to the above persons for any reason or contract between them and the Company.

In all the above cases the Board of Directors can deny to provide the information, due to a substantial reason, which should be mentioned in the minutes.

- d) Following an application of shareholders representing one fifth (1/5) of the paid up share capital, submitted to the Company until 20/05/2016, namely at least five (5) full days before the General Meeting, the Board of Directors should provide to the General Meeting information regarding the Company's business and assets. The Board of Directors can deny to provide the information, due to a substantial reason, which should be mentioned in the minutes.

The above mentioned time limits to exercise the minority rights are also applicable in the case of Repeat General Meetings.

In all the above mentioned cases the shareholders submitting an application have to prove the fact that they are shareholders of the Company, as well as the number of shares they own, when they proceed to exercise their relative right. Such proof can be a certificate issued by the entity, where the securities are kept or by direct electronic contact between the entity and the Company.

DOCUMENTS AND INFORMATION AVAILABLE

The information provided by the article 27 par.3 of C.L. 2190/1920 is as follows:

1. Texts:

- a) of the Notice for Annual General Meeting
- b) of the Report, dated 28/04/2016 of the Certified Auditors-Accountants Theodoros Psaros and Nikolaos Hountas, of the Audit Firm "ABACUS AUDIT FIRM, S.A." regarding the estimation of the book value of the assets of the sector to be contributed.
- c) The terms of the spin-off of the of the pipe and hollow sector, to be contributed.

- | | | |
|------------------------------|---------------------------|----------------------------|
| 2. a) Comments on the item 1 | e) Comments on the item 5 | i) Comments on the item 9 |
| b) Comments on the item 2 | f) Comments on the item 6 | j) Comments on the item 10 |
| c) Comments on the item 3 | g) Comments on the item 7 | |
| d) Comments on the item 4 | h) Comments on the item 8 | |

3. Total number of the Company's shares and the corresponding voting rights.

4. The form appointing a proxy will be available, in electronic form, in the Company's web site, www.cpw.gr

Copies of the above documents will be available in the offices of the Company's Investors Relations Service, at the address: 16 Himaras street, 15125, Maroussi.

Athens, May 13, 2016
THE BOARD OF DIRECTORS



CORINTH PIPEWORKS S.A.

**ANNUAL
FINANCIAL
REPORT**

**FOR THE FISCAL YEAR
01/01/2015 – 31/12/2015
(pursuant to Article 4 of L.3556/2007)**



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CORINTH PIPEWORKS S.A. (Pipe Industry and Real Estate)

Company's No in the Registry of S.A.: 1343/06/B/86/35 and General Commercial Reg. Number 264701000, Athens Tower, Building B', 2-4 Mesogeion Av., Athens
Financial data and information for the period from January 1, 2015 to December 31, 2015 (published as per L.2190/20, article 135, on companies preparing their annual financial statements, consolidated or not according to IFRS)
 The figures and information illustrated below, aim at providing summary general information about the financial position and results of CORINTH PIPEWORKS S.A. (the Company) and its GROUP. We advise the reader, before making any investment decision or other transaction concerning the Company, to visit the Company's web site where the condensed interim financial statements together with the report on the review, are uploaded.

Website: www.cpw.gr, Date of approval by Board of Directors: March 7, 2016, Supervising authority: Ministry of Development (department for limited companies),
 Board of Directors: Bakouris Konstantinos - Chairman, Fikiors Meletios - Vice Chairman, Vassilakis Adamandios - Member, Stavropoulos Ioannis - Member, Galetas Nikolaos - Member, Kyriazis Andreas - Member, Certified auditor: Michalatos Konstantinos,
 Audit firm: PRICEWATERHOUSECOOPERS, AUDIT FIRM, S. A., Review audit type: Unqualified opinion

STATEMENT OF FINANCIAL POSITION

Amounts in Euro

	GROUP		COMPANY	
	31 Dec. 15	31 Dec. 14	31 Dec. 15	31 Dec. 14
ASSETS				
Tangible fixed assets	183,615,498	155,057,553	183,510,427	154,990,812
Investments in associated companies	10,925,002	12,771,781	1,073,950	1,073,950
Investments in subsidiary companies	-	-	11,381,209	11,345,179
Deferred tax assets	180,080	11,229	-	-
Financial assets	130,636	153,567	130,636	153,567
Inventories	69,316,312	83,726,044	67,985,707	80,889,459
Trade receivables	16,288,079	43,284,112	15,637,833	27,002,215
Cash and cash equivalents	19,457,363	9,574,938	12,946,880	8,238,357
Other assets	39,535,475	57,796,998	40,140,547	68,819,039
TOTAL ASSETS	339,448,445	362,376,222	332,807,189	352,512,578
EQUITY AND LIABILITIES				
Share capital	96,852,757	96,852,757	96,852,757	96,852,757
Other equity items	52,588,084	42,965,230	48,190,041	40,731,271
Total equity of the owners of the parent company (a)	149,440,841	139,817,987	145,042,798	137,584,028
Minority interest (b)	-	-	-	-
Total equity (c)=(a)+(b)	149,440,841	139,817,987	145,042,798	137,584,028
Long term loans	76,625,469	76,796,642	76,625,469	76,796,642
Provisions/other long term liabilities	1,361,011	1,372,878	1,361,011	1,372,878
Deferred tax liabilities	16,995,159	13,093,993	16,815,599	13,076,382
Financial items	495,457	6,726,244	495,457	6,726,244
Short term loans	58,986,889	32,311,762	58,986,889	32,311,762
Other short term liabilities	35,543,619	92,256,716	33,479,966	84,644,642
Total liabilities (d)	190,007,604	222,558,235	187,764,391	214,928,550
TOTAL EQUITY AND LIABILITIES (c) + (d)	339,448,445	362,376,222	332,807,189	352,512,578

STATEMENT OF CHANGES IN EQUITY

Amounts in Euro

	GROUP		COMPANY	
	31 Dec. 15	31 Dec. 14	31 Dec. 15	31 Dec. 14
Equity at the beginning of the period (1/1/2015 & 01/01/2014 respectively)	139,817,987	156,300,631	137,584,028	148,151,131
Total comprehensive income after tax (from continuing operations)	9,622,854	(16,482,644)	7,458,770	(10,567,104)
Equity at the end of the period (31/12/2015 and 31/12/2014 respectively)	149,440,841	139,817,987	145,042,798	137,584,027

CASH FLOW STATEMENT

Amounts in Euro

	GROUP		COMPANY	
	1.01 - 31.12.2015	1.01 - 31.12.2014	1.01 - 31.12.2015	1.01 - 31.12.2014
Operating activities				
Profit/(loss) before taxes	12,100,318	(4,908,713)	5,468,462	(5,771,136)
Adjustments for:				
Depreciation of tangible fixed assets	8,558,223	8,495,308	8,529,797	8,471,171
(Gains) / losses from sales of tangible fixed assets	-	(72,753)	-	(76,539)
(Gains) / losses of fair value of financial items in fair value through results	2,856	-	2,856	-
Amortization of operating lease rentals	90,682	90,682	90,682	90,682
(Gains) / losses from fixed assets disposal	9	-	-	-
Interest income	(81,381)	(122,496)	(76,855)	(111,597)
Interest expense	8,001,885	3,141,748	7,997,037	3,141,322
Provisions	-	(143,161)	-	(143,161)
Remuneration to retiring personnel	221,751	185,093	221,751	185,093
Income from dividends	-	-	(705,000)	(2,133,193)
Non-effective portion of derivatives	(612,922)	598,653	(612,922)	598,653
Impairment of inventories	3,358,163	1,155,963	3,358,163	1,155,963
Profit from associate companies	(1,510,501)	(2,136,532)	-	-
Foreign exchange differences	(244,523)	(409,650)	-	-
Changes in working capital:				
Decrease / (increase) of inventory	11,051,567	(34,480,105)	9,545,589	(33,308,448)
Decrease / (increase) of receivables	45,248,666	(36,688,999)	39,952,441	(29,855,906)
Increase / (decrease) of liabilities (except loans)	(48,523,058)	38,847,369	(43,086,960)	32,321,075
Increase / (decrease) of provisions	-	(849,263)	-	(849,263)
Increase / (decrease) of the liabilities for remuneration to retiring personnel	(99,277)	(103,892)	(99,277)	(103,892)
Interest paid	(7,891,695)	(2,960,238)	(7,886,847)	(2,959,812)
Income tax paid	(2,330,825)	(246,509)	-	(235,659)
Total cash (used in) generated from operating activities (a)	27,339,938	(30,607,495)	22,698,917	(29,584,647)
Investing activities				
Purchases of tangible fixed assets	(37,109,198)	(51,047,399)	(37,049,411)	(51,003,641)
Sale of tangible fixed assets	-	3,717,539	-	3,699,400
Sale of financial assets at fair value through profit or loss	693,144	-	693,144	-
Purchase of financial assets at fair value through profit or loss	(696,000)	-	(696,000)	-
Interest received	81,381	122,496	76,855	111,597
Income from dividends	801,440	2,022,388	705,000	2,133,193
Acquisition of subsidiary	(3,794)	-	(36,030)	-
Total cash (used in) generated from investing activities (b)	(36,233,027)	(45,184,976)	(36,306,442)	(45,059,451)
Financing activities				
Proceeds from borrowings	129,639,817	65,546,220	129,639,817	65,546,220
Repayment of borrowings	(103,135,862)	(10,436,775)	(103,135,862)	(10,436,775)
Other short term financial liabilities	(8,187,907)	(11,409,189)	(8,187,907)	(11,409,189)
Total cash / (used in) generated from financing activities (c)	18,316,048	43,700,256	18,316,048	43,700,256
Net (decrease) / increase in cash and cash equivalents (a)+(b)+(c)	9,422,959	(32,092,215)	4,708,523	(30,943,842)
Cash and cash equivalents at the beginning of the period	9,574,938	41,069,951	8,238,357	39,182,199
Translation differences in cash and cash equivalents	459,465	597,202	-	-
Cash and cash equivalents at the end of the period	19,457,362	9,574,938	12,946,880	8,238,357

CORINTH PIPEWORKS S.A. (Pipe Industry and Real Estate)

Financial data and information for the period from January 1, 2015 to December 31, 2015 (published as per L.2190/20, article 135, on companies preparing their annual financial statements, consolidated or not according to IFRS)

STATEMENT OF COMPREHENSIVE INCOME

Amounts in Euro

	GROUP		COMPANY	
	1.01 - 31.12.2015	1.01 - 31.12.2014	1.01 - 31.12.2015	1.01 - 31.12.2014
Turnover	296,223,582	188,190,375	257,169,631	161,310,383
Gross profit	69,797,509	19,210,640	61,457,610	16,734,763
Profit/(loss) before taxes, financing & investing results	18,510,321	(4,025,993)	12,683,644	(4,874,604)
Financing and investing results	(6,410,003)	(882,720)	(7,215,182)	(896,532)
Profit/(loss) before taxes	12,100,318	(4,908,713)	5,468,462	(5,771,136)
Taxation	(4,341,132)	(646,842)	(2,255,377)	(161,650)
Profit/(loss) after taxes (A)	7,759,186	(5,555,555)	3,213,085	(5,932,786)
Attributable to:				
Owners of the parent company	7,759,186	(5,555,555)	3,213,085	(5,932,786)
Minority interest	-	-	-	-
Other comprehensive income after tax (B)	1,863,668	(10,927,089)	4,245,685	(4,634,318)
Total comprehensive income after tax (A)+(B)	9,622,854	(16,482,644)	7,458,770	(10,567,104)
Attributable to:				
Owners of the parent company	9,622,854	(16,482,644)	7,458,770	(10,567,104)
Minority interest	-	-	-	-
Earnings per share after taxes - basic and reduced	0.0625	-0.0447	0.0259	-0.0478
Profit/(loss) before taxes, financing & investing results and depreciation	26,381,908	3,608,374	20,526,807	2,735,624

Additional data and information:

1. The companies of the Group with their respective countries of residence and percentage holdings, included in the consolidated financial statements:

Full consolidation method:

CPW America Co
HUMBEL Ltd
WARSAW TUBULAR TRADING SP. ZO.O.
E.VI.KE. S.A.

Equity consolidation method:

ZAO TMK-CPW
DIA.VI.PE.THIV. S.A.

	Participation	Percentage holding	Country
Indirect		100%	USA
Direct		100%	CYPRUS
Direct		100%	POLAND
Direct		100%	GREECE
Indirect		49.00%	RUSSIA
Direct		21.75%	GREECE

2. The financial statements of the company are consolidated in the full consolidation method in the financial statements of S Viohalco S.A incorporated in Belgium, which participates in the company's share capital with 85,88%.
3. At the balance sheet date, there were lawsuits against the Company (and the Group) amounting to Euro 137.753. Against the above mentioned cases provisions have been formed whenever deemed necessary. The Company and the Group have formed provisions for tax unaudited fiscal years amounting to Euro 50.000.
4. The encumbrances on the Company's fixed assets amount to Euro 56.760.000 (2014: Euro 56.760.000).
5. In 2010, the Company has made an impairment to a receivable of (\$ 24.864.102 or Euro 18.627.586) due to its overdue status. On 31/12/2015, the same amount is valued Euro 22.756.820. While Company's judicial actions, both in Greece and other jurisdictions, for the collection of the aforementioned debt are on-going and while no final judgments have been issued, the Company considers that for the moment there is no reason to revise the provisions amounting to Euro 11.417.597 (2014: Euro 10.258.936) that has formed in its financial statements. Management estimates that potential loss will not exceed the impaired amount.

The Court of Cassation in Dubai upheld the appeal of the Company and decided to cancel the judgement of appeal, in its capital that recognized the fictional counterclaim of Company's customer raised in the context of the action brought against him by the Company and ordered the set off to be carried out with Company's claim recognized irrevocably, and to refer back the case to the Court of Appeal to review the validity of the counterclaim with new panel. Based on assessment of the lawyers handling the legal case before the civil courts of Dubai, most likely the appellate court would dismiss the counterclaim raised by Company's customer. Therefore, the Company believes that the likelihood of an outflow of resources from the outcome of the counterclaim of that customer versus the Company is remote.

