

Annual Financial and Sustainable Development Report 2014



 **CORINTH PIPEWORKS S.A.**

Delivering energy to the world

2014

Annual Financial and Sustainable Development Report

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In case of any discrepancy, the Greek version shall prevail.



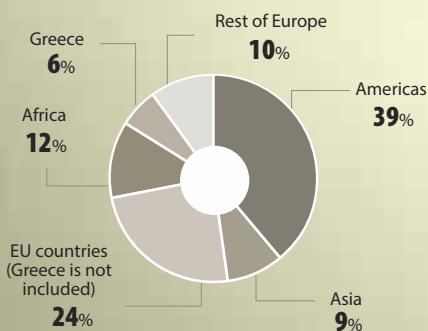
Corinth Pipeworks at a glance

* Total length of projects from 2002 to present day

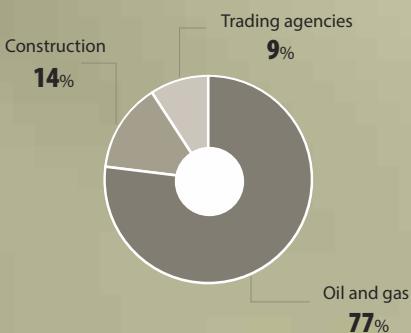
📍 Head offices and subsidiaries

🏭 Production plants

Average sales per geographic region (2005-2014)



Sales per sector (2005-2014)



5,000 km*

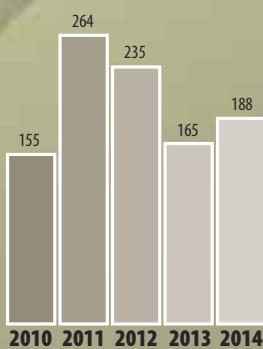
📍 CPW America

200 km*

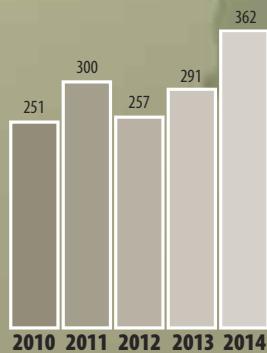
* The Company's data is presented over a 10 and 5 year period due to the nature of Corinth Pipeworks' projects. The majority of projects last over a year and it would not be representative of the Company's activities to provide information for a limited number of years only.



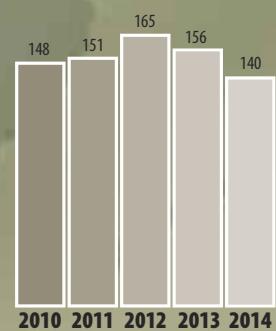
Revenue (in million Euro)



Total assets (in million Euro)



Equity (in million Euro)





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

“Corporate Responsibility is an integral part of our mission, strategy and growth method.”

Even though 2014 was another difficult year for the business world in which we operate, and in which we are developing and growing, we are satisfied that we were able to stick to our priorities and our commitments, and demonstrate that Corporate Responsibility is an integral part of our mission, strategy and growth method.

The business model Corinth Pipeworks' growth is based on seamlessly blends all factors affecting its operations. Sustainable development is, of course, one of the most important of those factors. The priorities we have set for ourselves as part of the model we have adopted include Corporate Responsibility, investing in our human resources and taking a customer-oriented approach.

Corporate Responsibility is integral to Corinth Pipeworks' culture. Based on the strategic action plan we have developed, we have identified 6 key areas that reflect what we consider to be our most important, most substantive issues:

- Corporate Governance, which is the very foundation of how we work
- Our personnel, who are the Company's most important capital
- Ongoing efforts to safeguard the health and safety of our personnel and associates at our facilities
- A responsible presence in the marketplace, which is a vital element of how we grow and develop
- Caring for the environment
- Supporting and developing the local community in which we operate.

This Report (which for the second consecutive year combines the Annual Financial Report as well as information about Corporate Responsibility and Sustainable Development) seeks to provide our stakeholders with a comprehensive, complete briefing. In addition to presenting financial results and performance, the Annual Report also includes a range of non-financial information presented and analysed in accordance with the guidelines contained in the international GRI-G3.1 standard. Our Report was prepared in line with the intentional Corporate Social Responsibility Reporting Guidelines, in accordance with the principles of objectivity, transparency, comparability, reliability and clarity. As a result of our systematic endeavours, our very first Report last year managed to achieve GRI level A, and that ranking was confirmed by the international organisation GRI.

This Report meets the requirements of both the ISO 26000 standard on Social Responsibility and the 10 principles contained in the UN Global Compact.

We ask you to browse the pages of this Report and learn about what we have done in each area of Corporate Responsibility over the past year. 2014 was a demanding year, during which all the Company's personnel made concerted efforts. Just some of our achievements are listed below:



- As a total solutions provider, we improved the integrated solutions we offer customers by commencing construction work on a new LSAW pipe production plant, which is expected to be completed in 2015. Once the new pipe production plant is completed, the Company will be able to produce all types of welded steel pipes.
- We also improved quality management in terms of how risk is assessed and managed, and in terms of contingency planning, by obtaining API Q1 (v.9) certification from the American Petroleum Institute.
- We built new testing facilities at the Company's accredited metal corrosion testing lab, which now enables us to carry out tests in acid environments.
- We continue to perform very well in the occupational health and safety sector.

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. We have opted to grow and develop responsibly, because we believe that it makes a real contribution to customer satisfaction, to the growth and prosperity of our personnel and associates while also allowing us to meet the needs of our other stakeholders.

Business challenges are on the increase and we have opted to remain alert, laying foundations today that will enable us to weather difficulties that lie ahead while also responsibly capitalising on opportunities which will emerge in the future.

Konstantinos Bakouris
Chairman of the Board of Directors



1b. Message from the Chief Executive Officer

Building on the advantages it has secured for itself over recent years thanks to investments in new products, penetration into new markets and total service provision to customers, the Corinth Pipeworks Group is able to weather the difficulties posed by the Greek and global economy. These advantages, coupled with the responsible approach to management we have opted to use, have ensured that the Company enjoys encouraging financial results.

2014 saw a significant slowdown in energy projects. Those delays during the first half of the year in particular resulted in demand for energy sector products remaining low, exacerbating competition and exerting significant pressure on Corinth Pipeworks' profitability. On the other hand, though, the change in climate in the second half of the year, in the USA in particular, where demand for large diameter pipes rose, meant that the market partially recovered. Capitalising on that development, the Company signed three new contracts to supply 163,000 tons of internal steel pipe lining and external steel pipe coating for the construction of pipelines in the USA. Note that two of those three contracts were signed with the same customer, and are the largest projects Corinth Pipeworks has ever secured in the USA.

In the same context, in 2014 Corinth Pipeworks presented consolidated revenues of EUR 188.2 million compared to EUR 165.4 million in 2013, reflecting a rise of 13.8%. The Group's gross profit stood at EUR 19.2 million compared to EUR 16.3 million the previous year, up some 18.1%. Consolidated EBITDA was down compared to 2013 at EUR 3.6 million compared to EUR 4.6 million in 2013. Consolidated results net of tax and minority interests attributable to owners of the Company stood at EUR 5.6 million (which translates into losses of EUR 0.0447 per share) compared to losses of EUR 6.1 million in 2013 (which translates into losses of EUR 0.0494 per share). It should also be noted that the Group's net debt on 31.12.2014 stood at EUR 107.7 million compared to EUR 32.5 million on 31.12.2013, primarily due to construction of the new large diameter pipe manufacturing plant, and increased working capital needs which resulted from the large orders the Company accepted at the end of 2014.

For yet another year the Group's priorities were to improve its financials, penetrate into new markets, enrich its product portfolio, and ensure that its capital expenditure plan was implemented unhindered. To expand its product range, Corinth Pipeworks is currently constructing a new plant to manufacture large diameter longitudinally welded pipes (LSAW-JCOE pipes), which will be completed soon. LSAW-JCOE pipes are used to build offshore, deep offshore and onshore pipelines to transport oil and gas. Once completed, this investment will rank Corinth Pipeworks as one of the most important energy sector pipe manufacturers worldwide.

As a Group dedicated in real terms to providing innovative solutions, Corinth Pipeworks attaches great importance to R&D and is involved in a large number of programmes in the field in collaboration with academic institutions and organisations in both 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 play a vital role.



It should be noted that on 17.2.2015, after the 2014 reporting year had ended, the parent company signed a EUR 4 million extension deal with Commerzbank for its existing loan of EUR 47.7 million, which is being used to implement its LSAW pipe manufacturing investment. As a result of negotiations, the loan terms have now also cover the loan extension as well.

As far as 2015 is concerned, Management continues to closely monitor developments in the global pipe market and has a sense of restrained optimism, primarily due to the large part of projects agreed at the end of 2014 that still remain to be completed. Of course, low oil prices are a factor that has negatively impacted on the market, and if this continues long-term could lead to a drop in activity and investments in oil extraction. On the other hand, the euro's poor performance against the dollar has made our products particularly attractive. Corinth Pipeworks is forging ahead with implementation of its capital expenditure plan. In the near future, the LSAW pipe manufacturing plant will become operational, and new investments to manufacture 24 m pipes and to upgrade the pipe internal lining mill are already under way. A key aspect of our strategy remains to break into new geographical markets by offering competitive products; markets where Corinth Pipeworks can go after large energy and infrastructure projects, which are expected to be built over the years to come.

Apostolos Papavasileiou
Chief Executive Officer



2. The Corinth Pipeworks Group

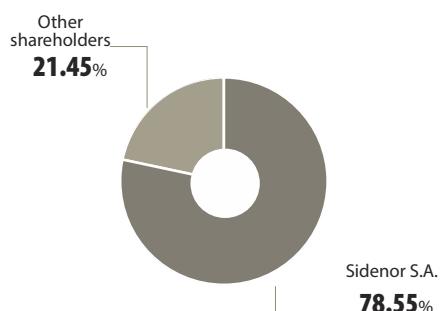
The Corinth Pipeworks Group is a world class manufacturer of high quality steel pipes used to transport oil, gas and water, to carry CO₂ and slurry, and is also involved in the construction sector. The Group's key products are HFW and SAWH medium/large-diameter steel pipes as well as Hollow Structural Sections.

Although its registered offices are in Greece, the Corinth Pipeworks Group has subsidiaries in Greece, the USA, Russia, Cyprus and Poland. The key role performed by the Corinth Pipeworks Group's subsidiaries is to support the parent company both in operational and production terms, and in terms of marketing products and customer service.

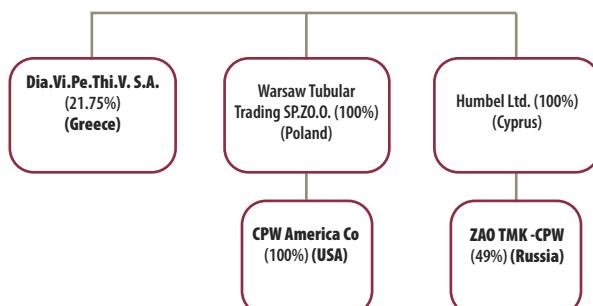
Shares in Corinth Pipeworks have been traded on the Athens Stock Exchange since 1998 and in 2004 the Sidenor Group has held a majority stake in the share capital. Sidenor, a subsidiary of Viohalco, operates in the steel production, processing and trading sector and is a leader in Greece and SE Europe in production of long and flat steel products.

Mainly thanks to its high quality products and experience in major international energy and construction projects, the Corinth Pipeworks Group has managed to firmly establish its presence in the world's leading energy markets.

Shareholder structure of Corinth Pipeworks (31.12.2014)



CORINTH PIPEWORKS S.A.
(Greece)





Summary information about the subsidiaries is provided below:

CPW America Co, USA	CPW 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	The Corinth Pipeworks Group controls 49% of the ZAO TMK-CPW 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.

The Corinth Pipeworks Group has the following production facilities:

Thisvi plant

Corinth Pipeworks S.A.

The Thisvi Plant is the Group's main production plant. It is located in the Thisvi Industrial Area in Viotia, and began operations in 2002. Its facilities cover a total area of 497,000 m² approximately (103,000 m² 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's production plant is located in the city of Polevskoy in Russia. The plant sells the Company's products on the Russian and CIS markets.



The Corinth Pipeworks Group's clientele includes companies such as: Chevron, BP, BG, SHELL, the Hellenic Public Gas Corporation (DEPA), the Hellenic Gas Transmission System Operator (HGTSO), OMV, GRTGAZ, Snam, SOCAR, National Grid, RWE, Spectra Energy, Energy Transfer, Denbury, DCP Midstream, MRC, Spartan, EPCO, TOTAL, Enbridge, Cheniere Energy, DNOW, Talisman, STEG, Sonatrach, PDO, OGC, Saudi Aramco, Exxon Mobil, ABB, EDF, TIGF, Saipem, Genesis, Allseas, Subsea 7, KPO, QP, Gasco, Pemex and many others.



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.

1970s Expansion of production

Corinth Pipeworks was established, and the SAWH plant at Corinth commenced operations producing large diameter steel pipes.

1960s The Company was established

Construction work on the ERW/HFI plant at Corinth was completed and production began.

1980s Quality improvements

Corinth Pipeworks received API Q1 certification from the American Petroleum Institute (API).

1990s Corinth Pipeworks was listed on the Athens Stock Exchange

- 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.

- Work to install the new natural gas and oil transmission pipes manufacturing unit using the LSAW-JCOE method with equipment from SMS Meer commenced.
- Installation of in-house corrosion testing laboratory for sour service applications.
- 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).



- A weld-on connectors unit 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 natural gas and oil transmission.
- The 2011 Corporate Responsibility and Sustainable Development Report was ranked fourth in the assessment carried out by the University of the Aegean.

- 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.

2000s Expansion into international markets and restructuring

The Company's Quality Management System received ISO 9002 certification.

1993

Corinth Pipeworks shares began to be traded on ATHEX.

1998

2000

- CPW America was founded.
- The Company's Health and Safety Management System received OHSAS 18001 certification and its Environmental Management System received ISO 14001 certification.

2002

The Thisvi Plant commenced operations.

Quality Management System received ISO 9001 certification.

2003

- The Sidenor Group acquired a majority stake in Corinth Pipeworks.
- An extensive restructuring plan was launched.

2004

2005

The Corinth production plant ceased operations.

2010s Improved performance and Sustainable Development

- The ERW/HFI line was upgraded to produce steel pipes with an outside diameter of 26" (which was a world first).
- The 1st Corporate Responsibility and Sustainable Development Report was published in line with GRI-G3 guidelines.

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 upgrading investment in the large-diameter SAWH steel pipes production plant in Thisvi was completed.

2009

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.



4. Vision, mission and values

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. We strive to:

Mission

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

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.



Our philosophy

The Company's philosophy incorporates the way we achieve our vision, fulfil our mission and cultivate Corinth Pipeworks' values:



- We invest in quality and manufacture technologically and environmentally advanced products.

- We foster our employees' skills and systematically protect our people.



- We deliver integrated solutions to our customers in a timely and effective manner.

- We produce high quality steel pipes used in the energy and construction sector.



- We maintain a continuous global presence through local agents around the world to enable us to respond quickly to our customers' needs.

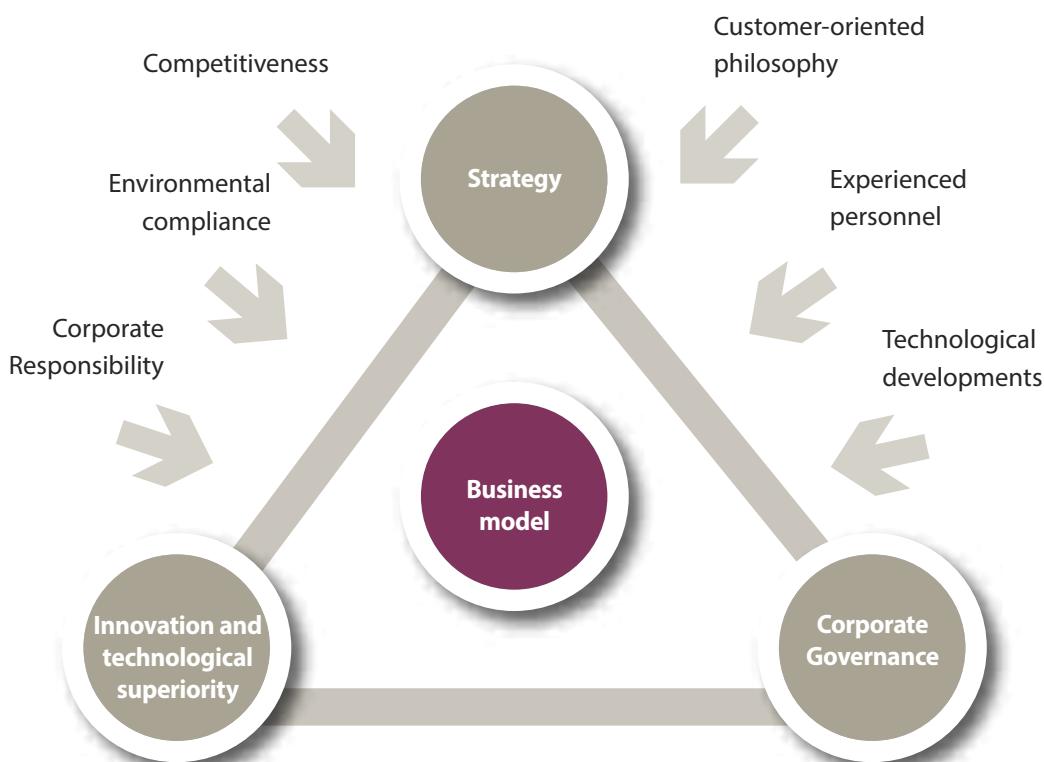
- We ensure high efficiency and production capacity of our state of the art manufacturing facilities with continuous investments.



- We rank among the world's top quality manufacturers of steel pipes.



5. Business model, priorities and prospects



Corinth Pipeworks' development and growth is based on a business model which seamlessly integrates all factors affecting its operations. Responsiveness to market trends, innovation, technological superiority and reliability of the supply chain are key factors in successful implementation of our business strategy. In Corinth Pipeworks' business model, factors ensuring compliance with laws and regulations as well as factors to do with social and environmental management have been incorporated into our management approach.

As part of the Company's business model, we have identified the following priorities:



Innovation and technological superiority - Corinth Pipeworks is constantly investing in innovation and cutting-edge technologies to expand its product range, 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.



Customer-oriented philosophy - 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.



Corporate Responsibility - 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 in general can only be achieved through Sustainable Development. Corinth Pipeworks has developed a Corporate Social Responsibility and Sustainable Development Policy and assesses and rates material issues annually.



Top quality - 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.



Competitiveness - The most significant elements in Corinth Pipeworks' competitiveness are high degrees of production efficiency, optimum use of raw materials, resources and production equipment, coupled with optimised business procedures in relation to operating costs.



Investments in human resources - Corinth Pipeworks' most valuable asset is its personnel. Their ideas and commitment to the Company's Sustainable Development underpin its success. Corinth Pipeworks invests in its personnel by adopting cutting-edge HRM practices while offering staff a safe, healthy working environment.





5. Our business model, priorities and prospects

International markets and prospects

Corinth Pipeworks' management team carefully examines both the features and needs of its target markets when implementing its strategy and then designs and implements investments to consolidate its position in those markets. At present, Corinth Pipeworks is focusing 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.

Corinth Pipeworks monitors the energy sector. By placing emphasis on research and technology we strive to contribute to the advancement of this sector. The Company invests in the development of innovative products, offering top class services, which have enabled it to remain among the most important, reliable manufacturers of steel pipes for energy projects worldwide.

In response to the energy market's needs, Corinth Pipeworks has set up a new production plant for LSAW-JCOE steel pipes for use in the transportation of oil and gas. These new products will meet very strict quality standards, and their addition to the existing product range will create a unique product portfolio worldwide that ensure it can offer even better levels of customer service.

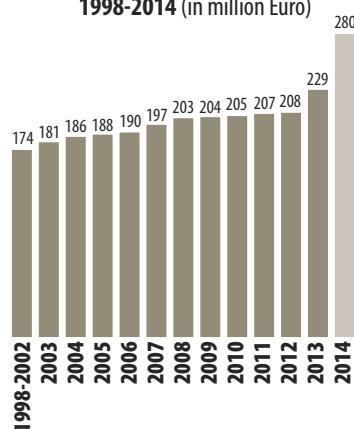
Thanks to its continued robust capital structure, Corinth Pipeworks plans to further improve its operations, and to capitalise on the expected growth in foreign markets and investments that will be made in new energy and infrastructure sector projects.

Investments

Every year Corinth Pipeworks makes major investments to maintain its technological superiority and provide customers with total solutions. These investments generate major benefits for the Greek economy and for the local communities in which we operate.

In 2014, the Company made investments of over EUR 51 million in Greece. That figure related to construction of a new LSAW pipe manufacturing plant designed by the equipment manufacturer SMS Meer. The new LSAW-JCOE pipe manufacturing plant will produce pipes with an outer diameter ranging from 16" to 56", wall thickness of up to 40 mm and steel grade of up to X100.

Corinth Pipeworks S.A. investments (cumulative)
1998-2014 (in million Euro)





By making this investment the Company seeks to expand its product range, to meet the rapidly increasing global demand for high strength steel for offshore and onshore oil and gas pipelines. Once the new pipe production plant is completed, the Company will be able to produce all types of welded pipes.



6. The Group's financial performance

2014 was characterised by an important recession in the energy sector. The delay in question, notably in the first half on 2014, contributed to a lower demand in products used in the energy sector and to a sustained high competition stressing the Groups profitability. On the other hand, during the second half, notably in the USA with the increased demand of large diameter pipes, led to partial recovery. Taking advantage of the aforementioned evolution, the Group signed three new contracts of 163.000 tons of internal and external coated steel pipes for the manufacture of pipelines in the USA. It is noted that two out of the three contracts are signed by one client and constitute the biggest project that Corinth Pipeworks has ever been awarded in the USA.

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

Sales: Consolidated revenues stood at EUR 188.2 million compared to EUR 165.4 million in 2013, reflecting a rise of 13.8%. Energy sector sales stood at EUR 160.6 million compared to EUR 135.4 million in 2013, reflecting a rise of 18.6%. Hollow structural section sales stood at EUR 27.6 million down 8% compared to 2013 when the figure was EUR 30 million, due primarily to the poorly performing construction sector in Europe.

Gross profit: Consolidated gross profit rose slightly by around 18.1% compared to the previous year, increasing from EUR 16.3 million in 2013 to EUR 19.2 million. The gross profit margin also rose to 10.2% compared to 9.8% the previous year.

Administrative expenses: There was a small drop of around 2.8% (EUR 7.5 million compared to EUR 7.7 million in 2013).

Selling expenses: These stood at EUR 20.5 million, up approximately 21.9% compared to 2013. This rise in selling expenses can be primarily attributed to the rise in direct costs of sales (transport, third party fees, etc.) due to the corresponding rise in the volume of sales, and the specific delivery terms and conditions for projects implemented in 2014 compared to those implemented in 2013.



Net financial expenses: Financial expenses stood at EUR 3 million down 2.0% compared to 2013.

Consolidated financial results (amounts in EUR '000)	2012	2013	2014
Revenues	234,666	165,365	188,190
Gross profit	44,136	16,270	19,211
EBITDA	21,250	4,637	3,608
EBIT	9,609	-5,107	-4,026
Earnings before tax	11,780	-3,420	-4,909
Earnings attributable to owners of the Company	9,656	-6,138	-5,556

Change in financials (%)	2012	2013	2014
Revenues	-11.2%	-29.5%	13.8%
Gross profit	6.7%	-63.1%	18.1%
EBITDA	17.6%	-78.2%	-22.2%
EBIT	42.2%	-153.1%	21.2%
Earnings before tax	72.9%	-129%	-43.5%
Earnings attributable to owners of the Company	71.6%	-163.6%	9.5%

Margins (%)	2012	2013	2014
Gross profit	18.8%	9.8%	10.2%
EBITDA	9.1%	2.8%	1.9%
EBIT	4.1%	-2.2%	-2.1%
Earnings before tax	5.0%	-2.1%	-2.6%
Earnings attributable to owners of the Company	4.1%	-3.7%	-2.9%



6. The Group's financial performance

Consolidated statement of financial position (amounts in EUR '000)	2012	2013	2014
Assets			
Fixed assets	127,896	140,362	172,641
Inventories	54,282	58,031	83,726
Customers and other receivables	54,282	58,031	94,725
Other current assets	142	1,335	1,579
Cash and cash equivalents	27,506	41,070	9,575
Total assets	257,269	291,199	362,376
Equity and liabilities			
Long-term loan obligations	12,000	52,549	76,797
Other long-term liabilities	13,613	16,142	14,467
Short-term loan obligations	26,250	1,450	32,312
Other short-term liabilities	40,535	64,758	98,982
Total liabilities	92,397	134,899	222,558
Total equity attributable to Company shareholders	164,871	156,301	139,818
Minority interests	-	-	-
Total equity	164,871	156,301	139,818
Total equity and liabilities	257,269	291,199	362,376
Consolidated cash flows			
Operating cash flows	18,696	8,778	-30,607
Investing cash flows	-74	-18,697	-45,185
Financing cash flows	-14,334	23,685	43,700
Total cash flows	4,288	13,765	-32,092
Cash on hand at year start	23,334	27,506	41,070
Foreign exchange differences	-102	-201	597
Cash on hand at year end	27,506	41,070	9,575

In short, Group consolidated pre-tax results were losses of EUR 4.9 million compared to losses of EUR 3.4 million in 2013. Consolidated results net of tax were losses of EUR 5.6 million compared to losses of EUR 6.1 million in 2013.

Net borrowings in 2014 stood at EUR 107.7 million compared to EUR 32.5 million in 2013, primarily due to construction of the new large diameter pipe manufacturing plant and increased working capital needs due to the large orders the Group took on at the end of 2014.

Moreover, due to the fact that the new loan being used to finance construction of the new LSAW plant is being gradually disbursed by Commerzbank, long-term loans in 2014 stood at EUR 76.8 million compared to EUR 52.5 million in 2013. Likewise, short-term borrowing rose in 2014 for the reasons explained above, and stood at EUR 32.3 million compared to EUR 1.5 million in 2013. Equity stood at EUR 139.8 million, down compared to the figure of EUR 156.3 million in 2013.



Analysis of financial ratios

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

Viability ratios		2012	2013	2014
Financial expenses coverage ratio	Times	6.77	1.51	1.20
Debt / Equity ratio	Times	0.56	0.86	1.59

Liquidity ratios		2012	2013	2014
Current ratio	Times	1.94	2.28	1.45
Quick ratio	Times	1.22	1.50	0.81

Both the liquidity and viability ratios have changed considerably due to the rise in both long- and short-term borrowings. Long-term borrowings have risen to finance construction of the new large diameter pipe manufacturing plant. Short-term borrowings have risen primarily due to the greater need for working capital due to the large orders the Group took on at the end of 2014.

Activity ratios		2012	2013	2014
1 Inventory turnover ratio	Days	91	129	181
2 Receivables turnover ratio	Days	84	128	184
3 Accounts payable turnover ratio	Days	52	115	181
Cash conversion cycle (1+2-3)		123	142	184

Due to the nature of the Group'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 far as the Russian energy market is concerned, it should be stressed that despite the considerable financial instability in the Russian economy in 2014 and the dramatic drop in the Russian rouble/euro exchange rate, ZAO TMK-CPW (in which the subsidiary Humbel Ltd. has a 49% stake) managed to report profits net of tax of EUR 3.7 million (down 59.8% compared to 2013).



7. Integrated services and products



Products and services

Facilities – Production process

Quality management

**Research and new technologies development
in steel pipe production**

Major projects

Customer service

Supplier management



7.1 Products and services

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 industry with either external coatings or internal linings to ensure corrosion protection and the frictionless flow of the energy resources being carried. ERW/HFI and SAWH processes 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 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 high frequency welding process (ERW/HFI) 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.





7. Integrated services and products

Services

As a company offering total solutions, Corinth Pipeworks also provides its Greek and international customers with a series of value-added services. These include:



- Multi-modal transportation services to final site delivery, including carriage by sea, rail or transport by trucks.
- Tests on raw materials and end products at Corinth Pipeworks' laboratory accredited by the National Accreditation Council (ESYD) in accordance with ISO:IEC 17025.
- Internal lining and external coating (even for pipes manufactured by other pipe mills).
- Weld-on connector solutions for large OD casing/conductor pipes.
- Storage of finished or partly-finished products either at our Thisvi facility in Greece, or at other agreed locations as required by our customers.
- Supply of pipes or pipe coating outside Corinth Pipeworks' own product range, subcontracting to approved supplier as part of large projects, thus enabling us to offer total solutions.





Corinth Pipeworks' products are sold on the Greek and international market. Their outstanding technical specifications and quality, resulting from manufacture, in accordance with international standards or specific customer requirements and needs in appropriate cases, truly set them apart. The Company has introduced a one-stop-shop approach, offering customers total solutions, specialised services as well as high added-value products.

Total solution provider





7. Integrated services and products

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-CPW joint venture.

Thisvi plant (Greece)

1. 26" 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. 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

In 2013 the ERW/HFI mill at the Sovel plant (at Almyros in Magnesia) was successfully relocated to the Company's facilities at its Thisvi Plant. The new 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	<p>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.</p> <p>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.</p>
4. 56" LSAW pipe mill	<p>In 2015 our investment in a LSAW-JCOE pipe mill is expected to be 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.</p> <p>The new mill will be 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.</p>
5. Weld-on connectors facilities	<p>In collaboration with OSI, CPW operates a weld on connector facility for casing pipes, offering customers a comprehensive end product.</p> <p>The weld-on connectors facility can handle pipes with a diameter from 8 5/8" to 60", steel grades of up to X100 and wall thicknesses of up to 50 mm.</p>
6 and 7. External coating mills	<p>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".</p> <p>TCP 100 mill: This mill provides similar external coatings for pipes with an external diameter of up to 100".</p>
8. Internal lining mill	<p>TLP 56 mill: The TLP 56 mill provides internal coating of steel pipes with an epoxy material. It can process pipes with an external diameter of up to 56".</p>
9. Accredited quality control lab	<p>Corinth Pipeworks has a quality control lab accredited by the Hellenic Accreditation System in accordance with the EL0T EN ISO/IEC 17025 standard, which offers a wide range of tests. During 2014, the number of tests on offer was extended after we set up a new state-of-the-art sour service facility for testing metal corrosion in acid environments.</p>
10. Port facilities	<p>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.</p> <p>The IMO has assigned the port facilities the international code GRITA 0001.</p>
11. Storage facilities	<p>Both raw materials used by Corinth Pipeworks and end products (before being shipped off to customers) are stored in suitable areas.</p>



7. Integrated services and products

Polevskoy plant (Russia)

The Group's first production facilities beyond the borders of Greece were opened for business in 2007 by the ZAO TMK-CPW joint venture. The ZAO TMK-CPW 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 inner and 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.

7.3 Quality management





In 2014, the Quality Management System requirements changed in line with the new API Q1 standard

For Corinth Pipeworks, ensuring product quality is something that involves everyone who plays a part in Company operations.

The markets the Company operates in, while intensely competitive and with high standards when it comes to technology and quality, do offer major prospects for growth. Consequently, one important factor for maintaining the Company's global competitiveness and preserving its rapid, profitable growth is implementing a certified Quality Management System in line with the requirements of international standards.

Corinth Pipeworks manages the quality of its products and services:

- By developing policies and procedures that cover its entire range of operations.
- By ensuring that those policies and procedures are being effectively implemented.
- By analysing and evaluating results generated by implementation of those policies and procedures.
- By revising and improving policies and procedures whenever that is considered necessary.

In 2014, Corinth Pipeworks applied the new API Q1 (v9) quality assurance standard and received the appropriate certification.

While the requirements in the ISO 9001:2008 quality standard are process-based, the new API Q1 standard, with its 5 new chapters and 85 new requirements, is an improvement, focusing as it does on quality management in terms of risk assessment and management and contingency planning rather than merely in terms of processes.

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





7. Integrated services and products

Extension in the range of tests offered by Corinth Pipeworks' quality control lab in 2014

Corinth Pipeworks' Quality Control Lab is accredited by the Hellenic Accreditation System in line with ELOT EN ISO/IEC 17025, which is official state and international recognition of the lab's technical competence



and a guarantee of 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 staff are all suitably trained and can provide a wide range of tests such as:

- Steel mechanical tests (tensile, impact, DWTT and bend tests).
- Steel chemical analyses.
- Metallographic analysis and Vickers hardness tests.
- Pipe external coating properties tests.

The range of tests Corinth Pipeworks' Quality Control Lab was expanded in 2014 following the installation of a new section testing for metal corrosion in acid environments (sour service). The new section is intended to support quality control and research development of sour service resistant pipes (pipes which are more tolerant than usual to hydrocarbons with a high hydrogen sulphide content). The main tests carried out in line with the American National Association of Corrosion Engineers (NACE) regulations and standards are:

- HIC (Hydrogen Induced Cracking) and
- SSCC (Sulphide Stress Corrosion Cracking)

Product labelling and responsible information

The production standards which are followed in all stages of the production process mean that Corinth Pipeworks can suitably label its products.

