



Social Responsibility Report 2019

IN THE NAME OF
GOD

Table of Contents

Table of Contents



1

7	Social responsibility management
8	Message from the CEO
10	Our story
24	Strategic planning process
28	Our contribution to the production boom
30	MIDHCO at a glance
32	Management structure
36	Management system
38	MIDHCO capacities
40	Stakeholders management
42	MIDHCO Awards and Honors



2

44	Economic value creation
46	MIDHCO on the path of development
47	MIDHCO Economic Performance
54	MIDHCO production performance
60	Marketing and sales
64	MIDHCO in international dimensions
65	MIDHCO projects
68	Risk management in economic value creation
70	Stakeholder management in economic value creation
84	Transparency of performance



3

86	Preserve and Improve the environment
96	Environmental management policy
98	Achievements
103	The amount of resource consumption
104	Management and protection of natural resources
117	Other activities



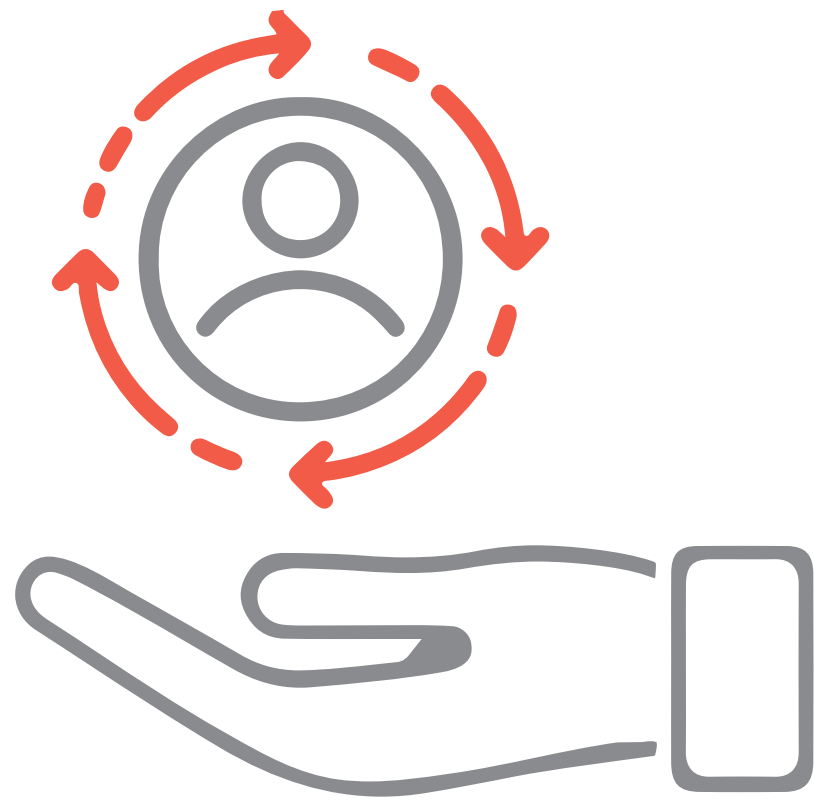
4

118	Development of human capital and society
120	Human capital at a glance
123	Human capital and sustainable development
124	Human capital Management
126	Ethical principles of business
129	Achievements
129	Recruitment and employment
130	Balance between work and life
132	Measuring job satisfaction
134	Health and growth of human capital
140	Sports and social vitality
142	Education
146	Local community development