In addition the Company to ensure its rights under the decision of the First Instance Court of Athens issued in interim proceedings imposed precautionary seizure and has registered mortgage liens, on third party property involved in the abovementioned case. Up until 31/12/2015 there were no changes regarding the collection of the due amount.

6. The company has been audited by the Tax Authorities until the Fin. Year 2007. The unaudited financial years concerning the Group's companies are presented in note 35 of the financial statements.
7. Number of employees at the end of the current period: Group 440, Company 430 (31/12/2014: Group 416, Company 407).
8. Cumulative amounts of sales and purchases, since the beginning of the year and the balances of receivables and payables of the Group and the Company at the end of the year, resulting from its transactions with associated parties, according to the IFRS 24, are as follows:

	GROUP	COMPANY
i) Sales of goods, services and fixed assets, shares	9,175,518	209,654,716
ii) Purchases of goods, services, fixed assets,	13,892,624	14,215,984
iii) Receivables from associated parties	24,329,585	25,067,545
iv) Payables to associated parties	7,250,716	6,712,323
v) Directors' & Managers' remuneration	773,375	773,375
vi) Income from dividends	801,440	705,000

9. In the Income Statement, in the account "Taxation", are included: provision for income tax, as well as deferred tax, which are illustrated below:

	GROUP		COMPANY	
	31/12/15	31/12/14	31/12/15	31/12/14
Income tax	-2,092,411	-142,540	250	0
Deferred tax	-2,248,721	-504,302	-2,255,627	-161,650

10. The other comprehensive income after tax are:

	GROUP		COMPANY	
	31/12/15	31/12/14	31/12/15	31/12/14
Translation differences from investment in associates	(2,382,017)	(6,292,770)	-	-
Profit/(loss) after taxes arising from change of fair value of cash flow hedge	4,147,812	(4,393,472)	4,147,812	(4,393,471)
Actuarial gains/(losses)	97,873	(240,847)	97,873	(240,847)
Other comprehensive income after tax	1,863,668	(10,927,089)	4,245,685	(4,634,318)

11. The amount in the Balance Sheet, related to "Other equity items", includes reserves from the issuance of shares above par amounting to Euro 27.427.850.

12. On 31/12/2015, there were pending lawsuits against third parties. It is impossible to reach a reliable estimation of future financial benefits from a positive outcome of the said cases.

13. Due to the change of the tax rate from 26% to 29%, an additional tax liability amounting to 1.690.383 Euro occurred and affected the results of the current period.

Athens, March 7, 2016

THE CHAIRMAN OF THE
BOARD OF DIRECTORS

KONSTANTINOS BAKOURIS
Id. C.No.: AB 649471

A MEMBER OF THE
BOARD OF DIRECTORS

IOANNIS STAVROPOULOS
Id. C.No.: K 221209

THE GENERAL
MANAGER

APOSTOLOS PAPAVALIIOU
Id. C.No.: AI 666035

THE FINANCIAL
DIRECTOR

IOANNHS DIMITRIOS PAPADIMITRIOU
Id. C.No.: AA 035130

THE ACCOUNTING
MANAGER

PAVLOS KOYMPIS
Id. C. No.: AB 589945
E.C.G. Licence No. 0018936 A Class



Statement by the Members of the Board of Directors (in accordance with the article 4, par. 2 of Law 3556/2007)

Hereby, it is confirmed that to the best of our knowledge, the annual company and consolidated financial statements of "CORINTH PIPEWORKS S.A.", for year end 2015 (1/1/2015 – 31/12/2015), have been prepared in accordance with the International Financial Reporting Standards and provide a true and fair view of the assets, the liabilities, the equity and the financial results of the company and the entities included in the consolidated financial statements, taken as a whole.

Furthermore, it is confirmed that to the

best of our knowledge, the annual Board of Directors' report presents in a true way the progress, the performance and the net equity position of the Company as well as the companies included in the consolidation as a whole, with a description of the major risks and uncertainties they confront.

Moreover, the Annual Report of the Board of Directors contains the Statement of Corporate Governance, providing information pursuant to paragraph 3d article 43a of Codified Law 2190/1920.

Athens, March 7, 2016

The Chairman of BoD

**Konstantinos Bakouris
Id.C. No: AB 649471**

Vice Chairman of BoD

**Meletios Fikioris
Id.C. No: AK 511386**

A member of the BoD

**Ioannis Stavropoulos
Id C. No: K 221209**

Annual Report of the Board of Directors of the Company “CORINTH PIPEWORKS S.A.” on the consolidated and the separate Financial Statements for the fiscal year 1/1/2015-31/12/2015

Dear Shareholders,

Pursuant to Law 3556/2007, Law 2190/1920, the decision 7/448/11.10.2007 of the Hellenic Capital Market Commission and Law 3873/2010 we hereby submit the Annual Consolidated Board of Directors Report of the company “CORINTH PIPEWORKS S.A.” for the consolidated and the separate Financial Statements of fiscal year 2015.

1. Group Financial performance

A. Significant events during 2015

Operation analysis – financial data

During 2015, the international business environment within which the Group operates, was negatively affected by the fall in the prices of oil and natural gas, which resulted to the postponement of a number of energy projects worldwide. Despite all that the Group achieved significant improvement of its results, since it has implemented with absolute success the three energy projects assumed in the USA and at the same time it has completed the sizeable investment plan, which commenced in 2013 and was mainly related to the construction of the new production unit for special large diameter pipes for deep off-shore pipelines (using the LSAW method), the new unit for the production of 24 meters diameter pipes, as well as the units for internal and external coating of 24 meters diameter pipes.

Sales: Consolidated turnover amounted to Euro 296,2 million (2014: Euro 188,2 million), marking an increase of 57,4%. Sales of energy sector amounted to Euro 268,3 million (2014: Euro 160,6 million) increasing by 67,0% while sales of structurals amounted to Euro 27,9 million, that is 1,1 % higher than 2014 (Euro 27,6 million).

Gross Profit: Consolidated gross profit amounted to 69,8 million versus 19,2 million in FY 2014. The increase in relation with prior year is due to an important increase of sales and the increased added value projects completed in 2015. At the same time, gross margin was 23,6% versus 10,2% in FY 2014.

Administrative Expenses: They decreased by 4,9% and amounted to Euro 5,8 million, versus Euro 6,1, million in FY 2014.

Selling Expenses: They amounted to Euro 46,4 million versus 21,9 million in FY 2014. That is the result of losses from derivatives recorded by the Company in 2015 through the protection against the exchange rate risks (foreign currency hedging), and higher direct selling costs (freight, fees to third parties etc.) due to correspondingly higher sales and the specific terms of delivery included in the projects realised in 2015 compared with those of 2014.

Financial Expenses (net): They are amounting to Euro 7,9 million versus Euro 3,0 million for FY 2014. The increase is mainly due to higher needs in working capital for the execution of orders within



the year as showed by the important increase of the turnover, and the exchange differences from valuation of investment capital.

Regarding the Russian energy market, unfortunately due the problems that the Russian economy is facing and the dramatic decrease of the parity between the euro and the ruble in 2015, the profitability of ZAO TMK-CPW showed an important decrease. 49 % of ZAO TMK-CPW is held by HUMBEL Ltd. The aforementioned company operating in the Russian energy market generated earnings after tax of Euro 2,5 million marking a decrease of 33,7 % versus FY 2014.

Based on a significant improvement of the indicators as analysed above, the consolidated profits before tax amounted to Euro 12,1 million in FY 2015 against losses Euro 4,9 million in FY 2014. The consolidated profit after tax amounted to Euro 7,8 million against losses after tax of Euro 5,6 million in FY 2014.

Net borrowings are amounting to Euro 116,2 million against Euro 107,7. The long term loans are amounting to Euro 76,6 million in 2015 against Euro 76,8 million in 2014 while the short term loans increased to Euro 59,0 million (2014: Euro 32,3 million) due to higher need in working capital. Equity is amounting to Euro 149,4 million showing a decrease against FY 2014 (Euro 139,8 million).

In 2010, the Company impaired a receivable of (\$ 24.864.102 or Euro 18.627.586) due to its overdue status. On 31/12/2015, the same amount is valued at Euro 22.756.820. While Company's judicial actions, both in Greece and other jurisdictions, for the collection of the

aforementioned debt are ongoing and while no final judgments have been issued, the Company considers that for the moment there is no reason to revise the provisions amounting to Euro 11.417.597 (2014: Euro 10.258.936) that has formed in its financial statements. Management estimates that potential loss will not exceed the impaired amount.

The Court of Cassation in Dubai upheld the appeal of the Company and decided to cancel the judgement of appeal, in its capital that recognized the fictional counterclaim of Company's customer raised in the context of the action brought against him by the Company and ordered the set off to be carried out with Company's claim recognized irrevocably, and to refer back the case to the Court of Appeal to review the validity of the counterclaim with new panel. Based on assessment of the lawyers handling the legal case before the civil courts of Dubai, most likely the appellate court would dismiss the counterclaim raised by Company's customer. Therefore, the Company believes that the likelihood of an outflow of resources from the outcome of the counterclaim of that customer versus the Company is remote.

In addition the Company to ensure its rights under the decision of the First Instance Court of Athens issued in interim proceedings imposed precautionary seizure and has registered mortgage liens, on third party property involved in the abovementioned case.

Up until 31/12/2015 there were no changes regarding the collection of the amount due.

Table 1.1 KEY FINANCIAL RATIOS

	GROUP	
	31/12/2015	31/12/2014
General Liquidity		
Short term assets / Short term liabilities	1.47	1.45
Own Capital/Total Assets	44%	39%
EBITDA/Πωλήσεις	8.91%	1.92%
Earnings per share	0.0625	-0.0447

* (EBITDA = Earnings Before Interest Tax Depreciation and Amortisation)

The **Table 1.1** illustrates the evolution of the key financial ratios.

2. Risks and uncertainties

Due to the nature of its activities, the Group is exposed to a series of risks: both financial and business ones. In order to manage these risks, the Group has developed and applies a procedure that addresses company's risks in order to ensure a proper and viable development for the Group. More specifically:

i) Macroeconomic and Operating Environment in Greece

By Legislative Decree on 28/06/2015, the Greek Banks closed while at the same time controls were imposed on capital movements. The bank holiday ended on July 20, 2015 while the capital controls remains in effect.

A return to economic stability depend, to a high extent, upon the implementation of the agreed terms and conditions of the third bail-out program.

The continuing instability and volatility of the macroeconomic and financial environment in Greece, is likely to negatively affect the Groups and Company's activities. However, as analysed below, the Group and Company's exposure in Greece are limited:

a) Liquidity Risk

The Group and Company keep their total cash reserve deposit in foreign financial institutions out of Greece. The Group and Company's Cash are invested in counterparties with high credit rating and are readily available.

Furthermore, the Group and Company's financing sources are diversified in such a way that almost 31% of the borrowings are originating from international financial institutions. The Group and Company's reliable creditworthiness ensures an efficient use of the international financial markets for financial purposes.

The Group and Company have direct access to financial sources and are periodically refinancing their short term borrowing liabilities. The Group and Company assess that the refinance of the short term loans will continue in the future if necessary.

b) Operation Risks

Production/Sales

The Group and Company's Plant Productive potential in Greece is assumed to be affected by capital controls. Group and Company sales in Greece on the total sales are about 7,6% and 8,9% respectively which represent a small percentage of the total profitability. The Group and Company



exportations on their total sales are about 92,4% and 91,1% respectively.

Receivables/Clients

Receivables from domestic clients are a small percentage of the total clients receivables of the Group and Company. Therefore, the Group and Company have a limited exposure in revoked or delayed payments.

Suppliers

For the most part, Group and Company operations are depending on foreign suppliers. The Group and Company keep an important part of their total cash abroad and therefore in case that the imposed capital controls remain in effect, they will be in position to unimpededly fulfill their obligation toward their suppliers.

c) Credit risk

The Group and Company are practicing a specific credit policy focused on a controlled commercial solvability. Wherever it is deemed necessary, additional insurance coverage is required as credit guarantee.

Recent developments create a risk of delaying payments to the Group and Company from Greek clients. Nevertheless, as mentioned before, clients based in Greece are limited.

Considering that the nature of Corinth Pipeworks Group activity is mostly exporting, and considering the financial position of the Company and the Group, any negative development of the Greek economy is unlikely to considerably influence their smooth operation. Despite all that, Management is constantly appraising the situation and

its consequences and promptly ensure that the adequate measures are taken in order to minimize the impact on the Group and Company's activities.

ii) Exchange rate risk

The Group operates internationally (92,9% of the sales are to abroad, while all raw materials and auxiliary are imported) and is exposed to exchange rate risk arising from various currencies, but mainly from the US dollar. The Group follows a hedging policy of at least 70% of a given order, either with natural hedging (purchase of resources priced in the sale currency) or with FX forwards or with both.

iii) Interest rate risk

The Group's interest rate risk arises from borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During 2015 and 2014, the Group's total borrowings have a variable rate (euribor + spread) and denominated in euro.

iv) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the ability of funding each project that the Group undertakes through an adequate amount of committed credit facilities. Because of the different cash flow cycle of each project, the Treasury Department analyzes the needs and whenever it is necessary, uses the committed credit lines with banks and other financial institutions. It is noted that on 31/12/2015 the Group had Euro 19,5 million in cash.

v) Credit risk

Credit risk arises from deposits, derivative financial instruments (banks and financial institutions credit risk), as well as credit, granted to customers (customer credit risk). Taking measures to face the Greek financial crisis, the Group has a banking relationship with some of the largest and healthiest financial institutions of the Greek market as well as some major foreign financial institutions, whose credit rating is at least Caa3 (Moody's) for the domestic financial institutions and A (Moody's) for the foreign ones.