The Company ensures that products are labelled, certifying compliance with high class manufacturing standards while also ensuring traceability and identification.



<p>26" Electric Resistance Welding / High Frequency Induction (ERW/HFI) production standards</p>	<ul style="list-style-type: none"> • API 5L • API 5CT • ISO 3183 • DNV-OS-F101 	<ul style="list-style-type: none"> • CSA Z245.1 • AWWA C200 • ASTM A252 • EN 10219
<p>100" Submerged Arc Welding Helical (SAWH) production standards</p>	<ul style="list-style-type: none"> • API 5L • ISO 3183 • CSA Z245.1 • AWWA C200 	<ul style="list-style-type: none"> • ASTM A252 • EN 10219
<p>External coating production standards</p>	<ul style="list-style-type: none"> • ISO 21809-1 • ISO 21809-2 • DNV-RP-F106 • CSA Z245.20 • DIN 30670 • DIN 30671 	<ul style="list-style-type: none"> • DIN 30678 • NFA 49-710 • NFA 49-711
<p>Internal lining production standards</p>	<ul style="list-style-type: none"> • API RP 5L2 • EN 10301 • ISO 15741 • AWWA C210 	

All Corinth Pipeworks' products and services are controlled to ensure they comply with legislative and statutory requirements in terms of the necessary accompanying information. The products come with information about:

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

When products are delivered, they are accompanied by a quality certificate drafted in line with international standards (EN/ISO) confirming production specifications, the raw materials used and the final product. Depending on the specifications laid down in each contract, products may also be accompanied by a data book containing information about all the tests carried out. Customers also receive written transportation, storage and usage instructions for our products.



7. Integrated services and products

7.4 Research and new technologies development in steel pipe production

Corinth Pipeworks operates in a particularly competitive market driven by constant technological developments. Company executives follow developments in pipe manufacturing, implementing state-of-the-art technology and collaborating with international institutes and research bodies.

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 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 use 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.



Institutes

EPRG (European Pipeline Research Group)

EPRG is a certified association of European pipe manufacturers and natural 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 natural gas network: More stringent requirements for long-term transportation of gas with high strength steel and advanced design methods.

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 2014 focused primarily on:

- Conducting crack tip opening displacement (CTOD) tests to analyse the toughness of high resistance steel.
- Testing tensile resistance at high temperatures.



7. Integrated services and products

- Joint research on ERW/HFW pipes for high resistance to hydrogen cracking when natural gas contains hydrogen sulfide (sour service)
- 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

European research programme on the requirements for safe and reliable CO₂ transportation (SARCO₂)

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 one further year and is still under way.

European research programme on the Investigation of the Structural Integrity of Buried Steel Pipelines (GIPIPE)

The European GIPIPE research programme was launched in July 2011 and was completed in June 2014. The final technical report is currently being drafted. 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.

The Joint Industrial Project to study parameters affecting determination of the tensile properties of API grade pipes

A significant number of gas companies and pipe manufacturers in the USA are involved in this specific joint industrial project. The project aims to investigate laboratory and industrial parameters that affect the measurement of tensile properties in SAWH pipes as well as compliance issues, regarding the relevant legislation and design codes. The programme has been completed and the final technical report is currently being drafted.



European research programme on the strain-based design of SAWH 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.

Corinth Pipeworks' obligations include:

- Developing a methodology to determine residual stresses in SAWH pipes after formation.
- Developing a methodology to determine the dimensional characteristics of SAWH pipes.
- Providing pipes for full-scale bend tests.
- Providing data to assist in general classification of pipe materials (mechanical characteristics) on which the bend tests will be carried out.

The programme is under way, pipes have been manufactured and have been sent to the CSM research centre and testing is currently being carried out.



7. Integrated services and products

7.5 Major projects

Corinth Pipeworks operates in the European, American, African and Middle Eastern markets offering customers top quality products and services that match their extremely demanding specifications. The Company has extensive experience in manufacturing steel pipes and has implemented a large number of technologically demanding projects around the world. Some examples of these are cited below:

Key ERW/HFI projects

Project objective	Country	Year	Customer / Project – Brief description of project
Transportation of natural gas and oil	USA	2014	PLAINS ALL AMERICAN - GARDENDALE TO THREE RIVERS – 110 km long pipeline / 20" diameter.
	France	2013-2014	TIGF - ARTERE L'ADOUR - 100 km long pipeline, 24" diameter.
	Tunisia	2013-2015	OMV TUNISIA – NAWARA (under way) – 400 km long pipeline / 24" diameter.
	Italy	2013	SNAM RETE GAS - FORNITURA DI TUBI RIVESTITI – 100 km long pipeline / 26" diameter.
	USA	2013	NOV WILSON - NOV WILSON – 50 km long pipeline / 24" diameter. NISOURCE - LINE 700- 30 km long pipeline / 20" diameter. NISOURCE - PENNANT MIDSTREAM - 45 km long pipeline / 20"-24" diameter. COPANO – DK LOOP – 95 km long pipeline / 24" diameter. NOV WILSON - ETC – 6.5 km long pipeline / 24" diameter.
	Egypt	2013	EL WASTANI - SALMA TULIP AND ALLIUM – 70 km long pipeline / 12.75" diameter.
	USA	2013	DENBURY - NEJD PHASE II – 16.2 km long pipeline / 20" diameter.
	Algeria	2012	AIBEL/ BP -IN AMENAS – 96 km long pipeline / 10.75" diameter.
	Norway	2012	ALLSEAS / BG NORGE - KNARR FIELD DEVELOPMENT – offshore pipeline in the North Sea area, 107 km long pipeline / 12.75" diameter.
	Azerbaijan	2012	SOCAR - GAS PIPELINE - 20 km long pipeline / 16" diameter.
	France	2012	TECHNOFRANCE / TRAPIL - GAS PIPELINE - 64 km long pipeline / 22" diameter.
	USA	2012	MCJUNKIN REDMAN - EAGLE FORD - 8 km long pipeline / 20" diameter. NISOURCE - MIDSTREAM - 99 km long pipeline / 20"-24" diameter. COLUMBIA GAS – MIDSTREAM – 6.6 km long pipeline / 24" diameter.
	Italy	2012	PIPEX - ENI GAS PIPELINE – 6.7 km long pipeline / 22" diameter.
	Greece	2011	DESFA / AG. THEODORI MEGALOPOLI – 151 km long pipeline / 24" diameter.
	United Kingdom	2011	RWE / BREAUGH OFFSHORE DEVELOPMENT – 88.3 km long pipeline / 20" diameter.
	Egypt	2010	GASCO/EDECO EL MAADIA – 13.25 km long pipeline / 20" diameter.
	Algeria	2010	ABB / EL MERK LOT 3-4 – 87.9 km long pipeline / 8.625"-12.75" diameter.
	Algeria	2010	BONATTI / EL MERK LOT 2 – 391.4 km long pipeline / 16"-20" diameter.
	USA	2010	WILLIAMS/PASCAGOULA EXPANSION – 25.4 km long pipeline / 26" diameter.
	Tunisia	2010	STEG/GABES ZARZIS DJERBA - 10 km long pipeline / 12" diameter. STEG/BASIN MINIER GAFSA VILLAGE - 110 km long pipeline / 20" diameter.
Algeria	2009	BP / IN AMENAS – 60 km long pipeline / 10.75" diameter.	
France	2009	GAZ DE FRANCE / ETREZ GENELARD – 87.6 km long pipeline / 24" diameter.	
United Kingdom	2008	EDF ENERGY / WEST BURTON GAS – 19.6 km long pipeline / 24" diameter.	
Ireland	2008	BORD GAIS / CURRALEIGH WEST – 49 km long pipeline / 24" diameter.	
Croatia	2010	PLINACRO / LIKA TO DALMATIA – 95.2 km long pipeline / 20" diameter.	
Oman	2009	PDO / HARWEEL TO MARMUL – 161.3 km long pipeline / 16"-18" diameter.	
	2008	OMAN GAS CO. / MURAYRAT AL GHUBRAH – 29.6 km long pipeline / 20" diameter.	
Tunisia	2009	STEG / GABES, ZARZIS, DJERBA - 170 km long pipeline / 12.75" diameter.	



Project objective	Country	Year	Customer / Project – Brief description of project
Transmission of CO ₂	USA	2012	CHAPARRAL – COFFEYVILLE – 112 km long pipeline / 8.625" diameter. MISSISSIPPI POWER / SOUTHERNKEMPER COUNTY IGCC PROJECT CO ₂ PIPELINE – 104 km long pipeline / 16" diameter.
		2011	DENBURY – GREENCORE – 189 km long pipeline / 20" diameter. DENBURY – GREENCORE – 194 km long pipeline / 20" diameter.
Casing for gas and oil	Saudi Arabia	2011	SAUDI ARAMCO/CONDUCTORS – 152.4 km long steel pipes / 18.625" diameter.
	United Kingdom	2010	SAUDI ARAMCO/CONDUCTORS – 91.5 km long steel pipes / 18.625" diameter.
	United Kingdom	2012	MITE – CONDUCTORS – 5.5 km long steel pipes / 20" diameter.
	USA	2012	SPARTAN – CONDUCTORS – 37 km long steel pipes / 10.75" – 13.375" diameter.

Key SAWH projects

Project Objective	Country	Year	Customer / Project – Brief description of project
Transportation of gas	Italy	2013	SNAM RETE GAS - FORNITURA DI TUBI RIVESTITI – 29 km long pipeline / 30" diameter.
	Greece	2012	DESFA / AG. THEODORI MEGALOPOLI – 107 km long pipeline / 24" – 30" diameter.
	France	2012	GRT GAZ - ARC DE DIERREY – 33 km long pipeline / 48" diameter.
	France	2011	GRT GAS / HAUTS DE FRANCE – 26.7 km long pipeline / 48" diameter.
	Austria	2011	OMV AUSTRIA / WAG EXPANSION – 61.8 km long pipeline / 48" diameter.
	Italy	2011	SNAM RETE GAS / ZIMELLA GERVIGNANO – 34.4 km long pipeline / 56" diameter.
	USA	2010	SPECTRA / TEMAX TIME III – 87.6 km long pipeline / 36" diameter. CARDINAL GAS/PERRYVILLE INTERCONNECT – 18.5 km long pipeline / 48" diameter.
		2009	SPECTRA ENERGY / EAST TO WEST – 23.7 km long pipeline / 36" diameter.
	Algeria	2009	MITE-SAIPEM-SONATRACH / MENZEL – 131.3 km pipeline / 30" diameter.
Transportation of water	Greece	2014	PPC – Ptolemaida – 32 km long pipeline / 32"-40"-44" diameter.

In 2014 Corinth Pipeworks undertook a major project in the USA to manufacture SAWH pipes.



7. Integrated services and products



Production of pipes suitable for transportation under acid conditions (sour service)

Project Objective	Country	Year	Customer / Project – Brief description of project
Transportation of products under acid conditions (sour service)	United Kingdom	2012-2013	Allseas - Knaar Field Development - production of sour service pipes of steel grade X65 for the construction of a gas transportation offshore pipeline in the North Sea. This particular project was implemented by applying the most rigorous specifications due to the offshore installation and also due to the quality of the transported product.
	USA	2012-2013	Denbury - Greencore CO ₂ - sour service steel pipes (X70 grade) were manufactured for the first time in cooperation with Arcelor-Mittal. These pipes were used to develop a carbon dioxide transportation network, so as to reduce air pollutants and ensure simultaneous storage in oil fields for their optimum utilisation. Chaparral - Coffeyville CO ₂ - Production of sour service steel pipes of steel grade X65 for carbon dioxide transportation.
	Algeria	2012-2013	Aibel - BP In Amenas - Production of sour service pipes of steel grade X65 for the construction of a sour gas transportation pipeline in Algeria.

Production of pipes with weld-on connectors

Project Objective	Country	Year	Customer / Project – Brief description of project
Transportation of oil and gas	Egypt	2012-2013	Pipes with weld-on connectors for extraction of oil and gas. Total units: 1,300, 20" diameter. "GDF PROJECT" - Pipes with weld-on connectors for extraction of oil and gas. Total units: 120, 20" diameter.
	Algeria	2012-2013	"BERKINE" - Pipes with weld-on connectors for extraction of oil and gas. Total units: 350, 20" diameter.
	Kenya	2012-2013	"TULLOW KENYA" - Pipes with weld-on connectors for extraction of oil and gas. Total units: 900, 20" diameter.

7.6 Customer service



The main features of Corinth Pipeworks' approach to customer service management include close contact with customers, providing tailor-made solutions that comply with their unique profile and focusing on the value of each customer.

The Company's competitive advantages when it comes to managing customer relations are:

- Its ability to provide top quality products and services.
- Its ability to respond to customer requests and their particular technical requirements.
- Its ability to keep them up-to-date at all times about the progress of their order.

To ensure that customers are satisfied and remain loyal to the Company just some of the factors Corinth Pipeworks takes into account are reliability, consistency, understanding the specific requirements and meeting customers' expectations.

In 2014, efforts were stepped up by Corinth Pipeworks to identify new markets to showcase its products and services. The outcome of these efforts was to keep close relationships with existing customers and also to attract and establish relationships with new ones. Particular note needs to be made of the new LSAW investment, which will allow new applications to be developed and new markets to be penetrated, which has already attracted customer interest.



7. Integrated services and products



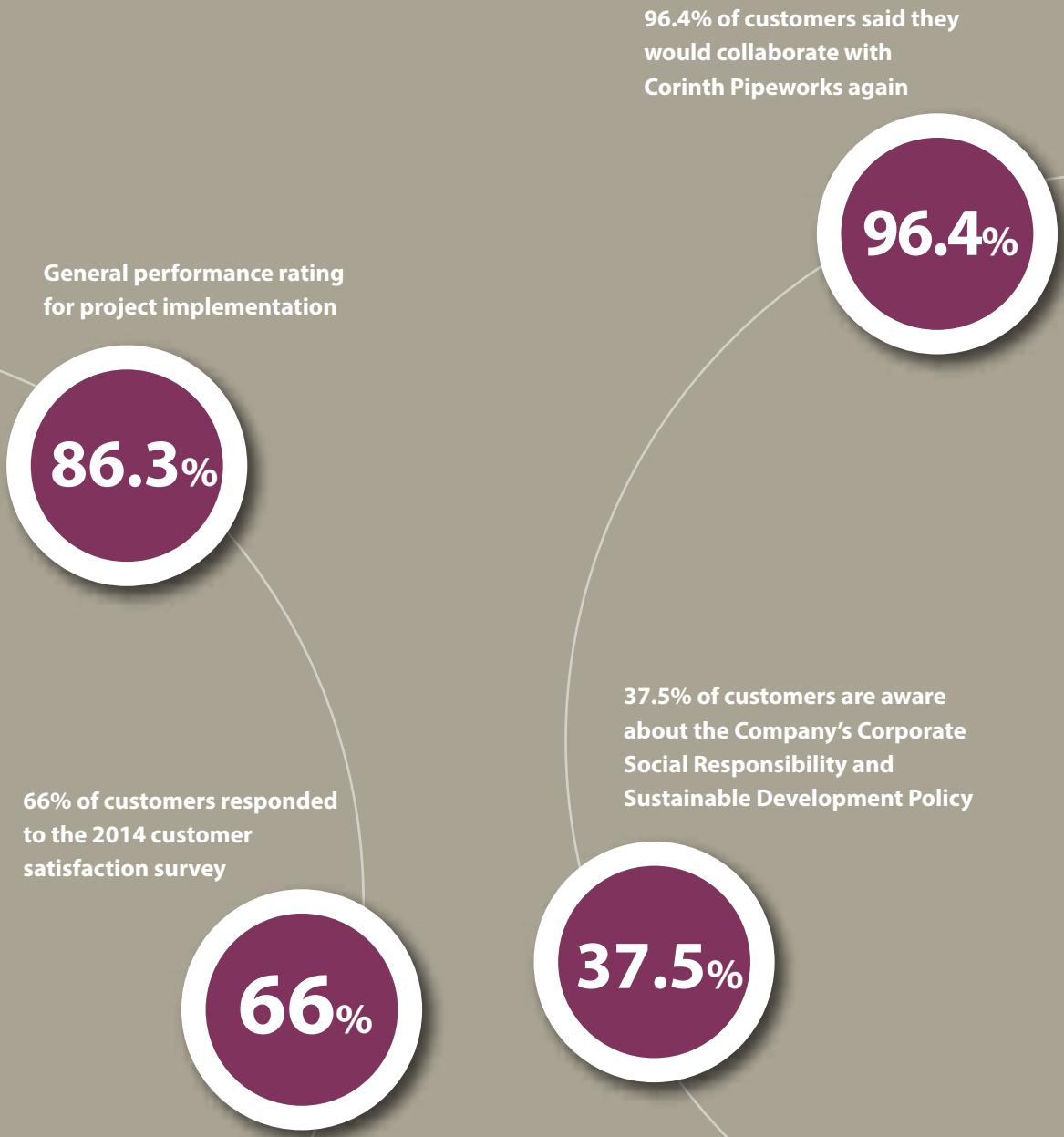
Customer satisfaction survey

The level of customer satisfaction is an important performance indicator that we methodically monitor to maintain excellent relations with customers and constantly improve our products and services.

In line with the international standards API Q1 and EN ISO 9001:2008, when every project the Company has undertaken is completed, a customer satisfaction survey is carried out. Customers are asked to answer a series of questions and determine the importance of each issue (the questionnaire was modified in 2014 to better reflect the needs of both customers and the Company taking into account the relevant guidance in ISO 10004). Questions about how the Company is performing in key Corporate Social Responsibility areas were also added in. It should be noted that in 2014 the response rate to customer satisfaction surveys was highly satisfactory (66%).

Customer satisfaction survey (results in %)





The Company attaches great importance to its customer satisfaction survey and in 2014 achieved a 90% increase in the survey response rate (66% in 2014 compared to 33% in 2013).

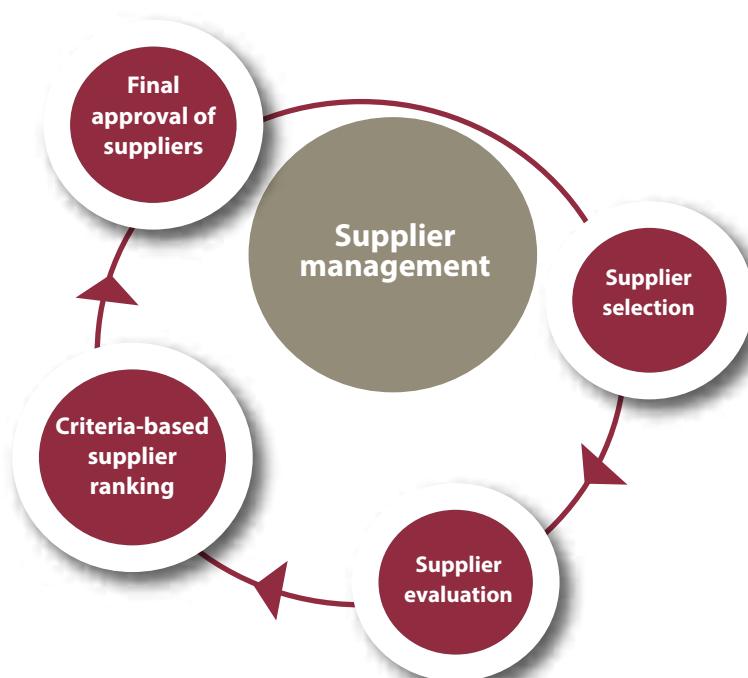


7. Integrated services and products

7.7 Supplier management

One of Corinth Pipeworks' most important stakeholder groups is its suppliers, and the Company seeks to build long-lasting collaborative, trust-based relationships thereby maximising the benefits for them and the Company. Corinth Pipeworks' suppliers are valuable associates involved in developing top quality products and services, since the quality of raw materials is inextricably bound up with the quality of the end product.

To ensure better communication with suppliers and manage them properly, Corinth Pipeworks classifies suppliers depending on the items they supply into suppliers of raw materials, consumables and other materials. The Company has opted to only collaborate with suppliers who meet specific objective criteria.



Supplier selection

When seeking out suppliers, Corinth Pipeworks' executives conduct market research to identify suppliers capable of providing the materials needed. During the initial stage, information is drawn from published data and from companies, which have already collaborated with the suppliers in the past.

The Company opts for local suppliers if collaboration or the specific supply of materials can be done by the local supplier under the same terms and conditions.

Supplier evaluation and re-evaluation

In the next 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. Suppliers are evaluated and / or re-evaluated based on various criteria, which include not only quality and their financial status but also environmental criteria as well as health and safety issues to ensure that Corporate Responsibility is carried down the supply chain.

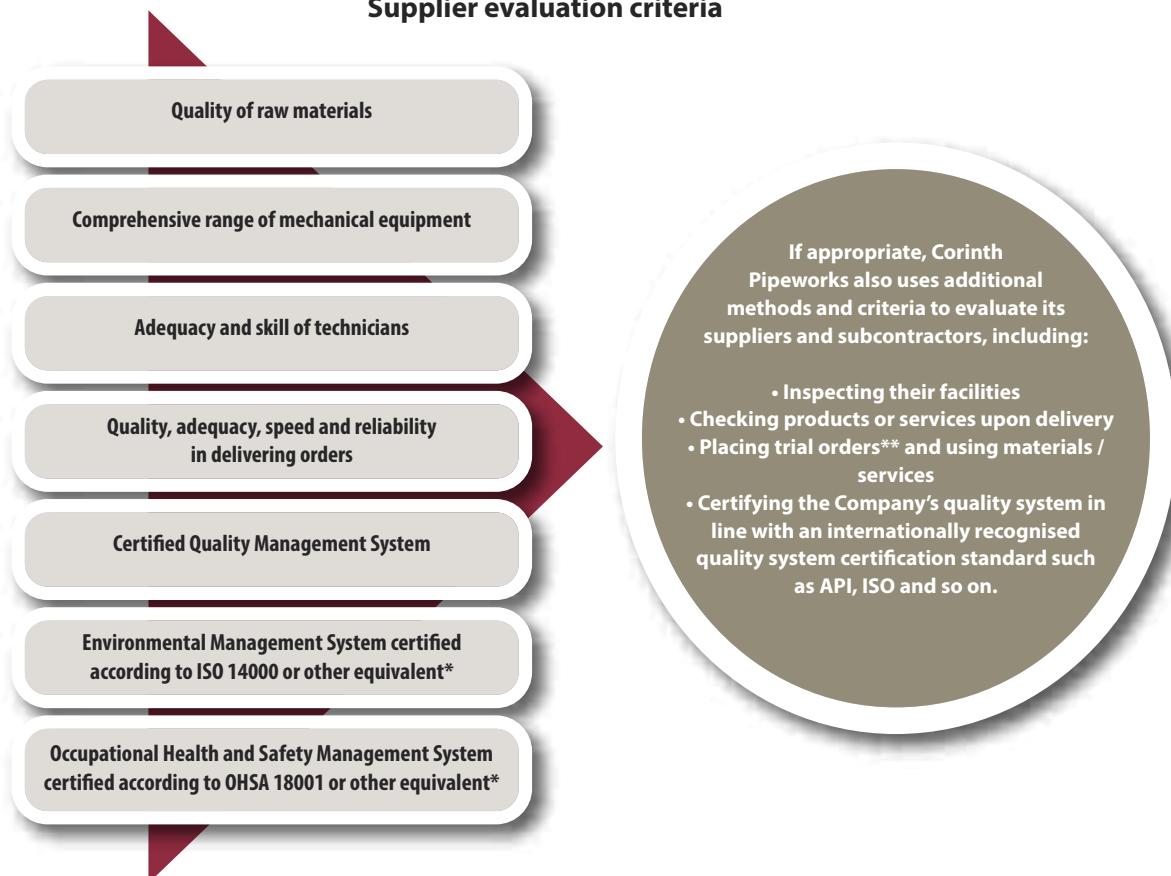
Criteria-based supplier ranking

Based on the information, documents and data provided, suppliers are then scored and ranked.

Final approval or rejection of suppliers

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

Supplier 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 the Company may also require suppliers to hold REACH certification and to send the relevant Material Safety Data Sheets (MSDS).

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



7. Integrated services and products



Responsible supply chain management

In 2014, the Company developed a responsible supply chain management plan. The first step is the Supplier Code of Conduct which is expected to receive final approval soon. Under that Code, suppliers will be briefed about the basic principles by which the Company does business. The Code also sets out the principles and standards of conduct which Corinth Pipeworks demands or encourages its suppliers to follow. These include:

- Environmental protection
- Respect for human and labour rights
- Occupational health and safety, and
- Legislative and regulatory compliance.

Suppliers and the use of raw and secondary materials

Corinth Pipeworks ensures that it maintains excellent trust-based relationship with those suppliers it has been working closely with for a number of years.

In 2014, Corinth Pipeworks collaborated with 1,205 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. The Company also 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 materials and supplies in the production process, which it monitors closely.



Category	Type of material	Unit of measurement	Quantities in 2013	Quantities in 2014
Raw materials	Steel coils **	Tons	*	*
	Materials for internal and external anti-corrosion lining/coating and pipe welding	Tons	5,000	3,300
Materials used in processes	Lubricants (oil-grease)	Kg	67,579	66,212
	Oil (diesel, heating oil, generator oil)	Lt	275,054	496,000
	Butane-Propane mixture	Kg	130,760	208,500
Packaging materials	Timber for pipe shipments	m ³	1,583	2,651
	Rope for pipes	Kg	16,950	51,193
	Plastic pipe caps	Items	67,120	22,750
	Metal straps for packing hollow sections	Kg	28,328	64,642

* 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.



8. Corinth Pipeworks' impact on people



Corinth Pipeworks' philosophy of contributing to society focuses on three main areas:

1. Corinth Pipeworks' human resources

2. Occupational health and safety in Corinth Pipeworks' operations

3. Corinth Pipeworks' societal contribution



8.1 Corinth Pipeworks' human resources

Corinth Pipeworks' personnel is the Company's most valuable asset in achieving its business goals and sustaining continued growth and development. The Company's success is tied into the quality of work and employee performance irrespective of their place in the hierarchy. Corinth Pipeworks remains firmly committed to growing and retaining top class executives and employees.

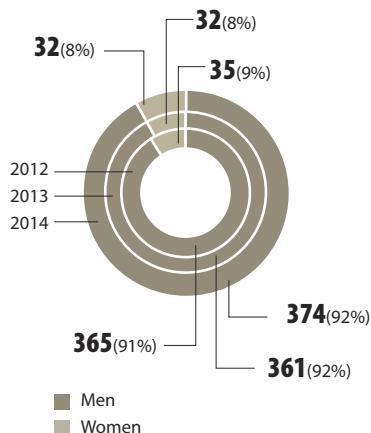
- **Human resources at a glance**
- **Internal communication**
- **Code of Conduct**
- **Recruitment and employee turnover**
- **Employee benefits**
- **Human resources training**
- **Employee performance appraisals and remuneration system**
- **Equal opportunities and human rights at Corinth Pipeworks**



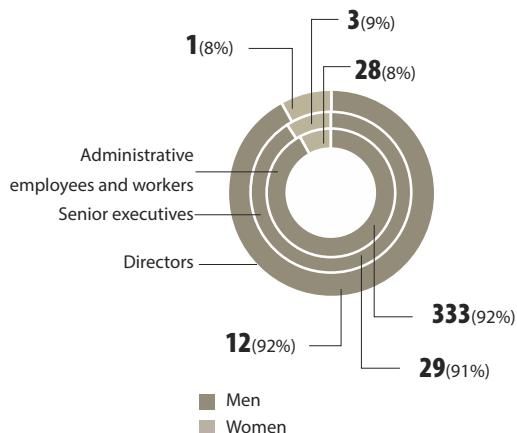
8. Corinth Pipeworks' impact on people

Human Resources at a glance

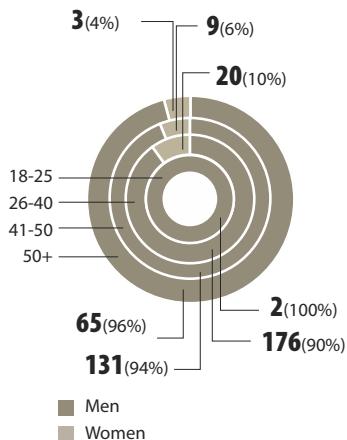
Distribution per gender 2012 - 2014



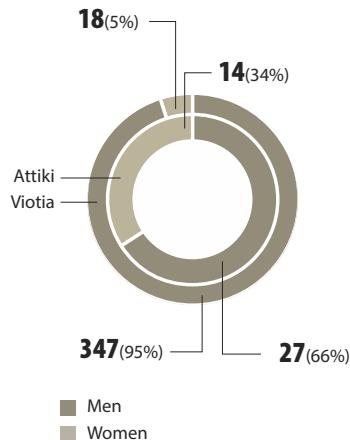
Gender distribution per hierarchical level 2014



Gender distribution per age 2014



Gender distribution per location 2014



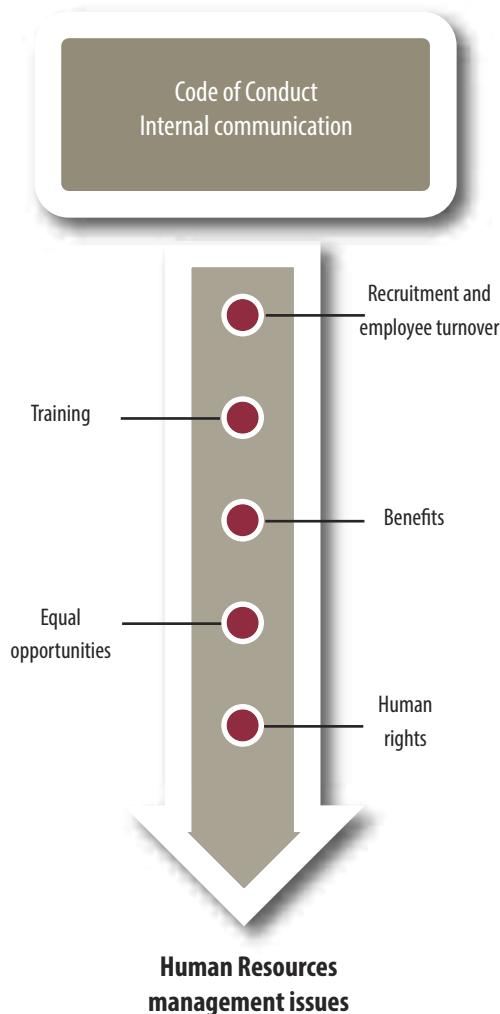
All our employees have full-time and indefinite employment contracts



Internal communication

Building and firmly establishing the Company's corporate culture depends to a very large degree on the internal communication system Corinth Pipeworks has in place. The Company has an *Open Door Policy* for day-to-day communication with employees. Various methods and means are employed to achieve these including:

- 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.
- The appraisal procedure in place.
- The Company's intranet, notice boards at production plants, and so on.



Code of Conduct

Code of Contact is the main tool to ensure that our policy towards Human Resources issues is followed and that Company's values and principles are expressed through employees' behavior.

The Company's Code of Conduct was updated in 2014 to include fundamental policies, rules and values that guide corporate activities and set out guidance on how staff should behave on a day-to-day basis. Commitment to these principles and values is significant for Company's performance.



8. Corinth Pipeworks' impact on people

The Code of Conduct outlines the types of behaviour Corinth Pipeworks expects its personnel to demonstrate as well as the way the Company engages in business activities and interacts with customers, suppliers and other associates. The Company has been developed to further promote integrity, honesty, transparency, and ensure professionalism at all levels within the Company.

The key topics addressed in the Code of Conduct are:

1. Compliance
2. Conflicts of interest
3. Conduct toward business partners and third parties
4. Dealing with information
5. Protection of Company property
6. Fair market behaviour
7. Human rights and workplace practices
8. Occupational health and safety
9. Environmental protection
10. Stakeholder communications
11. Accounting and reporting
12. Responsibility of managers and employees
13. Reporting irregularities
14. Monitoring and Code amendments

Trust is a vital ingredient in ensuring sustainable business success and the Code of Conduct coupled with the Company's core values and principles are a firm foundation on which trust can be built

The recently revised Code of Conduct was based on the OECD guidelines for multinationals, the guidance in the ISO 26000 standard on Social Responsibility and the 10 principles in the UN Global Compact.

All Company employees respect the Code of Conduct and comply with its terms in their dealings with all stakeholders. They also respect the laws and regulatory framework of the countries in which Corinth Pipeworks operates and the international rules and initiatives mentioned above.