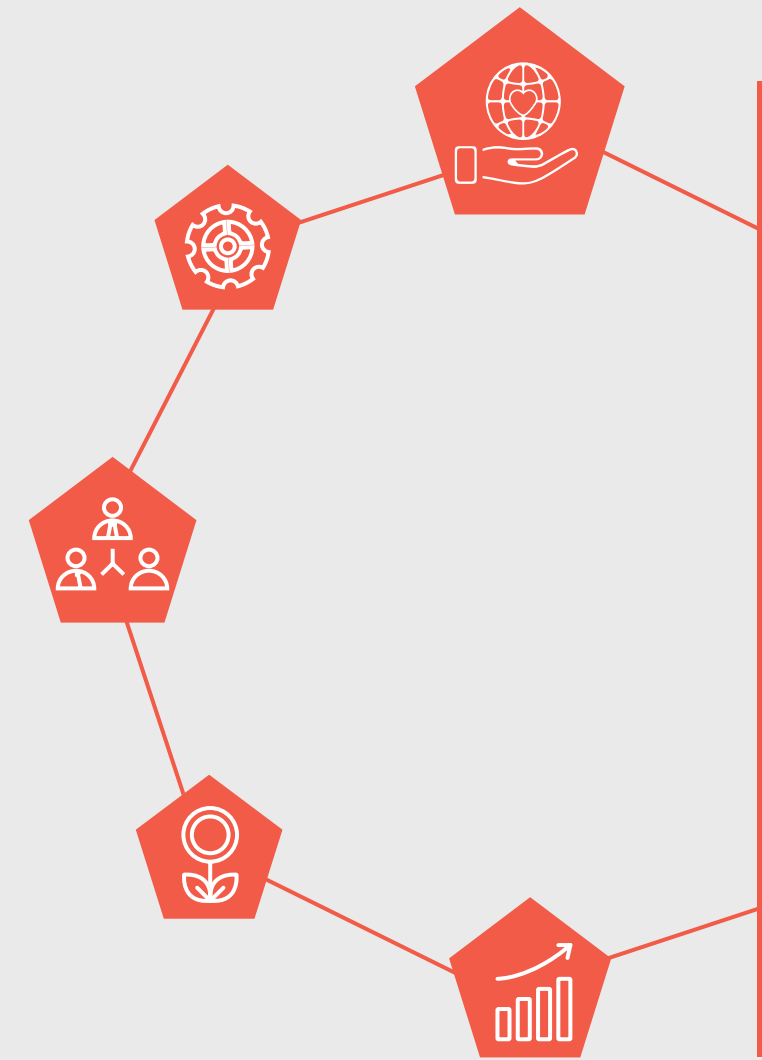
5

150	Development of knowledge, technology and innovation
153	Organizational culture
156	Research, Technology and Innovation System
160	Knowledge Management
172	Technology and Innovation Management
176	The Fourth Industrial Revolution



- message from head manger
- Our story
- Strategic planning process
- Our contribution to the production boom
- MIDHCO at a glance
- Management structure
- Management system
- MIDHCO Capacities
- Stakeholder management
- MIDHCO Awards and Honors

Social Responsibility Management



The CEO Message



On December 8, 2019, we celebrated the 12th anniversary of the establishment of MIDHCO. A tumultuous path aimed at developing a new growth model in which social values and trading profits are created side by side. The goals pursued in a complex structure of interactions in this path required attention to various dimensions of the concept of growth and development. The sincere support and cooperation of stakeholders, customers, suppliers, partners and local communities, as well as attention to the goals of sustainable development as a guide have guided our responsible activities in the social environmental development of MIDHCO .

More than 17,000 people are working to advance MIDHCO's goals. Our effort is to maintain the welfare and health of all the employees who accompany us on the path of development. Reducing the coefficients related to the frequency and severity of accidents along with continuous monitoring of human health and efforts to create vitality and well-being for all the employees is only one part of the activities that have been done in this regard. But our focus is not only on the company but also the local community, which welcomes our presence in the field of dynamism and economic growth, has always been one of the constant and important concerns in all layers of management and operations of the holding. In 2019, MIDHCO allocated significant funds to fulfill its social responsibility, including employment development, Increasing the level of welfare in local communities, preserving and improving the environment and other related activities, which in itself can show the importance of this issue beside all of our development activities.

Attention to technology and innovation by designing knowledge management system, technology roadmap, development of innovation culture followed by development of environmentally friendly technologies and reduction of environmental pollutants as the achievements of this meeting will lead us to green management.

But this is not the end of the path. With the help of God , every year will be the starting point for a new movement and every year we will take a stronger step in the excellence of our beloved country.