The Group has adopted strict procedures for credit control and management of political risk, reviewing data like financial statements, payments' record, possible counter guarantees they can provide etc. A considerable part of sales is against LCs or down payments. When this is not possible, the company uses credit insurance, factoring and when required political risk insurance.

vi) Capital risk

This risk is related to the possibility of operations' interruption, in such a way that the Group will not be able to yield satisfactory returns to its shareholders and other stakeholders. The Group is always trying to achieve the best mix of funds, in order to minimize its cost of capital.

vii) Business risks

Regarding business risks, the Group operates in the international energy markets, which makes it more vulnerable to the prevailing competition. Possible decrease on capital expenditures undertaken by major energy companies and the

protectionism of local companies are likely to hinder the competitive position of CORINTH PIPEWORKS. Furthermore, the fact that many core markets, as well as the cost structure of some major competitors are dollar based, in conjunction with a potential euro appreciation, *ceteris paribus*, dictates a more aggressive pricing policy, that may lead to squeezed profit margins.

Sales in the energy sector are on a project basis, where both selling prices and cost of raw materials are fixed throughout the execution period. However, the market of structurals is often subject to major fluctuations of prices and materials cost.

The Group's activities in the vast Russian energy market and its neighbouring countries, through its participation in ZAO TMK-CPW, beyond the obvious advantages, expose the Group to the economic conditions shaping these countries. Given Russia's dependency on the international commodity prices and especially on energy prices, potential return to the levels of 2009 will certainly have an impact on ZAO TMK-CPW's sales turnover and profitability.

Furthermore, freight rate, which is a major cost variable for the Group, has been extremely volatile in the last few years. Even though the Group may conclude contracts on a project basis, for a big part of its transportation requirements, in cases when this is not possible, chartering is on the spot market, that in turn may affect projects' profitability.

3. Prospects – Estimations

The international economic environment remains volatile. The prices of oil



and natural gas are extremely low, affecting negatively the demand for products of the energy sector. On the other hand, the company's significant order backlog (after the award of 270,000 tons of steel pipes for the project TAP which is expected to be sold in 2016 and 2017), the preservation of the Euro:USD foreign exchange rate in levels that render the company's products more competitive, as well as the low raw materials prices are factors that are expected to contribute positively to the operations of Corinth Pipeworks. With years of experience of experience, Corinth Pipeworks is now in position to combine its significant production capacity with product diversification, reaffirming its position among the leading pipe manufacturing companies of the energy sector, on a global scale.

4. Transactions with related parties (IFRS 24)

Group is controlled by VIOHALCO S.A. established in Belgium that owns 85,88% of the company's shares. The remaining 14,12% of the shares are free floated.

In **Table 1.2** (p. A13), are illustrated the important intra-company sales and other transactions with related parties (according to IAS 24). The related parties are members of VIOHALCO S.A. Group.

Finally, the remuneration to the members of the Board and the Management of the company, as well as the receivables and the payables from and to them, are illustrated in **Table 1.3** (p. A15).

5. Facilities and branches

The privately owned facilities of the plant

are located in the industrial zone of Thisvi Viotia, on a total surface of 496.790 sq.m.

The Company has the following branches:

- Warehouse and branch in Thisvi plant and Athens.
- Headquarters in Athens.

Furthermore, the Group, besides Greece, has operations in the U.S., Cyprus and Poland, through its subsidiaries, and participates by 49% in the share capital of ZAO TMK-CPW established in Russia.

6. Taxation

According to the new tax law 4172 of 2013 which is effective since January 1st, 2014, income tax rate for legal entities in Greece has been set to 26% for fiscal year of 2014 and onwards. Furthermore the withholding tax for the distributing dividends which has been approved after January 1st of 2014 has been set to 10%. Under the POL 1159/17.7.2015, the income tax rate for legal entities incomes arising from January 1st 2015 the tax rate has been set to 29% from 26% and the advance on income tax paid has increased to 100% from 80%.

According to par. 12 of article 72 of law 4172 of 2013 the tax-exempt reserves formed under the stipulations of law 2238/1994 may either be offset with tax losses with a tax rate 29% or distributed or capitalised and therefore be subjected to a taxation of 19%. The Group and the Company have not the intention of distributing them. In 2014 tax exempt reserves of amount of Euro 519.255 were offset with recognised tax losses.

7. Major events following 31/12/2015

On January 25th 2016, the Company

Table 1.2 IMPORTANT INTRA-COMPANY SALES AND OTHER TRANSACTIONS WITH RELATED PARTIES

Sale of goods to	31/12/2015	31/12/2014
ANAMET S.A.	511,789.94	3,108,769.83
DOJLAN STEEL DOO	168,371.20	0
METAL AGENCIES LTD	401,729.00	474,568.93
GENECOS S.A.	14,994.00	0
PROSAL TUBES S.A.	61,383.13	244,885.46
SIDMA BULGARIA S.A.	60,493.93	37,578.45
SIDMA ROMANIA SRL	0	25,902.60
TEPROMETAL AG	4,158,739.23	2,547,815.98
AEIFOROS S.A.	2,541.50	0
ELVAL S.A.	6,121.37	7,769.47
ELVAL HOLDINGS S.A.	2,267.62	0
HELLENIC CABLES S.A.	4,288.02	4,561.37
ETHL S.A.	721.06	20,109.26
SIDENOR HOLDINGS S.A.	0	1,736.46
SIDENOR STEEL INDUSTRY S.A.	2,618,317.44	0
SIDMA S.A.	69,421.33	45,348.33
SOVEL S.A.	442,251.90	62,437.18
HALCOR S.A.	3,359.97	534.97
FULGOR S.A.	2,768.76	2,384.55
Sale of services to	31/12/2015	31/12/2014
ELKEME S.A.	1,300.00	840.00
SOVEL S.A.	0	1,413.99
STEELMET (CY) LTD	4,500.00	7,500.00
TEPROMETAL AG	0	2,240.33
DIAPIPETHIV S.A.	419,398.64	334,195.94
HELLENIC CABLES S.A.	27,431.11	43,964.89
CORINTH COMMERCIAL PARK S.A.	0	48,833.14
PRAKSYS S.A.	2,990.50	2,994.31
SIDENOR HOLDINGS S.A.	0	3,237.67
SIDENOR STEEL INDUSTRY S.A.	132,993.09	192,517.43
VET S.A.	208.10	187.05
SIDMA ROMANIA SRL	0	270.00
STOMANA INDUSTRY	57,137.91	26,814.41
Sales of fixed assets to	31/12/2015	31/12/2014
STOMANA INDUSTRY	0	3,620,000.00
Purchase of goods from	31/12/2015	31/12/2014
ELVAL S.A.	0	345,356.86
LESCO LTD	816,330.23	341,116.71
PROSAL TUBES S.A.	3,323,168.31	0
SOFIA MED S.A.	12,392.96	1,195,892.83
SOVEL S.A.	0	392,360.20
HELLENIC CABLES S.A.	0	8,853.38
ERLIKON S.A.	9,723.15	7,226.89
ETHL S.A.	0	8,616.00
VIOHALCO S.A. (GREEK BRANCH)	2,353,102.10	0
SIDENOR STEEL INDUSTRY S.A.	0	268,188
STOMANA INDUSTRY	88,143.44	17,712,098.96
Purchase of services from	31/12/2015	31/12/2014
GENECOS S.A.	5,338.17	2,592.15
METAL AGENCIES LTD	474,031.64	302,569.84
TEKA SYSTEMS S.A.	39,255.00	964.00
FULGOR S.A.	15,184.46	12,017.97
NOVAL S.A.	201,728.40	201,728.40
SANITAS AE	481.08	489.42
TEPROMETAL AG	314,510.91	83,658.84
AEIFOROS S.A.	7,161.68	4,085.86
ANTIMET S.A.	88,944.56	18,624.35
VET S.A.	72.50	0
VIEXAL LTD	388,727.20	375,136.30

Table 1.2 IMPORTANT INTRA-COMPANY SALES AND OTHER TRANSACTIONS WITH RELATED PARTIES (contd)

Purchase of services from	31/12/2015	31/12/2014
DIAVIPETHIV S.A.	1,155,326.95	1,202,566.73
ELKEME S.A.	96,000.00	50,000.00
HELLENIC CABLES S.A.	42,813.72	8,676.17
ERGOSTEEL S.A.	5,622.35	120.00
ELVAL S.A.	79.95	651.00
HALCOR S.A.	36,991.17	2,592.00
PRAKSYS S.A.	181,778.29	179,489.84
ETHL S.A.	678.00	0
SIDENOR STEEL INDUSTRY S.A.	429,158.75	438,845.73
SIDENOR HOLDINGS S.A.	0	20,710.22
CORINTH COMMERCIAL PARK S.A.	995.24	0
SIDMA S.A.	651,087.98	399,433.26
SOVEL S.A.	26,086.20	152,919.30
VIOHALCO S.A. (GREEK BRANCH)	46,634.80	0
STEELMET S.A.	871,540.70	803,691.63
Purchase of fixed assets from	31/12/2015	31/12/2014
TEKA SYSTEMS S.A.	1,461,883.84	318,783.85
VIEXAL LTD	5,910.17	47,012.47
DIAVIPETHIV S.A.	0	5,645.35
HELLENIC CABLES S.A.	339,722.59	523,981.36
ERGOSTEEL S.A.	57,495.50	333,068.40
ERLIKON S.A.	635.43	542.68
ETHL S.A.	5,854.00	14,298.64
LESCO LTD	0	13,060.10
PANELCO S.A.	40,456.64	185,149.07
VIOHALCO S.A. (GREEK BRANCH)	599.00	0
SOVEL S.A.	80,000.00	66,220.19
SIDMA S.A.	111,690.96	194,321.72
SIDENOR STEEL INDUSTRY S.A.	68,806.70	392.52
ELVAL S.A.	0	1,200.00
CORINTH COMMERCIAL PARK S.A.	300.96	102,860.51
STOMANA INDUSTRY	148.11	0
Purchase of equity shares from	31/12/2015	31/12/2014
VIOHALCO S.A. (GREEK BRANCH)	36,000.00	0
VET S.A.	30.00	0
Receivables from related parties	31/12/2015	31/12/2014
ANAMET S.A.	4,580,448.53	7,373,658.59
ANTIMET S.A.	686,681.57	191,680.34
PROSAL TUBES S.A.	6,744.60	89,302.93
SIDMA BULGARIA SA	4,432.75	13,504.05
METAL AGENCIES LTD	194,222.70	54,338.16
NOVAL S.A.	0	83,523.12
FULGOR S.A.	2,664.44	0
STEELMET (CY) LTD	12,961.71	11,606.71
TEPROMETAL AG	3,417,685.09	3,222,766.86
DIAVIPETHIV S.A.	3,616,173.67	3,616,173.67
ELVAL S.A.	7,529.29	9,556.45
HELLENIC CABLES S.A.	202,146.83	181,659.81
SIDENOR STEEL INDUSTRY S.A.	1,935,060.05	0
CORINTH COMMERCIAL PARK S.A.	130,216.27	258,329.03
PRAKSYS S.A.	4,708.45	1,030.14
SIDENOR HOLDINGS S.A.	0	10,318.52
SIDMA S.A.	5,142,342.43	2,641,758.64
STOMANA INDUSTRY	4,042,832.32	4,443,214.41
SOVEL S.A.	205,215.66	0
HALCOR S.A.	1,359.53	0
ETHL S.A.	0	20,837.76
SOFIA MED	136,159.48	0

Table 1.2 IMPORTANT INTRA-COMPANY SALES AND OTHER TRANSACTIONS WITH RELATED PARTIES (contd)

Payables to related parties	31/12/2015	31/12/2014
ANTIMET S.A.	25,021.44	34,726.92
CORINTH COMMERCIAL PARK S.A.	0	126,518.43
FULGOR S.A.	29,784.86	11,849.11
GENECOS S.A.	8,763.44	3,425.27
LESCO LTD	47,784.99	83,557.52
METAL AGENCIES LTD	89,432.11	65,861.39
PANELCO S.A.	0	82,996.71
PROSAL TUBES S.A.	2,623,168.31	0
SOFIA MED S.A.	309,047.25	558,042.01
TEKA SYSTEMS S.A.	867,149.17	392,403.83
TEPROMETAL AG	505,195.13	214,462.91
AEIFOROS S.A.	3,175.50	2,298.49
VET S.A.	89.18	0
VIEXAL LTD	23,432.86	49,221.83
DIVIPETHIV S.A.	1,878,515.71	1,453,045.33
ELVAL S.A.	305,285.51	107,067.40
ELKEME S.A.	9,840.00	0
HELLENIC CABLES S.A.	17,190.79	58,980.42
ERGOSTEEL S.A.	33,296.36	63,799.14
ERLIKON S.A.	4,334.18	2,658.75
PRAKSYS S.A.	12,854.10	34,018.55
SIDENOR HOLDINGS S.A.	0	446,013.38
SIDENOR STEEL INDUSTRY S.A.	19,894.00	217,288.45
SIDMA S.A.	134,799.28	77,368.46
SOVEL S.A.	0	111,180.58
STEELMET S.A.	178,530.15	166,592.96
HALCOR S.A.	21,148.95	3,188.16
STOMANA INDUSTRY	102,771.55	2,539,514.80
SANITAS A.E.	211.07	221.33
SIDMA ROMANIA SRL	0	1,805.65

Table 1.3 REMUNERATION TO THE MEMBERS OF THE BOARD AND THE MANAGEMENT OF THE COMPANY

	31/12/2015	31/12/2014
Remuneration to the BoD and Management	773,375	727,406.24
Employment termination fees	-	42,335.47

acquired from the related company SOVEL S.A. 100% of the share capital of VET S.A. the total value of which is Euro 6.102.984. The effect of the acquisition is not material for the Group.

There are no other events after the reporting date affecting the financial statements of the Group and Company.

EXPLANATORY REPORT OF THE BOARD OF DIRECTORS

(according to article 4 of L. 3556/2007)

a) Share Capital Structure

The Company's share capital (premium value excepted) amounts to Euro 96.852.756,78 divided into 124.170.201 common nominal registered shares with a nominal value of Euro 0,78 per share. All shares are listed for trading on the Athens Stock Exchange, in the Small and Mid Cap Categories. The company's shares are intangible, registered and with a right to vote.