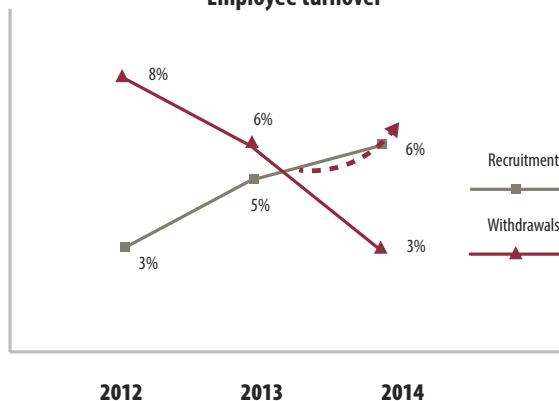


Recruitment and employee turnover

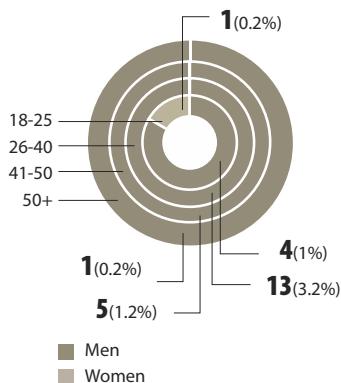
Despite the economic instability and uncertainty afflicting Greece, in 2014 the Company managed to achieve a higher rate of recruitments versus withdrawn staff.

During 2014, Corinth Pipeworks recruited more than twice the number of people who left. It recruited 24 people in total (21 of whom came from the local community in Viotia) while 11 left (9 of whom were from the local community in Viotia).

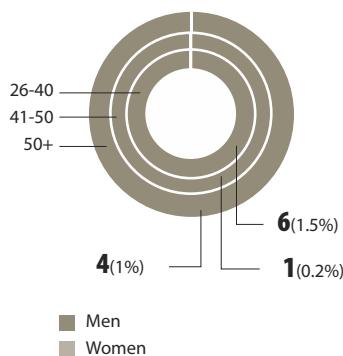
Employee turnover



Recruitments 2014



Withdrawals 2014





8. Corinth Pipeworks' impact on people

Employee benefits

Respecting employees and their needs is an integral part of the Company's HR policy. Corinth Pipeworks seeks to improve employee living standards by offering benefits calculated both to serve as incentives to keep them with the Company and to foster closer, better relations between staff and the Company. In 2014, on the Company's own initiative, terms and conditions in the group hospital care contract were improved, with employee dependents being added to the contract. The additional benefits that all staff enjoys are set out in detail below (exceptions are mentioned separately):

- Funding for postgraduate studies or other long-term training courses (100% of the cost).
- Loans and other forms of financial support.
- Financial support for urgent, serious personal or family needs (in addition to the amount covered by insurance).
- A savings scheme for executives which since 2012 has allowed for partial redemption under better terms than in the past. Employee participation in the scheme is optional and unlimited. In 2014 EUR 60,780 was paid, 33.35% of which was paid by employees and the other 66.65% paid by the Company.
- Life insurance and hospital care for employees and their dependents.
- Life insurance, health insurance and outpatient services for executives.
- Staff transportation to and from the Company's plant.
- Vouchers once a year.
- Gift vouchers at Christmas for employees' children aged 12 and under.
- Company car and mobile phone depending on the needs of the position held.

**All additional benefits are available
to all employees**



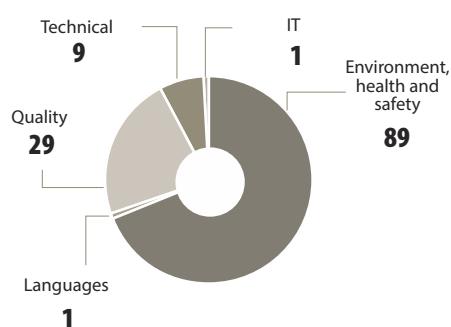
Human resources training

During 2014, Corinth Pipeworks organised a wide range of training courses to ensure continuous education and training and improve employees' skills irrespective of their place in the hierarchy.

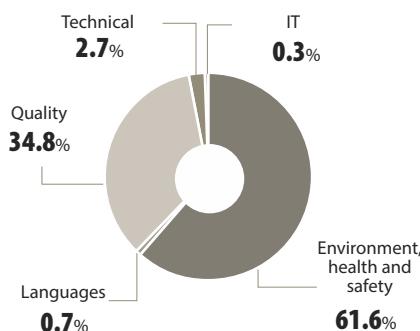
Staff took part in a total of 128 training courses; a figure 20% higher than in the previous year. A total of 2,661 hours of training were provided, with men receiving an average of 7 hours of training and women 1.1 hours.

In 2014, particular importance was attached to training on health and safety and quality issues. Investments in training in 2014 amounted to approximately EUR 30,000.

Number of seminars per subject 2014



Training hours per subject 2014



Hours of training per grade

	Training hours	Training hours average
Directors	76	5.8
Senior Executives	562	17.6
Admin. staff and workers	2,023	5.6

Employee performance appraisals and remuneration system

To promote growth and development of its human resources, Corinth Pipeworks is in the process of setting up a comprehensive performance appraisal and remuneration management system for its employees. The pilot version of the new system was rolled out in 2014. Feedback about the pilot system was used to finalise the performance indicators that will be graded in the appraisal system which will be linked with the remuneration system.



8. Corinth Pipeworks' impact on people

Equal opportunities and human rights at Corinth Pipeworks

When revising the Code of Conduct in 2014 particular importance was attached to the section on equal opportunities and human rights at the Company.

Equal Opportunities

At Corinth Pipeworks equal treatment of all employees irrespective of gender, nationality or other characteristics is a vital part of how human resources are managed.

The Company is opposed to any form of discrimination and ensures that for the same positions there is no discrimination, in terms of pay or otherwise, based on gender, nationality or other characteristics.

It is also worth stressing that Corinth Pipeworks encourages women to join its ranks, and that the majority of women at the Company hold administrative positions. The factors inhibiting more women from joining the Company have been identified and ways to address them are being looked at. These include the nature of the Company's business (manufacturer of steel pipes), as well as the distance of its production facilities from large cities.

Within its sphere of influence, Corinth Pipeworks supports and respects the protection of human rights and ensures that any breach or violation of those rights is avoided

Corinth Pipeworks is particularly attuned to maternity issues.

During 2014, a total of 3 employees were on maternity leave, 2 of them returned to work in the same year. The third one will return when

maternity leave expires. Corinth Pipeworks offers all female employees the option to select some form of flexible work for instance: 1 day off per week, or less working hours daily. In 2014, 3 female employees applied for and were granted the special maternity protection benefit (it is provided from the Hellenic Manpower Employment Organisation).

All female employees return to work after their statutory maternity leave (childbirth and special maternity leave) expires. Note that female employees who have returned to work after their statutory leave continue to work for the Company even after a period of 18 months (which is the period law protects women from dismissal due to maternity).

The Code of Conduct contains provisions on human rights which specifically relate to:

- 1. The avoidance of discrimination**
- 2. Equality and equal opportunities**
- 3. Forced or child labour**
- 4. All forms of harassment**



Human rights

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, a duty of each and every company.
- Dealing with human rights issues using recording and monitoring mechanisms.

Corinth Pipeworks is opposed to and condemns all forms of forced or child labour

In particular, the Company:

- Respects and complies with the human rights laws enacted by the Greek State.
- Operates with people in mind: The Company 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 departments. Corinth Pipeworks monitors how its human rights policy is being implemented using indicators developed specifically for that purpose.

Corinth Pipeworks prohibits all forms of harassment

The Company will not tolerate any cases of discrimination, child or forced labour, or any form of harassment in its own operations or in the operations of its associates. As far as suppliers in particular are concerned, in 2014 the Company prepared the Suppliers Code of Conduct which sets out the relevant provisions.



8. Corinth Pipeworks' impact on people

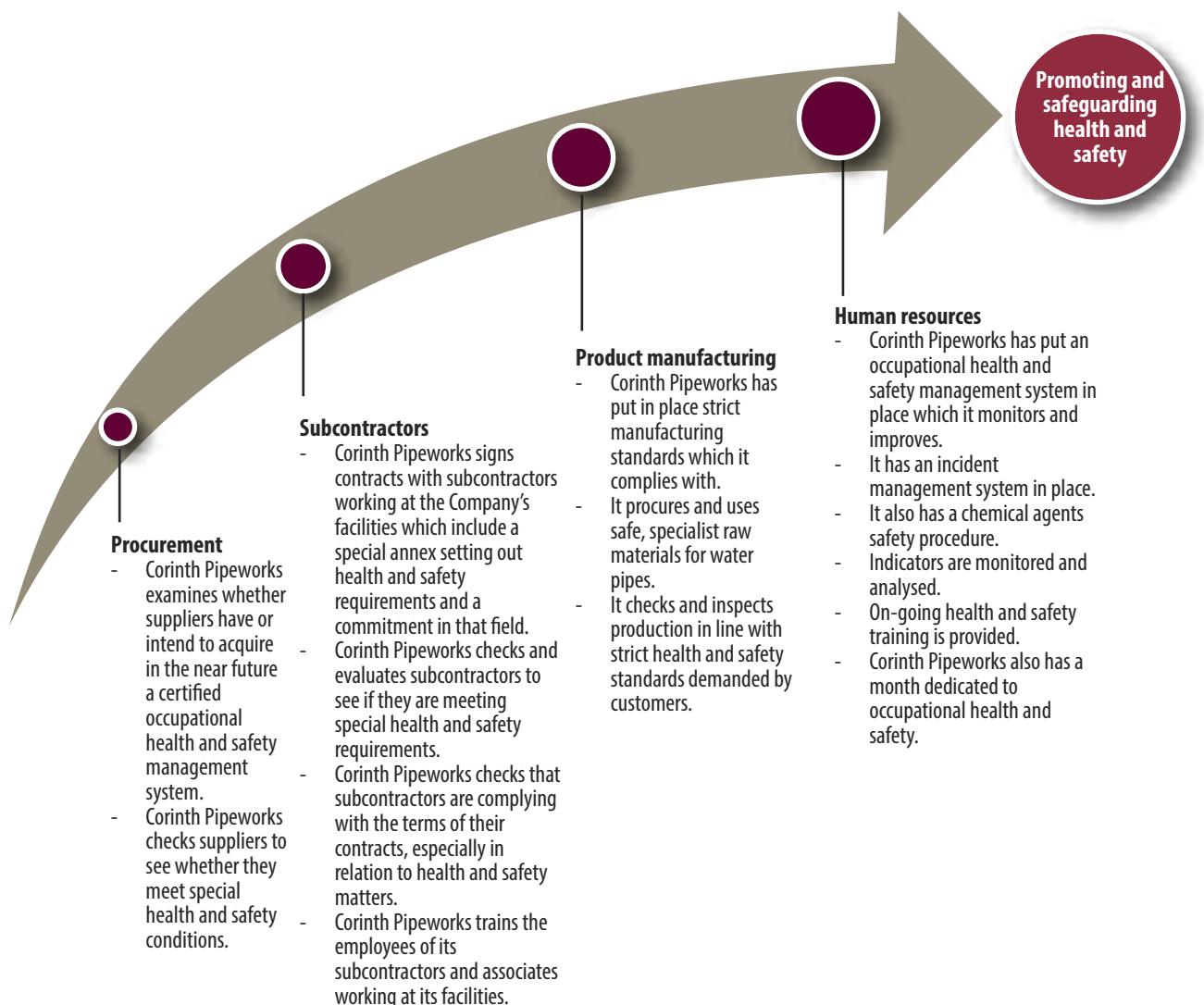
8.2 Occupational health and safety in Corinth Pipeworks' operations

As a company focused on its personnel, Corinth Pipeworks' overriding priority is to maintain high levels of health and safety. Safeguarding our personnel, who are so vital to every aspect of our operations, is both a commitment and obligation.

- **Comprehensive approach to health and safety**
- **Health and safety actions**
- **Health and safety results**
- **Procedures and continuing improvements**

Comprehensive approach to health and safety

Corinth Pipeworks deals with health and safety issues in a uniform manner whether they relate to its own operations, procurement, production or product end use. It also strives to engender the shared belief and culture among its personnel that health and safety is something everyone ought to be concerned about, whether it be employees or anyone else involved in its operations.



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



8. Corinth Pipeworks' impact on people

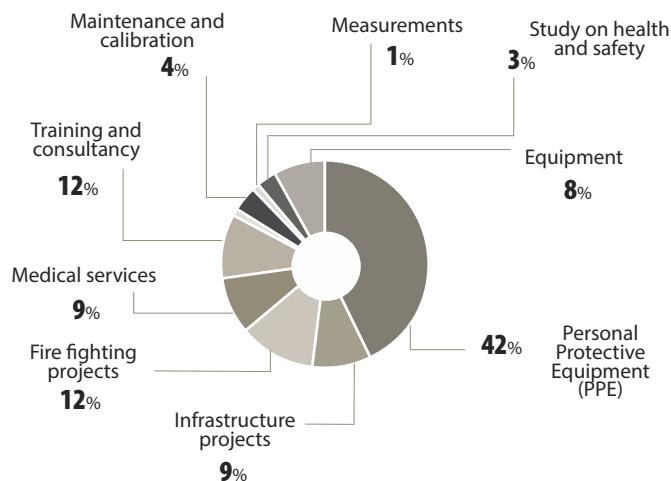




Health and safety investments

During 2014, Corinth Pipeworks made investments in occupational health and safety. Investments exceeded EUR 190,000, up more than 20% compared to the previous year, clearly reflecting the Company's real commitment to continuing improvements in the sector.

Investments in health and safety in 2014



Health and safety actions

Safeguarding health and safety requires that everyone involved in Corinth Pipeworks operations remains constantly vigilant. The Company has taken a series of actions and measures, and made investments to ensure this. Some of the most important ones are presented below.

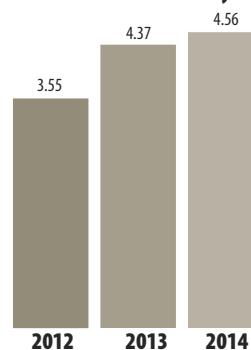
An emphasis on training

Having acknowledged that people play a decisive role in health and safety issues, the Company endeavours to limit any negative effects on its personnel by providing continuous personnel training.

In 2014, 1,637 hours of training on health and safety was provided at Corinth Pipeworks' Thisvi plant, up 7% compared to 2013 when 1,529.5 hours were provided. This made it the highest average figure for the last 5 years.

Training activities covered both Company personnel and associates / subcontractors.

Average number of training hours in health and safety





8. Corinth Pipeworks' impact on people



June-July 2014 'Special Tribute to Occupational Health and Safety'

In 2013, Corinth Pipeworks launched its first '**health and safety month**' to promote continuing improvements in that sector. In 2014, the Company went one step further launching a special tribute to occupational health and safety covering not one but two months, June and July. As part of that special tribute, the Company organised a series of events and presentations at its Thisvi plant in partnership with external experts. A large number of employees took part in these special events, enjoying around 25 hours of training.

Major occupational health and safety issues falling into 5 separate areas were presented:

- First Aid and how to use ambulances. This training session was provided in partnership with certified trainers from the Hellenic Red Cross.
- Use of Personal Protective Equipment (PPE)
- Risk identification and key health and safety rules
- Safe use of hoisting equipment
- Key occupational health and safety requirements at the Thisvi Industrial Area's port facilities

Actions and measures

A series of drills were organised in 2014 relating to:

- Fire safety
- Facility evacuation
- Incident and parallel incident management

Parallel incident drills were included in the 2014 readiness drills schedule since they test employees' abilities to the full in emergency situations.

Emergency drills

A total of 229 safety inspections / visits were carried out in 2014 (which accounted for 98.3% of the scheduled inspections) with the participation of executives and involvement of 72 departmental directors and foremen.

Health, safety and environment inspections

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. Preventative measures primarily relate to:

- Continuing personnel training
- Internal audits
- Managerial meetings
- 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 signage
- Sealing off curing station at the TLP 56 pipe mill to limit exposure to volatile organic compounds (VOCs) and avoid employees coming into direct contact with them.

Accident prevention measures

As part of the periodic revision of the Occupational Risk Assessment Studies, studies were prepared relating to:

- The operations phase of the new 7 5/8" ERI/HFW mill.
- The operations phase of the new HIC/SCC corrosion testing lab.

Simplified guidelines were also issued in line with the Material Safety Data Sheets (MSDS). Our Safe Work Instructions are also currently being revised to include supplemental photographic material. The annex will feature best practices and examples of dangerous situations, making it more reader-friendly and realistic.

Occupational Risk Assessment Study



8. Corinth Pipeworks' impact on people



Implementation of 5S methodology

After rolling out the 5S methodology on a pilot basis in 2013, in 2014 Corinth Pipeworks' integrated 5S methodology into its programme to improve order, cleanliness and organisation in the workplace.

The 5S methodology developed was specifically tailored to the Company's needs to further foster a robust corporate culture on issues of workplace organisation and safety.

Corinth Pipeworks implements the 5S methodology through 5 phases: Straightening, Systematic Cleaning, Standardising, Sustaining the discipline and by extension Safety.

In 2014, the programme was rolled out to 18 workplaces at the Company's Thisvi plant. A total of 123 employees (18 engineers and 105 other employees) from various departments were involved in implementing the 5S methodology. The goal is to continue the programme in 2015.

An independent body evaluates the results of the 5S programme. Those results are used to determine where improvements in the workplace can be made, and what changes are needed, if any.



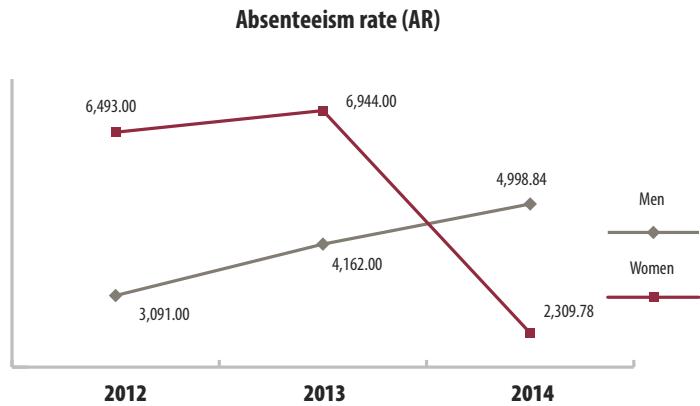
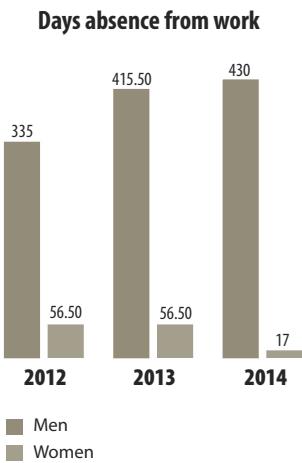
Health and safety results

The most important goal the Company has set itself for occupational health and safety is zero occupational accidents. To monitor how it is doing on health and safety issues, Corinth Pipeworks has developed a series of indicators which it monitors and evaluates. All employees are united in the endeavour to improve those indicators.



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 2014, as in previous years, there were no cases of occupational disease. Absenteeism due to illnesses unrelated to the environment-related dropped dramatically by 67% among female employees in 2014, while the number of days absent fell by 70%. On the contrary though, the number of days male employees were absent rose by 3%, entailing a 20% knock-on effect on the relevant indicator.



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



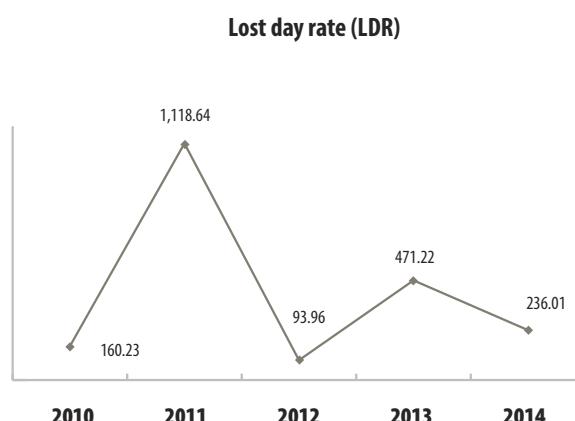
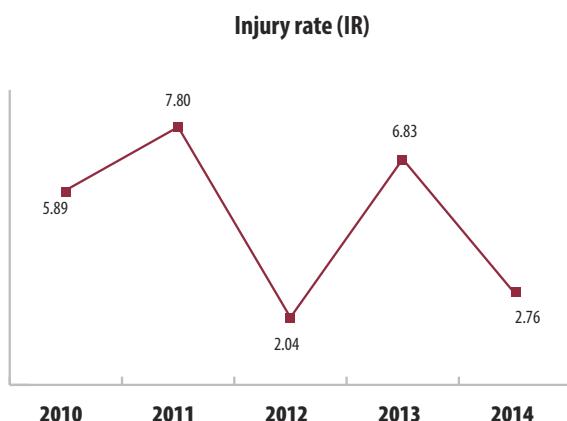
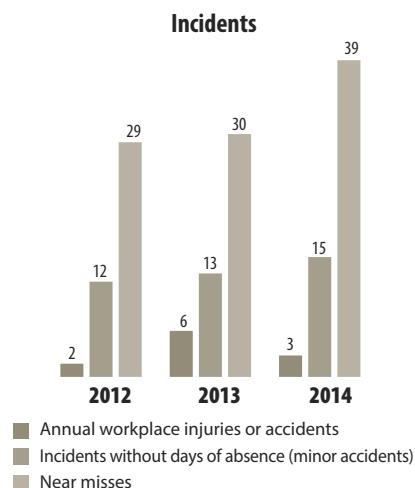
8. Corinth Pipeworks' impact on people

Performance in the safety sector

Company activities and investments in the sector coupled with employee take-up of these measures have led to a drop in the number of accidents over recent years.

Despite improved indicators, Corinth Pipeworks remains committed to maintaining its focus on actions and investments for employee safety in this critical sector.

In 2014, there were fewer accidents (entailing interruptions in work) among employees (just 3 in total during the entire year) compared to the previous year, meaning Corinth Pipeworks is close to its zero accident target. Even though the employees involved in all these incidents were wearing the necessary PPE and had taken all the precautionary measures, the human factor did play a major role here. The rise in near misses is due to the fact that we have been recording them in a more systematic manner, which ties into recognition of their importance in accident prevention. It is also important that the accident frequency and severity indicators also fell, indicating that the measures being taken are actually effective.



$$\text{Injury Rate (IR)} = \frac{\text{Number of accidents} \times 10^6}{\text{Number of man-hours worked}}$$

$$\text{Lost day rate (LDR)} = \frac{\text{Number of days lost due to accidents} \times 10^6}{\text{Number of man-hours worked}}$$

* Note that the Lost Days Rate for 2013 was revised because - in line with the Company's policy - the length of an accident in days is now being recorded and is now being imputed to the year in which the accident happened.

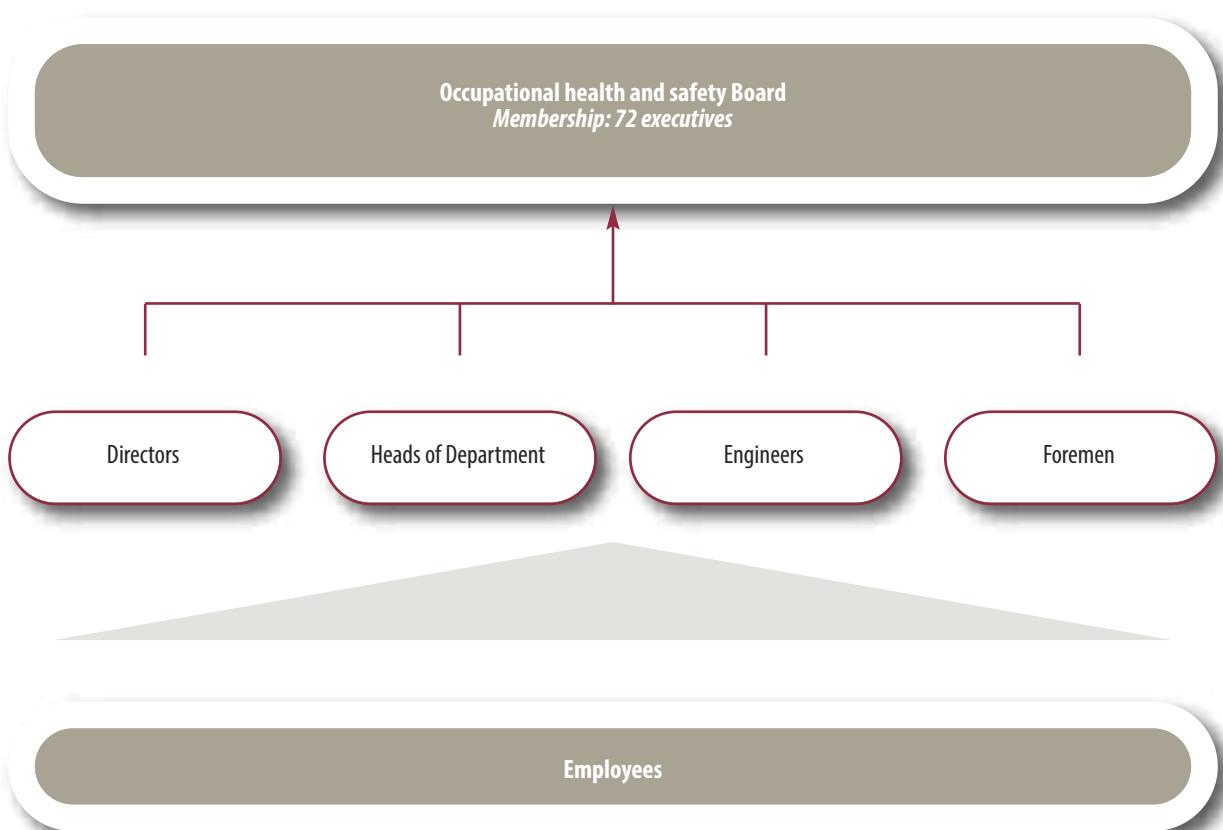


Procedures and continuing improvements

Corinth Pipeworks promotes health and safety by developing specific procedures for each sector of operations such as production, subcontractor management, Company HR management, and so on. These procedures and the indicators used to monitor them have been included in the Company's comprehensive occupational health and safety management system, which has received OHSAS 18001:2007 certification.

Health and Safety Committee

A key part of the occupational health and safety management system is the health and safety committee, which represents all staff on health and safety matters. The committee is responsible for managing health and safety issues and for ensuring that the Company achieves continuing improvements in that sector. Each department also holds daily meetings at the start of each shift about major issues at work. Those meetings are attended by the departmental director, engineers and shift foremen.

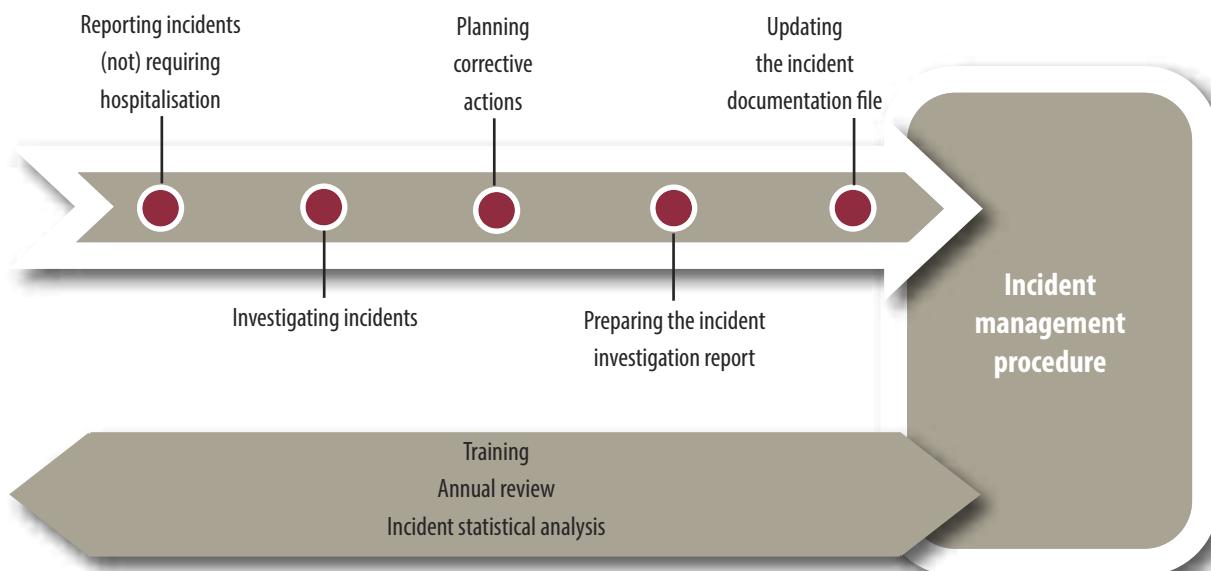




8. Corinth Pipeworks' impact on people

Incident management procedure

Our incident management procedure plays a decisive role in monitoring the results of how Company's occupational health and safety management system is being implemented, and complies with the relevant legislative requirements to record and disclose occupational accidents and diseases. It is also fully in line with the International Labour Organisation's (ILO) requirements. This procedure is initiated every time an incident occurs at work at the Company and leads to important conclusions being drawn about health and safety issues.



Subcontractor management

Corinth Pipeworks has developed specific procedures to manage its subcontractors and integrated these into its health and safety management system.

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 these areas.

The subcontractor management procedure involves 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 entire process.

An initial evaluation is performed when the Company starts working with the subcontractor and then periodic evaluations are carried out in line with the requirements of the occupational health and safety management system. It is worth noting that evaluations can either take place at



Corinth Pipeworks' own facilities where the subcontractor's staff are working or at the subcontractor's own facilities. Just some of evaluation criteria are:

- Whether health, safety and environmental measures mandated by law and by the Company are being complied with.
- Whether PPE is being used by the subcontractor's staff.
- Whether the subcontractor's staff and equipment are suitable for the specific task that has been assigned.

Findings that emerge from such evaluations and the corrective actions needs are recorded, and a date is set by which subcontractors must comply with the recommendations made, at which time checks are made to see if the subcontractor has implemented the corrective measures.



Mechanism to record and monitor health and safety issues

The Company's intensive endeavours to improve its health, safety and environmental management procedures led it to develop a mechanism to record and monitor health and safety issues.

To ensure this mechanism operates flawlessly:

- Suggestion boxes were placed at 4 mills at the plant (HFIW, SAW, yard and lining/coating mills).
- A special employee suggestions form for improvements in these areas was designed.

These suggestion boxes allow employees to submit their ideas anonymously. Protecting employees in this way makes the entire procedure quite valuable, since it allows sensitive aspects of these sectors to be raised and discussed.

The Health and Safety Manager working in partnership with the Plant Directors is then responsible for examining and evaluating the suggestions made. Suggestions are evaluated based on specific criteria. As a sign of just how important this mechanism is seen as being, the best suggestion won a prize at the New Years pie cutting ceremony in 2014. This approach places emphasis on communicating issues that could effectively improve the workplace and, generally speaking, help the plant run more smoothly.



8. Corinth Pipeworks' impact on people

8.3 Corinth Pipeworks' societal contribution

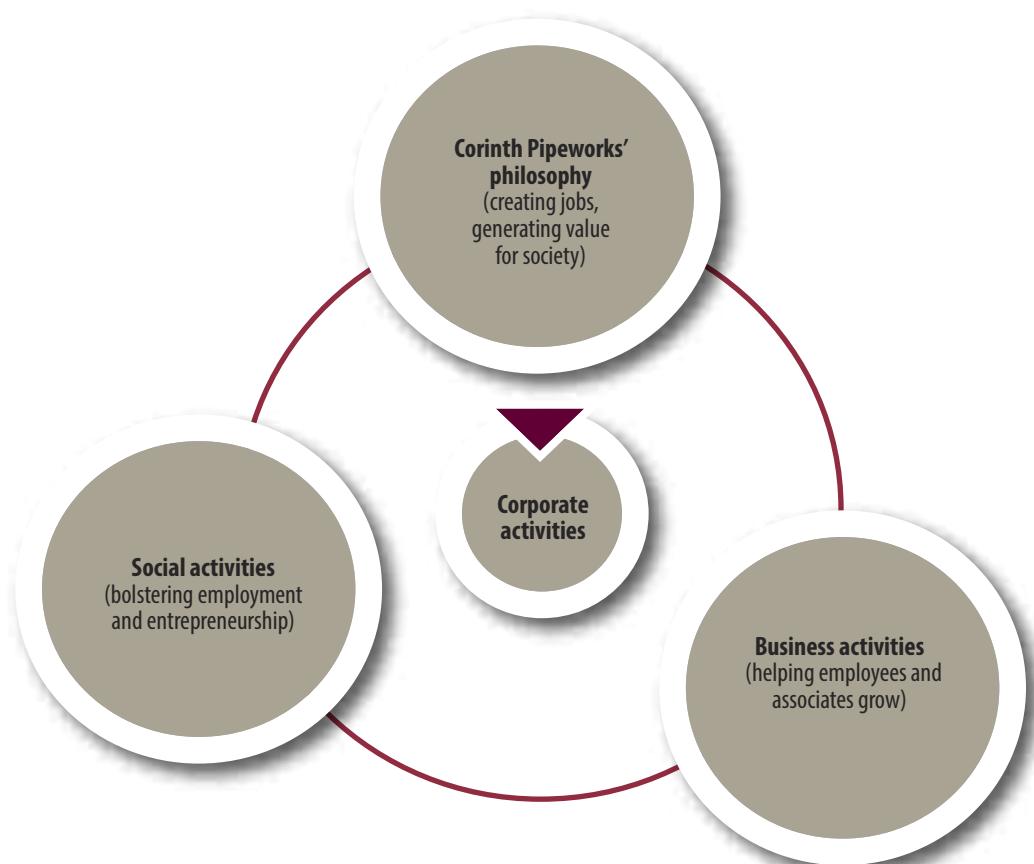


- **Generating value for society**
- **Developing local communities**
- **Bolstering local employment and entrepreneurship**
- **Supporting the needs of local communities**



Generating value for society

Corinth Pipeworks acknowledges that social challenges like poverty and unemployment are sadly a modern necessity that the local communities in which it operates have to address. That is why it provides support to local communities in a wide range of ways, while also encouraging two-way communication with them to enable it to register their needs and priorities.