Ali Asghar Pourmand
CEO

Our story

The Sustainable Development Goals, with 17 interconnected goals, is a plan to achieve a better and more sustainable future for all and to meet the global challenges we face. Challenges related to industrial innovation and infrastructure, responsible production and consumption, changes Climate, environmental degradation, peace and justice, and pervasive diseases such as COVID-19

The achievement of the 17 goals is evaluated by the United Nations in different years for different countries. The ranking of countries based on the achievement of these goals is published annually by the United Nations.

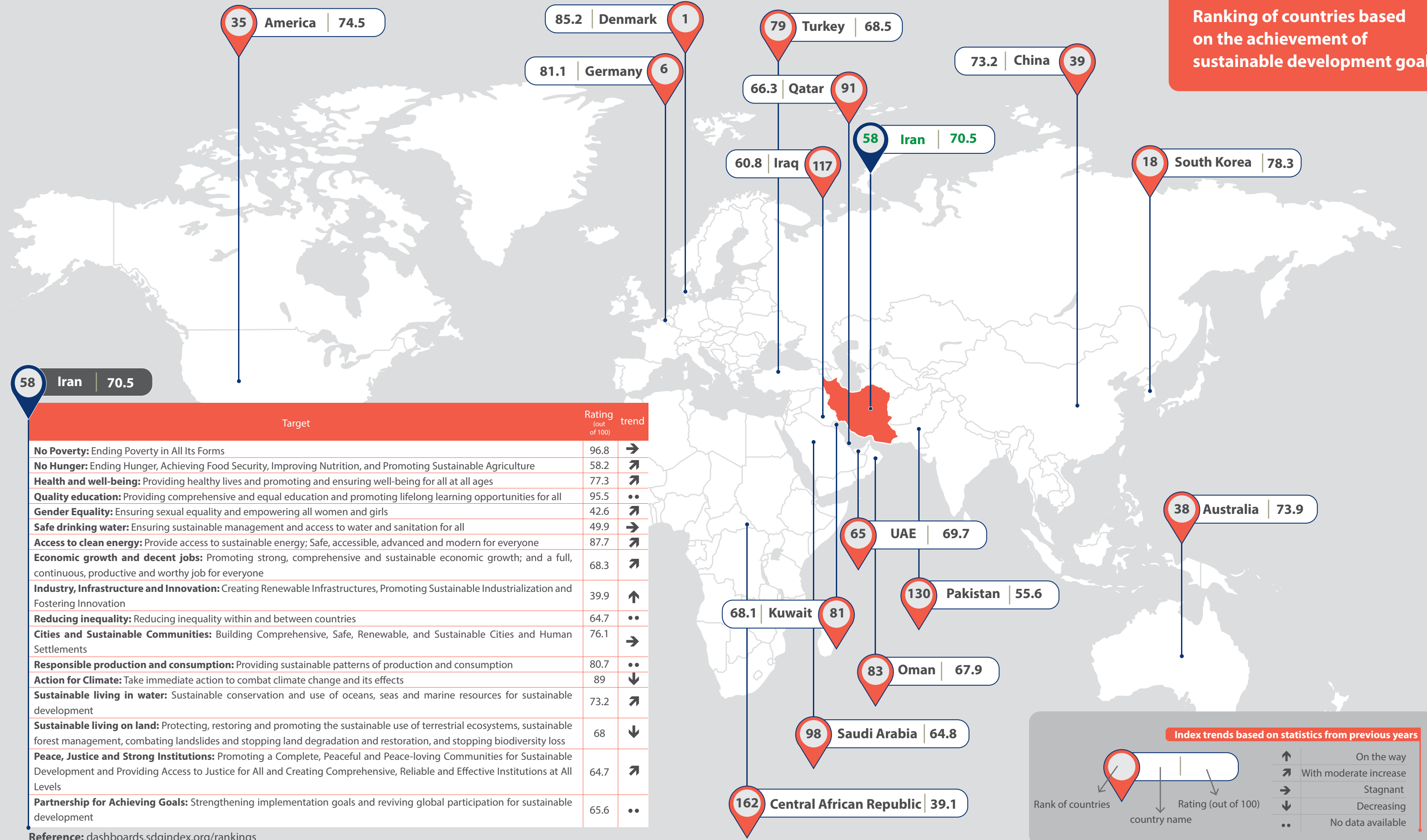


The Sustainable Development Goals, with 17 interconnected goals, is a plan to achieve a better and more sustainable future for all and to fight the global challenges we face. Challenges related to industrial innovation and infrastructure, production and consumption in a responsible manner, changes Climate, environmental degradation, peace and justice, and pandemic diseases such as COVID-19

The achievement of the 17 goals is evaluated by the United Nations in different years for different countries. The ranking of countries based on the achievement of these goals is published annually by the United Nations.



Ranking of countries based on the achievement of sustainable development goals



58 Iran | 70.5

Target	Rating (out of 100)	trend
No Poverty: Ending Poverty in All Its Forms	96.8	→
No Hunger: Ending Hunger, Achieving Food Security, Improving Nutrition, and Promoting Sustainable Agriculture	58.2	↗
Health and well-being: Providing healthy lives and promoting and ensuring well-being for all at all ages	77.3	↗
Quality education: Providing comprehensive and equal education and promoting lifelong learning opportunities for all	95.5	••
Gender Equality: Ensuring sexual equality and empowering all women and girls	42.6	↗
Safe drinking water: Ensuring sustainable management and access to water and sanitation for all	49.9	→
Access to clean energy: Provide access to sustainable energy; Safe, accessible, advanced and modern for everyone	87.7	↗
Economic growth and decent jobs: Promoting strong, comprehensive and sustainable economic growth; and a full, continuous, productive and worthy job for everyone	68.3	↗
Industry, Infrastructure and Innovation: Creating Renewable Infrastructures, Promoting Sustainable Industrialization and Fostering Innovation	39.9	↑