According to the Company's Articles of Incorporation, the rights and obligations of shareholders are as follows:

- Right to dividends from the Company's annual profits. The dividend of each share is paid to shareholders following approval of the financial statements by the General Meeting in accordance with the provisions of the respective resolution of the Board of Directors. Individuals who do not receive dividends on time are not entitled to interest. The right to collect dividends is forfeited after the lapse of (5) years from the end of the year, during which it was due.
- Pre-emptive right to every Company share capital increase and the acquisition of new shares.
- Right to participate in the General Shareholder Meeting.
- Shareholders automatically accept the Company's Articles of Incorporation and the decisions of its bodies, which are consistent to the provisions of the said Articles and the Law.
- The Company's shares cannot be divided and the Company acknowledges only one owner per share. All joint shareholders, as well as those who have usufruct or bare ownership of shares, are represented in the General Meeting by only one person appointed by them upon agreement. In case of disagree-

ment, the share of the aforementioned parties is not represented.

- The shareholders are not liable beyond the nominal capital of each share.

b) Restrictions in the Transfer of Company Shares

The transfer of Company shares is carried out in accordance with the provisions of Law, and the Articles of Incorporation do not stipulate any restrictions as to their transfer.

c) Significant Direct or Indirect Participations Pursuant to Law 3556/2007

The significant participations (over 5%) as of 31-12-2015 were as follows:

- VIOHALCO S.A 85,88% of voting rights

d) Shares that offer Special Control Rights

There are no issued shares of the Company that offer special control rights.

e) Restrictions in voting rights

No voting right restrictions, arising from its shares, are stipulated by the Company's Articles of Incorporation. The rules of the Company's Articles of Incorporation regulating voting issues are given under Article 24 of the document.

f) Agreements between Company Shareholders

To the Company's knowledge, there are no such agreements.

g) Rules of appointment and replacement of the Members of the Board of Directors and amendment of the Company's Articles of Incorporation

The rules provided by the Company's Articles of Incorporation regarding, both



the appointment and replacement of members of the Board of Directors, as well as the amendment of its provisions, are not differentiated from the statutory provisions of Codified Law 2190/1920.

h) Jurisdiction of the Board of Directors for the Issuance of New or the Purchase of Own Shares

- Pursuant to the provisions of Article 13, paragraph 1, sections b and c of Codified Law 2190/1920, the Company's Articles of Incorporation stipulate that only the General Shareholder Meeting has the authority to increase the Company's share capital by issuing new shares, following a resolution taken by a majority vote of at least 2/3 of the votes represented in the meeting.
- The Board of Directors may purchase own shares within the framework of a General Meeting resolution pursuant to Article 16, paragraphs 5 to 13 of Codified Law 2190/20.
- Pursuant to the provisions Article 13, paragraph 9, of Codified Law 2190/1920 and following a relevant resolution by the General Meeting to introduce a share offering plan for company BoD members and personnel, in the form of a Stock Option Plan, the Board of Directors may issue shares for beneficiaries, increasing share capital accordingly and confirming the relevant increase. Such a

stock option rights plan has not been approved by the Company's General Shareholder Meeting.

i) Significant Agreements that Become Valid, Are Amended or Terminated in the Event of Change of Control

The loan issued by Commerzbank (amounting to 47.666.963) and from which EUR € 45.654.094 were undertaken as of 31 December 2015, and the bond loans issued by the Company and undertaken in their entirety by banks, with a total balance of EUR 47.300.000 as of 31 December 2015, include a clause in their terms for the event of change of control, which, if enacted, gives bondholders the right to terminate the loan before maturity.

To the Company's knowledge, there are no other agreements that become effective, are amended or terminated in the event of change of Company control.

j) Agreements with Members of the Board of Directors or Company Personnel

To the company's knowledge, there are no agreements between the Company and members of the Board of Directors or its personnel, which provide for the payment of compensation, especially in the event of resignation or termination of employment without reasonable grounds or termination of term or employment due to a takeover bid.

Athens, March 7, 2016

**The Chairman of the Board of Directors
Konstantinos Bakouris**

Statement of Corporate Governance

(The present statement has been drafted in accordance with the provisions of Law 3873/2010)

The present statement has been composed in accordance with the provisions of Law 3873/2010.

In particular, in regard to the provisions of article 2 of Law 3873/2010, we note the following:

1. Code of Corporate Governance

The Company implements Corporate Governance practices in the management and its operations, as they have been defined under the current legislative framework, as well as in the Code of Corporate Governance recently published by the Hellenic Corporate Governance Council (HCGC) (hereinafter the "Code"), which is available at: <http://www.helex.gr/el/esed>

Upon the composition of the Board of Directors' Annual Report, the Company reviewed the Code. Based on this review, the Company concluded that, overall, it complies with the specific practices applicable to listed companies, which are cited and described in the Code of the HCGC, with the exception of the following practices, for which the following explanations are given:

- **Section A.II. (2.1.) – Size and composition of the Board of Directors.** - Board of Directors consists of 6 members
- **Section A.III. (3.3.) – Role and mandatory capacities of the Chairman of the BoD.** The Vice President of the current Board of Directors does not have the capacity of independent non-executive member, despite the fact that the Chairman is an executive member. Given the present conjuncture, the status of independent member for the Vice President was not deemed necessary since it

would not provide any improvement in the company's operations.

- **Section A.V. (5.4.-5.8.) – Screening prospective candidates for membership of the Board of Directors.** No committee for screening prospective candidates had been set up until the drafting of the present Statement. It is considered that given the present conjuncture this would not improve the performance of the company.
- **Section A.VII. (7.1.-7.3.) – Evaluation of the Board of Directors and its Committees.** The Company had not chosen a specific cooperative procedure for evaluating the effectiveness of the Board of Directors and its Committees until the drafting of the present Statement.
- **Section C.I.(1.6.-1.9.) – Amount and structure of remuneration.** No remuneration committee had been set up until the drafting of the present Statement. This matter will be re-considered shortly.

As indicated in the Code and given the current unfavourable economic situation, Management does not see the necessity in adopting further corporate governance practices.

The Company does not implement corporate governance practices beyond the specific practices of the Code of the HCGC and the provisions of relevant legislation.

2. The main features of the Internal Audit and Risk Management Systems in relation to the Procedure followed in Drafting the Financial Statements and financial reports.

i) Description of the main characteristics and information included in the Internal



Audit and Risk Management Systems, in relation to the procedure followed in drafting financial statements

The Company's Internal Audit System contains audit procedures of Company's operations, its compliance with the requirements of supervisory authorities, risk management and financial reporting.

Internal Audit Department verifies the proper implementation of every procedure and internal audit system, regardless if it is accounting related or not and assess the Company through reviews of its operations, acting as a company unit reporting to the Management.

The Internal Audit System aims at, among others, ensuring the completeness and reliability of the data and information required for the evaluation of the Company's financial situation, in an accurate and timely manner, as well as the production of reliable financial statements.

With regards to the procedure followed in drafting the financial statements, the Company states that the financial reporting system of 'CORINTH PIPEWORKS PIPE INDUSTRY AND REAL ESTATE S.A.' makes use of an accounting system that is adequate for the purposes of reporting, both to Management as well as to external users. Financial statements, as well as other analysis reports addressed to management on a quarterly basis, are drawn up at company and consolidated level in accordance with International Financial Reporting Standards, as they have been adopted by the European Union, for the purposes of reporting to management as well as of publication, in accordance with effective regulations and on a quarterly basis. Both administrative reporting, as well as financial reporting intended for publication, include all required information foreseen

under an up-to-date internal audit system, which encompasses breakdowns of sales, costs/expenses, operating profits, as well as other data and indexes. All reports to management include the data of the current fiscal period, which are cross-checked against respective entries in the budget approved by the Board of Directors, as well as against data of the corresponding period of the financial year preceding the year of the report.

All published interim and annual financial statements include all the necessary information and disclosures relating to the financial statements, in accordance with International Financial Reporting Standards, as they have been adopted by the European Union. They are reviewed by the Audit Committee and approved in their entirety by the Board of Directors, respectively.

Controls are in place regarding: (a) identification and evaluation of risks in relation to the reliability of financial statements; (b) management planning and follow-up in relation to financial data, (c) prevention and detection of fraud; (d) tasks/duties of executives; (e) the procedure followed for closing a fiscal year, including consolidation (such as recorded procedures, access authorisations, approvals, reconciliations etc.) and (f) safeguarding the data in information systems.

The preparation of internal memos to Management and of reports, required under Codified Law 2190/1920 and supervisory authorities, is performed by the Financial Department, which is staffed with competent and experienced personnel entrusted with this task. Management ensures that these employees are properly informed of any changes in accounting and tax issues that may affect the Company and the Group.

The Company has established separate procedures for the collection of necessary audit evidence from its subsidiaries. Moreover, it ensures consistency throughout all its transactions and the application of the same accounting principles by the above companies.

ii) Annual evaluation of corporate strategy, primary business risks and Internal Audit Systems

The Company's Board of Directors declares that it has examined the main business risks on which the Company is exposed, as well as its Internal Audit Systems. The Board of Directors re-evaluates the corporate strategy, primary business risks and Internal Audit Systems on an annual basis, including the scope of activities as well as the efficiency of Internal Audit Department.

iii) Provision of non-auditing services to the Company by its lawful auditors and assessment of the impact this may exert on the objectivity and effectiveness of the mandatory audit, examined in conjunction with the provisions of Law 3693/2008

The Company's lawful auditors for financial year 2015, 'PricewaterhouseCoopers Audit S.A. Company', which was elected by the Ordinary General Shareholders' Meeting of the Company held on May 22, 2015, do not provide and have not provided non-audit services to the Company and its subsidiaries, further to the stipulations of applicable legislation.

3. Public Acquisition Offers - Information

- There are neither binding acquisition offers and/or regulations calling for mandatory transfer and mandatory purchase of shares of the Company, nor

provisions in the Articles of Incorporation in regard to acquisitions.

- There have been no public offers by third parties for the acquisition of the share capital of the Company during the preceding and current financial year.
- In the event that the Company participates in such a procedure, it will be executed in compliance with the relevant legislation.

4. General Shareholders' Meeting and rights of shareholders

The General Meeting is convened and operates in accordance with the provisions of the Articles of Incorporation and the relevant provisions of Codified Law 2190/1920, as amended and currently in force. The Company complies with its reporting obligations, abiding by the provisions of Law 3884/2010 and, in general, takes all necessary measures in view of ensuring the timely and comprehensive briefing of shareholders regarding the exercise of their rights. The latter is ensured by publishing the invitations to General Meetings and posting them on the Company's website. The text of these invitations includes a detailed description of shareholders' rights and the manner of the exercise thereof.

5. Composition and operation of the Board of Directors, Supervisory Bodies and Committees of the Company

Duties and responsibilities of the Board of Directors

The Company's Board of Directors is responsible for the long-term strategy and business goals of the Company and, in general, has control and decision-making powers in the framework of the provisions of Codified Law 2190/1920 and of the Articles of Incorporation.



tion as well as compliance with the principles of corporate governance.

The Board of Directors meets as frequently as it is required in order to perform effectively its duties.

The duties and responsibilities of the Board of Directors are summarized below:

- Supervision and monitoring of the Company's operations, as well as control of company goals and long-term plans achievement
- Formulating and defining the primary principles and targets of the Company
- Ensuring streamlining of the adopted strategy with the Company goals
- The Board of Directors ensures that there are no cases of conflict of interest and examines any cases of non-compliance with the Company's confidentiality policy
- Ensuring the credibility and approval of the Company's Financial Statements prior to their final approval by the Ordinary General Meeting
- Ensuring the proper day-to-day operations of the Company, through a system of special authorisations, while execution of its other duties is implemented through special decisions
- The Secretary of the Board of Directors is appointed at each Board of Directors and has the main responsibility of supporting the Chairman and the overall operation of the body

The current Board of Directors of the Company consists of 6 members (6-

member Board), of which:

- 2 are executive members (Chairman and Member)
- 2 are non-executive members (Vice President and Member)
- 2 are independent, non-executive members (Remaining members)

The current Board of Directors of 'CORINTH PIPEWORKS PIPE INDUSTRY AND REAL ESTATE S.A.', has the following members:

- Konstantinos Bakouris, Chairman, Executive Member
- Meletis Fikioris, Vice-Chairman, Non-Executive Member
- Ioanis Stavropoulos, Executive Member
- Adamandios Vassilakis, Non-Executive Member
- Nikolaos Galetas, Independent, Non-Executive Member
- Andreas Kyriazis, Independent, Non-Executive Member

Board members are elected for an one-year term by the General Shareholders' Meeting. The current Board of Directors of the Company was elected by the Ordinary General Shareholders' Meeting of May 22, 2015, and its tenure expires within first half of 2016.

The Board of Directors met 31 times within 2015, and its sessions were attended by all its members in person.

Resumes of the members of the Board of Directors are provided below:

- **Costas Bakouris, Chairman of the Board of Directors**

Mr. Costas Bakouris is Chairman of the Board of Corinth Pipeworks since 2005,

and member of Board of Directors of ELVAL and HALCOR. He started his career at ESSO PAPPAS. Two years later, he became Financial Director at UNION CARBIDE in Athens and six years later

General Manager of the company. In 1985 he became Europe Vice President of the company's consumables, while in 1986 he was elected President of RALSTON PURINA, Europe.

In 1998, he came back to Greece as Managing Director of the Organization Committee for the "Athens 2004" Olympic Games. From 2001 to 2002 he was Chairman to the Board of the Hellenic Center for Investments. From 2004 until 2008 he served as chairman of the Board of Directors of NET MED NV, parent company of cable television provider NOVA.

He is chairman of the Transparency International – Greece and chairman of the board of the Greek – Russian Business Council. He holds an MBA degree from De PAUL University in Chicago, Illinois.