The Company engages in a wide number of activities to support local communities and meet stakeholder needs.



8. Corinth Pipeworks' impact on people

After recording the impact of Corinth Pipeworks' activities on local communities, operations at the Thisvi plant were evaluated to take into account all positive or negative effects 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 plant's operations and assess their impact on the environment. This environmental impact assessment of company operations has shown that Corinth Pipeworks' operations are 'low impact' for the environment, and because the Company continues to take preventative measures potential negative impacts will remain low.

Developing local communities

Corinth Pipeworks contributes to social development and growth via a series of measures it takes and it is frequently at the side of local communities lending them a helping hand. By maintaining good contacts with local communities, the Company has recorded, evaluated and prioritised key issues relevant to those communities. Based on the needs which emerged, it has been able to place emphasis on prosperity and growth for local communities. Its programmes take a two-pronged approach: bolstering local jobs and entrepreneurship, while also catering for the needs of local communities. The section below sets out the Company's activities in this sector.

Bolstering local employment and entrepreneurship

The Company's goal is to ensure it operates in a sustainable, responsible manner, by minimising its negative impacts on society and the economy and bolstering its positive impacts. To help the local economy grow, the Company is helping increase the number of local jobs, having taken the conscious decision to employ the vast majority of its personnel from local communities and to build partnerships with local suppliers. We prefer to work with local suppliers if the local market can meet the need for services or products.



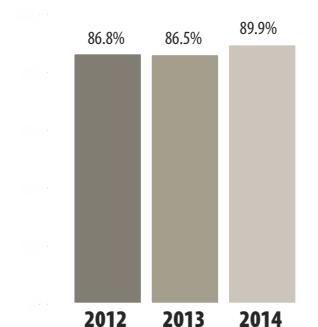


8. Corinth Pipeworks' impact on people

Employing staff from local areas

Corinth Pipeworks has had a positive impact on the local job market, employing 365 local people (or 89.9% of its total workforce) in 2014. 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. 23% of those in managerial posts also come from the local community.

Employees from local communities



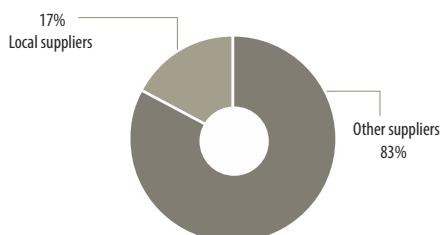
Supporting local suppliers

Local entrepreneurship is supported by hiring suppliers and contractors at the Thisvi Plant from nearby areas. The Company selects 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 2014, 284 of the Company's 1,703 active suppliers came from the local market.

2014 purchases based on suppliers origin



Geographic distribution





Supporting the needs of local communities

Providing practical support for local communities has been ranked as one of the top Corporate Responsibility issues for Corinth Pipeworks. Over recent years the Company has supported vulnerable local groups through what it does, offering sponsorship and donations to local associations and organisations, and supporting the activities of local government across a broad spectrum of issues. Its activities fall into 5 broad categories:

Corinth Pipeworks' societal contribution

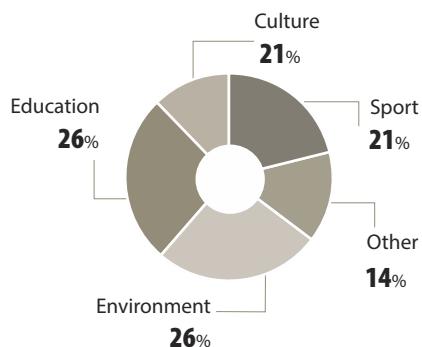
Sport	Sport is a valuable social good and all sporting activities impact positively on the day-to-day life of young and old alike. Corinth Pipeworks constantly endeavours to meet the local communities' real sporting needs, by providing financial support to numerous sports clubs. Corinth Pipeworks helped the Domvrena junior football team buy kit and also covered the cost of sports gear during local matches organised by the Domvrena, Prodomos, Xironomi and Ellopia primary schools.
Education	It's a vital priority for Corinth Pipeworks to support and develop education, and in 2014 the Company met the needs of local schools by offering heating oil, consumables or stationery. 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 summer camps.
Environment	During 2014, Corinth Pipeworks contributed to various activities designed to improve the environment of local communities. Once again the Company provided sponsorship for the Thiva Fire Brigade, helped clean up local areas and installed rubbish bins. Corinth Pipeworks also supported a one-day environmental seminar about the Gulf of Corinth held on 10 May for teachers from schools in Domvrena and Alyki in Viotia.
Culture	Every year Corinth Pipeworks is involved in supporting culture events to showcase and preserve local heritage, which organise a wide range of initiatives and measures to promote culture. In 2014, the Company offered sponsorship to various cultural associations, museums and cultural events.
Health and vulnerable social groups	The Company has consistently taken steps to safeguard the health of residents of local communities. In 2014, Corinth Pipeworks arranged for an associated doctor to carry out check-ups at junior and senior high schools in the local area, provided heating oil to old people's homes and helped families facing serious illnesses. With the assistance of the Company's staff, Corinth Pipeworks was also able to collect and distribute clothing, non-perishable foods, books and games to fellow citizens in need.



8. Corinth Pipeworks' impact on people

Corinth Pipeworks' societal contribution during 2014 in each key area is shown in the diagram opposite:

Societal actions per key area



Sport

Company employees recognise that sport is a key element in a balanced lifestyle. With that in mind 62 of them took part in the Athens Marathon on 9.11.2014, providing practical support for this key event in the world Marathon calendar.



2014 Christmas events for local communities in the Thisvi Municipal Unit

To foster closer relations with local communities and meet their needs, Corinth Pipeworks has been holding Christmas parties at local schools for the last 7 years. More people than ever are now involved in the parties, which now feature new activities and showcase the importance of cooperation and making a contribution as elements essential in building lasting relationships and solidarity. Company employees were actively involved in the parties, utilising their knowledge and experience to ensure the event was a success.



The measures included:

- Working with the Domvrena junior and senior high schools to host the 'Christmas of Love' event, which featured theatrical performances for residents of the local communities in the Thisvi Municipal Unit. The Domvrena junior and senior high schools chose the plays, selected the cast from among the pupils and staged the show. Corinth Pipeworks undertook the organisational aspect of things and advertised the shows in the villages in the Thisvi Municipal Unit.
- The 7th Annual Christmas Party for kindergartens and primary schools in the Thisvi Municipal Unit was held. This year's event included (1) short theatrical sketches performed by the pupils for their classmates, (2) a painting competition about Christmas and (3) a party featuring clowns, elves and gifts for every child. The party took place at the Thisvi Museum of School Life. All 105 pupils who attended had a great time.

Measures for local communities

Continuity and reliability



8. Corinth Pipeworks' impact on people

Internships at the Thisvi plant

Corinth Pipeworks has long-term partnerships with universities, and in 2014 gave 7 students the chance to be interns in various departments within the Company. It also allowed another 2 students to work at the Company and gain professional experience.

Partnership with the National Technical University of Athens' Department of Mining Engineering

For the fourth consecutive year Corinth Pipeworks worked closely with the National Technical University of Athens' Department of Mining Engineering on research which has been under way since 2001 relating to the development, manufacture and permanent installation of equipment to measure the magnetic properties of metals (Barkhausen and magnetisation – demagnetisation loop). This highly innovative piece of research, developed by the NTUA on the Drop Weight Tear Test (DWTT) equipment at Corinth Pipeworks' lab, evaluates the mechanical properties of steel (DWTT, toughness). As part of the research, in 2014 results were analysed and distributed, and Corinth Pipeworks and the Department have filed a joint research proposal for funding from the General Secretariat for Research and Technology.

The Educational programme 'Life without garbage: reduce, reuse, recycle'

The Company believes it is vitally important for school pupils to be made aware about the environment and so participated in the Educational Programme 'Life without garbage: reduce, reuse, recycle' run by the Viomatiko Scholio (Experiential School) and the non-profit organisation QualityNet Foundation in cooperation with the Aluminium Can Recycling Centre (CANAL) owned by Elval S.A., to provide information to the educational community about managing waste and recycling, and to mobilise them into action. 18 pupils from the Domvrena Primary School and 20 from the Xironomi Primary School took part in the programme.



From the Educational Programme 'Life without garbage'



Freeing trapped birds at the Company's facilities

On 17.7.2014 Company personnel spotted young wild birds (of the species *Falco tinnunculus*) in a ditch about 5 m deep at the Company's facilities. It was somewhere they would have great difficulty escaping from. Employees immediately mobilised and called the ANIMA Wildlife Protection and Care Association, which was thought to be the body most suitable to manage the situation.



One volunteer from the Association visited the Company's facilities to free the birds and did in fact manage to successfully and safely free them.

Volunteerism programme: "Together for Social Solidarity" – "Support packets"

Volunteerism is an integral part of Corinth Pipeworks' corporate culture and proof positive of just how socially attuned and aware its employees are. Each year, as part of the Company's societal contribution it runs at least one volunteerism programme to help vulnerable social groups.

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 2014, the items collected were used to create 50 "Support Packages". A number of these packages were given to the "Panagia Makariotissa" Association, a local charity which distributed them to poor families in the Thisvi Municipal Unit, while other were given to the Thiva and Livadia Holy Metropolis to be distributed to those in need.

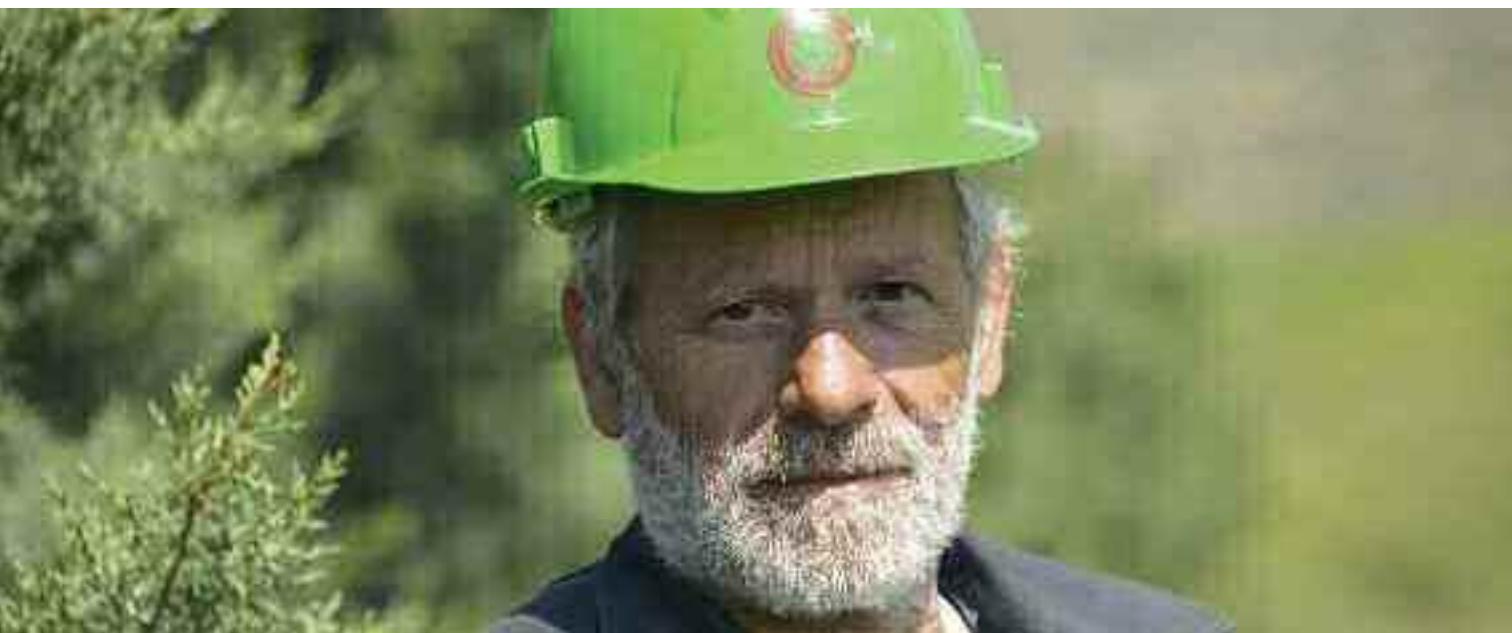


Volunteer blood donations

Having recognised that donating blood is an important way in which one person can show solidarity with another, for the last 13 years Corinth Pipeworks has operated a blood bank for employees and their families. In 2014, two blood donation events were hosted at the Company's plant in Thisvi, Viotia. Blood donation events are organised in partnership with the Gennimatas General Hospital in Athens. A total of 87 employees donated blood, giving 53 units to people in need.



9. Responsibility for the environment



Our approach to environmental protection

Continuous improvement

Corinth Pipeworks' practices

Climate change and greenhouse gases

Environmental performance indicators

Noise abatement

Waste management



9.1 Our approach to environmental protection

A key aspect of Corinth Pipeworks' business culture is respect for the environment, coupled with measures to safeguard and protect it, since these are vital factors in Sustainable Development. The Company not only implements the applicable laws but also takes steps to more rationally manage waste and address the impacts of climate change, to decisively minimise its own environmental footprint.

Environmental policy

Corinth Pipeworks has developed an ISO 14001:2004 Environmental Management System which it implements and is constantly improving, and also implements the key principles of its environmental policy without fail.

Key elements of Corinth Pipeworks' environmental policy

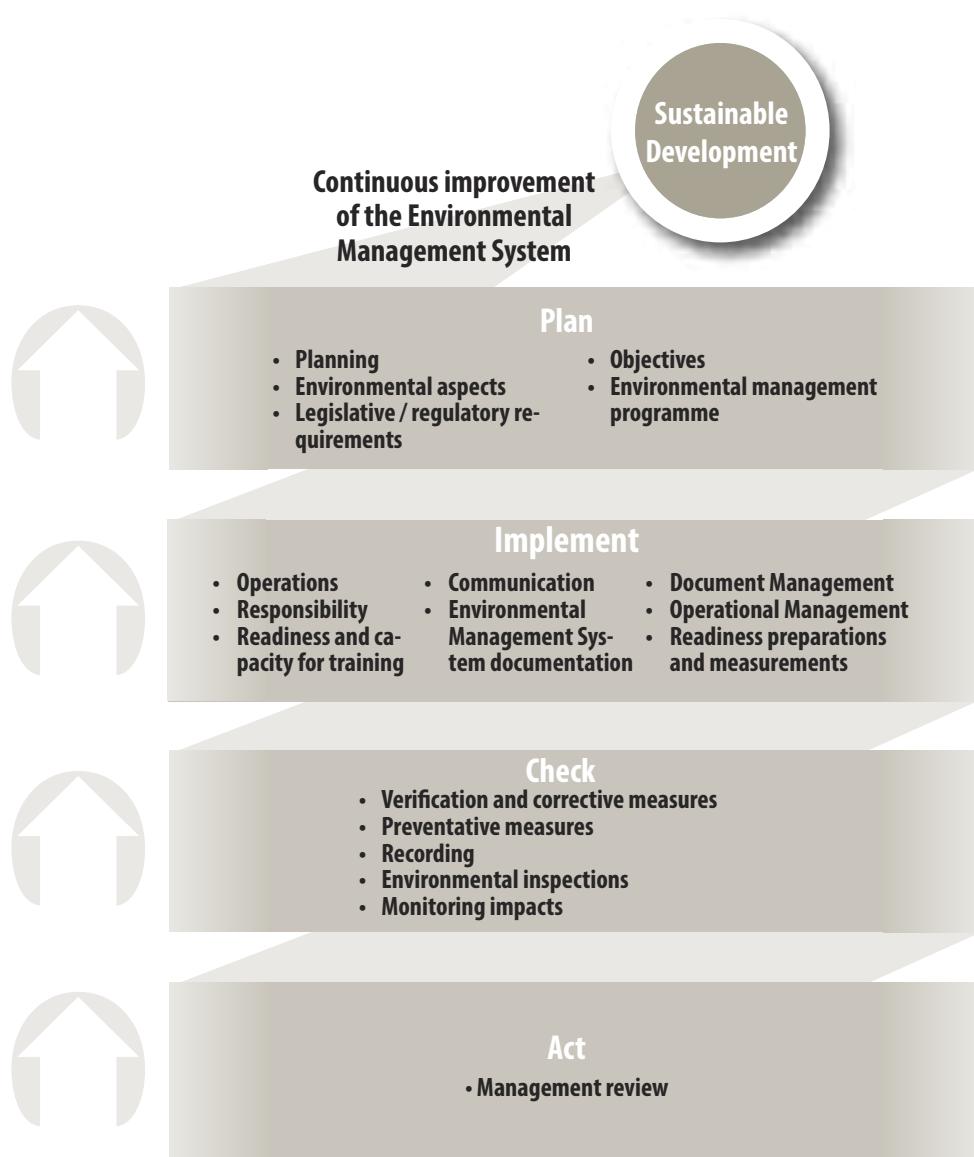




9. Responsibility for the environment

9.2 Continuous improvement

To implement its environmental policy across its entire range of operations, the Company's management team has appointed a health, safety and environment manager who reports directly to the Thisvi Plant Director. The health, safety and environment manager runs training courses and briefs staff, provides information and devises solutions, monitors environmental KPIs and in general ensures continuous improvement of Environmental Management System performance levels.

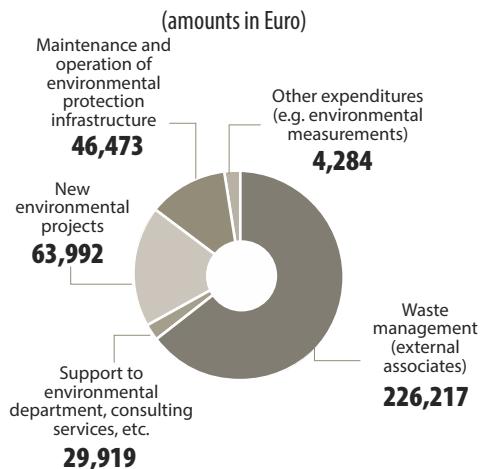




Environmental investments

In 2014, Corinth Pipeworks invested EUR 370,885 in the environment, demonstrating the Company's continuing endeavours to improve its own infrastructure and reduce its environmental footprint. Particular emphasis was placed on spending on waste management and new environmental infrastructure projects which accounted for 65% and 18.2% of overall investments respectively.

Expenditure in environmental protection 2014



Employee training

During 2014, 114 employees received training, up 6.12% on the hours each employee received on environmental issues in 2013.





9. Responsibility for the environment

9.3 Corinth Pipeworks' practices

Programmes to improve the Environmental Management System

To ensure continuous improvements to its Environmental Management System, Corinth Pipeworks ensures that it takes steps to reduce the environmental impact of its operations and activities, while also implementing best practices to stimulate employee awareness of environmental issues. In 2014, the Company ran the following programmes at its plant to help achieve this:

-  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

Given the activities its production plants are engaged in, Corinth Pipeworks has taken steps to limit greenhouse gas emissions, which contribute to climate change, and to reduce the level of electricity and thermal energy consumed.

To reduce VOC emissions, the Company has ensured - where possible - that it replaces the paints used in production with new low VOC content ones. The Company has installed energy saving filters and uses more environmentally-friendly forms of energy such as LPG, as well as 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 materials and in staff transportation

The Company's overall environmental strategy has been designed to reduce CO₂ emissions released to the atmosphere when transporting the Company's staff. To reduce the number of trips involved the Company:

- Employs staff from the local community.
- Provides rent subsidies for executives so that can live close to the plant.
- Uses rented buses to transport 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.

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

Initiatives to limit water usage

Corinth Pipeworks ensures that it limits water consumption in its production processes by adopting practices to limit the actual quantity used. More specifically, it 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. At the same time, hydraulic/plumbing facilities are regularly maintained to avoid leaks, to minimise the Company's water footprint.

Initiatives for proper management of chemicals

Corinth Pipeworks complies with the legislation and regulations on proper management of chemicals which are vital for its production processes, in order to ensure that both the environment and employees are safeguarded. To reduce its environmental footprint, Corinth Pipeworks 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.



9. Responsibility for the environment



9.4 Climate change and greenhouse gases

Corinth Pipeworks believes it is important for companies to develop collective environmental awareness to enable greenhouse gases to be reduced and climate change combated. To achieve that, the Company has made concerted efforts to monitor the greenhouse gases being emitted to the atmosphere from its operations. Having adopted the international Greenhouse Gas Protocol the Company has acknowledged the value chain and records, checks and attempts to reduce its environmental impact from greenhouse gas emissions in line with that initiative. Its efforts are shown in the diagram below.

Corinth Pipeworks monitors and checks greenhouse gas emissions in the following stages:

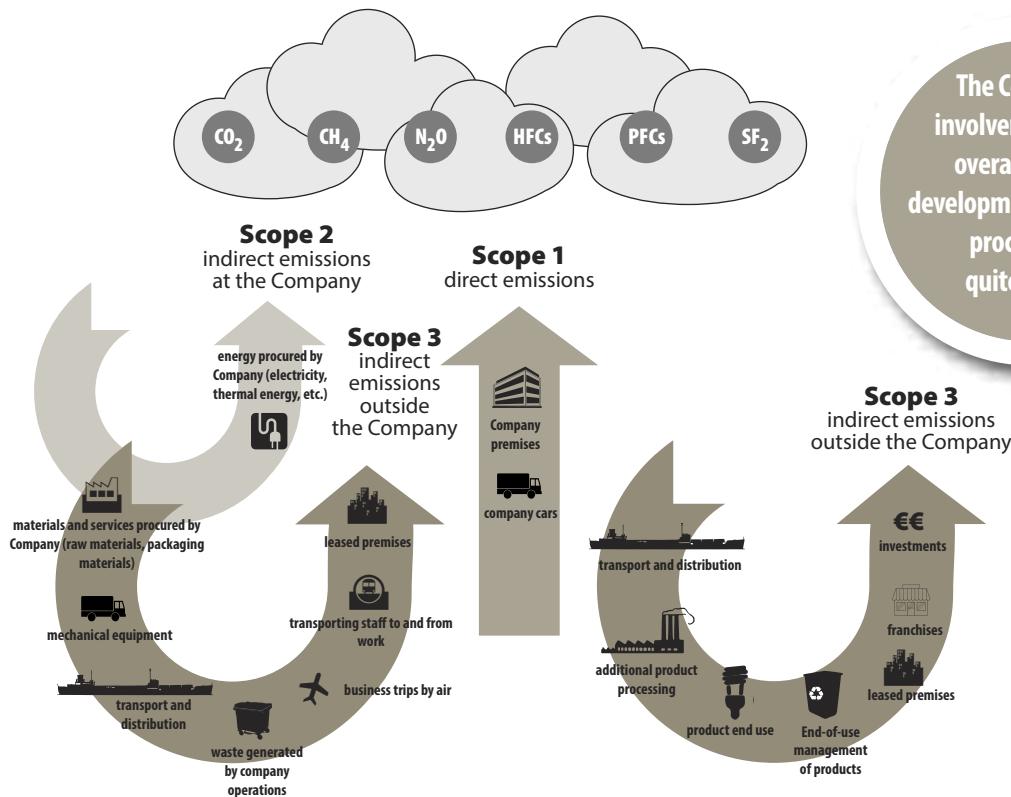
1. Direct emissions (Scope 1).
2. Indirect emissions, within the Company (Scope 2).

Indirect emissions outside the Company (Scope 3) are only checked in relation to how waste from its production processes is managed (see the section entitled 'Waste Management').

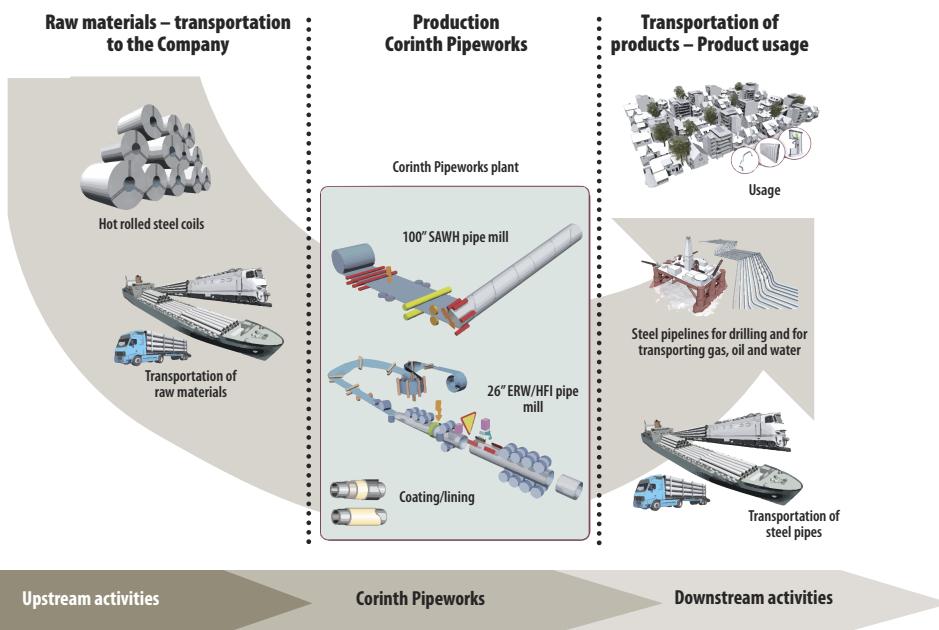
The Company strives to reduce its environmental impact, and to constantly record and monitor that impact. For Corinth Pipeworks, top priorities include cutting direct and indirect greenhouse gas emissions as well as saving natural resources.



The Greenhouse Gas Protocol Initiative



Corinth Pipeworks' value chain mapping



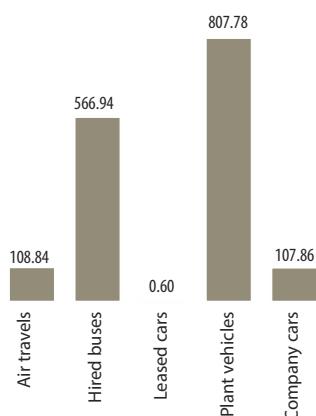


9. Responsibility for the environment

9.5 Environmental performance indicators

Greenhouse gases

CO₂ emissions from transportation (in tn)



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

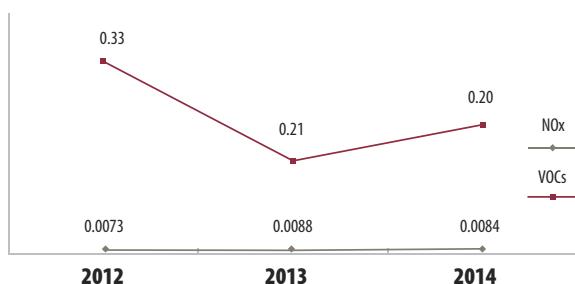
A factor of 0.82 kg of CO₂ / KWh was used to calculate CO₂ emissions for 2014.

A factor of 0.82 kg of CO₂ / KWh was also used to calculate CO₂ emissions for 2013.

A factor of 0.88 kg of CO₂ / KWh was used to calculate CO₂ emissions for 2012 (revised figures).

The methodology used to calculate emissions is the one used by the World Resources Institute (WRI) in its Greenhouse Gases Protocol.

Air emissions* (in tn)



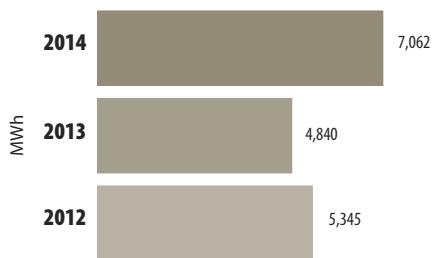
The rise in CO₂ and NO_x emissions was due to the need for more thermal energy due to increased production

* NO_x quantities are calculated based on LPG and oil consumption.

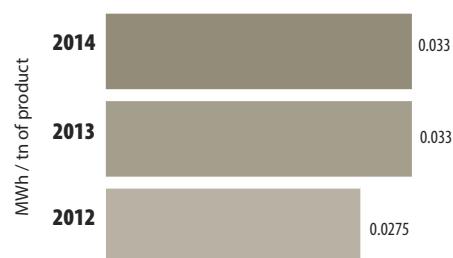


Energy consumption

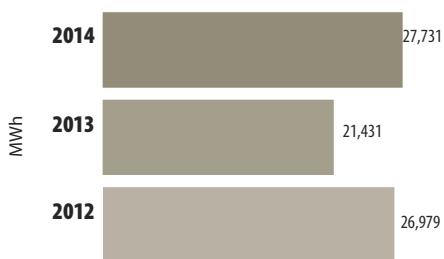
Thermal energy consumption



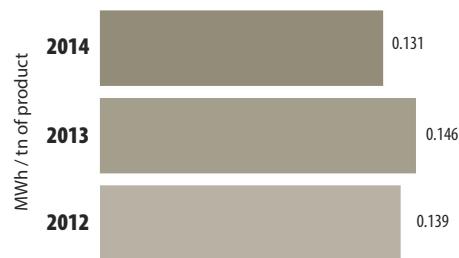
Specific thermal energy consumption



Electric energy consumption



Specific electric energy consumption



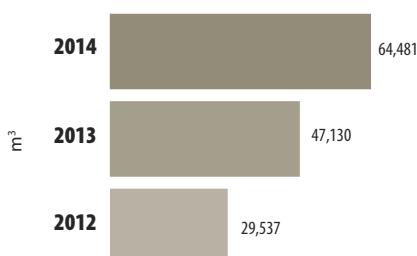
Total thermal energy and electricity consumption rose in 2014 as did the level of water consumption due to increased production

Specific energy consumption, though, dropped by 10% in 2014



9. Responsibility for the environment

Water consumption for industrial use



The total quantity of water needed in the production process was 122,077 m³ 34.9% of that figure (or 42,557 m³) was recycled meaning that the final consumption figure was only 79,520 m³

Water consumption

Water consumption per source (in m ³)	2012	2013	2014
Water transport network from the Mornos River	29,537	47,130	64,481
Municipality of Thiva water supply network	11,602	8,916	15,037
Purchased bottled water	6.7	1.6	2.04
Total water consumption	41,146	56,048	79,520

9.6 Noise abatement

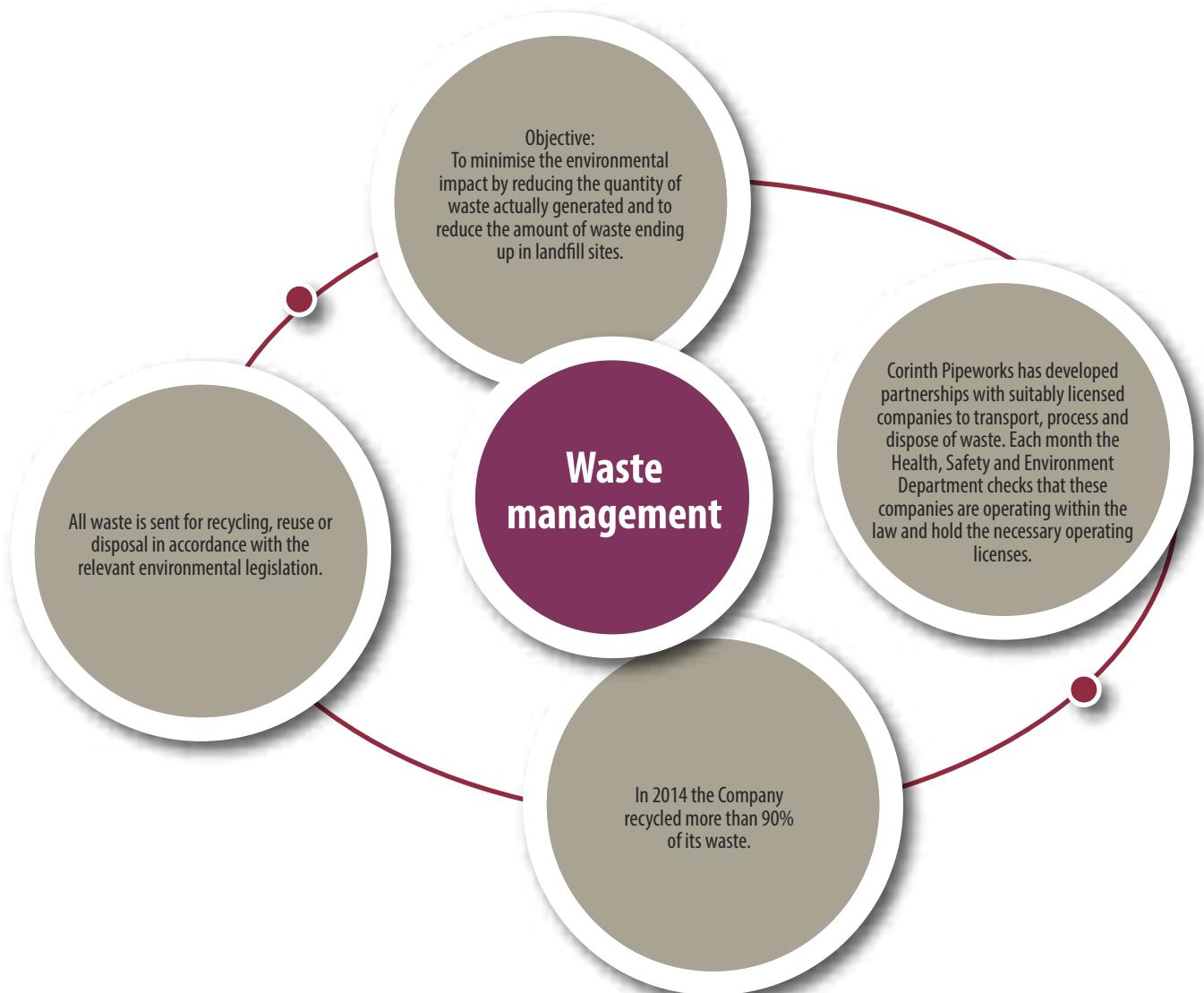
Corinth Pipeworks aims to protect employees' health and to faithfully observe the laws and regulations relating to noise assessment and abatement. Noise sources have been recorded at all the Company's production plants and measures taken to reduce noise levels.