Reducing inequality: Reducing inequality within and between countries	64.7	••
Cities and Sustainable Communities: Building Comprehensive, Safe, Renewable, and Sustainable Cities and Human Settlements	76.1	→
Responsible production and consumption: Providing sustainable patterns of production and consumption	80.7	••
Action for Climate: Take immediate action to combat climate change and its effects	89	↓
Sustainable living in water: Sustainable conservation and use of oceans, seas and marine resources for sustainable development	73.2	↗
Sustainable living on land: Protecting, restoring and promoting the sustainable use of terrestrial ecosystems, sustainable forest management, combating landslides and stopping land degradation and restoration, and stopping biodiversity loss	68	↓
Peace, Justice and Strong Institutions: Promoting a Complete, Peaceful and Peace-loving Communities for Sustainable Development and Providing Access to Justice for All and Creating Comprehensive, Reliable and Effective Institutions at All Levels	64.7	↗
Partnership for Achieving Goals: Strengthening implementation goals and reviving global participation for sustainable development	65.6	••

Reference: dashboards.sdgindex.org/rankings

Index trends based on statistics from previous years

↑	On the way
↗	With moderate increase
→	Stagnant
↓	Decreasing
••	No data available

In order to compile the final report on corporate social responsibility for sustainable development, the GRI standard 2018 has been used.



In addition to this standard, some aspects of corporate social responsibility model have been considered.

The indicators in these two approaches show the special importance of innovation and



technology development in development approaches at the global level. With this in mind, in order to report on the activities carried out by MIDHCO in the field of technology development and innovation, a section entitled "Knowledge, Technology and Innovation Development" was added to the reporting framework of MIDHCO social responsibility.

MIDHCO Social Responsibility Requirements Document outlines the social responsibility policy in four dimensions, taking into account the sustainable development of the GRI standard as a principle. A total of 15 of the 17 Sustainable Development Goals are addressed in our social responsibility policy.