- **Meletis Fikioris,**
Vice Chairman,
Non Executive Member

Mr. Meletis Fikioris is Corinth Pipeworks' Vice Chairman, since January 2005. He is a member of the Athens Bar Association (1973) and legal advisor in a number of companies, participating in their board of directors.

- **Adamantios Vasilakis,**
Non Executive Member

Mr Adamantios Vasilakis is a graduate of Political and Diplomatic Studies of the Brussels Free University, as well as of the Chios Commercial School. He speaks English and French. In his long career in the diplomatic corps he served in many countries (among which Yugoslavia, former USSR and the US, as well at high

ranking positions in the Ministry of Foreign Affairs. In 2002, he assumes as Permanent Representative of Greece at United Nations, while in the same year is appointed chief negotiator in the talks for "FYROM name issue". In 2005-2006, he represents Greece, to the UN Security Council, in New York. In the framework of the Security Council, he participated in missions to Central Africa (Congo, Burundi, Rwanda, Uganda, Tanzania), Sudan and Afghanistan. He was also President of Security Council' sanction committees to Ivory Coast and Sudan, as well as to Special Committee for sanctions implementation of the same UN Body. In 2007, he was appointed National Representative of Greece in the negotiations, under UN's auspices to find a permanent name for FYROM. He has received the Big Cross of Phoenix Decree.

- **Ioannis Stavropoulos,**
Executive Member

Mr. Ioannis Stavropoulos is a graduate of Piraeus University and he has held various executive positions within Viohalco Group of Companies since 1972. He assumed the position of Financial Director in Vitruvit S.A. (1978) and the position of General Manager in Hellenic Cables of Messologi S.A. (1989), KEM S.A. (1998) and in SIDENOR S.A. (1999). He is an Executive Director of the Hellenic Cables S.A. and a member of the board of directors of many companies of Viohalco Group.

- **Nikolaos Galetas,**
Non executive and Independent Member

Mr. Nikolaos Galetas is an independent

member of the BoD of Corinth Pipeworks. He is a graduate of the School of Theology at the Athens University, has also studied at the Technische Hochschule Wien and is a licensed engineer from the School of Electrical Engineering at the National Technical University of Athens (NTUA). During his lifelong career Mr. Galetas has assumed several managerial positions in ETBA (Hellenic Bank of Industrial Development) in EPA (Planning & Development Company) in ETEBA (National Bank of Industrial Development) where he also served as Managing Director. Mr. Galetas also served as member of the Board of Directors in several companies and organizations including EFG OBANK PROPERTIES S.A., ERT S.A. - Hellenic Broadcasting Corporation – (vice chairman) as well as several of ETEBA's subsidiaries where he served as chairman of the Board during his long career with the Group ETEBA. Moreover, during

the period 1990-92, he offered consulting services to the Ministers of Internal Affairs, Agriculture and Coordination.

- **Andreas Kiriazis,
Non executive and
Independent Member**

Mr. Andreas Kyriazis has served on our Board since 2005. Mr. Kyriazis is a graduate of the Chemistry, Physics & Mathematics Faculty of Athens University. He has served as Chairman of the Central Union of Greek Chambers, the Union of Balkan Chambers, the Athens Chamber of Commerce and Industry, the Hellenic Productivity Centre, the Greek Society for Business Administration, and the Wood Processing Association and; as Vice-Chairman of the Association of European Chambers of Commerce and Industry; and as General Secretary of the Association of Greek Chemists.

Audit Committee

i) Description of the composition, operation, duties, responsibilities and description of topics discussed at Committee's meetings

The Audit Committee, which is elected and operates in accordance with the Law 3693/2008 (no. 37), consists of three non-executive members of the Board of Directors, of which one is independent and has the primary duty, in the framework of the obligations described in the above Law, of providing support to the Company's Board of Directors in regard to the fulfilment of the latter's mandate pertaining to ensuring the effectiveness of accounting and

financial systems, audit mechanisms, management systems for business risks, ensuring compliance with the legislative and regulatory framework and the effective application of the principles of Corporate Governance.

Specifically, the Audit Committee is entrusted with the following responsibilities:

- Assess the effectiveness of all levels of the Management hierarchy, in relation to the latter's safeguarding of the resources under their management and their compliance with the established policy and procedures of the Company
- Evaluate procedures and amounts for their adequacy, in regard to the achieve-

- ment of goals, as well as appraise the policy and programme cited in the activity undergoing evaluation
- Periodically audit the various operations of the different divisions or departments, in such a manner to ensure that their diverse activities are conducted smoothly, comply with Management instructions, Company policy and procedures, and that they are aligned with Company objectives and Management best practices
 - Examine internal audit reports and, in particular:
 - Assess their adequacy, in regard to the extent of information therein provided
 - Verify the accuracy of the reports
 - Examine the adequacy of audit evidence in regard to the results of the audit

The Audit Committee receives the following reports pertaining to audit procedures

- Extraordinary
- Quarterly financial audit reports
- Annual regular audit reports
- Corporate Governance reports

The Audit Committee examines and ensures the independence of External Auditors of the Company; it is notified of their findings as well as of the findings of the Audit Reports on the annual or interim Financial Statements of the Company. At the same time, it recommends corrective actions and measures, in view of addressing any findings or flaws in the Financial

Reporting or other significant operations of the Company.

In accordance with its Internal Regulation, the Audit Committee consists of two independent, non-executive members of the Board of Directors and one non-executive member, who have the necessary knowledge and experience to fulfill Committee's tasks.

The current composition of the Audit Committee is the following:

Members: Meletios Fikioris,
Vice President,
Non-Executive Board Member.
Nikolaos Galetas,
Independent,
Non-Executive Board Member.
Andreas Kyriazis,
Independent,
Non-Executive Board Member.

ii) Number of meetings of the Committee and frequency of attendance of each member at meetings

The Audit Committee convened four times within 2015, achieving full quorum, but was not attended by the regular auditors as stipulated in the Code.

iii) Assessment of the Committee's effectiveness and performance

Till the date of drafting the present Statement, no specific procedures had been established for assessing the effectiveness of the Audit Committee of the Board of Directors. The Management of the Company will establish such procedures in the future.



I. Statement of financial position		AMOUNTS IN EURO			
	GROUP		COMPANY		
	31/12/15	31/12/14	31/12/15	31/12/14	
ASSETS					
Non-Current assets					
Property, Plant and Equipment	183,615,498	155,057,553	183,510,427	154,990,812	
Investments in associated companies	10,925,002	12,771,781	1,073,950	1,073,950	
Investments in subsidiary companies	-	-	11,381,209	11,345,179	
Deferred Tax Asset	180,080	11,229	-	-	
Trade and other receivables	4,709,864	4,800,080	4,709,864	4,800,080	
	199,430,444	172,640,643	200,675,450	172,210,021	
Current Assets					
Inventories	69,316,312	83,726,044	67,985,707	80,889,459	
Trade and other receivables	49,455,934	94,725,371	49,501,832	89,465,515	
Income tax receivable	1,657,756	1,555,659	1,566,684	1,555,659	
Derivative financial instruments	121,499	144,430	121,499	144,430	
Financial assets at fair value through profit and loss	9,137	9,137	9,137	9,137	
Cash & Cash equivalent	19,457,363	9,574,938	12,946,880	8,238,357	
	140,018,001	189,735,579	132,131,739	180,302,557	
Total Assets	339,448,445	362,376,222	332,807,189	352,512,578	
EQUITY					
Equity attributable to shareholders of the company					
Share capital	96,852,757	96,852,757	96,852,757	96,852,757	
Share premium	27,427,850	27,427,850	27,427,850	27,427,850	
Foreign exchange difference from consolidation of subsidiaries/associates	-13,134,794	-10,752,777	-	-	
Other reserves	24,089,450	17,808,445	24,089,450	17,808,445	
Profits/Losses carried forward	14,205,578	8,481,712	-3,327,259	-4,505,024	
Total equity	149,440,841	139,817,987	145,042,798	137,584,028	
LIABILITIES					
Long-term liabilities					
Borrowings	76,625,469	76,796,642	76,625,469	76,796,642	
Deferred tax liabilities	16,995,159	13,093,993	16,815,599	13,076,382	
Retirement benefit obligations	1,223,258	1,235,125	1,223,258	1,235,125	
Provisions	137,753	137,753	137,753	137,753	
	94,981,639	91,263,513	94,802,079	91,245,902	
Short-term liabilities					
Trade and other payables	35,543,037	83,955,906	33,479,966	76,456,735	
Income tax payable	582	112,903	-	-	
Loans	58,986,889	32,311,762	58,986,889	32,311,762	
Derivative financial instruments	495,457	6,726,244	495,457	6,726,244	
Other short-term financing liabilities	-	8,187,907	-	8,187,907	
	95,025,965	131,294,722	92,962,312	123,682,648	
Total liabilities	190,007,604	222,558,235	187,764,391	214,928,550	
Total equity and liabilities	339,448,445	362,376,222	332,807,189	352,512,578	

II. Statement of comprehensive income		AMOUNTS IN EURO			
	GROUP		COMPANY		
	12 months until 31/12/2015	12 months until 31/12/2014	12 months until 31/12/2015	12 months until 31/12/2014	
Sales	296,223,582	188,190,375	257,169,631	161,310,383	
Cost of sales	-226,426,073	-168,979,735	-195,712,021	-144,575,619	
Gross profit	69,797,509	19,210,640	61,457,610	16,734,764	
Selling expenses	-46,385,938	-21,898,422	-43,985,962	-20,411,499	
Administrative expenses	-5,830,971	-6,091,347	-5,713,225	-5,947,290	
Other income	932,577	4,680,383	928,077	4,672,883	
Other gains / (losses) net	-2,856	72,753	-2,856	76,539	
Operating profit/(loss)	18,510,321	-4,025,993	12,683,644	-4,874,604	
Finance income	81,381	122,496	76,855	111,597	
Finance expenses	-8,001,885	-3,141,748	-7,997,037	-3,141,322	
Finance expenses - net	-7,920,504	-3,019,252	-7,920,182	-3,029,725	
Income from dividends	-	-	705,000	2,133,193	
Share of profit of associates	1,510,501	2,136,532	-	-	
Profit/(losses) before tax	12,100,318	-4,908,713	5,468,462	-5,771,136	
Income tax	-4,341,132	-646,842	-2,255,377	-161,650	
Profit/(losses) after tax	7,759,186	-5,555,555	3,213,085	-5,932,786	
Other comprehensive income:					
Items that will be reclassified subsequently to profit or loss					
Profit/(losses) after tax from the change in fair market value of cash flow hedge	4,147,812	-4,393,471	4,147,812	-4,393,471	
Foreign exchange difference from investment in associates	-2,382,017	-6,292,770	-	-	
Total Items that will be reclassified subsequently to profit or loss	1,765,795	-10,686,241	4,147,812	-4,393,471	
Items that will not be reclassified subsequently to profit or loss					
Actuarial gain/(losses)	97,873	-240,847	97,873	-240,847	
Total items that will not be reclassified subsequently to profit or loss	97,873	-240,847	97,873	-240,847	
Other comprehensive income for the period, after income tax	1,863,668	-10,927,088	4,245,685	-4,634,318	
Total comprehensive income for the period, after tax	9,622,854	-16,482,643	7,458,770	-10,567,104	
Profit/(losses) attributable to:					
Owners of the parent company	7,759,186	-5,555,555	3,213,085	-5,932,786	
	7,759,186	-5,555,555	3,213,085	-5,932,786	
Total comprehensive income attributable to:					
Owners of the parent company	9,622,854	-16,482,643	7,458,770	-10,567,104	
	9,622,854	-16,482,643	7,458,770	-10,567,104	
Earnings per share attributable to the owners of the parent company of the company during the period (expressed in Euro per share)					
Basic and reduced	0.0625	-0.0447	0.0259	-0.0478	

**III. Statement of Changes in Equity****AMOUNTS IN EURO**

GROUP	Attributable to the owners of the parent company			
	Share Capital	Other reserves	Results carried forward	Total equity
Balance on January 1, 2014	124,280,607	13,417,009	18,603,015	156,300,631
Net loss of period	-	-	-5,555,555	-5,555,555
Other comprehensive income for the period				
Foreign exchange difference	-	-6,292,770	-	-6,292,770
Loss after tax from the change in fair market value of cash flow hedge	-	-4,393,471	-	-4,393,471
Actuarial gains/(losses)	-	-	-240,847	-240,847
Total of other comprehensive income	-	-10,686,241	-240,847	-10,927,088
Total comprehensive income for the period after tax	-	-10,686,241	-5,796,402	-16,482,643
Transaction with owners				
Tax-exempt reserve	-	4,324,900	-4,324,900	-
Total transactions with owners	-	4,324,900	-4,324,900	-
Balance on December 31, 2014	124,280,607	7,055,668	8,481,713	139,817,988
Balance on January 1, 2015	124,280,607	7,055,668	8,481,713	139,817,988
Net profit of period	-	-	7,759,186	7,759,186
Other comprehensive income for the period				
Foreign exchange difference	-	-2,382,017	-	-2,382,017
Profit after tax from the change in fair market value of cash flow hedge	-	4,147,812	-	4,147,812
Actuarial gains/(losses)	-	-	97,873	97,873
Total of other comprehensive income	-	1,765,795	97,873	1,863,668
Total comprehensive income for the period after tax	-	1,765,795	7,857,059	9,622,854
Transaction with owners				
Tax-exempt reserve	-	2,133,193	-2,133,193	-
Total transactions with owners	-	2,133,193	-2,133,193	-
Balance on December 31, 2015	124,280,607	10,954,656	14,205,578	149,440,841