9.7 Waste management

A key aspect of environmental responsibility for Corinth Pipeworks is proper waste management. For that reason, the Company ensures that it not only reduces the final quantity of waste generated but is also constantly increasing the amount being recycled. It has developed partnerships with suitably licensed companies to transport, process and dispose of waste. There was a rise in certain categories of waste in 2014 due to increased production and due to the nature of work the Company engages in.





9. Responsibility for the environment

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)		
		2012	2013	2014
Metal packaging	Recycling	6.5	4.1	5.25
Scrap steel	Recycling	- ¹	- ¹	- ¹
Scrap cables – copper	Recycling	0.00	4.40	10.51
Ferrous metal dust and particles	Recycling	395.9	367.6	481.18
Welding waste	Reuse as flux	100	168.4	237.95
Paper	Recycling	25.6	18.9	26.27
Wood	Recycling	96.3	60.7	93.91
Plastic	Recycling	195.4	214.5	281.99
Tyres	Recycling	4.9	2.9	2.66
Electrical & electronic equipment waste	Recycling	7.8	3.5	15.46
Epoxy powder	Energy generation	156.3	117.4	80.37
Waste to	Landfill sites	71.37	71.3	102.49
Materials for energy generation	Energy generation	49.8	1.1	0.85
Spent lubricating oils (liquid)	Recycling	19.5	7	5.59
Batteries	Recycling	1.3	1.9	1.41
Paint & varnish waste (liquid)	Energy generation	24.6	23.2	25.38
Emulsions (liquid)	Energy generation	610.8	115.8	555.87 ²
Waste grease	Energy generation	2.9	3.6	4.56
Contaminated absorbents	Energy generation	4.2	5.4	11.68
Fluorescent lamps	Recycling	0.2	0.2	0.28

1. *The Company prefers not to publicly disclose this specific data.*
2. *The major fluctuations in emulsion quantities are due to machinery and equipment maintenance work which is carried out over a two-year period.*





10. Corporate Governance



Corinth Pipeworks' Corporate Governance framework

The Board of Directors

Internal audit system

Risk management system

Avoiding conflicts of interest

Shareholder communication

**Managing transparency and
corruption issues**

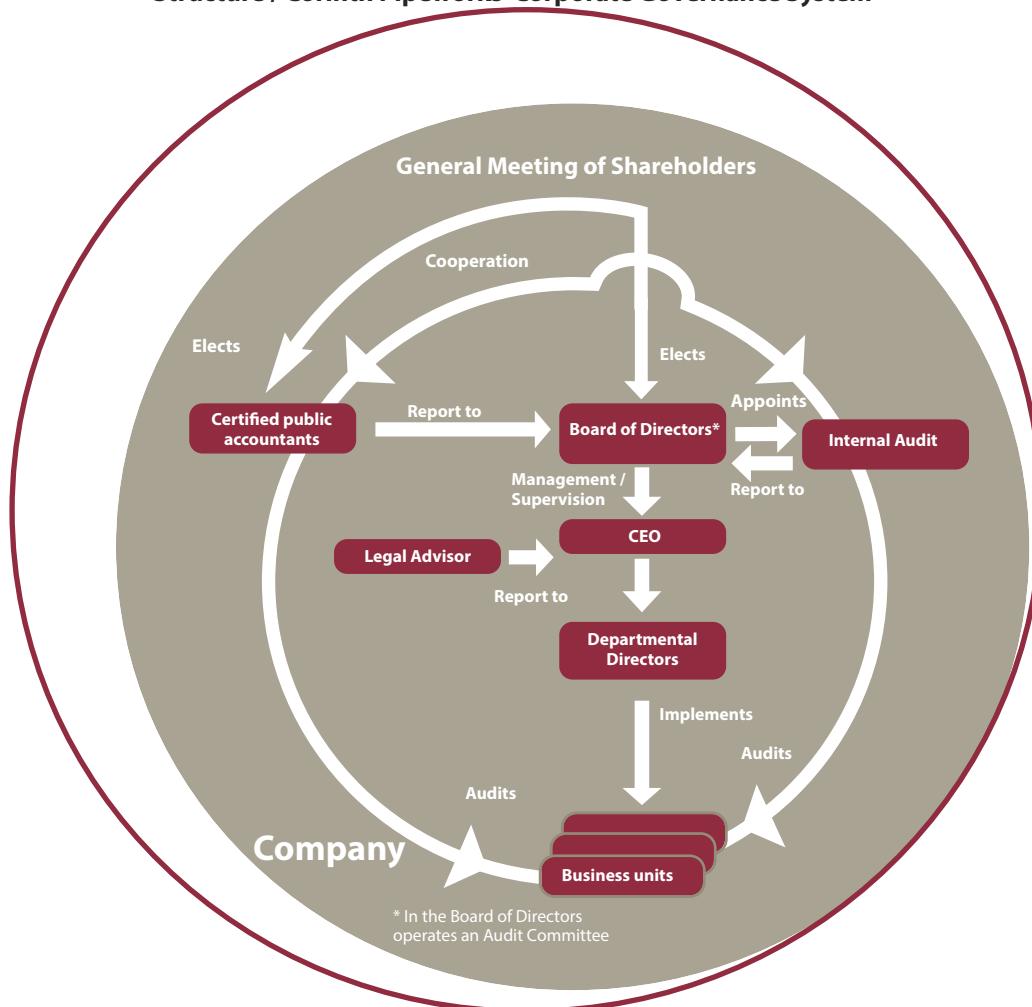
10.1 Corinth Pipeworks' Corporate Governance framework

Corinth Pipeworks has devised a Corporate Governance framework that reflects international practices and standards. The Company complies with the Greek legislation on Corporate Governance currently in force, monitors the field for developments and has also voluntarily adopted the Hellenic Corporate Governance Code drafted by the Hellenic Corporate Governance Council. Any derogations from the provisions of that Code are clearly outlined in the Annual Financial Report.

Corinth Pipeworks ensures that shareholders and potential investors as well as all stakeholders receive adequate, up-to-date information in time thanks to a well-organised Corporate Governance system which includes:

- Management bodies with clearly defined roles, competences and duties
- A suitable organisational structure and appropriate company procedures in place
- An effective internal audit system and risk management system
- An organised approach to in-house and external communications.

Structure / Corinth Pipeworks' Corporate Governance System





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. Moreover, the Board of Directors:

- is responsible for developing the Company's long-term strategy and operational goals, and for checking whether those goals are being achieved
- is responsible for approving company policies and procedures
- ensures that there are no conflicts of interest
- examines potential cases of privacy policy failure
- is responsible for ensuring that the Company's financial statements, budget and investments are reliable, before presenting them to the Ordinary General Meeting for approval.

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 and that the relevant decisions are taken. 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.

Corinth Pipeworks 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 social performance.

The Board of Directors' performance is assessed at least once a year by the Ordinary General Meeting, when the results of decisions the Board of Directors has taken about company operations and growth are scrutinised. Board members are paid a fee which is approved by the General Meeting of Shareholders and is linked to the Company's overall performance, both financially speaking and in terms of responsible operations

Corinth Pipeworks' Board of Directors is selected by the General Meeting of Shareholders and serves a one-year term in office. The Company's current Board of Directors consists of 6 members elected by the General Meeting of Shareholders on 27.5.2014. Members of the Board are selected

1. The criteria for selecting independent non-executive Board members are:

- a) They are not currently and have not been employees, senior executives, or chairmen of the Board of Directors of the Company or a subsidiary during the last 3 years.
 - b) During the previous year they did not have any material business relationship with the Company or a subsidiary, particularly as a major customer, supplier or advisor to the Company, or as a partner, shareholder or member of the Board of Directors or senior executive of a legal entity which had a relationship of that type with the Company or a subsidiary.
 - c) They are not relatives to the second degree or spouses of independent non-executive members of the Board of Directors, senior executives, advisors or major shareholders in the Company or subsidiary and
 - d) They do not hold shares in Corinth Pipeworks (or only have a very small holding).
- Non-executive members are persons not engaged in the day-to-day management of the Company's.

to ensure that the Company's supreme management body can take objective decisions. To protect the interests of shareholders and guarantee the Company's continuing viability, the majority of members appointed to Corinth Pipeworks' Board of Directors are non-executive members, with at least 1/3 being independent non-executive members.

Corinth Pipeworks recognises that having non-executive and independent non-executive members on its board is no panacea on its own, and when selecting members of the Board relies on other criteria as well such as adequate experience, knowledge of the Company's operations, leadership skills, integrity and honesty.

More information about the Board of Directors' responsibilities and its functions can be found in the 'Corporate Governance Statement' section of the 'Annual Report'.



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. 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 World-wide 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 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 positions 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 position 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 supply chain management, technical and industrial performance and operations strategies in projects located in various countries around the world.



10. Corporate Governance



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 is a Metallurgical Engineer and graduated of the National Technical University of Athens and holds postgraduate degrees (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, Steel Procurement Director

Nikolaos has been working at Corinth Pipeworks since 2011. He holds a BSc degree in mechanical engineering from University College London, an M.Sc. in Advanced Applied Mechanics and an M.Sc. in Management Science both degrees from Imperial College of Science and Technology London. He joined Sidenor Group in 2006 as Pipe and Tubes unit Operational Director. Prior to that Nikolaos held managerial positions in Friesland Foods, Tetra Pak, Alfa Laval and Diamant Boart.

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 position 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 bachelor's 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, Head of Quality Control and Head of the Quality Control Lab.

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



10. Corporate Governance

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.

Corinth Pipeworks' operations are supported by its governance bodies, the Internal Audit Department, the Legal Advisor's Office and the Company's various divisions and departments.

More information about Corinth Pipeworks' organisational structure is available on the website www.cpw.gr in the section entitled Investor Relations / Corporate Governance / Executive Management.

Audit Committee

Corinth Pipeworks' Audit Committee			
Name	Surname	Non-Executive Member	Independent Member
Meletis	Fikioris	√	
Nikolaos	Galetas	√	√
Andreas	Kyriazis	√	√

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. The Audit Committee has the following specific responsibilities:

- It oversees the Internal Audit Department, which reports directly to the Committee, reviews internal audit reports, evaluates how adequate they are and confirms whether they are accurate, and also determines whether the findings are adequately supported.
- It ensures that the certified public accountants are independent and recommends which auditing firm should be appointed to review and audit the Company's financial statements.
- It monitors the auditing of the Company's financial statements to ensure that procedures are comprehensive and comply with the provisions of the IFRS.
- 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.

During 2014 the Audit Committee, attended by all members, met 4 times.

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. Corinth Pipeworks' goal is to ensure an effective Internal Audit System so it can safeguard its assets and identify, record and then mitigate major risks.

As a unit which reports directly to management, the Internal Audit Department plays a decisive role in monitoring the Internal Audit System, examining the effectiveness of existing checks and balances to determine if they have been properly designed and are working correctly, and evaluating current company procedures to ensure that company business goals are being achieved.

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.



10. Corporate Governance

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 to recognise and assess the risks the Company faces, to determine its risk appetite and to take appropriate preventative and corrective measures. The Company continuously evaluates the effectiveness of its risk management policies and develops new monitoring tools.



The Company is exposed to financial and business risks due to the nature of its operations. Those risks are summarised 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"> • Market risk (foreign exchange risk, interest rate fluctuation risk, product price fluctuation risk) • Credit risk (banks and customers) • Liquidity 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 managed can be found in the Corinth Pipeworks Annual Financial Report for 2014 available on the Company's website www.cpw.gr (in the section entitled Investor Relations / Reports and Presentations / Financial Statements).</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 <i>ceteris paribus</i>, 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.</p> <p>Freight costs are also another major cost for the Company, and over recent years it has been particularly 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>

In addition to the financial and business risks Corinth Pipeworks is exposed to, the Company has also recognised environmental and occupational risks as well as operational risks. For several years now the Company has been making important investments in preventative measures to reduce the probability of such risks occurring.

Risk category	Description
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>



10. Corporate Governance

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 systematically monitored and everyone in the Company, at all levels, is briefed about them.

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.

Operational risks are tied into production costs, risks from climate change and natural disasters, and problems with organisation, internal procedures, labour relations, project management, the Company's IT systems and any 'blips' in company operations due to the human factor.

To address operational risks, Corinth Pipeworks:

- carries out a comprehensive series of training courses every year on all aspects of its operations
- carries out regular inspections
- puts in place the appropriate organisational and operational policies and systems
- puts in place a code of conduct and monitors how it is being implemented
- concludes agreements to protect the Company from risk or mitigate its risk exposure
- collaborates with the local authorities to address any natural disasters which occur.

To make improvements in this sector, in 2014 Corinth Pipeworks revised its Corporate Code of Conduct and also drafted a Suppliers Code of Conduct.

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.

- 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.
- A data confidentiality policy is in place. Under it, company executives, personnel and associates are specifically and expressly subject to a duty to keep information relating to company operations, transactions and customers confidential.
- 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.
- The Company complies with the Greek Corporate Governance Code.

10.6 Shareholder communication

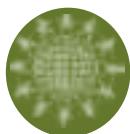
Corinth Pipeworks ensures that shareholder communication is efficient and effective and that information is provided at the right time. The Company recognises the added value that minority shareholder involvement in the Company can have, as it grows by taking account of their voice. Minority shareholders are therefore encouraged to participate in the General Meeting, to express their views and to communicate with Board members.

Corinth Pipeworks also runs an Investor Relations Department and has appointed a Head of Shareholder Relations and Head of Investor Relations who liaise with shareholders, are willing to serve them and ensure that lines of communication between both sides remain open at all times. The Investor Relations Department provides shareholders with briefings about responsible answers to all questions and queries in time. The Department gathers together the issues raised by all company shareholders and forwards them to the CFO and CEO so that they can be raised with the Board of Directors.

10.7 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, the Company has adopted a precautionary approach and 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 CSR



Sustainable Development Policy and Corporate Responsibility pillars

Strategic integration and management of Corporate Responsibility

Engagement and dialogue with stakeholders

Materiality analysis

The UN Global Compact and ISO 26000 standard

Corinth Pipeworks' membership of networks

Awards, appraisals and distinctions

Performance against 2014 targets

Corinth Pipeworks' targets for 2015



11.1 Sustainable Development Policy and Corporate Responsibility pillars

Corinth Pipeworks recognises that it has grown and developed by integrating Corporate Responsibility principles in its *modus operandi*, which explains its systematic approach to implementing programmes for each of its Corporate Social Responsibility priorities.

Corinth Pipeworks' Corporate Responsibility pillars





11. Strategic approach to CSR

Developing and implementing programmes per CSR pillar is the only way, for the Company, towards Sustainable Development

Corporate Responsibility is an integral part of how Corinth Pipeworks takes decisions on strategy, R&D, production and other critical sectors. Corinth Pipeworks has developed a CSR and Sustainable Development Policy which sets out its key Corporate Responsibility pillars and outlines the types of actions to be taken in relation to each pillar.

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:

- 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, collaborates 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 programmes, 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

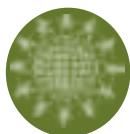
The Company aims to achieve positive financial results, implements a system of sound corporate governance and, assesses and manages business risks in order to safeguard the interests of the stakeholders. It develops procedures and takes measures both to enhance transparency and to prevent and combat 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 on-going training and development of human resources with respect to its personnel diversity.



11. Strategic approach to CSR

4. Occupational health and safety

A healthy and safe working environment is a matter of primary importance to the Company. Corinth Pipeworks 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 programmes 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.

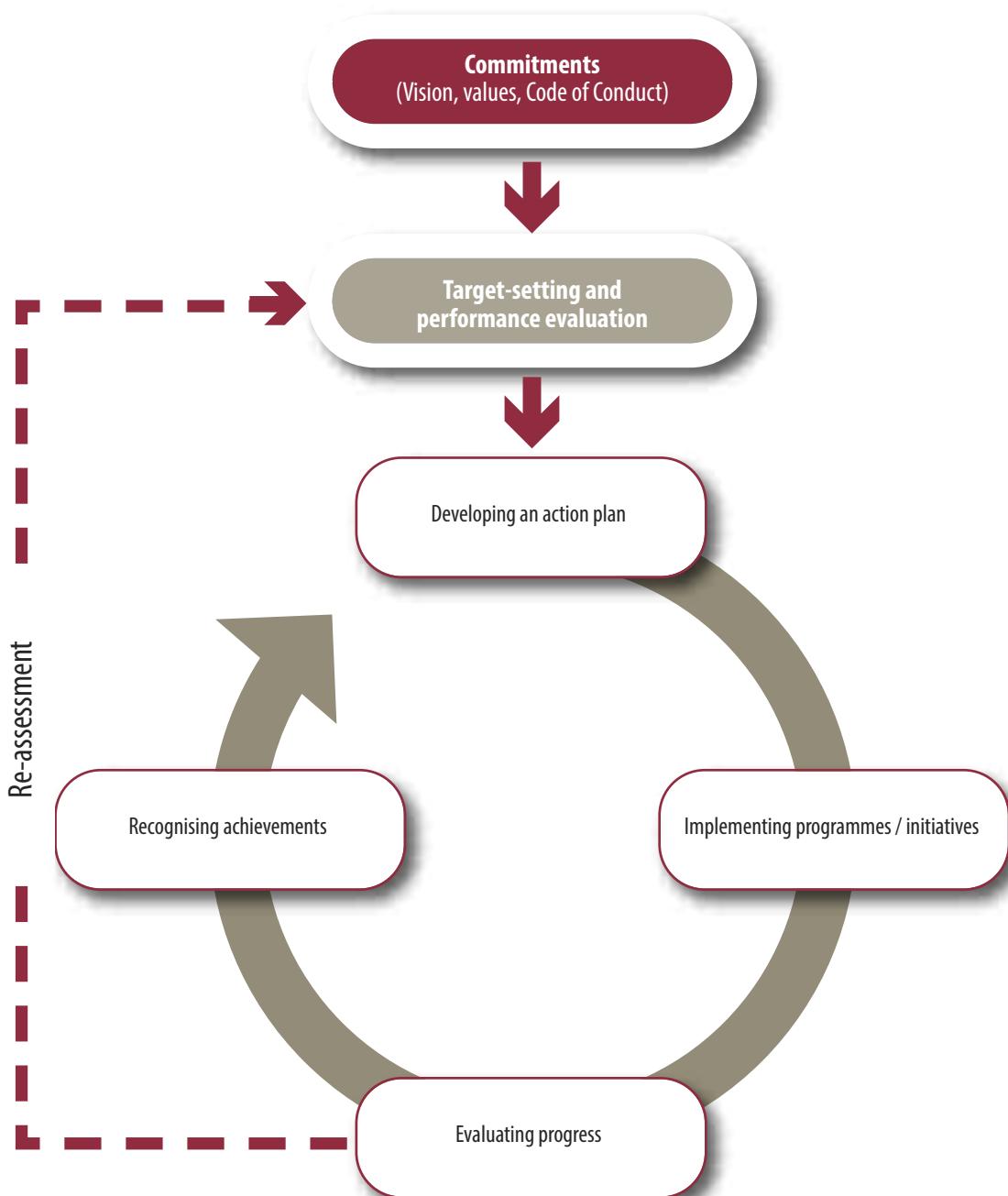
In respect of all the above key issues concerning Corinth Pipeworks and its subsidiaries, the Company sets targets of Corporate Social Responsibility and Sustainable Development, which are annually assessed for their effectiveness and revised when deemed necessary. The policy, the performance of Corinth Pipeworks in the issues of Corporate Social Responsibility, as well as the implementation of relative programmes 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.

With the cooperation
of the Corporate Responsibility
team, Company Management
ensures that it receives
the very best possible
information, and that it
effectively manages issues tied
into its economic,
environmental and social
impact



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 set annual and triennial targets in light of those commitments. The Company's overriding goal is to achieve continuing improvements in its operations on all levels.





11. Strategic approach to CSR

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.

Integrated management of Corporate Responsibility issues is a matter of concern for the entire Company. This includes:

Corporate Social Responsibility Management at Corinth Pipeworks





11.3 Engagement and dialogue with stakeholders

Corinth Pipeworks has recognised those groups directly or indirectly affected in a positive or negative way by its business activities, or which affect its activities, as stakeholders. It has also acknowledged that there are factors such as the location, range, and nature of the Company's operations that affect the nature of those groups. The process of identifying and then ranking company stakeholders is based on the methodology devised by the international organisation Global Reporting Initiative (GRI) and takes account of both the degree of influence each group of stakeholders has on the Company per Corporate Social Responsibility priority and the degree of influence the Company has on each stakeholder group.

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:

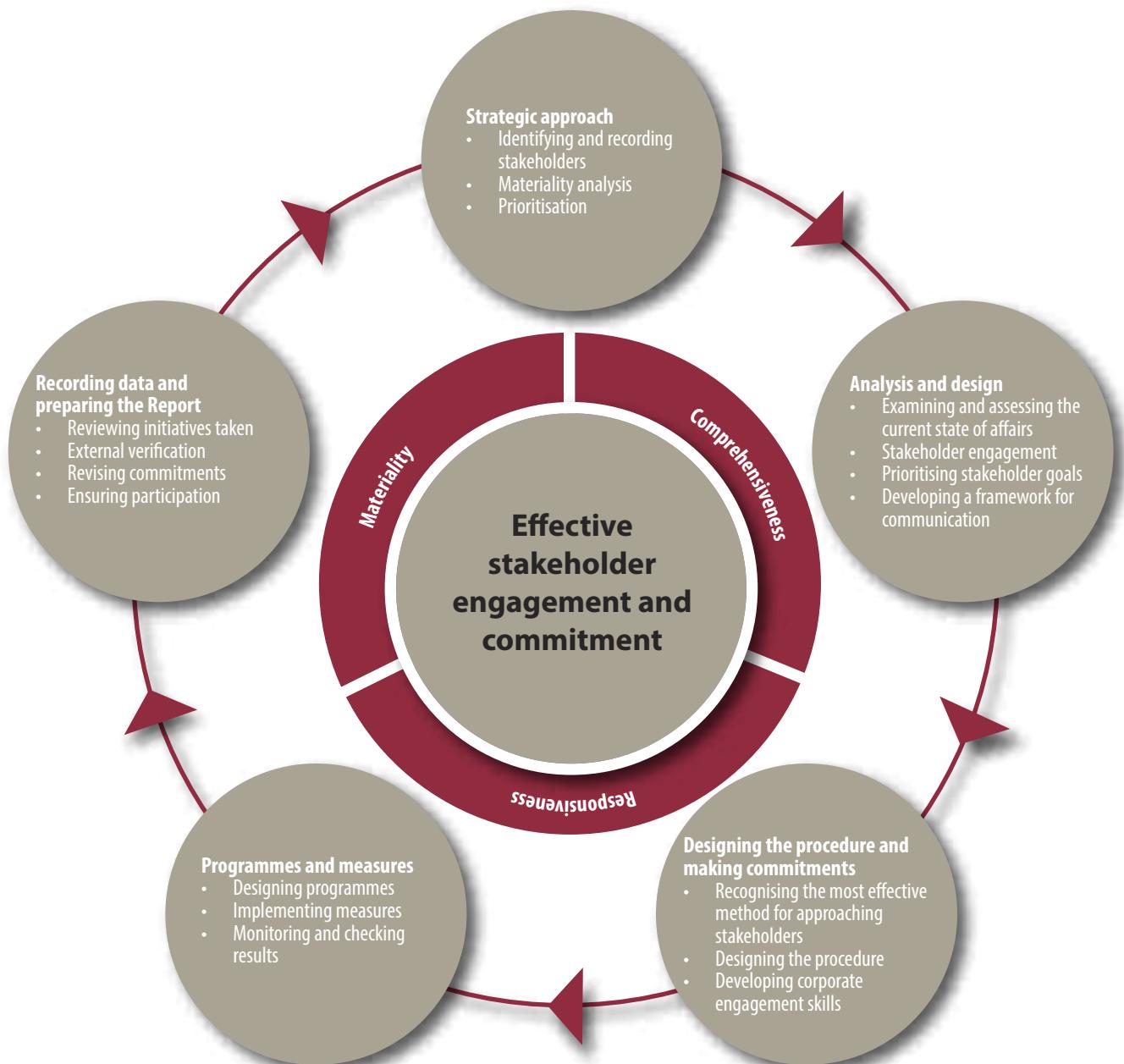
Relationship – Interaction with stakeholders





11. Strategic approach to CSR

Engaging in dialogue with stakeholders helps Corinth Pipeworks 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. Given the commitment Corinth Pipeworks has made to respond to stakeholder requests and expectations, systematic communication and dialogue with stakeholders is the only way forward. To make its commitment a reality, stakeholder engagement includes:





As a concept, stakeholder engagement 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.

In doing so the Company's aim is to keep each stakeholder group briefed, to take their views into account and have their support and understanding in managing the issues it has committed itself to addressing.



11. Strategic approach to CSR

Communication channels with all stakeholders

- Company website: www.cpw.gr
- Annual Financial and Sustainable Development Report
- Company presentations at conferences, various fora and institutional bodies
- Press releases, announcements, advertisements, articles.

Specific communication channels for each stakeholder group

Shareholders and Investors

- Annual General Meeting of Shareholders
- Investor Relations Department (Head of Investor Relations and Head of Shareholder Relations)
- Regular press releases, announcements and reports
- Publication of the Annual Report
- Publication of the Annual Corporate Responsibility and Sustainable Development Report
- Presentation at Association of Institutional Investors
- Attendance at investor road shows

Customers

- Customer satisfaction surveys
- Constant contact face-to-face and by phone
- Attendance at fairs/exhibitions
- Project Management Department and product certification procedures
- Attendance at industry or customer conferences, fora and events

Employees

- Company intranet
- On-going communication between the Management and Human Resources, via the Open Door Policy
- Briefings via email and announcements on notice boards
- Employee appraisals

Key issues and expectations per stakeholder group

- Achieving economic growth
- Penetration into new markets
- Bolstering the Company's competitiveness and an outward orientation
- Sound Corporate Governance
- Transparent stakeholder relations

- Quality products and services
- Projects implemented reliably and in time
- Policies and procedures ensuring immediate customer service
- Corporate Responsibility

- Development and career advancement
- Benefits
- Insurance coverage
- Equal opportunities



Suppliers



State and institutional bodies



Local communities and NGOs



Procurement Department for each category of supplies

Communication with the Accounting Office about financial issues

Attendance at trade fairs and events

Suppliers systematically briefed about market developments

Involvement in policy- and decision-making (via membership of the Hellenic Federation of Enterprises)

Attendance at conferences

Attendance at events organised by public agencies

Participation in government surveys and consultations

Membership of local bodies such as the Federation of Sterea Ellada Industries and the Hellenic Union of Industrial Energy Consumers (UNICEN)

On-going communication with local community organisations

Participation in local community organisation events and activities

Participation of company representatives in events and fora to exchange views

Main member of the Hellenic Network for CSR (Corporate Social Responsibility Hellas)

Merit-based / objective evaluation

Supporting local suppliers

Briefing suppliers about market developments

Integrating responsible operating criteria

Supporting local entrepreneurship

Development partnerships with NGOs and supporting their activities

Response to local community issues (such as support for local associations)

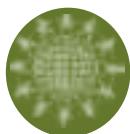
Supporting health

Compliance with the applicable legislative framework and regulations

Support for the State's actions and programmes

Responding to the State's demands in good time

Working to bolster Greek exports

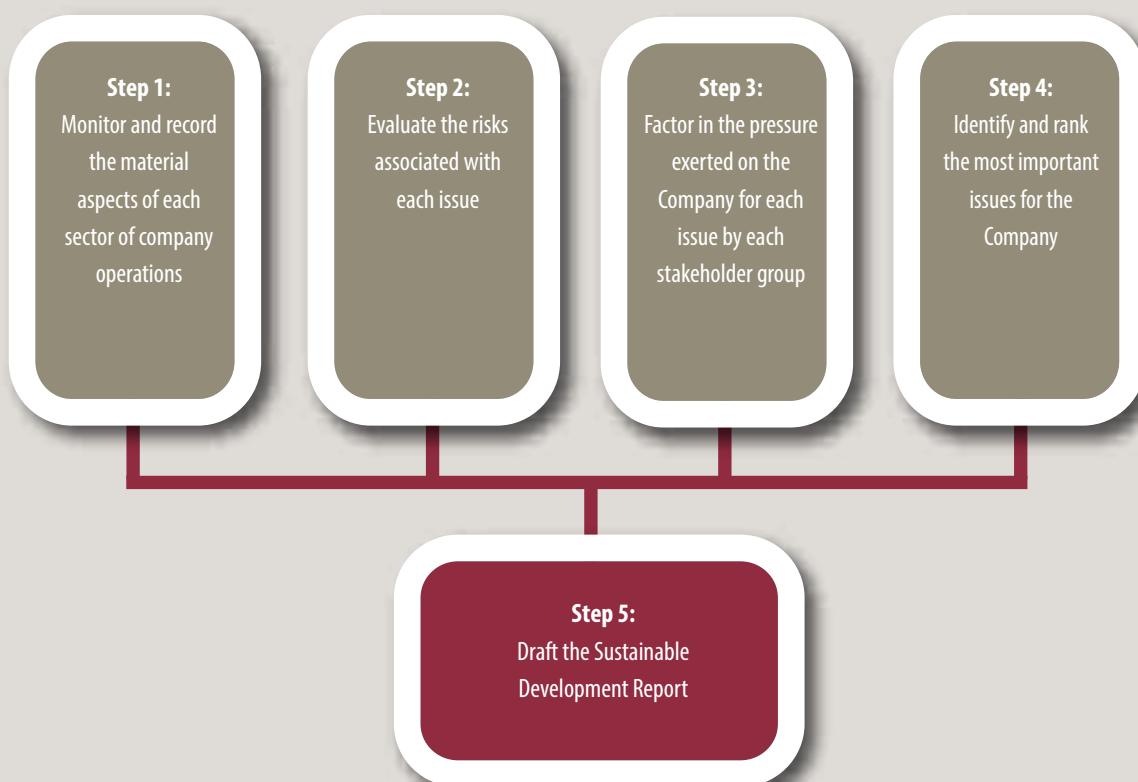


11. Strategic approach to CSR

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.