COMPANY	Attributable to the owners of the parent company			
	Share Capital	Other reserves	Results carried forward	Total equity
Balance on January 1, 2014	124,280,607	17,877,016	5,993,508	148,151,131
Net loss of period	-	-	-5,932,785	-5,932,785
Other comprehensive income for the period				
Loss after tax from change in fair market value of cash flow hedge	-	-4,393,471	-	-4,393,471
Actuarial gains/(losses)	-	-	-240,847	-240,847
Total of other comprehensive income	-	-4,393,471	-240,847	-4,634,318
Total comprehensive income for the period after tax	-	-4,393,471	-6,173,632	-10,567,103
Transaction with owners				
Tax-exempt reserve	-	4,324,900	-4,324,900	-
Total transactions with owners	-	4,324,900	-4,324,900	-
Balance on December 31, 2014	124,280,607	17,808,445	-4,505,024	137,584,028
Balance on January 1, 2015	124,280,607	17,808,445	-4,505,024	137,584,028
Net profit of period	-	-	3,213,085	3,213,085
Other comprehensive income for the period				
Profit after tax from the change in fair market value of cash flow hedge	-	4,147,812	-	4,147,812
Actuarial gains/(losses)	-	-	97,873	97,873
Total of other comprehensive income	-	4,147,812	97,873	4,245,685
Total comprehensive income for the period after tax	-	4,147,812	3,310,958	7,458,770
Transaction with owners				
Tax-exempt reserve	-	2,133,193	-2,133,193	-
Total transactions with owners	-	2,133,193	-2,133,193	-
Balance on December 31, 2015	124,280,607	24,089,450	-3,327,259	145,042,798



IV. Cash Flow Statements	AMOUNTS IN EURO			
	GROUP		COMPANY	
	1/1 until 31/12/2015	1/1 until 31/12/2014	1/1 until 31/12/2015	1/1 until 31/12/2014
Cash flows from operating activities				
Cash flows from operating activities	37,562,458	-27,400,748	30,585,764	-26,389,176
Interest paid	-7,891,695	-2,960,238	-7,886,847	-2,959,812
Income tax paid	-2,330,825	-246,509	-	-235,659
Net cash flows from operating activities	27,339,938	-30,607,495	22,698,917	-29,584,647
Cash flows from investment activities				
Purchase of property, plant and equipment	-37,109,198	-51,047,399	-37,049,411	-51,003,641
Sale of property, plant and equipment	-	3,717,539	-	3,699,400
Dividends received	801,440	2,022,388	705,000	2,133,193
Purchase of financial assets at fair value through profit or loss	-696,000	-	-696,000	-
Sale of financial assets at fair value through profit or loss	693,144	-	693,144	-
Interest received	81,381	122,496	76,855	111,597
Acquisition of subsidiary	-3,794	-	-36,030	-
Net cash flows from investment activities	-36,233,027	-45,184,976	-36,306,442	-45,059,451
Cash flows from financing activities				
Proceeds from borrowings	129,639,817	65,546,220	129,639,817	65,546,220
Repayments of borrowings	-103,135,862	-10,436,775	-103,135,862	-10,436,775
Other short-term financing liabilities	-8,187,907	-11,409,189	-8,187,907	-11,409,189
Net cash flows from financing activities	18,316,048	43,700,256	18,316,048	43,700,256
Net (decrease)/increase in cash and cash equivalent	9,422,959	-32,092,215	4,708,523	-30,943,842
Cash and cash equivalent at the beginning of the period	9,574,938	41,069,951	8,238,357	39,182,199
Foreign exchange differences in cash and cash equivalent	459,465	597,202	-	-
Cash and cash equivalent at the end of the period	19,457,362	9,574,938	12,946,880	8,238,357



Independent auditor's report (Translation from the original text in Greek – in the case that differences exist, the original audit report in Greek prevails)

To the Shareholders of "CORINTH PIPEWORKS"

Report on the Audit of the Separate and Consolidated Financial Statements

We have audited the accompanying separate and consolidated financial statements of CORINTH PIPEWORKS and its subsidiaries which comprise the separate and consolidated statement of financial position as of 31 December 2015 and the separate and consolidated statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these separate and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those

standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate and consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the separate and consoli-

dated financial statements present fairly, in all material respects, the financial position of the CORINTH PIPEWORKS and its subsidiaries as at December 31, 2015, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

a) Included in the Board of Directors'

Report is the corporate governance statement that contains the information that is required by paragraph 3d of article 43a of Codified Law 2190/1920.

b) We verified the conformity and consistency of the information given in the Board of Directors' report with the accompanying separate and consolidated financial statements in accordance with the requirements of articles 43a (par.3a), 108 and 37 of Codified Law 2190/1920.

Athens, 10 March 2016

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152 32 Chalandri
Soel Reg No 113

The Certified Auditor Accountant
Dino Michalatos
SOEL Reg No 17701



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18. GRI-G4 indicators table and linkage to ISO 26000

The correlation between the content of Corinth Pipeworks' 2015 Report and the indicators in the GRI-G4 standard and the sections of the new ISO 26000 standard is shown below.

Company parameters

Section	Description	Indicator ISO26000	Reference / Section / Comments	External verification
Strategy and analysis				
G4-1	Provide a statement from the most senior decision-maker of the organisation (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organisation and the organisation's strategy for addressing sustainability.	6.2 4.7, 7.4.2	1a. Message from the Chairman of the Board of Directors (p.4) / 1b. Message From the CEO (p.6)	✓
Organisational profile				
G4-3	Report the name of the organisation.	-	Corinth Pipeworks Pipe Industry and Real Estate Co. S.A.	
G4-4	Report the primary brands, products, and services.	-	7. Global presence (p. 22). 7.1. Products and Services (p. 23).	✓
G4-5	Report the location of the organisation's headquarters.	-	2-4 Mesogion Ave., Athens, GR-11527	✓
G4-6	Report the number of countries where the organisation operates, and names of countries where either the organisation has significant operations or that are specifically relevant to the sustainability topics covered in the report.	-	Corinth Pipeworks at a glance (p. 2). 2. The Corinth Pipeworks Group (p. 8).	✓
G4-7	Report the nature of ownership and legal form.	-	Societe Anonyme. 2. The Corinth Pipeworks Group (p. 8).	✓
G4-8	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	-	Corinth Pipeworks at a glance (p. 2). 2. The Corinth Pipeworks Group (p. 8). 7.7 Major projects. (p. 42).	✓
G4-9	Report the scale of the organisation.	-	Corinth Pipeworks at a glance (p. 2). 2. The Corinth Pipeworks Group (p. 8). 5. Business model, priorities and prospects. (p. 14). 6. The Group's financial performance. (p. 18). 7.2. Facilities – Production Process. (p. 26). 9.1. Corinth Pipeworks' human capital. (p. 58). 12. Corporate Social Responsibility key performance indicators. (p. 114). Note that the total weight of key products sold in 2015 was 253,441 tons (on a consolidated basis). 10 people work at Corinth Pipeworks' subsidiary, Corinth Pipeworks America.	✓
G4-10	Report the total number of employees by employment contract and gender. Report the total number of permanent employees by employment type and gender. Report any significant variations in employment numbers (such as seasonal variations).	6.4, 6.4.3 6.4.1, 6.4.2, 6.4.3	9.1. Corinth Pipeworks' human capital. (p. 58). Human Resources at a glance. (p. 65). The Company does not employ individuals of other nationalities or with disabilities.	✓
G4-11	Report the percentage of total employees covered by collective bargaining agreements.	6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.3.10	9.1. Corinth Pipeworks' human capital. (p. 58).	✓
G4-12	Describe the organisation's supply chain.	-	7. Global presence. (p. 22). 7.5 Supplier management. (p. 34).	✓
G4-13	Report any significant changes during the reporting period regarding the organisation's size, structure, ownership, its supply chain, etc.	-	14. General Information about the Report. (p. 120).	✓
G4-14	Report whether and how the precautionary approach or principle is addressed by the organisation	6.2	1a. Message from the Chairman of the Board of Directors. (p. 4). 1b. Message from the CEO. (p. 6). 7.6. Research and new technology development in steel pipe production. (p. 38). 8. Responsibility for the environment (p. 46). 9.2. Occupational health and safety at Corinth Pipeworks (p. 68). 10. Corporate Governance. (p. 86). 11. Strategic approach to Corporate Social Responsibility . (p. 98).	
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses.	6.2	10. Corporate Governance. (p. 86). 11.6 Corinth Pipeworks' membership of networks and organisations. (p. 108).	



18. GRI-G4 indicators table and linkage to ISO 26000

Section	Description	Indicator ISO26000	Reference / Section / Comments	External verification
G4-16	List memberships of associations (such as industry associations) and national or international advocacy organisations in which the organisation: Holds a position on the governance body, Participates in projects or committees, Provides substantive funding beyond routine membership dues, Views membership as strategic.	6.2	11.6 Corinth Pipeworks' membership of networks and organisations. (p. 108).	
Identified material aspects and boundaries				
G4-17	a. List all entities included in the organisation's consolidated financial statements or equivalent documents. b. Report whether any entity included in the organisation's consolidated financial statements or equivalent documents is not covered by this report.		14. General Information about the Report. (p. 120).	✓
G4-18	a. Explain the process for defining the report content and the Aspect Boundaries b. Explain how the organisation has implemented the Reporting Principles for defining report content.	7.3.2, 7.3.3 7.3.4	11. Strategic approach to Corporate Social Responsibility. (p. 98). 14. General Information about the Report. (p. 120).	✓
G4-19	List all the material Aspects identified in the process for defining report content.	7.3.2, 7.3.3 7.3.4	11. Strategic approach to Corporate Social Responsibility. (p. 98). 11.4 Materiality analysis. (p. 120).	✓
G4-20	For each material Aspect, report the Aspect Boundary within the organisation.	7.3.2, 7.3.3 7.3.4	11. Strategic approach to Corporate Social Responsibility. (p. 98). 11.4 Materiality analysis. (p. 120).	✓
G4-21	For each material Aspect, report the Aspect Boundary outside the organisation.		14. General Information about the Report. (p. 120).	✓
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	-	14. General Information about the Report. (p. 120).	✓
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	-	14. General Information about the Report. (p. 120).	✓
Stakeholder engagement				
G4-24	Provide a list of stakeholder groups engaged by the organisation.	5.3	11. Strategic approach to Corporate Social Responsibility. (p. 98). 11.3. Engagement and dialogue with stakeholders. (p. 103).	✓
G4-25	Report the basis for identification and selection of stakeholders with whom to engage.	5.3	11. Strategic approach to Corporate Social Responsibility. (p. 98). 11.3. Engagement and dialogue with stakeholders. (p. 103).	✓
G4-26	Report the organisation's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	5.3	11. Strategic approach to Corporate Social Responsibility. (p. 98). 11.3. Engagement and dialogue with stakeholders. (p. 103).	✓
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	5.3	11. Strategic approach to Corporate Social Responsibility. (p. 98). 11.3. Engagement and dialogue with stakeholders. (p. 103).	✓
Report profile				
G4-28	Reporting period (such as fiscal or calendar year) for information provided.	-	14. General Information about the Report. (p. 120).	✓
G4-29	Date of most recent previous report (if any).	-	14. General Information about the Report. (p. 120).	✓
G4-30	Reporting cycle (such as annual, biennial).	-	14. General Information about the Report. (p. 120).	✓
G4-31	Provide the contact point for questions regarding the report or its contents.	-	19. Feedback Form (p. b11).	✓
G4-32	Report the 'in accordance' option the organisation has chosen. Report the GRI Content Index for the chosen option Report the reference to the External Assurance Report, if the report has been externally assured.	7.5.3	In accordance with core option of the G4 guidance.	✓ (CORE).

Section	Description	Indicator ISO26000	Reference / Section / Comments	External verification
G4-33	Report the organisation's policy and current practice with regard to seeking external assurance for the report.	7.6.2	14. General Information about the Report. (p. 120). 15. International standards compliance tables (p. 122). § GRI-G4 and ISO 26000 indicators table (external verification report and Statement on the Level Check).	✓
Corporate Governance				
G4-34	Report the governance structure of the organisation, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	6.2 7.4.3	10. Corporate Governance. (p. 86). 10.2. The Board of Directors. (p. 88).	✓
Ethics and integrity				
G4-56	Describe the organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics.	4.4	4. Striving for excellence (p. 13). § Vision, mission and values. 9.1. Corinth Pipeworks' human capital. (p. 58). § Code of Conduct. (σ. 60).	

Specific standards disclosures

Section	Description	Indicator ISO26000	Reference / Section / Comments	External verification
Economic				
Aspect: Economic performance				
G4-DMA	Disclosures on Management Approach	6.2, 6.8 7.3.1, 7.4.3	1a. Message from the Chairman of the Board of Directors. (p. 4). 1b. Message from the CEO. (p. 6). Corinth Pipeworks at a glance (p. 2). 5. Business model, priorities and prospects. (p. 14). 6. The Group's financial performance. (p. 18). 7. Global presence. (p. 22). 10. Corporate Governance. (p. 86). 11. Strategic approach to Corporate Social Responsibility. (p. 98). 12. Corporate Social Responsibility key performance indicators. (p. 114).	
G4-EC1	Direct economic value generated and distributed.	6.8.1 - 6.8.3,	6. The Group's financial performance. (p. 18). 9.3. Corinth Pipeworks' contribution to the society. (p. 80). 12. Corporate Social Responsibility key performance indicators. (p. 114).	
G4-EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	6.5.5	1a. Message from the Chairman of the Board of Directors. (p. 4). 1b. Message from the CEO. (p. 6). 5. Business model, priorities and prospects. (p. 14). 7.6. Research and new technology development in steel pipe production. (p. 38). 10. Corporate Governance. (p. 86). 10.3. Internal Audit System. (p. 94). 10.4. Risk Management System. (p. 95). 17. Annual Financial Report. § Management Report of the Board of Directors of Corinth Pipeworks S.A. on the consolidated and separate financial statements for the period 1.1.2015 – 31.12.2015.	
G4-EC3	Coverage of the organisation's defined benefit plan obligations.	6.8.7	9.1. Corinth Pipeworks' human capital. (p. 58). § Employee additional benefits (p. 63). The Company is involved in its employee pension plan, as specified in the applicable statutory framework. The Company's total retirement benefits (liabilities to employees leaving service) amounted to EUR 103,569 in 2015. The Company also offers senior executives a savings plan, consisting of employee contributions and additional contributions made by the Company. In 2015 the Company contributed EUR 76,688.62 to this plan (74%).	
G4-EC4	Financial assistance received from government.	-	Corinth Pipeworks has not received any financial assistance (grants) from government agencies. Moreover, the Greek State does not have any holding in the Company's share capital.	
Aspect: Market presence				
G4-DMA	Disclosures on Management Approach		1a. Message from the Chairman of the Board of Directors. (p. 4). 1b. Message from the CEO. (p. 6). Corinth Pipeworks at a glance (p. 2). 5. Business model, priorities and prospects. (p. 14). 6. The Group's financial performance. (p. 18). 7. Global presence. (p. 22). 9.1 Corinth Pipeworks' human capital. (p. 58). 10. Corporate Governance. (p. 86). 11. Strategic approach to Corporate Social Responsibility. (p. 98). 12. Corporate Social Responsibility key performance indicators. (p. 114).	
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	6.3.7, 6.3.10, 6.4.3 - 6.4.4,	9.1. Corinth Pipeworks' human capital (p. 58). § Employee additional benefits (p. 63). It should be noted that the Company pays new recruits at its facilities salaries higher than those specified in the current legal framework.	



18. GRI-G4 indicators table and linkage to ISO 26000

Section	Description	Indicator ISO26000	Reference / Section / Comments	External verification									
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation.	6.8.1 - 6.8.2, 6.4.3, 6.8.5, 6.8.7	9.1. Corinth Pipeworks' human capital. (p. 58). 9.3. Corinth Pipeworks' contribution to the society. (p. 80). § Employing staff from local areas. (p. 81). When recruiting staff, the Company makes it a priority to find staff from the local labour market. Even though the Company's head offices and management are in the Marousi, the Company employs 4 Directors from the local community (28% of all Directors).										
Aspect: Indirect economic impacts													
G4-DMA	Disclosures on Management Approach		9.3. Corinth Pipeworks' contribution to the society. (p. 80).										
G4-EC7	Development and impact of infrastructure investments and services supported.	6.3.9, 6.8.7, 6.8.9, 6.8.1 - 6.8.2	5. Business model, priorities and prospects. (p. 14). 7.6. Research and new technology development in steel pipe production (p. 38). 9.3. Corinth Pipeworks' contribution to the society. (p. 80). 11.5 Corinth Pipeworks' contribution to the society (p. 108).										
G4-EC8	Significant indirect economic impacts, including the extent of impacts.	6.3.9, 6.6.6, 6.6.7, 6.7.8, 6.8.1 - 6.8.2, 6.8.5	5. Business model, priorities and prospects. (p. 14). 6. The Group's financial performance. (p. 18). 9.3. Corinth Pipeworks' contribution to the society. (p. 80). 11. Strategic approach to Corporate Social Responsibility. (p. 98). 11.5 Corinth Pipeworks' contribution to the society (p. 108). 12. Corporate Social Responsibility key performance indicators. (p. 114).										
Aspect: Procurement practices													
G4-DMA	Disclosures on Management Approach		7. Global presence. (p. 22). 7.5 Supplier management. (p. 34). 9.3. Corinth Pipeworks' contribution to the society. (p. 80).										
G4-EC9	Proportion of spending on local suppliers at significant locations of operation.		9.3. Corinth Pipeworks' contribution to the society. (p. 80).										
Environment													
Aspect: Materials													
G4-DMA	Disclosures on Management Approach	6.2, 6.5	8. Responsibility for the environment (p. 46).	✓									
G4-EN1	Materials used by weight or volume.	6.5.4	7.5 Supplier management. (p. 34). § Suppliers and the use of raw direct and indirect materials. (p. 36). The Company prefers not to disclose steel usage data for confidentiality reasons.										
G4-EN2	Percentage of materials used that are recycled input materials.	6.5.4	7.5 Supplier management. (p. 34). § Suppliers and the use of raw direct and indirect materials (p. 36). The Company wishes to utilise steel, which is the key raw material, to the greatest extent possible and to optimally use other materials in order to contribute to the maximum possible reduction in natural resource usage. Due to the particular features of the products and the high quality standards achieved, the use of recycled materials in the production process is prohibitive. For that reason, raw materials and other materials used in the production of the Company are not recycled. Moreover, given that the Company uses special packaging materials to ensure pipes are transported safely, the Company does not use recycled materials.										
Aspect: Energy													
G4-DMA	Disclosures on Management Approach		8. Responsibility for the environment (p. 46). 8.3. Corinth Pipeworks' environmental practices. (p. 49). 8.5. Environmental performance indicators (p. 53).	✓									
G4-EN3	Energy consumption within the organisation.	6.5.4	8. Responsibility for the environment (p. 46). 8.5. Environmental performance indicators – Energy consumption. (p. 54). 12. Corporate Social Responsibility key performance indicators. (p. 114). <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Diesel</td> <td>468,206 lt</td> <td>17,731.89 GJ</td> </tr> <tr> <td>Diesel for generators</td> <td>339,849 lt</td> <td>12,870.76 GJ</td> </tr> <tr> <td>LPG</td> <td>219,160 kg</td> <td>11,006.21 GJ</td> </tr> </table> It should be noted that the Company does not purchase biofuels, ethanol and hydrogen and that apart from the generator Corinth Pipeworks uses in emergencies the Company does not generate or sell energy.	Diesel	468,206 lt	17,731.89 GJ	Diesel for generators	339,849 lt	12,870.76 GJ	LPG	219,160 kg	11,006.21 GJ	
Diesel	468,206 lt	17,731.89 GJ											
Diesel for generators	339,849 lt	12,870.76 GJ											
LPG	219,160 kg	11,006.21 GJ											

Section	Description	Indicator ISO26000	Reference / Section / Comments	External verification
G4-EN4	Energy consumption outside of the organisation.	6.5.4	8. Responsibility for the environment (p. 46). 8.5. Environmental performance indicators Energy consumption (p. 54). 12. Corporate Social Responsibility key performance indicators. (p. 114). In 2015 16.77% of the power supplied to the Company by the Public Power Corporation came from renewable energy sources. In 2015 the power mix for the entire country published by PPC was as follows: Lignite 37.07%, Natural gas 15.70%, Hydroelectricity 10.29%, RES 18.60%, Interconnections 18.34%.	✓
G4-EN5	Energy intensity.	6.5.4	8. Responsibility for the environment (p. 46). 8.5. Environmental performance indicators - Energy consumption (p. 54).	✓
Aspect: Water				
G4-DMA	Disclosures on Management Approach		8. Responsibility for the environment (p. 46). 8.3. Corinth Pipeworks' environmental practices. (p. 49). 8.5. Environmental performance indicators (p. 53).	✓
G4-EN8	Total water withdrawal by source.	6.5.4	8. Responsibility for the environment (p. 46). 8.3. Corinth Pipeworks' environmental practices. (p. 49). 8.5. Environmental performance indicators – Water consumption (p. 55).	✓
G4-EN9	Water sources significantly affected by withdrawal of water.	6.5.4	Water is not pumped from bodies of water which experts have acknowledges are rare, endangered or threatened water systems. Water is not pumped from wetlands covered by the Ramsar Convention or other similar sources.	
G4-EN10	Percentage and total volume of water recycled and reused.	6.5.4	8. Responsibility for the environment (p. 46). 8.3. Corinth Pipeworks' environmental practices. (p. 49). 8.5. Environmental performance indicators – Water consumption (p. 55).	✓
Aspect: Emissions				
G4-DMA	Disclosures on Management Approach		8. Responsibility for the environment (p. 46). 8.3. Corinth Pipeworks' environmental practices. (p. 49). 8.5. Environmental performance indicators (p. 53).	✓
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1).	6.5.5	8. Responsibility for the environment (p. 46). 8.5. Environmental performance indicators - Greenhouse gases (p. 53).	
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2).	6.5.5	8. Responsibility for the environment (p. 46). 8.5. Environmental performance indicators - Greenhouse gases (p. 53).	
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3).	6.5.5	8. Responsibility for the environment (p. 46). 8.5. Environmental performance indicators - Greenhouse gases (p. 53).	
G4-EN18	Greenhouse gas (GHG) emissions intensity.	6.5.5	8. Responsibility for the environment (p. 46). 8.5. Environmental performance indicators - Greenhouse gases (p. 53).	
G4-EN20	Emissions of Ozone-Depleting substances (ODS).	6.5.3, 6.5.5	The Company does not emit any substances which have an ozone-depleting potential (ODP).	
G4-EN21	NOx, SOx and other significant air emissions.	6.5.3	8. Responsibility for the environment (p. 53). § Environmental performance indicators - Greenhouse gases. The Company's facilities do not emit persistent organic pollutants (POPS), hazardous air pollutants (HAP) or make stack emissions.	
Aspect: Effluents and waste				
G4-DMA	Disclosures on Management Approach		8. Responsibility for the environment (p. 46). 8.3. Corinth Pipeworks' environmental practices. (p. 49). 8.7 Waste Management (p. 56).	✓
G4-EN22	Total water discharge by quality and destination.	6.5.3, 6.5.4	The total scheduled water discharge in 2015 was 200,880 kg.	
G4-EN23	Total weight of waste by type and disposal method.	6.5.3	8. Responsibility for the environment (p. 46). 8.7 Waste Management (p. 56). The table segregates waste accordingly (non-hazardous waste is shown with grey shading).	✓
G4-EN24	Total number and volume of significant spills.	6.5.3	In 2015 there were no spills capable of affecting human health, the soil, vegetation, bodies of water or ground water.	
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention ² Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	6.5.3	The Company does not transport, import or ship any type of waste.	✓
G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organisation's discharges of water and runoff.	6.5.3,	There were no water discharges by the Company which could affect aquifers.	
Aspects: Products and services				
G4-DMA	Disclosures on Management Approach		8. Responsibility for the environment (p. 46). 8.3. Corinth Pipeworks' environmental practices. (p. 49).	✓
G4-EN27	Extent of impact mitigation of environmental impacts of products and services.	6.5.3, 6.5.4,	7. Global presence. (p. 22). 7.6. Research and new technology development in steel pipe production. (p. 38). 8. Responsibility for the environment (p. 46). 8.3. Corinth Pipeworks' environmental practices. (p. 49).	



18. GRI-G4 indicators table and linkage to ISO 26000

Section	Description	Indicator ISO26000	Reference / Section / Comments	External verification												
			The Company wishes to utilise steel, which is the key raw material, to the greatest extent possible and to optimally use other materials in order to contribute to the maximum possible reduction in natural resource usage. Company products are not recovered at the end of their lifecycle by fitters or management companies.													
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category.	6.5.3	Company products are not recovered at the end of their lifecycle and packaging materials cannot be returned since they are damaged considerably during use. The Company also collects and stores those packaging materials which can be returned to suppliers for re-use. Items of this type include wooden pallets and metal barrels. The quantities of such materials over the last 3 years are as follows: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th></th> <th>2013</th> <th>2014</th> <th>2015</th> </tr> </thead> <tbody> <tr> <td>Wooden pallets</td> <td>21,160 kg</td> <td>36,750 kg</td> <td>3,710 kg</td> </tr> <tr> <td>Metal barrels</td> <td>7,340 kg</td> <td>5,480 kg</td> <td>9,240 kg</td> </tr> </tbody> </table> Differences and variations in the numbers are due to the accumulation of materials at the Company's facilities.		2013	2014	2015	Wooden pallets	21,160 kg	36,750 kg	3,710 kg	Metal barrels	7,340 kg	5,480 kg	9,240 kg	
	2013	2014	2015													
Wooden pallets	21,160 kg	36,750 kg	3,710 kg													
Metal barrels	7,340 kg	5,480 kg	9,240 kg													
Aspect: Compliance																
G4-DMA	Disclosures on Management Approach		8. Responsibility for the environment (p. 46). 8.1. Our approach to environmental protection. (p. 47).													
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	4.6	No fines or sanctions were imposed on the Company.													
Aspect: Transport																
G4-DMA	Disclosures on Management Approach		8. Responsibility for the environment (p. 46) 8.3. Corinth Pipeworks' environmental practices. (p. 49).	✓												
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organisation's operations, and transporting members of the workforce.	6.5.4, 6.6.6	8. Responsibility for the environment (p. 46) 8.3. Corinth Pipeworks' environmental practices. (p. 49). 8.4. Climate Change and greenhouse gases. (p. 51) / 8.5. Environmental performance indicators (p. 53)	✓												
Aspect: Overall																
G4-DMA	Disclosures on Management Approach		8. Responsibility for the environment (p. 46). 8.2. Actions for improvement (p. 48).	✓												
G4-EN31	Total environmental protection expenditures and investments by type.	6.5.1 - 6.5.2	8.2. Actions for improvement (p. 48). Environmental investments (p. 48).	✓												
Social																
Labour practices and decent work																
Aspect: Employment																
G4-DMA	Disclosures on Management Approach	6.4.1 - 6.4.2	9.1. Corinth Pipeworks' human capital. (p. 58). § Code of Conduct. (p. 60). § HR Training. (p. 64). § Human resources at a glance (p. 65).													
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender, and region.	6.4.3	9.1. Corinth Pipeworks' human capital. (p. 58). § Human resources at a glance (p. 65).													
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	6.4.4, 6.8.7	9.1. Corinth Pipeworks' human capital (p. 58). § Employee additional benefits (p. 63). Corinth Pipeworks is opposed any form of discrimination and ensures that no distinction is drawn, in terms of pay or otherwise, based on gender, nationality or other characteristics for example, for the same jobs, across the entire range of its activities. Likewise there is no discrimination over the benefits offered by different types of contracts.													
G4-LA3	Return to work and retention rates after parental leave, by gender.	6.4.4	9.1. Corinth Pipeworks' human capital (p. 58). § Equal opportunities and human rights at Corinth Pipeworks (p. 61).													
Aspect: Occupational health and safety																
G4-DMA	Disclosures on Management Approach		9.1. Corinth Pipeworks' human capital. (p. 58). § Code of Conduct. (p. 60). 9.2. Occupational health and safety at Corinth Pipeworks (p. 68). § A comprehensive approach to health and safety. (p. 72). § Improvement: an ongoing objective (p. 73). § Health and safety actions. (p. 75).	✓												