Materiality analysis (materiality workshop)





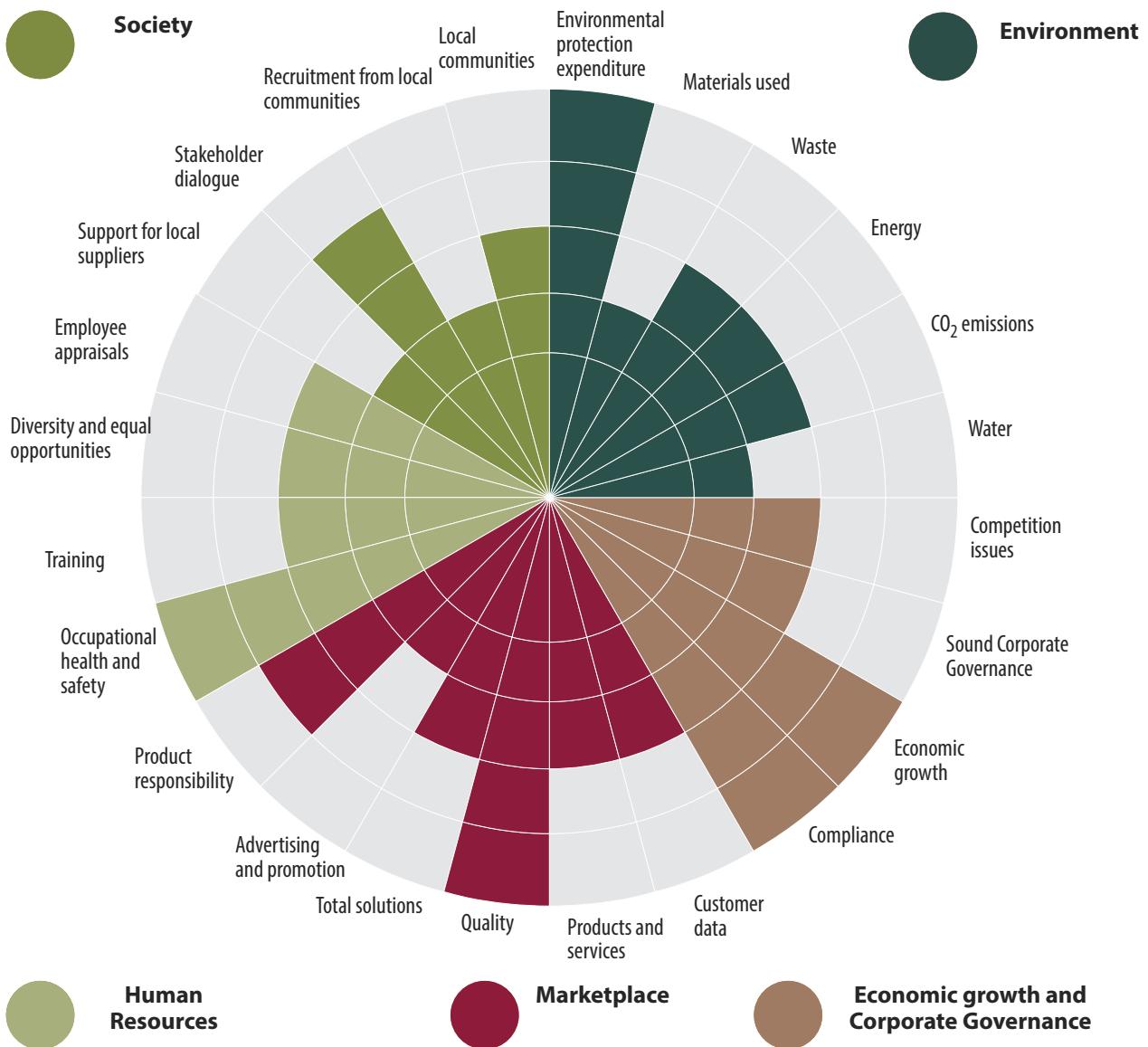
Collecting and reviewing material issues helps Corinth Pipeworks:

- Identify, record and assess potential risks to company Corporate Responsibility pillars
- Identify strengths, weaknesses and opportunities
- Identify issues associated with its long-term strategic goals
- Align its strategic goals with Sustainable Development

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

Corinth Pipeworks' materiality map for 2014 reflects the importance of the social, economic and environmental dimension on each issue

Corinth Pipeworks' materiality map





11. Strategic approach to CSR

11.5 The UN Global Compact and ISO 26000 standard

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 pillar:

The Global Compact's 10 Principles	Policies	Systems and procedures
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 Sustainable Development Policy</p> <p>For Corinth Pipeworks, respect for internationally accepted human rights is an unquestionable value</p>	<p>The Company ensures respect for human rights in all of its activities.</p> <p>The Company has a special procedure for respecting human rights in the workplace. Relevant sections have also been included in the:</p> <ul style="list-style-type: none"> • Code of Conduct • Procedures specified in the Internal Regulations.
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 Sustainable Development 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 an equal opportunities and 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. The procedures specified in the Internal Regulations are implemented.</p> <ul style="list-style-type: none"> • Procedures are in place to ensure that all employees are over 18.
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 Sustainable Development 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>
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 Code of Conduct drafted in 2014</p>	<p>The Company has developed transparent procedures to combat all forms of corruption across its entire range of operations. The procedures specified in the Internal Regulations are implemented. There is also a special procedure to prevent and combat corruption. Numerous audits and inspections are carried out by:</p> <ul style="list-style-type: none"> • The internal auditor • A team of independent auditors.



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

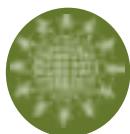
The Company is constantly improving and developing its governance system to ensure transparency across its entire range of activities. Corinth Pipeworks is committed to selecting the right Corporate Governance principles and practices, which will safeguard the interests of all its stakeholders. At Corinth 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 CSR' and 'Integrated services and products'.

Customer issues

Corinth Pipeworks invests in R&D 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 'Integrated services and products'.



11. Strategic approach to CSR

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 Resources", and "Health and safety in Corinth Pipeworks' operations".

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 Resources".

Community involvement and development

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' societal contribution".

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'.

The final section of this Report includes a table showing the correlation between the Global Compact's principles and the indicators used in the Corporate Social Responsibility Reporting framework GRI-G3.1 as well as a table showing the correlation between the new ISO 26000 standard and GRI-G3.1 since the Report was prepared in line with those principles, performance indicators and specific guidelines. (see www.globalreporting.org).



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 due to 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 on the European Network for Corporate Social Responsibility (Corporate Social Responsibility 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.



11. Strategic approach to CSR

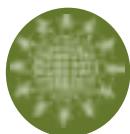


European Pipeline Research Group (EPRG). EPRG is a certified organisation comprised of European gas pipeline manufacturers and companies. The research team deals with issues of gas pipeline technical integrity as well as pipe manufacture, operations and maintenance.



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. Strategic approach to CSR

11.7 Awards, appraisals and distinctions

The international organisation ‘Global Reporting Initiative’ confirms that 2013 Corporate Social Responsibility Report achieves A+ level rating

The 2013 Annual Financial and Sustainable Development Report met the level A+ requirements set out in the international Corporate Social Responsibility reporting guidelines GRI-G3.1. The English version of the Report was sent to Global Reporting Initiative, which confirmed that the Corinth Pipeworks Report had achieved the highest level.

11.8 Performance against 2014 targets

Each year we set ourselves targets for each Corporate Responsibility objective and record the level of improvement. The Company’s performance compared to the targets set for 2014 was as follows:

Targets per Corporate Responsibility pillar	Performance 2014	Comments/Remarks	
	<p>Corporate Governance Review company policies based on results from the risk assessment carried out by an independent body.</p>		<p>Given the results of the assessment the Company revised its Code of Conduct and also prepared a Supplier Code of Conduct. See sections 8.1. Corinth Pipeworks’ human resources / Code of Conduct and 7.7 Supplier Management / Responsible supply change management.</p>
	<p>Marketplace Increase customer response rates to the customer satisfaction survey so that there is a 50% response rate by the end of 2014.</p>		<p>In 2014, the customer satisfaction survey received a 66% response rate. See Section 7.6 Customer service / Customers and the satisfaction survey.</p>
	<p>Develop an integrated responsible supply chain management programme.</p>		<p>In 2014, we drafted a Supplier Code of Conduct. See section 7.7 Supplier Management / Responsible supply change management.</p>



Targets per Corporate Responsibility pillar

Performance 2014 Comments/Remarks

Human Resources

Improve the terms of group contracts for hospital care and include employees' dependents.



Dependents were included in the additional hospital care plan.

Restructure the Company's internal communications and develop a policy on these matters.



The target was rolled over to 2015.

Occupational health and safety

Implement the 5S methodology at our facilities.



See section 8.2. Health and Safety in Corinth Pipeworks' Operations / Implementing the 5S methodology.

Ensure that each employee continues to receive 4.37 hours of training on health and safety issues.



See section 8.2. Health and Safety in Corinth Pipeworks' Operations / Health and safety actions / Emphasis on training.

Environment

Reduce the amount of waste disposed of compared to total waste generated by the plant by 1%.



See Section 9.7 Waste Management

Increase the amount of training per employee on environmental issues by 5% compared to 2013.



The hours of training each employee receives on environmental issues rose by 6.12%.
See Section 9.2. Continuous improvement / Employee training .

Society

Host an info-event at schools in the Thisvi Municipal Unit about the "Life Without Garbage" programme run by the Hellenic Recycling Centre.



See section 8.3. Corinth Pipeworks' societal contribution / The Life without Garbage educational programme.

Organise first aid seminars for residents of the Thisvi Municipal Unit in partnership with the Hellenic Red Cross.



The target was rolled over to 2015.



Target fully met



Target partially met



Target not met



11. Strategic approach to CSR

11.9 Corinth Pipeworks' targets for 2015

Targets per Corporate Responsibility pillar



Marketplace

Obtain ELOT EN ISO/ IEC 17025 certification for the new acid environment corrosive testing section of our quality control lab from the Hellenic Accreditation System.

Obtain certification for the new LSAW-JCOE production plant in line with international standards.



Human Resources

Develop and roll out an induction programme for new recruits.

Implement a new executive appraisal system.

Restructure the Company's internal communications and develop a policy on these matters.



Occupational health and safety

Keep the health and safety training rate at ≥ 4.5 hours per employee.

Conduct an occupational risk assessment study for the new LSAW production line.

Prepare the relevant safe work guidelines.

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.



Environment

Increase the environmental training rate by 5% to ≥ 1.1 hours per employee.

Implement and keep up the 5S methodology on tidiness and cleanliness in the workplace ($\geq 70\%$).



Society

Organise first aid seminars for residents of the Thisvi Municipal Unit in partnership with the Hellenic Red Cross.

12. Corporate Social Responsibility key performance indicators

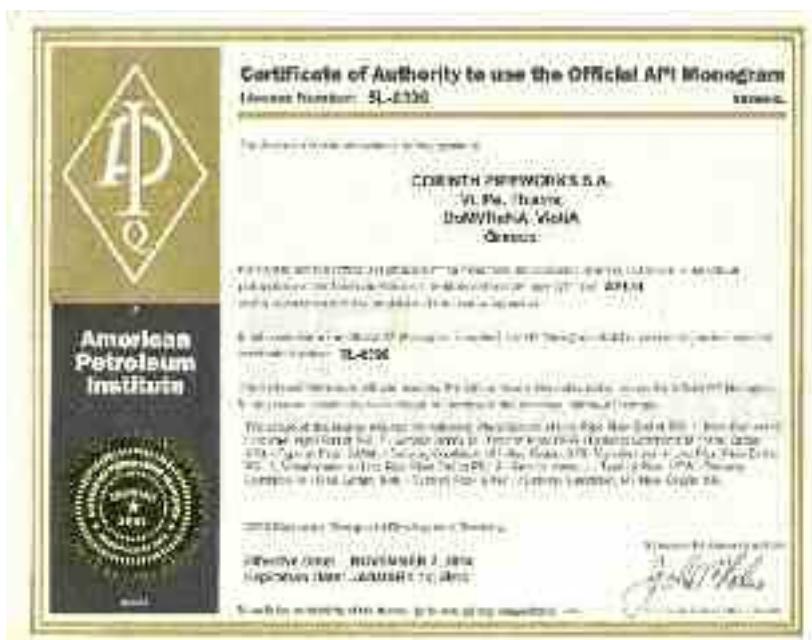
The table below records key performance indicators of Corinth Pipeworks with regard to its economic, environmental and social performance over the last 3 years:

Economic growth	2012	2013	2014
Net sales (in EUR '000)	211,992	157,309	161,310
Net profit (in EUR '000) – before taxes	4,233	-3,079	-5,771
Net profit (in EUR '000) – after taxes	3,467	-5,611	-5,933
Total assets (in EUR '000)	121,423	133,475	172,210
Total capitalisation (in EUR '000)			
Equity	153,822	148,151	137,584
Borrowing	38,250	53,999	109,108
Operating costs (in EUR '000)	207,320	165,237	170,934
Payments to providers of capital (in EUR '000)	62,620	103,570	13.4
Total payments to government agencies (taxes paid) (in EUR '000)	1,418	2,028	236
Net earnings per share (EUR)	0.0279	-0.0452	-0.0478
Human resources	2012	2013	2014
Number of employees	400	393	406
Training in man-hours (attendances x hours)	4,812	3,721	2,661
Amount spent on training (in EUR)	71,702	41,144	27,411
Number of injuries (minor accidents not resulting in absenteeism)	12	13	15
Number of injuries resulting in absenteeism	2	6	3
Near misses	29	30	39
Absences – lost days due to accidents (maternity leave not included) (*)	92	414	257
Injury Rate (accidents involving lost working time x 10 ⁶ / Total man-hours worked)	2.04	6.83	2.76
Lost Days Rate (lost work hours x 10 ³ / Total man-hours worked) (*)	0.63	3.14	1.57
Number of fatalities	0	0	0
Number of occupational diseases	0	0	0
Marketplace	2012	2013	2014
Payments to suppliers (in EUR '000)	189,926	150,331	196,100
Number of complaints	0	0	0
Environment	2012	2013	2014
Total thermal energy consumption (MWh)	5,345	4,840	7,062
Total thermal energy consumption (GJ)	19,241	17,425	25,423
Specific electric energy consumption (KWh/tn product)	0.028	0.033	0.033
Total electricity consumption (MWh)	26,979	21,431	27,731
Specific electricity consumption (MWh/tn product)	0.139	0.146	0.131
Direct CO ₂ emissions (tons)	1,260	1,140	1,660
Indirect CO ₂ emissions (tons)	23,741	17,573	22,739
Total CO ₂ emissions (tons)	25,001	18,713	24,339
Society	2012	2013	2014
Employees from the local community (%)	86.8	86.5	89.9
Voluntary blood donations (units)	66	63	87
Total level of sponsorship (in EUR)	79,191	79,972	36,190



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

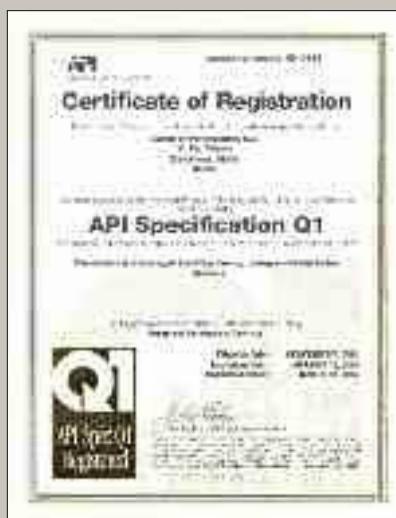




13. Quality certificates

Quality Management Systems

API Q1



ISO 9001





Welding procedures and controls quality management systems

AD 2000-Merkblatt W 0



EN 764-5



AD 2000-Merkblatt HP 0



DIN EN ISO 3834-2





14. General Information about the Report

Corinth Pipeworks' 2014 Annual Financial and Sustainable Development Report outlines how the Company responds overall to modern-day economic, environmental and social challenges, while also contributing to its shift towards Sustainable Development. For the second 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 2014 Report (covering the period 1.1.2014 to 31.12.2014) includes the 7th consecutive Corporate Responsibility and Sustainable Development Report published by Corinth Pipeworks. All previous Corporate Responsibility and Sustainable Development Reports published by the Company can be found on the website www.cpw.gr (Sustainability / Sustainability Reports). Previous Annual Financial Reports are available in the section entitled Investor Relations / Reports and Presentations / Annual Reports.

Limitations and significant changes

Corinth Pipeworks' 2014 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 2014 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.

The members of Corinth Pipeworks' Corporate Responsibility team who were involved in this report are: Team Coordinator: Sofia Mylothridou. Members from specific divisions and departments: Theofanis Alexopoulos, Nikos Voudouris, Vassilis Galanis, Sophia Zairi, Konstantinos Lymberopoulos, Thanasis Kotzakarlis, Ilias Mitropoulos, Eirini Bellou, Giannis Papadimitriou, Nikos Sarsentis, Thanassis Tazedakis and Alexandros Fafoutis.

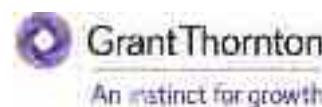
Methodology

Corinth Pipeworks' 2014 Report was prepared in accordance with the latest guidelines for Corporate Social Responsibility / Sustainability Reports issued by the international Organisation, Global Reporting Initiative (GRI - G3.1). 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 updated the materiality analysis. The results of that process are presented in the section entitled 'Strategic approach to CSR'.

Corinth Pipeworks' 2014 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 third consecutive year Corinth Pipeworks had data in the sections of the report on "Corinth Pipeworks' health and safety actions" and "Responsibility for the Environment" externally verified by an independent external body. 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 G3.1 indicator application levels and also contains a letter from the independent body, which carried out the verification.



14. General Information about the Report

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-G3.1. 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 – G3.1).

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 use the contract form below.

The Corinth Pipeworks Group

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15. International standards compliance tables

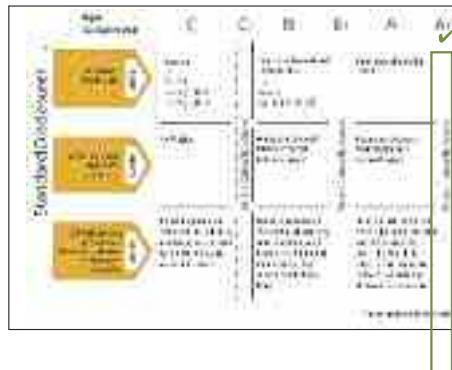
GRI- G3.1 and Global Compact principles table

Corinth Pipeworks supports the 10 principles of the Global Compact Initiative. The following table shows the correlation between the GRI-G3.1 indicators and the Global Compact's Principles.

Area	Principles	GRI-G3.1 indicators
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	EC5, LA4, LA6-9, LA13, LA14, HR1-11, S05, PR1, PR2, PR8
	Principle 2: Businesses should make sure that they are not complicit in human rights abuses	HR1-11, S05
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	LA4, LA5, HR1-3, HR5, S05
	Principle 4: Businesses should eliminate all forms of forced and compulsory labour	HR1-3, HR7, S05
	Principle 5: Businesses should effectively abolish child labour	HR1-3, HR6, S05
	Principle 6: Businesses should eliminate discrimination in respect of employment and occupation	EC7, LA2, LA13, LA14, LA15, HR1-4, S05
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges	EC2, EN18, EN26, EN30, S05
	Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility	EN1-30, S05, PR3, PR4
	Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies	EN2, EN5-7, EN10, EN18, EN26, EN27, EN30, S05
Anti-Corruption	Principle 10: Businesses should work against all forms of corruption, including extortion and bribery	S02-6

GRI indicator application level in the Report

In its 2014 Report, Corinth Pipeworks has met the requirements for the A+ application level of the G3.1 version of the Global Reporting Initiative guidelines. To improve the quality of accountability and transparency, Corinth Pipeworks assigned an external verification body the task of preparing the Level Check in line with the Global Reporting Initiative Guidelines. The statement from the external verification body can be found below.





GRI-G3.1 indicators correlation table to oil and gas industry guidance on voluntary sustainable reporting

The table below presents the correlation between the GRI-G3.1 indicators in this Report, which Corinth Pipeworks complies with, and related indicators in the handbook on Oil and Gas Industry Guidance on Voluntary Sustainability Reporting. The specific handbook 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).

Oil and Gas Industry Guidance on		
Issue areas	Voluntary Sustainability Reporting indicators	GRI-G3.1 indicators
Environment	E1	EN16, EN17, EN18
	E2	EN3, EN4, EN5, EN7
	E3	EN6
	E4	EN16
	E5	EN11, EN12, EN13, EN14
	E6	EN8, EN9, EN10
	E7	EN19, EN20
	E8	EN23
	E9	EN21
	E10	EN22
Health and Safety	HS1	LA6
	HS2	LA8
	HS3	LA7
	HS4	PR1, PR2, PR3, PR4, PR6
Human Resources, Society, Economy	SE1	S01
	SE2	S01
	SE3	S01
	SE4	EC1, EC8, S01
	SE5	EC6, EC7, S01
	SE6	EC7, EC9
	SE7	EC6
	SE8	HR1, HR3
	SE9	HR2
	SE10	HR8
	SE11	S02, S03, S04
	SE12	S02
	SE13	EC1
	SE14	S05, S06
	SE15	LA13
	SE16	LA6, LA9
	SE17	LA10, LA11, LA12
	SE18	HR4



16. Report and statement of external verification

To: Management of CORINTH PIPEWORKS S.A.



1. Independent Verification Report

The company CORINTH PIPEWORKS S.A. (hereafter CPW) has commissioned TÜV HELLAS S.A. to ensure the Corporate Social Responsibility 2014 of CPW for the year that ended on December 31, 2014.

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

Scope of the assurance project is the provision of a limited level of assurance of the accuracy of the claims mentioned in the sections "Occupational Health & Safety" and "Environment" (corporate report section 8 "Health and Safety" and section 9 "Environment").

3. Conclusions of TÜV HELLAS

According to the project scope and under the assurance procedures, followed by TÜV HELLAS, it is concluded that:

- No misstatement of assertions and statements contained in Chapters "Occupational Health & Safety" and "Environment" have come to the attention of TÜV HELLAS.
- No errors in data collection at CPW nor in transferring data in the Corporate Social Responsibility Report, which may materially affect the claims as presented in the "Occupational Health & Safety" and "Environment", have come to the attention of TÜV HELLAS.

4. The basic steps for the Verification

In order to arrive at the above conclusions, TÜV HELLAS followed the below mentioned procedures:

In order to arrive at the above conclusions, TÜV HELLAS followed the below mentioned procedures:

- The procedures followed by CPW in order to identify and define important issues to be included in the chapters "Occupational Health & Safety" and "Environment"
- Selected executive personnel of CPW who have functional responsibility in Corporate Social Responsibility matters were interviewed in order to understand the administrative structure of managing matters of Health and Safety and Environment as part of the Corporate Social Responsibility.
- The contents of the chapters "Occupational Health & Safety" and "Environment", were reviewed in comparison to the findings of the above steps, and improvements in the Corporate Social Responsibility Report were recommended where deemed necessary.

5. Limitations of the Review

- The range of the review was limited to the activities of CPW in Greece.
- The review was limited to the activities of the CPW Headquarters. No visits were performed at the subsidiaries of the Group and therefore no conclusions regarding the procedures for data collection relating to the subsidiary level can be provided.
- In case of any discrepancy in the translation between Greek and English version of Corporate Social Responsibility, the Greek version shall prevail.
- The review is not aimed at ensuring the adequacy of the circumscribed policies or the effectiveness of the operation of the circumscribed measures, but is limited to the information provided in the chapter "Occupational Health & Safety" and "Environment".



6. Verification Standard and Evaluation Criteria

The review for the Corporate Social Responsibility Report 2014, for the year that ended on December 31, 2014 was conducted by verifiers in accordance to TÜV HELLAS's Corporate Social Responsibility Certification Protocol, based on the GRI-G3.1 guidelines and the verification procedures of TÜV HELLAS.

The assessment of the claims and data of the chapters "Occupational Health & Safety" and "Environment", was based on the following criteria:

- **Completeness:** with regard to the data of the Chapters "Occupational Health & Safety" and "Environment", as defined by the limits and the period of the Corporate Social Responsibility Report.
- **Accuracy:** regarding the allegations with regard to the data of the Chapters "Occupational Health & Safety" and "Environment", for the sustainability performance of CPW in 2014 and the collection and transfer of data in the corresponding chapters

7. Responsibilities and Functions

The Team for Corporate Social Responsibility of CPW carried out the Corporate Social Responsibility and Sustainable Development Report that is addressed to the interested parties, thus, is responsible for the information and statements contained therein. 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 CPW's Administration the issues mentioned in this report and for no other purpose.

8. Impartiality and Independence of the verification team

TÜV HELLAS states its impartiality and independence in relation to the project of assuring the Corporate Social Responsibility Report of CPW. TÜV HELLAS had not undertaken work with CPW 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.

N. Paparoupas
CSR Product Manager

For TÜV HELLAS

Athens, 9/5/2015

S. Peltekis
General Manager



16. Report and statement of external verification

Statement on the level check

The certification body TÜV HELLAS, has been assigned by the management of CORINTH PIPEWORKS S.A., to conduct the Level Check, according to the GRI G3.1 Guidelines Sustainability Reporting, referring to the Corporate Social Responsibility Report of CORINTH PIPEWORKS S.A. for 2014.



The Level Check was conducted based on the corresponding correlation table of GRI Indicators stated by CORINTH PIPEWORKS S.A. in its Corporate Social Responsibility Report, in order to confirm the company's compliance to the requirements of the GRI G3.1 for A (+) Level*.

The Level Check conducted, does not represent TÜV HELLAS opinion related to the quality of Corporate Social Responsibility Report and its contents.

The Level Check conducted by TÜV HELLAS, according to the Guidelines of the GRI's Sustainability Reporting, verifies the compliance of the CORINTH PIPEWORKS S.A. Corporate Social Responsibility Report for 2014 to the requirements of the GRI's G3.1 for A (+) Level.

*The (+) on the Level Check, refers to the external assurance of the Chapters "Occupational Health & Safety" and "Environment", conducted by TÜV HELLAS.

N. Paparoupas
CSR Product Manager

For TÜV HELLAS

Athens, 9/5/2015

S. Peltekis
General Director



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.M.I. 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 Friday, May 22, 2015 at 09:00 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 2014, as well as the reports of the Directors and the Certified Auditors on them.
2. To discharge the members of the Board of Directors and the Certified Auditors from any responsibility for damages for the financial year 2014.
3. To appoint Certified Auditors, as well as the substitutes of them, for the financial year 2015 and fix 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.2190/20.
7. To Amend the Article 11 par.1 of the Articles of Association of the Company regarding the number of the members of the Board of Directors.
8. Various announcements.

RIGHT TO ATTEND THE GENERAL MEETING

Anybody appearing as a shareholder in the file of the Dematerialised 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 17/05/2015 (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 19/05/2015 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.



17. Annual Financial Report

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 07/05/2015 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 09/05/2015 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 16/05/2015 namely six (6) 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 15/05/2015 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 16/05/2015, 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.

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 16/05/2015, namely at least five 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.



17. Annual Financial Report

DOCUMENTS AND INFORMATION AVAILABLE

The information provided by the article 27 par.3 of C.L. 2190/1920 (the text of the Notice for Annual General Meeting, the total number of the Company's shares and the respective voting rights, comments of the Company's Board of Directors on the items of the agenda, 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, April 30, 2015
The Board of Directors





CORINTH PIPEWORKS S.A.

**ANNUAL
FINANCIAL
REPORT**

**FOR THE PERIOD
(1 January – 31 December 2014)
(according to regulations of 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, 2014 to December 31, 2014 (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 10, 2015, Supervising authority: Ministry of Development (department for limited companies),

Board of Directors: Bakouris Konstantinos - Chairman, Fikioris Meletios - Vice Chairman, Vassilakis Adamandios - Member, Stavropoulos Ioannis - Member, Galetas Nikolaos - Member, Kyrnazis 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. 14	31 Dec. 13	31 Dec. 13	31 Dec. 12
ASSETS				
Tangible fixed assets	155,057,553	116,142,694	154,990,812	116,081,203
Investments in associated companies	12,771,781	19,058,542	1,073,950	1,073,950
Investments in subsidiary companies	-	-	11,345,179	11,345,179
Deferred tax assets	11,229	185,782	-	-
Financial assets	153,567	13,531	153,567	13,531
Inventories	83,726,044	50,401,905	80,889,459	48,736,975
Trade receivables	43,284,112	37,278,187	27,002,215	36,887,310
Cash and cash equivalents	9,574,938	41,069,951	8,238,357	39,182,199
Other assets	57,796,998	27,048,592	68,819,039	28,933,061
TOTAL ASSETS	362,376,222	291,199,184	352,512,578	282,253,408
EQUITY AND LIABILITIES				
Share capital	96,852,757	96,852,757	96,852,757	96,852,757
Other equity items	42,965,230	59,447,874	40,731,271	51,298,374
Total equity of the owners of the parent company (a)	139,817,987	156,300,631	137,584,028	148,151,131
Minority interest (b)	-	-	-	-
Total equity (c)=(a)+(b)	139,817,987	156,300,631	137,584,028	148,151,131
Long term loans	76,796,642	52,548,959	76,796,642	52,548,959
Provisions/other long term liabilities	14,466,871	16,141,703	14,449,260	16,358,016
Financial items	6,726,244	50,431	6,726,244	50,431
Short term loans	32,311,762	1,450,000	32,311,762	1,450,000
Short term provisions	-	143,622	-	143,622
Other short term liabilities	92,256,716	64,563,838	84,644,642	63,551,249
Total liabilities (d)	222,558,235	134,898,553	214,928,550	134,102,277
TOTAL EQUITY AND LIABILITIES (c) + (d)	362,376,222	291,199,184	352,512,578	282,253,408

STATEMENT OF CHANGES IN EQUITY

amounts in Euro

	GROUP		COMPANY	
	31 Dec. 14	31 Dec. 13	31 Dec. 14	31 Dec. 13
Equity at the beginning of the period (1/1/2014 & 01/01/2013 respectively)	156,300,631	164,871,304	148,151,131	153,822,091
Total comprehensive income after tax (from continuing operations)	(16,482,643)	(8,570,673)	(10,567,104)	(5,670,960)
Equity at the end of the period (31/12/2014 and 31/12/2013 respectively)	139,817,988	156,300,631	137,584,027	148,151,131

CASH FLOW STATEMENT

amounts in Euro

	GROUP		COMPANY	
	1.01 - 31.12.2014	1.01 - 31.12.2013	1.01 - 31.12.2014	1.01 - 31.12.2013
Operating activities				
Profit before taxes	(4,908,713)	(3,420,032)	(5,771,136)	(3,079,418)
Adjustments for:				
Depreciation of tangible fixed assets	8,495,308	8,224,211	8,471,171	8,207,239
(Gains) / losses from sales of tangible fixed assets	(72,753)	(104,074)	(76,539)	(104,074)
Additional tax on fixed assets	-	(349)	-	(349)
(Gains) / losses of fair value of financial items in fair value through results	-	949,808	-	949,808
Amortization of operating lease rentals	90,682	89,803	90,682	89,803
Interest income	(122,496)	(343,417)	(111,597)	(259,225)
Interest expense	3,141,748	3,423,475	3,141,322	3,397,000
Provisions	(143,161)	44,174	(143,161)	44,174
Remuneration to retiring personnel	185,093	339,438	185,093	339,438
Income from dividends	-	-	(2,133,193)	(4,844,155)
Non-effective portion of derivatives	598,653	(56,209)	598,653	(56,209)
Impairment of inventories	1,155,963	303,123	1,155,963	198,646
Profit from associate companies	(2,136,532)	(4,767,494)	-	-
Foreign exchange differences	(409,650)	(93,584)	-	-
Changes in working capital				
Decrease / (increase) of inventory	(34,480,105)	(3,262,405)	(33,308,448)	(1,677,495)
Decrease / (increase) of receivables	(36,688,999)	(3,934,298)	(29,855,906)	(7,274,752)
Increase / (decrease) of liabilities (except loans)	38,847,369	17,841,558	32,321,075	19,018,279
Increase / (decrease) of provisions	(849,263)	-	(849,263)	-
Increase / (decrease) of the liabilities for remuneration to retiring personnel	(103,892)	(337,013)	(103,892)	(337,013)
Interest paid	(2,960,238)	(3,686,653)	(2,959,812)	(3,660,178)
Income tax paid	(246,509)	(2,432,429)	(235,659)	(2,028,142)
Total cash (used in) generated from operating activities (a)	(30,607,495)	8,777,633	(29,584,647)	8,923,377
Investing activities				
Purchases of tangible fixed assets	(51,047,399)	(20,593,834)	(51,003,641)	(20,553,311)
Sale of tangible fixed assets	3,717,539	104,134	3,699,400	104,134
Sale of financial assets at fair value through profit or loss	-	6,550,180	-	6,550,180
Purchase of financial assets at fair value through profit or loss	-	(7,501,788)	-	(7,501,788)
Interest received	122,496	343,417	111,597	259,225
Income from dividends	2,022,388	2,400,537	2,133,193	4,844,155
Total cash (used in) generated from investing activities (b)	(45,184,976)	(18,697,354)	(45,059,451)	(16,297,405)
Financing activities				
Proceeds from borrowings	65,546,220	115,658,384	65,546,220	115,658,384
Repayment of borrowings	(10,436,775)	(99,909,425)	(10,436,775)	(99,909,425)
Other short term financial liabilities	(11,409,189)	7,936,189	(11,409,189)	7,936,189
Total cash / (used in) generated from financing activities (c)	43,700,256	23,685,148	43,700,256	23,685,148
Net (decrease) / increase in cash and cash equivalents (a)+(b)+(c)	(32,092,215)	13,765,427	(30,943,842)	16,311,120
Cash and cash equivalents at the beginning of the period	41,069,951	27,505,880	39,182,199	22,871,079
Translation differences in cash and cash equivalents	597,202	(201,356)	-	-
Cash and cash equivalents at the end of the period	9,574,938	41,069,951	8,238,357	39,182,199