Section	Description	Indicator ISO26000	Reference / Section / Comments	External verification
G4-LA5	Percentage of total workforce represented in formal joint management–worker health and safety committees that help monitor and advice on occupational health and safety programs.	6.4.6	9.2. Occupational health and safety at Corinth Pipeworks (p. 68). § Improvement: an ongoing objective (p. 73).	
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work related fatalities, by region and by gender.	6.4.6	9.2. Occupational health and safety at Corinth Pipeworks (p. 68). § Results in the health and safety sector (p. 78). - The IR and LDR include data from subcontractors if the Company is responsible for their health and safety. - The injuries reported related to 3 male employees of Corinth Pipeworks. All incidents took place at the Company's production facilities at Thisvi. - Gender-based breakdown of the relevant rates for 2015: IR: Men: 27.78 Women: 1.90, LDR: Men: 444.44 Women: 228.89 - Lost days are calculated from the day after the accident occurred. - Minor accidents are incidents that only require first aid and do not result in absenteeism.	✓
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation.	6.4.6, 6.8.8	9.2. Occupational health and safety at Corinth Pipeworks (p. 68). § Results in the health and safety sector (p. 78).	✓
G4-LA8	Health and safety topics covered in formal agreements with trade unions.	6.4.6	Corinth Pipeworks signs employment contracts that cover all issues mandated by law relating to personal protective equipment (PPE) and new recruits receive training on the safety aspects of their specific job position. Additional health and safety issues are also addressed in the Internal Regulations. When employees are hired they sign a form to indicate they have received a copy of the Internal Regulations.	
Aspect: Training and education				
G4-DMA	Disclosures on Management Approach		9.1. Corinth Pipeworks' human capital. (p. 58). § Code of Conduct. (p. 60). § HR Training. (p. 64). § Employee appraisals and pay system (p. 61).	
G4-LA9	Average hours of training per year per employee by gender, and by employee category.	6.4.7	9.1. Corinth Pipeworks' human capital. (p. 58). § HR training. (p. 64). Note that in 2015 35% of women in the administrative staff / workers category received training. The average number of hours of training was 5 per employee in that category.	
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	6.4.7, 6.8.5	9.1. Corinth Pipeworks' human capital. (p. 58). § HR training. (p. 64). § Employee additional benefits (p. 63). § Equal opportunities and human rights at Corinth Pipeworks (p. 61). The Company does not provide counselling and support for employees who are retiring.	
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	6.4.7	9.1. Corinth Pipeworks' human capital. (p. 58). § Employee appraisals and pay system (p. 61).	
Aspect: Diversity and equal opportunity				
G4-DMA	Disclosures on Management Approach		9.1. Corinth Pipeworks' human capital. (p. 58). § Equal opportunities and human rights at Corinth Pipeworks (p. 61).	
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	6.2.3, 6.3.7, 6.3.10, 6.4.3	9.1. Corinth Pipeworks' human capital. (p. 58). § Human resources at a glance (p. 65). 10. Corporate Governance. (p. 86). 10.1. The Board of Directors. (p. 88). § Corinth Pipeworks' senior executives. All members of the Board of Directors and Company committees are men. All senior executives of the Company are men while the Legal Advisor is a woman. All Board members are over 50 years old. No individuals from any ethnic minority or with a disability participate in any company governance body.	
Aspect: Equal remuneration for women and men				
G4-DMA	Disclosures on Management Approach		9.1. Corinth Pipeworks' human capital. (p. 58). § Code of Conduct. (p. 60).	
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	6.3.7, 6.3.10, 6.4.3, 6.4.4	9.1. Corinth Pipeworks' human capital. (p. 58). § Employee additional benefits (p. 63). § Equal opportunities and human rights at Corinth Pipeworks (p. 61). Corinth Pipeworks is opposed to any form of discrimination when it comes to pay or remuneration.	



18. GRI-G4 indicators table and linkage to ISO 26000

Section	Description	Indicator ISO26000	Reference / Section / Comments	External verification
Human rights				
<i>Aspect: Investment</i>				
G4-DMA	Disclosures on Management Approach	4.8	9.1. Corinth Pipeworks' human capital. (p. 58). § Code of Conduct. (p. 60). § HR Training. (p. 64). § Equal opportunities and human rights at Corinth Pipeworks (p. 61).	
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.	6.3.3,	9.1. Corinth Pipeworks' human capital. (p. 58). § Equal opportunities and human rights at Corinth Pipeworks (p. 61). The Company selects its employees based on strict criteria, but having said that does not include specific terms and conditions on human rights in the agreements and contracts it signs. Respect for human rights is safeguarded by Greek and international law and consequently agreements the Company signs are concluded within that general legislative framework.	
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	6.3.5	9.1. Corinth Pipeworks' human capital. (p. 58). § Equal opportunities and human rights at Corinth Pipeworks (p. 61). In 2015 no training on human rights issues was provided.	
<i>Aspect: Non-discrimination</i>				
G4-DMA	Disclosures on Management Approach		9.1. Corinth Pipeworks' human capital. (p. 58). § Code of Conduct. (p. 60). § HR training. (p. 64). § Equal opportunities and human rights at Corinth Pipeworks (p. 61).	
G4-HR3	Total number of incidents of discrimination and corrective actions taken.	6.3.6, 6.3.7, 6.3.10, 6.4.3	At Corinth Pipeworks no incidents of discrimination have ever been recorded nor have corrective actions ever needed to be taken.	
<i>Aspect: Human rights grievance mechanisms</i>				
G4-DMA	Disclosures on Management Approach		9.1. Corinth Pipeworks' human capital. (p. 58). § Equal opportunities and human rights at Corinth Pipeworks (p. 61).	
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms.	6.3.6	9.1. Corinth Pipeworks' human capital. (p. 58). § Equal opportunities and human rights at Corinth Pipeworks (p. 61). No grievances related to human rights have been recorded at the Company. Moreover, in 2013, Corinth Pipeworks developed a new procedure "Respect for human rights in the workplace", which is now the formal mechanism for managing complaints about human rights issues.	
Society				
<i>Aspect: Anti-corruption</i>				
G4-DMA	Disclosures on Management Approach		10. Corporate Governance. (p. 86). 10.6. Managing transparency and corruption issues. (p. 97).	
G4-S03	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified.	6.6.1 - 6.6.2	10. Corporate Governance. (p. 86). 10.3. Internal Audit System. (p. 94). 10.4. Risk Management System. (p. 95). 10.6. Managing transparency and corruption issues. (p. 97). 11.1 Corporate Responsibility and Sustainable Development action areas and policy (p. 99).	
G4-S04	Communication and training on anticorruption policies and procedures.	6.6.1 - 6.6.2	No additional training was provided during 2015.	
G4-S05	Confirmed incidents of corruption and actions taken.	6.6.1 - 6.6.2	There were no incidents of corruption and no cases before the courts.	
<i>Aspect: Public policy</i>				
G4-DMA	Disclosures on Management Approach		10. Corporate Governance. (p. 86). 9.1. Corinth Pipeworks' human capital. (p. 58). § Code of Conduct. (p. 60).	
G4-S06	Total value of political contributions by country and recipient/beneficiary.	6.6.1 - 6.6.2	The Company does not make contributions in cash or kind to political parties, politicians or related foundations.	
<i>Aspect: Anti-competitive behaviour</i>				
G4-DMA	Disclosures on Management Approach		10. Corporate Governance. (p. 86). 9.1. Corinth Pipeworks' human capital. (p. 58). § Code of Conduct. (p. 60).	
G4-S07	Total number of legal actions for anticompetitive behaviour, anti-trust, and monopoly practices and their outcomes.	6.6.1 - 6.6.2,	There were no cases of breach of competition law and no legal proceedings have been launched against the Company.	

Section	Description	Indicator ISO26000	Reference / Section / Comments	External verification
Aspect: Compliance				
G4-DMA	Disclosures on Management Approach		10. Corporate Governance. (p. 86). 9.1. Corinth Pipeworks' human capital. (p. 58). § Code of Conduct. (p. 60).	
G4-S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	4.6	There were no instances of the Company failing to comply with the laws and regulations, and no fines were imposed in this regard.	
Product responsibility				
Aspect: Customer health and safety				
G4-DMA	Disclosures on Management Approach	-	7. Global presence. (p. 22). 7.1. Products and Services (p. 23). 7.3. Quality management (p. 28).	
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	6.7.1 - 6.7.2	9.2. Occupational health and safety at Corinth Pipeworks (p. 68). § A comprehensive approach to health and safety. Life cycle stages for Corinth Pipeworks' products for which the Company can assess health and safety issues are the production stage, storage at the Company's facilities and the transportation stage, when the Company is responsible for transportation. The specifications and requirements for other stages (development of product concept, R & D, certification, marketing and promotion, distribution and supply) performed by the companies offering them, (use and service, disposal, reuse and recycle) are not dependent on the Company. All company products are tested for health and safety issues during the production process.	
G4-PR2	Total number of incidents of non compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.	4.6, 6.7	There were no incidents of non-compliance.	
Aspect: Product and service labelling				
G4-DMA	Disclosures on Management Approach		7. Global presence. (p. 22). 7.1. Products and Services (p. 23). 7.3. Quality management (p. 28). 7.6. Research and new technology development in steel pipe production. (p. 38).	
G4-PR3	Type of product and service information required by the organisation's procedures for product and service information and labelling, and percentage of significant product and service categories subject to such information requirements.	6.7.3, 6.7.4,	7. Global presence. (p. 22). 7.1. Products and Services (p. 23). 7.3. Quality management (p. 28). 7.6. Research and new technology development in steel pipe production. (p. 38).	
G4-PR4	Total number of incidents of noncompliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.	4.6, 6.7.1 - 6.7.2	There were no incidents of non-compliance.	
G4-PR5	Results of surveys measuring customer satisfaction.	6.7.1 - 6.7.2	7.4. Customer service (p. 32). § Customer Satisfaction Survey (p. 33).	
Aspect: Customer privacy				
G4-DMA	Disclosures on Management Approach		7. Global presence. (p. 22). 7.4. Customer service (p. 32). 9.1. Corinth Pipeworks' human capital. (p. 58). § Code of Conduct. (p. 60).	
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	6.7.1 - 6.7.2,	7.4. Customer service (p. 32). § Customer Satisfaction Survey (p. 33). The Company manages complaints associated with customer claims for compensation using a specific, well-designed procedure. There were no complaints about privacy and personal data.	
Aspect: Compliance				
G4-DMA	Disclosures on Management Approach		7. Global presence. (p. 22). 7.4. Customer service (p. 32). 9.1. Corinth Pipeworks' human capital. (p. 58). § Code of Conduct. (p. 60).	
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision & use of products and services.	4.6, 6.7.1 - 6.7.2	The Company fully complies with the laws and regulations on use of products and services, and consequently there were no instances of fines being imposed.	

The photographs in this Report were taken by Spyros Haraktinos, as well as by Vyronas Nikolopoulos, Alexandros Fafoutis, Simon Pitsillidis and Megaklis Gantzias.



The paper this Report was printed on was produced from FSC forests and plantations and contains 60% recycled paper pulp.





19. Feedback form

You can use this Feedback form to let us know what you think about the Corinth Pipeworks 2015 Financial and Sustainable Development Report, and actively contribute to our efforts to improve ourselves. Data collected from the form will only be used for Corinth Pipeworks' internal evaluation purposes.

What is your relationship/interaction with Corinth Pipeworks?

- | | |
|--|--|
| <input type="checkbox"/> Employee | <input type="checkbox"/> Supplier |
| <input type="checkbox"/> Shareholder | <input type="checkbox"/> Investor |
| <input type="checkbox"/> Customer | <input type="checkbox"/> Financial institution representative |
| <input type="checkbox"/> Resident of the local community | <input type="checkbox"/> NGO Member |
| <input type="checkbox"/> Representative of a state/institutional body | <input type="checkbox"/> Media representative |
| <input type="checkbox"/> I have no relationship / interaction with the Company | <input type="checkbox"/> Other (please indicate the relationship): |

What was your impression of each individual section of the Corinth Pipeworks 2015 Annual Financial and Sustainable Development Report, and your overall impression?

Report sections	Excellent	Good	Average	Needs revision
Corinth Pipeworks Group of companies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Milestones	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Striving for excellence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Business model, priorities and prospects	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The Group's financial performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Global presence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Responsibility for the environment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Corinth Pipeworks' impact on people	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Corporate Governance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Strategic approach to Corporate Social Responsibility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Corporate Social Responsibility key performance indicators	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
General overall impression of the Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Compared to older reports published by the Company, how would you rate the information contained in the 2015 Annual Financial and Sustainable Development Report?

- Better The same Worse Don't know

As far as the information presented in Corinth Pipeworks' 2015 Report is concerned:

- How would you rate the way in which the most material aspects of the Company's operations are covered?

Excellent Good Average Poor
- How would you rate the balance between sections in terms of length?

Excellent Good Average Poor
- How would you rate how the texts in the Report have been written?

Excellent Good Average Poor
- How would you rate the design of the Report?

Excellent Good Average Poor
- How easy was it to find information or topics of interest to you?

Very easy Quite easy Relatively easy Not easy at all



CORINTH PIPEWORKS S.A.

In your opinion, does the information contained in the 2015 Annual Financial and Sustainable Development Report and the way it is presented help you form a better overall picture about Corinth Pipeworks' operations?

- Yes No Needs improvement

Based on the information in the 2015 Annual Financial and Sustainable Development Report, how would you rate Corinth Pipeworks as a responsible company?

- Better The same Worse Don't know

Is there any information or data about the Company that you looked for but could not find in the report? Please explain:

Please describe basic concerns or issues you have identified during your cooperation with the Company which you wish to communicate.

What actions do you suggest the Company should take to respond to your needs and concerns?

Personal details (optional):

Name-surname*: _____
Company/organisation: _____ Address: _____
Tel./Fax: _____ E-mail: _____

Please send the completed form to the address below:

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