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

Financial data and information for the period from January 1, 2014 to December 31, 2014 (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 - 31.12.2014	1.01 - 31.12.2013	1.01 - 31.12.2014	1.01 - 31.12.2013	
Turnover	188,190,375	165,364,869	161,310,383	157,308,652	
Gross profit	19,210,640	16,270,459	16,734,763	15,141,060	
Profit/(loss) before taxes, financing & investing results	(4,025,993)	(5,107,468)	(4,874,604)	(4,785,798)	
Financing and investing results	(882,720)	1,687,436	(896,532)	1,706,380	
Profit/(loss) before taxes	(4,908,713)	(3,420,032)	(5,771,136)	(3,079,418)	
Taxation	(646,842)	(2,717,573)	(161,650)	(2,531,453)	
(Loss) after taxes (A)	(5,555,555)	(6,137,605)	(5,932,786)	(5,610,871)	
Attributable to:					
Owners of the parent company	(5,555,555)	(6,137,605)	(5,932,786)	(5,610,871)	
Minority interest	-	-	-	-	
Other comprehensive income after tax (B)	(10,927,088)	(2,433,068)	(4,634,318)	(60,089)	
Total comprehensive income after tax (A)+(B)	(16,482,643)	(8,570,673)	(10,567,104)	(5,670,960)	
Attributable to:					
Owners of the parent company	(16,482,643)	(8,570,673)	(10,567,104)	(5,670,960)	
Minority interest	-	-	-	-	
Earnings per share after taxes - basic and reduced	-0.0447	-0.0494	-0.0478	-0.0452	
Profit/(loss) before taxes, financing & investing results and depreciation	3,608,374	4,636,558	2,735,624	4,941,257	
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:			Participation	Percentage holding	
Full consolidation method:				Country	
CPW America Co			Indirect	100%	USA
HUMBEL Ltd			Direct	100%	CYPRUS
WARSAW TUBULAR TRADING SP.ZO.O.			Direct	100%	POLAND
Equity consolidation method					
ZAO TMK-CPW			Indirect	49.00%	RUSSIA
DIAPVETHIV S.A.			Direct	21.75%	GREECE
2. The financial statements of the company are consolidated in the full consolidation method in the financial statements of SIDENOR HOLDINGS S.A. seated in Greece, which participates in the company's share capital with 78.55%. The consolidated financial statements of SIDENOR HOLDINGS S.A. are consolidated in the financial statements of Viohalco S.A. incorporated in Belgium.					
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 (2013: Euro 0).					
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 31/12/2014, the same amount is valued at Euro 20,479,451. 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 10,258,936 (2013: Euro 9,050,909) that has formed in its financial statements. Management estimates that potential loss will not exceed the impaired amount. The application that was submitted by the Company before Dubai's Court of Cassation for review of the decision that ordered the set off between the Company's claim which was recognized by the court with res judicata and the customer's counterclaim which was raised by the latter under the legal action brought against him by the Company and which counterclaim is denied by the Company as fictitious, was accepted by the Court of Cassation which ordered the cancelation of the decision as regards to the customer's counterclaim and to refer the case back to the Court of appeal for review with new panel. The legal office that handles the case before Dubai courts believe that the Court of appeal will most probably dismiss the customer's counterclaim. 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 order to ensure its rights, according to the decision taken by the First Instance Court of Athens during the procedures related to provisional and protective measures, the company imposed a prudent attachment on the property of third party involved in the mentioned case.					
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 36 of the financial statements.					
7. Number of employees at the end of the current period: Group 416, Company 407 (31/12/2013: Group 401, Company 394).					
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: amounts in Euro			GROUP	COMPANY	
i) Sales of goods, services and fixed assets			10,869,412	65,951,691	
ii) Purchases of goods, services and fixed assets			26,347,810	7,322,988	
iii) Receivables from associated parties			22,223,259	54,086,551	
iv) Payables to associated parties			6,908,108	5,393,094	
v) Directors' & Managers' remuneration			769,742	769,742	
vi) Income from dividends			2,022,388	2,133,193	
9. In the Income Statement, in the account "Taxation", are included: provision for income tax, as well as deferred tax, which are illustrated below: amounts in Euro			GROUP	COMPANY	
			31/12/14	31/12/13	31/12/14
Income tax			-142,540	-238,161	0
Deferred tax			-504,302	-2,479,412	-161,650
					31/12/13
					-424
					-2,531,029
10. The other comprehensive income after tax are:			GROUP	COMPANY	
			31/12/14	31/12/13	31/12/14
Translation differences from investment in associates			(6,292,770)	(2,372,979)	-
(Losses) after taxes arising from change of fair value of cash flow hedge			(4,393,471)	(95,866)	(4,393,471)
Actuarial gains/(losses)			(240,847)	35,777	(240,847)
Other comprehensive income after tax			(10,927,088)	(2,433,068)	(4,634,318)
					(60,089)
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 31/12/2014, 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. According to Law 4172/2013, from 01/01/2013 the tax rate changed from 20% to 26%. Accordingly a reappraisal of prior year differed tax was made and an additional differed tax liability occurred affecting the results for the FY 2013 for an amount of Euro 3,592,657 for both Group and Company.					

Athens, March 10, 2015

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

THE ACCOUNTING
MANAGER
PAVLOS KOYMPIIS
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 2014 (1/1/2014 – 31/12/2014), 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 full year Board of Directors' report contains the Statement of Corporate Governance, providing information as stipulated in the paragraph 3d article 43a of Codified Law 2190/1920.

Athens, March 10, 2015

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

Board of Directors Report of the Company "CORINTH PIPEWORKS S.A." on the consolidated and the Company Financial Statements for the period 1/1/2014-31/12/2014

Dear Shareholders,

Pursuant to the provisions of Law 3556/2007, of Law 2190/1920, the decision 7/448/11.10.2007 of the Hellenic Capital Market Commission and the provisions of Law 3873/2010 we submit the Annual Consolidated Board of Directors Report of the company "CORINTH PIPEWORKS S.A." for the Consolidated and the Company Financial Statements of FY 2014.

1. Group Financial performance A. Significant events during 2014

Operation analysis – financial data

2014 was characterised by an important recession in the energy sector. The delay in question, notably in the first half on 2014, contributed to a lower demand in products used in the energy sector and to a sustained high competition stressing the Groups profitability. On the other hand, during the second half, notably in the USA with the increased demand of large diameter pipes, led to partial recovery. Taking advantage of the aforementioned evolution, the Group signed three new contracts of 163.000 tons of internal and external coated steel pipes for the manufacture of pipelined in the USA. It is noted that two out of the three contracts are signed by one client and constitute the biggest project that Corinth Pipeworks has ever ensured in the USA.

Sales: Consolidated turnover amounted to Euro 188,2 million (2013: Euro 165,4 million), marking a 13,8% increase. Sales of energy sector amounted to Euro 160,6 million (2013: Euro 135,4 million) increasing by 18,6%. On the other hand and because

of the weakened European construction sector, sales of structurals amounted to Euro 27,6 million, that is 8,0 % lower than 2013 (Euro 30,0 million).

Gross Profit: Consolidated gross profit showed a small increase of 18,1% approximately versus the previous year and stood at Euro 19,2 million (2013: Euro 16,3 million). At the same time, gross margin was 10,2% versus 9,8% in FY 2013.

Administrative Expenses: They decreased by 2,8%, (Euro 7,5 million versus Euro 7,7, million in FY 2013).

Selling Expenses: They amounted to Euro 20,5 million, marking a 21,9% increase versus 2013. That is the result of 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 2014 compared with those of 2013.

Financial Expenses (net): They amounted to Euro 3,0 million marking a 2,0% decrease versus FY 2013.

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 specially noted in the late 2014, 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 3,7 million marking a decrease of 59,8% versus FY 2013.

Consolidated loss before tax amounted to Euro 4,9 million (Euro 3,4 million profit in FY 2013). The consolidated after tax loss

Table 1.1 KEY FINANCIAL RATIOS

	GROUP	
	31/12/2014	31/12/2013
General Liquidity		
Short term assets / Short term liabilities	1.45	2.28
Own Capital/Total Assets	39%	54%
EBITDA/Sales	1.92%	2.8%
Earnings per share	-0.0447	-0.0494

* EBITDA = Earnings Before Interest Tax Depreciation and Amortisation

amounted to Euro 5,6 million (Euro 6,1 million profit in FY 2013).

Net borrowings are amounting to Euro 107,7 million against Euro 32,5 million because of the investment for the production unit of large-diameter pipe mill and the increased working capital occurred by the major orders undertook by the end of 2014. Furthermore, because of the gradual amounts withdrawn from the Commerzbank loan, needed to finance the investment of the LSAW line, the long term loans in are amounting to Euro 76,8 million in 2014 against Euro 52,5 million in 2013. According to the aforementioned reasons, the short term loans increased to Euro 32,3 million (2013: Euro 1,5 million) while equity is amounting to Euro 139,8 million showing a decrease against FY 2013 (Euro 156,3 million).

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 31/12/2014, the same amount is valued at Euro 20.479.451. 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 10.258.936 (2013: 9.050.909) that has formed in its financial statements. Management estimates that potential loss will not exceed the impaired amount.

The application that was submitted by the Company before Dubai's Court of Cassation for review of the decision that ordered the set off between the Company's claim which was recognized by the court with resjudicata and the customer's counterclaim which was raised by the latter under the legal action brought against him by the Company and which counterclaim is denied by the Company as fictitious, was accepted by the Court of Cassation which ordered the cancelation of the decision as regards to the customer's counterclaim and to refer the case back to the Court of appeal for review with new panel. The legal office that handles the case before Dubai courts believe that the Court of appeal will most probably dismiss the customer's counterclaim. 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 order to ensure its rights, according to the decision taken by the First Instance Court of Athens during the procedures related to provisional and protective measures, the company imposed a prudent attachment on the property of third party involved in the mentioned case.

For FY 2014 there were no changes regarding the collection of the due amount.

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: financial and business ones. As far as it concerns the financial risks (a detailed analysis can be found in notes section), the most important of which are the exchange rate risk, the interest rate risk, the credit and liquidity risk, as well as the capital risk, several guidelines have been issued, based on which, the Financial Department manages them. More specifically:

i) Exchange rate risk

The Group operates internationally (92,4% 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 full hedging policy, either with natural hedging (purchase of resources priced in the sale currency) or with FX forwards or with both.

ii) 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 2014 and 2013, the Group's borrowings at variable rate (euribor + spread), were denominated in euro.

iii) 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 B- (Fitch) for the domestic financial institutions and A (Fitch) 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.

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 31/12/2014 the Group had Euro 9,6 million in cash.

v) Macroeconomic and Operating Environment in Greece

During 2015, the continuous discussions at national and international level as to re-evaluation of the terms of Greece's finance program, have retained the macroeconomic and financial environment in the country volatile.

The return to economic stability depends largely on the actions and decisions of institutions in the country and abroad.

However, taking into account the nature of business of Corinth Pipeworks' group, as export for the most part, as well as the



sound financial condition of both Company and the Corinth Pipeworks' group, any negative developments are not expected to significantly affect its normal operation. Nevertheless, Group's top management continuously evaluates the situation in Greece and its potential consequences so as to ensure that all necessary and possible measures and actions to minimize any impact on Company and Group's activity are taken in time.

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

Regarding FY 2015, Group's Management is closely evaluating the developments in the international pipe market with restrained optimism, mainly because of the importance of the not yet realized outstanding amount ending 2014. Surely the low oil cost is a factor affecting the market, as the extraction of gas and oil is not financially sustainable the demand in respective pipeline infrastructure may decrease. On the other hand, the weakened Euro against the USD is favorable to the competitiveness of the Group's products. Furthermore, Corinth Pipeworks is pursuing its investment program, unhindered. Specifically, in the near future, the new line of production with the LSAW method, will be operational while new investments related to the 24 meter pipes and the upgrade of the internal pipe coating line, are ongoing.

Operation into new geographic mar-

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

Sale of goods to	31/12/2014	31/12/2013
ANAMET S.A.	3,108,769.83	2,385,465.90
METAL AGENCIES LTD	474,568.93	241,325.41
GENECOS S.A.	0	63,597.84
PROSAL TUBES S.A.	244,885.46	722,868.55
DIAVIPETHIV S.A.	0	254.52
SIDMA BULGARIA S.A.	37,578.45	167,737.04
SIDMA ROMANIA SRL	25,902.60	21,631.63
SIGMA IS S.A.	0	7,723.50
S.C. SIDEROM STEEL S.R.L.	0	15,410.75
TEPROMETAL AG	2,547,815.98	5,489,935.11
AEIFOROS S.A.	0	532.40
ARGOS S.A.	0	37,660.91
ELVAL S.A.	7,769.47	0
HELLENIC CABLES S.A.	4,561.37	213.65
ETHL S.A.	20,109.26	306,339.53
SIDENOR HOLDINGS S.A.	1,736.46	50,361.43
SIDMA S.A.	45,348.33	174,064.90
SOVEL S.A.	62,437.18	214,135.36
HALCOR S.A.	534.97	712.36
FULGOR S.A.	2,384.55	0
Sale of services to	31/12/2014	31/12/2013
ELKEME S.A.	840.00	0
SOVEL S.A.	1,413.99	403,671.17
BOZETTI LTD	0	135,214.47
FITCO S.A.	0	1,079.05
STEELMET (CY) LTD	7,500.00	7,500.00
TEPROMETAL AG	2,240.33	50,904.14
DIAVIPETHIV S.A.	334,195.94	289,888.60
SIGMA IS S.A.	0	37.64
ELVAL S.A.	0	10,835.92
HELLENIC CABLES S.A.	43,964.89	51,716.32
CORINTH COMMERCIAL PARK S.A.	48,833.14	9,072.12
PRAKSYS S.A.	2,994.31	4,797.44
SIDENOR HOLDINGS S.A.	3,237.67	4,363.30
SIDENOR STEEL INDUSTRY S.A.	192,517.43	122,825.53
HALCOR S.A.	0	4,643.96
BET S.A.	187.05	0
SIDMA ROMANIA SRL	270.00	0
STOMANA INDUSTRY	26,814.41	0
Sales of fixed assets to	31/12/2014	31/12/2013
ANAMET S.A.	0	67,883.49
FULGOR S.A.	0	19,999.98
STOMANA INDUSTRY	3,620,000.00	0
Purchase of goods from	31/12/2014	31/12/2013
FITCO S.A.	0	328,866.54
LESCO LTD	341,116.71	295,319.68
PROSAL TUBES S.A.	0	9,886.41
SOFIA MED S.A.	1,195,892.83	863,206.84
SOVEL S.A.	392,360.2	1,163,913.83
ELVAL S.A.	345,356.86	189,897.08
HELLENIC CABLES S.A.	8,853.38	5,132.03
ERLIKON S.A.	7,226.89	3,699.88
ETHL S.A.	8,616.00	4,168.00
SIDENOR HOLDINGS S.A.	268.188	6,579,706.51
SIDENOR STEEL INDUSTRY S.A.	0	792.00
STOMANA INDUSTRY	17,712,098.96	0

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

Purchase of services from	31/12/2014	31/12/2013
GENECOS S.A.	2,592.15	3,155.75
METAL AGENCIES LTD	302,569.84	71,736.01
TEKA SYSTEMS S.A.	964.00	32.00
FULGOR S.A.	12,017.97	11,758.84
S.C. SIDEROM STEEL S.R.L.	0.00	2,783.10
NOVAL S.A.	201,728.40	201,728.40
SANITAS AE	489.42	513.43
TEPROMETAL AG	83,658.84	179,340.59
AEIFOROS S.A.	4,085.86	3,181.82
ANTIMET S.A.	18,624.35	11,167.56
BET S.A.	0	113.00
VIEXAL LTD	375,136.30	439,729.30
DIAVIPETHIV S.A.	1,202,566.73	905,355.30
ELKEME S.A.	50,000.00	50,000.00
HELLENIC CABLES S.A.	8,676.17	9,160.70
ERGOSTEEL S.A.	120.00	600.00
ELVAL S.A.	651.00	0
HALCOR S.A.	2,592.00	0
PRAKSYS S.A.	179,489.84	141,703.69
SIDENOR HOLDINGS S.A.	20,710.22	62,392.64
SIDENOR STEEL INDUSTRY S.A.	438,845.73	475,039.32
SIDMA S.A.	399,433.26	344,577.34
SOVEL S.A.	152,919.30	1,296,164.50
STEELMET S.A.	803,691.63	481,702.59
Purchase of fixed assets from	31/12/2014	31/12/2013
TEKA SYSTEMS S.A.	318,783.85	2,135.40
VIEXAL LTD	47,012.47	12,123.14
BET S.A.	0.00	749,170.57
HELLENIC CABLES S.A.	523,981.36	16,731.59
ERGOSTEEL S.A.	333,068.40	115,750.00
ETHL S.A.	14,298.64	4,694.00
ARGOS S.A.	0	240.00
PANELCO S.A.	185,149.07	24,271.19
SIDENOR HOLDINGS S.A.	0	5,300,000.00
SOVEL S.A.	66,220.19	2,703,068.19
SIDMA S.A.	194,321.72	18,298.38
SIDENOR STEEL INDUSTRY S.A.	392.52	0
DIAVIPETHIV S.A.	5,645.35	0
ELVAL S.A.	1,200.00	0
CORINTH COMMERCIAL PARK S.A.	102,860.51	0
ERLIKON S.A.	542.68	0
LESCO LTD	13,060.10	0
Receivables from related parties	31/12/2014	31/12/2013
ANAMET S.A.	7,373,658.59	4,264,888.76
ANTIMET S.A.	191,680.34	141,151.48
PROSAL TUBES S.A.	89,302.93	433,839.42
SIDMA BULGARIA SA	13,504.05	11,187.40
BOZETTI LTD	0	135,214.47
BET S.A.	0	0
METAL AGENCIES LTD	54,338.16	126,033.17
NOVAL S.A.	83,523.12	288,882.64
FITCO S.A.	0	1,079.05
FULGOR S.A.	0	24,600.00
STEELMET (CY) LTD	11,606.71	13,181.71
TEPROMETAL AG	3,222,766.86	3,162,517.20
DIAVIPETHIV S.A.	3,616,173.67	3,616,173.67
ELVAL S.A.	9,556.45	0.00
HELLENIC CABLES S.A.	181,659.81	26,990.72
CORINTH COMMERCIAL PARK S.A.	258,329.03	198,264.27
PRAKSYS S.A.	1,030.14	2,261.56

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

SIDENOR HOLDINGS S.A.	10,318.52	10,442.52
SIDMA S.A.	2,641,758.64	2,605,499.40
STOMANA INDUSTRY	4,443,214.41	0
ETHL S.A.	20,837.76	0
Payables to related parties	31/12/2014	31/12/2013
ANTIMET S.A.	34,726.92	11,818.97
CORINTH COMMERCIAL PARK S.A.	126,518.43	0
FULGOR S.A.	11,849.11	14,463.37
GENECOS S.A.	3,425.27	1,346.17
LESCO LTD	83,557.52	22,285.21
METAL AGENCIES LTD	65,861.39	114,777.62
PANELCO S.A.	82,996.71	29,853.58
PROSAL TUBES S.A.	0	9,886.41
SOFIA MED S.A.	558,042.01	186,234.76
TEKA SYSTEMS S.A.	392,403.83	0
TEPROMETAL AG	214,462.91	130,804.07
AEIFOROS S.A.	2,298.49	1,982.33
BET S.A.	0	721,003.79
VIEXAL LTD	49,221.83	15,780.04
DIVIPETHIV S.A.	1,453,045.33	827,441.37
ELVAL S.A.	107,067.40	0
ELKEME S.A.	0	5,535.00
HELLENIC CABLES S.A.	58,980.42	32,415.78
ERGOSTEEL S.A.	63,799.14	64,206.00
ERLIKON S.A.	2,658.75	840.40
ETHL S.A.	0	5,126.64
PRAKSYS S.A.	34,018.55	22,716.68
SIDENOR HOLDINGS S.A.	446,013.38	659,184.85
SIDENOR STEEL INDUSTRY S.A.	217,288.45	361,850.58
SIDMA S.A.	77,368.46	152,329.83
SOVEL S.A.	111,180.58	246,019.83
S.C. SIDEROM STEEL S.R.L.	0	2,783.10
STEELMET S.A.	166,592.96	117,794.36
HALCOR S.A.	3,188.16	0
STOMANA INDUSTRY	2,539,514.80	0
SANITAS AE	221.33	0
SIDMA ROMANIA SRL	1,805.65	0

kets remains the major strategic element of the Group, where it can successfully participate in important energy and infrastructure projects, subject to be completed in the next years. Markets such as North America, the Mediterranean region, the Mexican Gulf, the Western and Eastern Africa, the North Sea and Middle East, are expected to dominate in this sector.

4. Transactions with related parties (IFRS 24)

SIDENOR HOLDINGS S.A. owns 78,55% of

CORINTH PIPEWORKS S.A. shares, while the remaining 21,45% is free float. The ultimate shareholder of the Group is VIOHALCO S.A.

In the **Table 1.2** (p. App11) are illustrated the important intra-company sales and other transactions with related parties (according to IAS 24), during the full year 2014 and 2013. The related parties are members of VIOHALCO 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. App14).

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

	31/12/2014	31/12/2013
Remuneration to the BoD and Management	727,406.24	801,590.03
Employment termination fees	42,335.47	0

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.
- Headquarters in Athens.

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

6. Taxation

According to the new tax law 4172 of 2013 which is in effect since January 1st, 2014, corporate 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%.

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 be either offset with tax losses with a tax rate 26% or distributed or capitalised and therefore subject to a taxation of 19%. Group and Company have not the intention of distributing them. In 2014 the amount of Euro 519.255 offsets tax-exempt reserves with the recognized tax losses.

7. Major events following 31/12/2014

On February 17 2014 the Company signed with Commerzbank an extension of Euro 4,0 million on the existing loan agreement amounting to Euro 47,7 million for the financing of the new investment of the LSAW-JCOE, The Company negotiated successfully and the prevailing terms of the loan agreement are also affecting the aforementioned extension.





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 disagreement, 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 31-12-2014 were as follows:

- SIDENOR HOLDINGS S.A. 78,55% 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.

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 Direc-

tors 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 Euro 47.666.963) and from which Euro 31.359.316,25 as of 31 December 2014, and the bond loans issued by the Company and undertaken in their entirety by banks, with a total balance of Euro 47.300.000 as of 31 December 2014, 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 10, 2015

**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)

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>.

Drafting 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.

Management has appointed a team whose object is to study and review the necessary actions in order to establish, in a reasonable time frame, the committees required by the Code of the HCGC, and finally apply the forementioned Code in the practices of the corporate governance. The team is evaluating the mentioned actions and within a reasonable timeframe is expected to take position with or without deviation on the adoption of the practices of the forementioned Code.

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.

In regard 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, op-

erating 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 2014, 'PricewaterhouseCoopers Audit S.A. Company', which was elected by the Ordinary General Shareholders' Meeting of the Company held on May 27, 2014, 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 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 27, 2014, and its tenure expires within first half of 2015.

The Board of Directors met 47 times within 2014, 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 EuroOBANK 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 achievement 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 Regula-



tion, 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 2014, 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			
	CONSOLIDATED FIGURES		COMPANY FIGURES		
	31/12/14	31/12/13	31/12/14	31/12/13	
ASSETS					
Non-Current assets					
Tangible fixed assets	155,057,553	116,142,694	154,990,812	116,081,203	
Investments in associated companies	12,771,781	19,058,542	1,073,950	1,073,950	
Investments in subsidiary companies	-	-	11,345,179	11,345,179	
Deferred Tax Asset	11,229	185,782	-	-	
Trade and other receivables	4,800,080	4,974,920	4,800,080	4,974,920	
	172,640,643	140,361,938	172,210,021	133,475,252	
Current Assets					
Inventories	83,726,044	50,401,905	80,889,459	48,736,975	
Trade and other receivables	94,725,371	58,030,758	89,465,515	59,525,451	
Income tax	1,555,659	1,321,101	1,555,659	1,320,000	
Derivative financial instruments	144,430	4,394	144,430	4,394	
Financial assets at fair value through profit and loss	9,137	9,137	9,137	9,137	
Cash & Cash equivalent	9,574,938	41,069,951	8,238,357	39,182,199	
	189,735,579	150,837,246	180,302,557	148,778,156	
Total Assets	362,376,222	291,199,184	352,512,578	282,253,408	
EQUITY					
Equity attributable to shareholders of the company					
Share capital	96,852,757	96,852,757	96,852,757	96,852,757	
Reserve from issuance of shares above par	27,427,850	27,427,850	27,427,850	27,427,850	
Foreign exchange difference from consolidation of subsidiaries/associates	-10,752,777	-4,460,006	-	-	
Other reserves	17,808,445	17,877,016	17,808,445	17,877,016	
Profits carried forward	8,481,712	18,603,014	-4,505,024	5,993,508	
Total equity	139,817,987	156,300,631	137,584,028	148,151,131	
LIABILITIES					
Long-term liabilities					
Loans	76,796,642	52,548,959	76,796,642	52,548,959	
Deferred tax liabilities	13,093,993	14,326,693	13,076,382	14,543,006	
Liabilities for remuneration to retired personnel	1,235,125	828,455	1,235,125	828,455	
Provisions	137,753	986,555	137,753	986,555	
	91,263,513	68,690,662	91,245,902	68,906,975	
Short-term liabilities					
Suppliers and other liabilities	83,955,906	44,927,028	76,456,735	43,954,153	
Income tax	112,903	39,714	-	-	
Loans	32,311,762	1,450,000	32,311,762	1,450,000	
Derivative financial instruments	6,726,244	50,431	6,726,244	50,431	
Other short-term financing liabilities	8,187,907	19,597,096	8,187,907	19,597,096	
Provisions	-	143,622	-	143,622	
	131,294,722	66,207,891	123,682,648	65,195,302	
Total liabilities	222,558,235	134,898,553	214,928,550	134,102,277	
Total equity and liabilities	362,376,222	291,199,184	352,512,578	282,253,408	

II. Statement of comprehensive income		Amounts in Euro			
	CONSOLIDATED FIGURES		COMPANY FIGURES		
	12 months until 31/12/2014	12 months until 31/12/2013	12 months until 31/12/2014	12 months until 31/12/2013	
Sales	188,190,375	165,364,869	161,310,383	157,308,652	
Cost of sales	-168,979,735	-149,094,409	-144,575,619	-142,167,593	
Gross profit	19,210,640	16,270,460	16,734,764	15,141,059	
Selling expenses	-20,516,518	-16,837,619	-20,411,499	-16,820,694	
Administrative expenses	-7,473,251	-7,690,244	-5,947,290	-6,248,598	
Other income	4,680,383	3,995,670	4,672,883	3,988,170	
Other (expenses)	-	-	-	-	
Other gains / (losses) net	72,753	-845,735	76,539	-845,735	
Operating Loss	-4,025,993	-5,107,468	-4,874,604	-4,785,798	
Finance income	122,496	343,417	111,597	259,225	
Finance expenses	-3,141,748	-3,423,475	-3,141,322	-3,397,000	
Finance expenses - net	-3,019,252	-3,080,058	-3,029,725	-3,137,775	
Income from dividends	-	-	2,133,193	4,844,155	
Share of profit of associates	2,136,532	4,767,494	-	-	
Losses before tax	-4,908,713	-3,420,032	-5,771,136	-3,079,418	
Income tax	-646,842	-2,717,573	-161,650	-2,531,453	
Losses after tax	-5,555,555	-6,137,605	-5,932,786	-5,610,871	
Other comprehensive income:					
Items that will be reclassified subsequently to profit or loss					
Losses after tax from change of fair market value of cash flow hedge	-4,393,471	-95,866	-4,393,471	-95,866	
Foreign exchange difference from investment in associates	-6,292,770	-2,372,979	-	-	
Total Items that will be reclassified subsequently to profit or loss	-10,686,241	-2,468,845	-4,393,471	-95,866	
Items that will not be reclassified subsequently to profit or loss					
Actuarial gain/(losses)	-240,847	35,777	-240,847	35,777	
Total items that will not be reclassified subsequently to profit or loss	-240,847	35,777	-240,847	35,777	
Other comprehensive income for the period, after income tax	-10,927,088	-2,433,068	-4,634,318	-60,089	
Total comprehensive income for the period, after tax	-16,482,643	-8,570,673	-10,567,104	-5,670,960	
Losses attributable to:					
Owners of the parent company	-5,555,555	-6,137,605	-5,932,786	-5,610,871	
	-5,555,555	-6,137,605	-5,932,786	-5,610,871	
Total comprehensive income attributable to:					
Owners of the parent company	-16,482,643	-8,570,673	-10,567,104	-5,670,960	
	-16,482,643	-8,570,673	-10,567,104	-5,670,960	
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	-0.0447	-0.0494	-0.0478	-0.0452	



III. Owner's Equity Statements

Amounts in Euro

CONSOLIDATED FIGURES	Attributable to the owners of the parent company			
	Share Capital	Other reserves	Results carried forward	Total equity
Balance on January 1, 2013	124,280,607	14,538,854	26,051,843	164,871,304
Net loss of period	-	-	-6,137,605	-6,137,605
Other comprehensive income for the period				
Foreign exchange difference	-	-2,372,979	-	-2,372,979
Loss after tax from change of fair market value of cash flow hedge	-	-95,866	-	-95,866
Actuarial gains/(losses)	-	-	35,777	35,777
Total of other comprehensive income	-	-2,468,845	35,777	-2,433,068
Total comprehensive income for the period after tax	-	-2,468,845	-6,101,828	-8,570,673
Transaction with owners				
Tax-exempt reserve	-	1,347,000	-1,347,000	-
Total transactions with owners	-	1,347,000	-1,347,000	-
Balance on December 31, 2013	124,280,607	13,417,009	18,603,015	156,300,631
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
Profit after tax from change of 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

COMPANY FIGURES	Attributable to the owners of the parent company			
	Share Capital	Other reserves	Results carried forward	Total equity
Balance on January 1, 2013	124,280,607	16,625,882	12,915,602	153,822,091
Net loss of period	-	-	-5,610,870	-5,610,870
Other comprehensive income for the period				
Profit after tax from change of fair market value of cash flow hedge	-	-95,866	-	-95,866
Actuarial gains/(losses)	-	-	35,777	35,777
Total of other comprehensive income	-	-95,866	35,776	-60,090
Total comprehensive income for the period after tax	-	-95,866	-5,575,094	-5,670,960
Transaction with owners				
Tax-exempt reserve	-	1,347,000	-1,347,000	-
Total transactions with owners	-	1,347,000	-1,347,000	-
Balance on December 31, 2013	124,280,607	17,877,016	5,993,508	148,151,131
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				
Profit after tax from change of 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

IV. Cash Flow Statements	Amounts in Euro			
	CONSOLIDATED FIGURES		COMPANY FIGURES	
	1/1 until 31/12/2014	1/1 until 31/12/2013	1/1 until 31/12/2014	1/1 until 31/12/2013
Cash flows from operating activities				
Cash flows from operating activities	-27,400,748	14,896,715	-26,389,176	14,611,697
Interest paid	-2,960,238	-3,686,653	-2,959,812	-3,660,178
Income tax paid	-246,509	-2,432,429	-235,659	-2,028,142
Net cash flows from operating activities	-30,607,495	8,777,633	-29,584,647	8,923,377
Cash flows from investment activities				
Purchase of tangible fixed assets	-51,047,399	-20,593,834	-51,003,641	-20,553,311
Sale of tangible assets	3,717,539	104,134	3,699,400	104,134
Dividends received	2,022,388	2,400,537	2,133,193	4,844,155
Purchase of financial assets at fair value through profit or loss	-	-7,501,788	-	-7,501,788
Sale of financial assets at fair value through profit or loss	-	6,550,180	-	6,550,180
Interest received	122,496	343,417	111,597	259,225
Net cash flows from investment activities	-45,184,976	-18,697,354	-45,059,451	-16,297,405
Cash flows from financing activities				
Proceeds from borrowings	65,546,220	115,658,384	65,546,220	115,658,384
Repayments of borrowings	-10,436,775	-99,909,425	-10,436,775	-99,909,425
Other short-term financing liabilities	-11,409,189	7,936,189	-11,409,189	7,936,189
Net cash flows from financing activities	43,700,256	23,685,148	43,700,256	23,685,148
Net (decrease)/increase in cash and cash equivalent	-32,092,215	13,765,427	-30,943,842	16,311,120
Cash and cash equivalent at the beginning of the period	41,069,951	27,505,880	39,182,199	22,871,079
Foreign exchange differences in cash and cash equivalent	597,202	-201,356	-	-
Cash and cash equivalent at the end of the period	9,574,938	41,069,951	8,238,357	39,182,199



Independent auditor's report

To the Shareholders of "CORINTH PIPEWORKS S.A."

Report on the Separate and Consolidated Financial Statements

We have audited the accompanying separate and consolidated financial statements of CORINTH PIPEWORKS S.A. and its subsidiaries which comprise the separate and consolidated statement of financial position as of 31 December 2014 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 consolidated financial statements present fairly, in all material respects, the financial position of the CORINTH PIPEWORKS S.A. and its subsidiaries as at December 31, 2014, 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.

Reference on Other Legal and Regulatory Matters

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, 108 and 37 of Codified Law 2190/1920.

Athens, 10 March 2015

PwC S.A.
268 Kifissias Avenue
152 32 Chalandri
Soel Reg No 113

The Certified Auditor Accountant
Dino Michalatos
SOEL Reg No 17701



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Investor Relations Contact Details

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18. GRI G3.1 and ISO 26000 indicators table

The correlation between the content of Corinth Pipeworks' 2014 Report and the indicators in the GRI-G3.1 standard and the sections of the new ISO 26000 standard appears below. Cases where indicators are covered based on the results of self-assessment are also pointed out.

ISO 26000		
Description	Section	Notes/Section
1.1 Chairman's statement	6.2	1a. Message from the Chairman of the Board of Directors / 1b. Message from the Chief Executive Officer
1.2 Description	6.2	1a. Message from the Chairman of the Board of Directors / 1b. Message from the Chief Executive Officer / 5. Business model, priorities and prospects / 10. Corporate Governance / 11. The strategic approach to CSR
2.1 Name of the Company	-	Corinth Pipeworks Pipe Industry and Real Estate Co. S.A.
2.2 Primary brands, products, and/or services	-	7. Integrated services and products
2.3 Operational structure of the organisation, including main	6.2	2. The Corinth Pipeworks Group / 7.2. Facilities – Production process
2.4 Location of organisation's headquarters	-	2-4 Mesogion Ave., Athens, GR-11527
2.5 Countries where Corinth Pipeworks operates	-	Corinth Pipeworks at a glance / 2. The Corinth Pipeworks Group
2.6 Nature of ownership and legal form	-	Societe Anonyme / 2. The Corinth Pipeworks Group
2.7 Markets served	-	Corinth Pipeworks at a glance / 2. The Corinth Pipeworks Group / 7.5 Major projects / 7.6. Customer service
2.8 Scale of Corinth Pipeworks	-	Corinth Pipeworks at a glance / 2. The Corinth Pipeworks Group / 5. Business model, priorities and prospects / 7.2. Facilities – Production process / 8.1. Corinth Pipeworks' human resources / 6. The Group's financial performance / 12. Corporate Social Responsibility key performance indicators
2.9 Significant changes during the reporting period	-	Note that the total weight of key products sold in 2014 was 188,597 tons (on a consolidated basis), 9 people work at Corinth Pipeworks' subsidiary, CPW America.
2.10 Awards received in the reporting period	-	14. General information about the Report
3.1 Reporting period	-	11.7. Awards, appraisals and distinctions / 13. Quality certificates
3.2 Date of most recent previous report	-	14. General information about the Report
3.3 Reporting cycle	-	14. General information about the Report
3.4 Contact point	-	14. General information about the Report / 19. Feedback form
3.5 Process for defining report content	-	11. The strategic approach to CSR / 14. General information about the Report
3.6 Boundary of the report	-	14. General information about the Report
3.7 Specific limitations on the scope or boundary of the report	-	14. General information about the Report





ISO 26000		
Description	Section	Notes/Section
3.8 Basis for reporting on joint ventures, subsidiaries leased facilities, outsourced operations, and other entities	-	14. General information about the Report
3.9 Data measurement techniques and the bases of calculations	-	14. General information about the Report / 8.1. Corinth Pipeworks' human resources / 8.2. Occupational health and safety in Corinth Pipeworks operations / 9. Responsibility for the environment / 6. The Group's financial performance / 12. Corporate Social Responsibility key performance indicators
3.10 Explanation of the effect of any re-statements	-	14. General information about the Report / 8.2. Occupational health and safety in Corinth Pipeworks operations / 9. Responsibility for the environment / Waste management
3.11 Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	-	14. General information about the Report
3.12 Table identifying the location of the Standard Disclosures in the report	-	18. GRI G3.1 and ISO 26000 indicators table
3.13 Policy and current practice with regard to seeking external assurance for the report	7.5.3	14. General information about the Report / 16. Report and external verification statement
4.1 Governance structure of the organisation	6.2	10. Corporate Governance. 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.
4.2 Indicate whether the Chair of the highest governance body is also an executive officer	10. Corporate Governance / 10.2. The Board of Directors	
4.3 Number and gender of members of the highest governance body are independent non-executive members.	6.2	There are 4 non-executive members of the Board of Directors, 2 of whom are independent, non-executive members. All non-executive members are men.
4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	6.2	10. Corporate Governance / 10.6 Shareholders communication / 11.3 Engagement and dialogue with stakeholders / 8.1. Corinth Pipeworks' human resources / 8.2. Occupational health and safety in Corinth Pipeworks operations
4.5 Linkage between compensation for members of the highest governance body, senior managers, and executives	6.2	10. Corporate Governance / 10.2. The Board of Directors / 8.1. Corinth Pipeworks' human resources § Employee performance appraisals and remuneration system
4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided	6.2	10. Corporate Governance / 10.3. Internal audit system / 10.4. Risk management system / 10.5. Avoiding conflicts of interest / 10.7. Managing transparency and corruption issues
4.7 Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees including any consideration of gender and other indicators of diversity	6.2	10. Corporate Governance / 10.2. The Board of Directors. Corinth Pipeworks provides men and women with equal opportunities to submit candidatures and be elected as members of the Board of Directors.
4.8 Internally developed statements of mission or values, codes of conduct, and values relevant to economic, environmental, and social performance	6.2	1a. Message from the Chairman of the Board of Directors 1b. Message from the Chief Executive Officer / 4. Vision, mission and values / 5. Business model, priorities and prospects / 7.3. Quality management / 8.1. Corinth Pipeworks' human resources / 8.2. Occupational health and safety in Corinth Pipeworks operations / 8.3. Corinth Pipeworks' societal contribution / 9. Responsibility for the environment / 10. Corporate Governance / 11. The strategic approach to CSR



ISO 26000		
Description	Section	Notes/Section
4.9 Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental and social performance, including relevant risks and opportunities	6.2	1a. Message from the Chairman of the Board of Directors / 1b. Message from the Chief Executive Officer / 4. Vision, mission and values / 5. Business model, priorities and prospects / 10. Corporate Governance / 10.2. The Board of Directors / 10.3. Internal audit system / 10.4. Risk management system
4.10 Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance	6.2	10. Corporate Governance / 10.2. The Board of Directors
4.11 Explanation of whether and how the precautionary approach or value is addressed by the organisation	6.2	1a. Message from the Chairman of the Board of Directors / 1b. Message from the Chief Executive Officer / 7.4. Research and new technology development in steel pipe production / 7.3. Quality management / 8.2. Occupational health and safety in Corinth Pipeworks operations / 9. Responsibility for the environment / 10. Corporate Governance / 11. The strategic approach to CSR
4.12 Externally developed economic, environmental, and social charters values, or other initiatives to which the organisation subscribes or endorses	6.2	10. Corporate Governance / 11.6 Corinth Pipeworks' membership of networks and organisations.
4.13 Memberships in associations and/or national/international advocacy organisations	6.2	11.6 Corinth Pipeworks' membership of networks and organisations.
4.14 List of stakeholder groups engaged by the Corinth Pipeworks	6.2	11.3. Engagement and dialogue with stakeholders.
4.15 Basis for identification and selection of stakeholders with whom to engage	6.2	11.3. Engagement and dialogue with stakeholders.
4.16 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	6.2	11.3. Engagement and dialogue with stakeholders.
4.17 Key topics and concerns that have been raised through stakeholder engagement	6.2	11.3 Engagement and dialogue with stakeholders / 11.4 Materiality analysis.
Economic performance indicators		
Description	Section	Notes/Section
Disclosure on management approach	6.2, 6.8	1a. Message from the Chairman of the Board of Directors / 1b. Message from the Chief Executive Officer / Corinth Pipeworks at a glance / 5. Business model, priorities and prospects / 7. Integrated services and products / 10. Corporate Governance / 11. The strategic approach to CSR / 6. The Group's financial performance / 12. Corporate Social Responsibility key performance indicators

Description	ISO 26000 Section	Notes/Section
EC1 - Direct economic value generated and distributed	6.8, 6.8.3, 6.8.7, 6.8.9	8.3. Corinth Pipeworks' societal contribution / 6. The Group's financial performance / 12. Corporate Social Responsibility key performance indicators
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 / 1b. Message from the Chief Executive Officer / 5. Business model, priorities and prospects / 7.4 Research and new technologies development in steel pipe production / 10.3. Internal audit system / 10.4. Risk management system / 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 1.1.2014 – 31.12.2014.
EC3 - Coverage of the organisation's defined benefit plan obligations	-	8.1. Corinth Pipeworks' human resources § Employee benefits 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 103,892 in 2014. The Company also offers senior executives a savings plan, consisting of employee contributions and additional contributions made by the Company. In 2014 the Company contributed EUR 40,511 to this plan (66.96%).
EC4 - Significant 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.
EC5 - Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	-	It should be noted that the Company pays new recruits at its facilities salaries higher than those specified in the current legal framework.
EC6 - Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	6.3.7, 6.4.4, 6.8	7.7. Supplier management / 8.3. Corinth Pipeworks' societal contribution. § Supporting local suppliers
EC7 - Procedures for local hiring and proportion of senior management hired from the local community	6.6.6, 6.8, 6.8.5, 6.8.7	8.1. Corinth Pipeworks' human resources / 8.3. Corinth Pipeworks' societal contribution. § 6.8.7 Employing staff from local areas. 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 Maroussi, the Company employs 3 Directors from the local community (23% of all Directors). The category 'Directors' includes heads of divisions.
EC8 - Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement	6.8, 6.8.5, 6.8.7	1a. Message from the Chairman of the Board of Directors / 1b. Message from the Chief Executive Officer / 5. Business model, priorities and prospects / 7.4 Research and new technologies development in steel pipe production / 8.3. Corinth Pipeworks' societal contribution / 11. The strategic approach to CSR
EC9 - Understanding and describing significant indirect economic impacts, including the extent of impacts	6.3.9, 6.6.6, 6.6.7, 6.7.8, 6.8, 6.8.5, 6.8.6, 6.8.7, 6.8.9	1a. Message from the Chairman of the Board of Directors / 1b. Message from the Chief Executive Officer / 5. Business model, priorities and prospects / 8.3. Corinth Pipeworks' societal contribution / 11. The strategic approach to CSR / 6. The Group's financial performance / 12. Corporate Social Responsibility key performance indicators



ISO 26000		Notes/Section
Description	Section	
EN7 - Initiatives to reduce indirect energy consumptions	6.5, 6.5.4	9. Responsibility for the environment / 9.2. Continuous improvement / 9.3. Corinth Pipeworks' practices / 9.5. Environmental performance indicators - Greenhouse gases The data relates to indirect emissions from transporting staff. Such data began to be recorded for the first time in 2012. In 2013 we also began recording emissions from vehicles at the plant. Despite the initiatives taken, no reduction in indirect energy consumption was observed.
EN8 - Total water withdrawal by source	6.5, 6.5.4	9. Responsibility for the environment / 9.3. Corinth Pipeworks' practices / 9.5. Environmental performance indicators – Water consumption
EN9 - Water sources significantly affected by withdrawal of water	6.5, 6.5.4	Water is not pumped from bodies of water which experts have acknowledged are rare, endangered or threatened water systems. Water is not pumped from wetlands covered by the Ramsar Convention or other similar sources.
EN10 - Percentage and total volume of water recycled and reused	6.5, 6.5.4	9. Responsibility for the environment / 9.3. Corinth Pipeworks' practices / 9.5. Environmental performance indicators - Water consumption
EN11 - Location and size of land owned, leased, managed in or adjacent to, protected areas and areas of high biodiversity	6.5, 6.5.6	Corinth Pipeworks' production facilities are located within the Thisvi Industrial Area which is the only statutorily approved industrial area in the Viotia Regional Unit. Its boundaries, size, purpose and land uses have been specified in Laws 4458/1965 and 742/1977. Consequently, the Company does not operate within or adjacent to protected areas or areas of high biodiversity.
EN12 - Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	6.5, 6.5.6	9. Responsibility for the environment / 9.3. Corinth Pipeworks' practices The Company constantly monitors its environmental impact, as required by the certified Environmental Management System it has put in place. The Company does not operate within or adjacent to protected areas or areas of high biodiversity.
EN13 - Habitats protected or restored	6.5, 6.5.6	Since the Company's production facilities are within a statutorily approved industrial area in the Viotia Regional Unit, whose boundaries, size, purpose and land uses have been determined, no programme to protect or rehabilitate natural habitats has been prepared.
EN14 - Strategies, current actions, and future plans for managing impacts on biodiversity	6.5, 6.5.6, 6.8.3	9. Responsibility for the environment / 9.3. Corinth Pipeworks' practices The Company constantly monitors its environmental impact, as required by the certified Environmental Management System it has put in place. Since it does not operate within or adjacent to protected areas or areas of high biodiversity there is no need to develop strategies or special measures to monitor impacts on biodiversity.
EN15 - Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	6.5, 6.5.6	No such impacts exist since the Company does not operate within or adjacent to protected areas or areas of high biodiversity.
EN16 - Total direct and indirect greenhouse gas emissions by weight	6.5, 6.5.5	9. Responsibility for the environment / 9.5. Environmental performance indicators - Greenhouse gases Gas emissions relating to the transportation of raw materials, products and waste are sources of emissions beyond the Company's control.

ISO 26000		Notes/Section												
Description	Section													
EN17 - Other relevant indirect greenhouse gas emissions by weight	6.5, 6.5.5	9. Responsibility for the environment / 9.5. Environmental performance indicators - Greenhouse gases												
EN18 - Initiatives to reduce greenhouse gas emissions by weight	6.5, 6.5.5	9. Responsibility for the environment / 9.3. Corinth Pipeworks' practices / 9.5. Environmental performance indicators Despite the initiatives taken, no reduction in indirect greenhouse gas emissions was observed.												
EN19 - Emissions of ozone-depleting substances by weight	6.5, 6.5.3	9. Responsibility for the environment / No ozone-depleting substances are emitted.												
EN20 - NOx, SOx, and other significant air emissions by type and weight	6.5, 6.5.3	9. Responsibility for the environment / 9.5. Environmental performance indicators – VOC and NOx emissions. The Company's facilities do not emit persistent organic pollutants (POPs), hazardous air pollutants (HAP) or make stack emissions.												
EN21 - Total water discharge by quality and destination	6.5, 6.5.3	The total scheduled water discharge in 2014 was 243,190 kg.												
EN22 - Total weight of waste by type and disposal method	6.5, 6.5.3	9. Responsibility for the environment / 9.7 Waste Management The table segregates waste accordingly (non-hazardous waste is shown with grey shading).												
EN23 - Total number and volume of significant spills	6.5, 6.5.3	In 2014 there were no spills capable of affecting human health, the soil, vegetation, bodies of water or ground water.												
EN24 - Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	6.5, 6.5.3	9. Responsibility for the environment / 9.3. Corinth Pipeworks' practices / 9.7 Waste Management The Company does not transport, import or ship any type of waste.												
EN25 - Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff	6.5, 6.5.3, 6.5.4, 6.5.6	There were no water discharges by the Company which could affect aquifers.												
EN26 - Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	6.5, 6.5.4, 6.6.6, 6.7.5	7. Integrated services and products / 7.4. Research and new technologies development in steel pipe production / 9. Responsibility for the environment / 9.3. Corinth Pipeworks' practices 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.												
EN27 - Percentage of products sold and their packaging materials that are reclaimed by category	6.5, 6.5.3, 6.5.4, 6.7.5	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"> <thead> <tr> <th></th> <th>2012</th> <th>2013</th> <th>2014</th> </tr> </thead> <tbody> <tr> <td>Wooden pallets</td> <td>2,990 kg</td> <td>21,160 kg</td> <td>36,750 kg</td> </tr> <tr> <td>barrels</td> <td>5,450 kg</td> <td>7,340 kg</td> <td>5,480 kg</td> </tr> </tbody> </table>		2012	2013	2014	Wooden pallets	2,990 kg	21,160 kg	36,750 kg	barrels	5,450 kg	7,340 kg	5,480 kg
	2012	2013	2014											
Wooden pallets	2,990 kg	21,160 kg	36,750 kg											
barrels	5,450 kg	7,340 kg	5,480 kg											
		Differences and variations in the numbers are due to the accumulation of materials at the Company's facilities.												

ISO 26000		
Description	Section	Notes/Section
EN28 - Monetary value of significant fines and total number of non-monetary sanctions for non compliance with environmental laws and regulations	6.5	9. Responsibility for the environment / 9.3. Corinth Pipeworks' practices No fines or sanctions were imposed during 2014.
EN29 - Significant environmental impacts of transporting products and other goods and materials	6.5, 6.5.4, 6.6.6	9. Responsibility for the environment / 9.4. Climate change and greenhouse gases / 9.5. Environmental performance indicators
EN30 - Total environmental protection expenditures and investments by type	6.5	9. Responsibility for the environment / 9.2. Continuous improvement / 9 Investing in the environment
Work performance indicators		
ISO 26000		
Description	Section	Notes/Section
Disclosure on management approach		11. The strategic approach to CSR
LA1 - Total workforce by employment type, employment contract, and region, broken down by gender	6.2, 6.4, 6.3.10	8.1. Corinth Pipeworks' human resources § Human resources at a glance The Company does not employ individuals of other nationalities or with disabilities.
LA2 - Total number and rate of new employee hires and employee turnover by age group, gender, and region	6.4, 6.4.3	8.1. Corinth Pipeworks' human resources § Human resources at a glance
LA3 - Benefits provided to full-time employees that are not provided to temporary or part-time employees by significant locations of operations	6.4, 6.4.3	8.1. Corinth Pipeworks' human resources § Employee benefits and § Equal opportunities and human rights at Corinth Pipeworks Corinth Pipeworks is opposed any form of discrimination and ensures that there no distinction 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.
LA15 - Return to work and retention rates after parental leave, by gender	6.4, 6.4.3, 6.4.4	8.1. Corinth Pipeworks' human resources § Employee benefits and § Equal opportunities and human rights at Corinth Pipeworks
LA4 - Percentage of employees covered by collective bargaining agreements	6.4, 6.4.4	8.1. Corinth Pipeworks' human resources § Human resources at a glance
LA5 - Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements	6.4, 6.4.3, 6.4.4, 6.4.5, 6.3.10	The Company's 'open door' policy and its internal communication system ensure employees are directly briefed about any major changes within the Company such as its activities being relocated to another area, changes in collective agreements, organisational shake-ups, outsourcing or the launch of new activities, etc., which removes the need to include a minimum reporting period for major corporate changes in employment contracts.
LA6 - Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes	6.4, 6.4.3, 6.4.4, 6.4.5	8.2. Occupational health and safety in Corinth Pipeworks operations

Description	ISO 26000 Section	Notes/Section
<p>LA7 - Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region and by gender</p>	6.4, 6.4.6	<p>8.2. Occupational health and safety in Corinth Pipeworks operations § Health and safety results</p> <ul style="list-style-type: none"> - The IR and LDR include data from subcontractors if the Company is responsible for their health and safety. - Injuries related to 2 male employees and 1 female employee of Corinth Pipeworks. All incidents took place at the Company's production facilities at Thisvi. - Gender-based breakdown of the relevant rates for 2014: 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. - The Company does not record absenteeism among subcontractors' employees due to illness because that is the subcontractors' responsibility.
<p>LA8 - Education, training, counselling, prevention, and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases</p>	6.4, 6.4.6	<p>In 2014 no programme relating to serious illnesses was implemented. As part of its drive to enable it to treat serious illnesses, the Company continues to operate a blood bank to cover the needs of employees and their families. No Company employees were involved in professional activities associated with a high onset and/or high risk of onset of specific illnesses, which is checked using the risk assessments which are revised annually.</p>
<p>LA9- Health and safety topics covered in formal agreements with trade unions</p>	6.4, 6.4.6, 6.8, 6.8.3, 6.8.4, 6.8.8	<p>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. These issues relate to:</p> <ul style="list-style-type: none"> - Health and safety committees comprised of management and employee representatives - employee involvement in health and safety inspections - accident inspections and investigations, training and education - the complaints mechanism - the right to refuse to carry out unsafe work - periodic inspections - commitments about standards for performance targets or practice levels required.
<p>LA10 - Average hours of training per year per employee by gender, and by employee category</p>	6.4, 6.4.6	<p>8.1. Corinth Pipeworks' human resources § Human resources training.</p> <p>Note that in 2014 19% of women in the administrative staff / workers category received training. The average number of hours of training was 1.3 per employee in that category.</p>
<p>LA11 - Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings</p>	6.4, 6.4.7	<p>8.1. Corinth Pipeworks' human resources § Human resources training. § Employee benefits</p> <p>The Company does not provide counselling and support for employees who are retiring.</p>
<p>LA12 - Percentage of employees receiving regular performance and career development reviews, by gender</p>	6.4, 6.4.7, 6.8.5	<p>8.1. Corinth Pipeworks' human resources § Employee performance appraisals and remuneration system</p>



Description	ISO 26000 Section	Notes/Section
LA13 - Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	6.4, 6.4.7	10. Corporate Governance / 10.2. The Board of Directors § Corinth Pipeworks' senior executives / 8.1. Corinth Pipeworks' human resources § Human resources at a glance 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 participates in any company governance body.
LA14 - 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, 6.4.3	8.1. Corinth Pipeworks' human resources § Employee benefits and § Equal opportunities and human rights at Corinth Pipeworks Corinth Pipeworks is opposed to any form of discrimination when it comes to pay or remuneration.
Human Rights performance indicators		
Description	ISO 26000 Section	Notes/Section
Disclosure on management approach	6.2, 6.3, 6.3.3, 6.3.4, 6.3.6, 6.6.6	1a. Message from the Chairman of the Board of Directors / 1b. Message from the Chief Executive Officer / 5. Business model, priorities and prospects / 8.1. Corinth Pipeworks' human resources / 11. The strategic approach to CSR
HR1 - Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening	6.3, 6.3.3, 6.3.5, 6.6.6	8.1. Corinth Pipeworks' human resources § Equal opportunities and human rights at Corinth Pipeworks 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.
HR2 - Percentage of significant suppliers contractors, and other business partners that have undergone human rights screening, and actions taken	6.3.5, 6.4.3, 6.6.6	7.7. Supplier Management In 2014 the Company had 1,703 suppliers in the following key categories: - Raw materials - Indirect raw materials - Consumables and other materials - Staff benefits - Services The Company cooperates with a total of 3 agencies offering cleaning and subcontracting services at its facilities. Every month all those companies are checked to see if they comply with human rights. The results of those inspections are notified to the suppliers, who are given recommendations on how to comply, if necessary. Suppliers of raw materials are also very important for the Company (the Company's purchases of raw material accounted for 94% of all purchases in 2014 and 95% on average in the period 2012-2014). All those suppliers have adopted the 10 principles in the UN Global Compact and issue their own annual Sustainable Development Reports. The Company therefore considers it is not necessary to audit and inspect suppliers who have already adopted the 10 principles in the UN Global Compact.

Description	ISO 26000 Section	Notes/Section
HR3 - Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	6.3, 6.3.5	8.1. Corinth Pipeworks' human resources § Equal opportunities and human rights at Corinth Pipeworks In 2014 no training on human rights issued was provided.
HR4 - Total number of incidents of discrimination and corrective actions taken	6.3, 6.3.6, 6.3.7, 6.3.10, 6.4.3	No incidents of discrimination have ever been recorded at Corinth Pipeworks.
HR5 - Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights	6.3, 6.3.3, 6.3.4, 6.3.5, 6.3.8, 6.3.10, 6.4.3, 6.4.5	Given the way in which associates and suppliers are chosen, the Company considers that the likelihood of the freedom of association being violated by suppliers is very low. Moreover, the Company has included a section on this matter in its 2014 Supplier Code of Conduct to brief suppliers about these matters.
HR6 - Child labour	6.3, 6.3.3, 6.3.4, 6.3.5, 6.3.7, 6.3.10, 6.6.6	8.1. Corinth Pipeworks' human resources § Equal opportunities and human rights at Corinth Pipeworks The cases in which Corinth Pipeworks recognises the potential risk of incidents of child labour are related to the facilities at Thisvi where its associates' and subcontractors' workforces are employed. For that reason the Company conducts monthly inspections at its facilities. Moreover, the Company has included a section on this matter in its 2014 Supplier Code of Conduct to brief suppliers about these matters.
HR7 - Forced and compulsory labour	6.3, 6.3.3, 6.3.4, 6.3.5, 6.3.7, 6.3.10, 6.6	8.1. Corinth Pipeworks' human resources § Equal opportunities and human rights at Corinth Pipeworks The cases in which Corinth Pipeworks recognises the potential risk of incidents of forced or compulsory labour are related to the facilities at Thisvi where its associates' and subcontractors' workforces are employed. The Company carries out monthly inspections and condemns cases of forced or compulsory labour. Moreover in 2014 the Company prepared its very own Supplier Code of Conduct. The Company has included a section on this matter in its 2014 Supplier Code of Conduct to brief suppliers about these matters.
HR8 - Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations	6.3, 6.3.5, 6.4.3, 6.6.6	In 2014 no training on human rights issued was provided.
HR9 - Total number of incidents of violations involving rights of indigenous people	6.3, 6.3.6, 6.3.7, 6.3.8, 6.6.7	No such incident has ever been recorded at Corinth Pipeworks.
HR10 - Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments	6.3, 6.3.3, 6.4.3.4, 6.3.5	The Company reviews human rights issues at all its business units each month to eliminate any risk of human rights being violated at its business premises.



ISO 26000		Notes/Section
Description	Section	
HRT1 - Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms	6.3, 6.3.6	8.1. Corinth Pipeworks' human resources § Equal opportunities and human rights at Corinth Pipeworks 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 performance indicators		
ISO 26000		Notes/Section
Description	Section	
Disclosure on management approach	6.2, 6.6, 6.8	11. The strategic approach to CSR
S01 - Percentage of operations with implemented local community engagement, impact assessments, and development programmes	6.3.9, 6.8, 6.8.3, 6.8.9	8.3. Corinth Pipeworks' societal contribution / 11.1 Sustainable Development Policy and Corporate Responsibility pillars / 11.3 Engagement and dialogue with stakeholders / 11.4 Materiality analysis / 11.5 The UN Global Compact and ISO 26000 / 11.8. Performance against 2014 targets / 11.9. Corinth Pipeworks' targets for 2015 / 8.2. Occupational health and safety in Corinth Pipeworks operations (initial section)
S09 - Operations with significant potential or actual negative impacts on local communities	6.3.9, 6.5.3, 6.5.6, 6.8	8.3. Corinth Pipeworks' societal contribution § Developing local communities / 9. Responsibility for the environment / 9.2. Continuous improvement In light of the environmental impacts and aspects study which the Company has prepared and updates each year, Corinth Pipeworks' operations have been deemed 'low nuisance' for the environment and potential negative impacts have been eliminated via preventative measures which are continuously being taken.
S10 - Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities	6.3.9, 6.5.3, 6.5.6, 6.8	9. Responsibility for the environment / 9.3. Corinth Pipeworks' practices / 10. Corporate Governance / 10.3. Internal audit system / 10.4. Risk management system / 11.1 Sustainable Development Policy and Corporate Responsibility pillars
S02 - Percentage and total number of business units analyzed for risks related to corruption	6.6, 6.6.3	10. Corporate Governance / 10.3. Internal audit system / 10.4. Risk management system / 10.7. Managing transparency and corruption issues / 11.1 Sustainable Development Policy and Corporate Responsibility pillars All business units are inspected and there were no incidents during 2014.
S03 - Percentage of employees trained in organisation's anti-corruption policies and procedures	6.6, 6.6.3	A special 2-hour training course on 'Corporate Governance, transparency and combating corruption' was held at the end of 2013 attended by 20 executives in total (Directors and managerial staff. That figure accounts for 45% of all executives). No administrative staff or workers took part. No additional training was provided during 2014.
S04 - Actions taken in response to incidents of corruption	6.6, 6.6.3	There were no incidents of corruption and no cases before the courts.
S05 - Public policy positions and participation in public policy development and lobbying	6.6, 6.6.4, 6.8.3	11.1 Sustainable Development Policy and Corporate Responsibility pillars / 11.3. Engagement and dialogue with stakeholders / 11.6 Corinth Pipeworks' membership of networks and organisations. In joining networks, agencies and organisations the Company seeks to formulate proposals and policies which will benefit the sector overall as well as the Greek economy.

ISO 26000		
Description	Section	Notes/Section
S06 - Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	6.6, 6.6.4, 6.8.3	The Company does not make financial or in-kind contributions to political parties, politicians or related institutions.
S07 - Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes	6.6, 6.6.5, 6.6.7	There were no such legal actions.
S08 - Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	6.6, 6.6.3, 6.6.7, 6.8.7	There were no such fines.
Product responsibility performance indicators		
ISO 26000		
Description	Section	Notes/Section
Disclosure on management approach	6.2, 6.6, 6.7	11. The strategic approach CSR
PR1 - Life cycle stages in which health and safety impacts of products and services are assessed for improvement	6.3.9, 6.6.6, 6.7, 6.7.4, 6.7.5	8.2. Occupational health and safety in Corinth Pipeworks operations 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. There were no incidents of non-compliance.
PR2 - Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes	6.3.9, 6.6.6, 6.7, 6.7.4, 6.7.5	
PR3 - Type of product and service information required by and percentage of significant products and services subject to such information requirements	6.7, 6.7.3, 6.7.4, 6.7.4, 6.7.5, 6.7.6, 6.7.9	7. Integrated services and products / 7.3. Quality management / 7.4. Research and new technologies development in steel pipe production
PR4 - Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes	6.7, 6.7.3, 6.7.4, 6.7.5, 6.7.6, 6.7.9	No fine was imposed relating to failure to comply with: <ul style="list-style-type: none"> • The legislation • Regulations in general and • Codes relating to communication and marketing, product information and the relevant labelling.

Description	ISO 26000 Section	Notes/Section
● PR5 - Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	6.7, 6.7.4, 6.7.5, 6.7.6, 6.7.8, 6.7.9	7.6. Customer service § Customer satisfaction survey
● PR6 - Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	6.7, 6.7.3, 6.7.6, 6.7.9	7.3. Quality Management The Company has voluntarily undertaken to provide correct information about its products and services, having adopted the Greek Advertising and Communications Code (2007) The Code's content and structure reflects the structure of the Code of Conduct devised by the International Chamber of Commerce (ICC), namely the Consolidated ICC Code of Advertising & Marketing Communication Practice, which applies worldwide. (www.see.gr)
● PR7 - Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes	6.7, 6.7.3, 6.7.6, 6.7.9	There were no incidents of non-compliance.
● PR8 - Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	6.7, 6.7.7	7.6. Customer service § Customer satisfaction survey 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.
● PR9 - Monetary value of significant fines for non compliance with laws and regulations concerning the provision and use of products and services	6.7, 6.7.6	The Company is fully compliant and there were no legal, administrative or judicial sanctions.

The photographs in this Report were taken by Spyros Haraktinos, as well as by Vyronas Nikolopoulos, Alexandros Fafoutis, Simon Pitsillidis and the Hellenic Athletics Federation (SEGAS).



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 Corinth Pipeworks' 2014 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.

Which Corinth Pipeworks stakeholder group do you belong to?

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"/> Other: | |

What was your impression of each individual section of the Corinth Pipeworks' 2014 Report and your overall impression?

REPORT SECTIONS	Excellent	Good	Average	Needs revision
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"/>
Vision, mission and values	<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"/>
Integrated services and products	<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"/>
Environmental responsibility	<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 CSR	<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 the 2013 Annual Financial and Sustainable Development Report was the impression you got from the 2014 Report:

- Better
 The same
 Worse
 Don't know

As far as the information presented in Corinth Pipeworks' 2014 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 whether it is possible to compare data from the 2014 Annual Financial and Sustainable Development Report with data presented in older reports published by the Company?

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

Excellent
 Good
 Average
 Poor
- How would you rate the quality of texts in the Report?

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

In your opinion, does the information contained in the 2014 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 2014 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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