MIDHCO Corporate Social Responsibility Policy

We strive to build close cooperation, taking into account the views of the people and the consequences of our activities, and to promote active participation at the national, provincial, regional and local levels, based on mutual commitment and trust.



We work with other institutions to support the social development activities of the host communities, such as the development of health, education, agricultural development programs, and environmental protection.



Our goal is to create lasting relationships, active participation and long-term commitment to the sustainable development of host communities by respect and mutual understanding and taking responsibility for social relationships and host communities.



Wherever we work, especially in less developed areas, we strive to best respect the different cultures, lifestyles, cultural heritage and traditions of our neighbors and carry out our activities in accordance with them.

Wherever we work, especially in less developed areas, we strive to best respect the different cultures, lifestyles, cultural heritage and traditions of our neighbors and carry out our activities in accordance with them.

Our focus on sustainable development goals has varied according to the strategies and resources available. Health and well-being, Quality and targeted education, safe drinking water, economic growth and employment, industrial development, infrastructure development and innovation, followed by a focus on maintaining

and improving the environment, business ethics and partnership with other institutions in the implementation of social responsibility programs have been the main priorities of our activities. These focal points, compared to other large companies in the field, demonstrate a global approach to sustainable development at the MIDHCO level.



It should be noted that the issues that are presented with less priority in the chart are less of a challenge in MIDHCO, and therefore holding programs are more focused on other sustainable development goals.

To define the dimensions of corporate social responsibility more accurately, based on the policy of MIDHCO Holding, we designed and implemented a process in the following four steps. These processes have tried to determine the main points of focus in the activities of corporate social responsibility according to the approaches in the macro policies of MIDHCO Holding as well as other documents and global approaches, and thus can direct the available resources towards greater productivity and efficiency of its activities.

- 1 Identification**

In order to identify the key issues expected in the corporate social responsibility activities of MIDHCO Holding, a set of documents including the following were reviewed:

 - Reporting Guide to Organization/Corporate Social Responsibility of GRI
 - International Standard on Corporate Social Responsibility ISO 26000
 - Framework of Management Corporate Social Responsibility provided by the Iranian Management Association
 - MIDHCO Holding's Corporate Social Responsibility Report in 2018
 - MIDHCO Holding's Corporate Social Responsibility Report in 2017
 - MIDHCO Holding's (Community) Social Responsibility Requirements Guidelines
 - Instructions for preparing a social responsibility report of MIDHCO Holding
 - Regulations of MIDHCO Holding's Social Responsibility Management System
 - Sustainable Development Report 2019
- 2 Developing criteria and categorizing topics**

After categorizing and integrating similar criteria, a set of 166 criteria was identified in order to compile the final report of corporate social responsibility and was presented in 6 topics: general, employees, economic, innovation and technology development, society and environment.
- 3 Validation (focus groups)**

The following two paths validate the proposed criteria and categories:

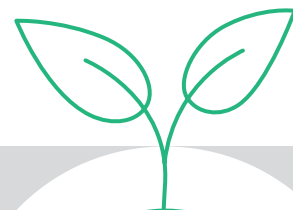
 - Presentation in the symposium of subsidiaries
 - Review and approval in the corporate social responsibility committee of MIDHCO Holding
- 4 Collection of information and integration of results**

Various tools were used to collect information from the level of MIDHCO Holding, including:

 - Review of available documentation (including Declaration of Organizational Excellence)
 - Questionnaires
 - Interviews with managers
 - Holding group meetings with employees
 - Online communication

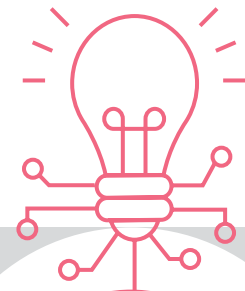
The placement of results obtained in the appropriate models and the validation of the report were done by the relevant deputies as the final activity in this step.

Output of the first to third steps of the reporting process, identifying key areas of focus on the four "Economic value creation", "Human development", "Development of knowledge, technology and innovation" and "Preservation and improvement of the environment" issues as key issues of social responsibility based on development goals Stable and standard GRI



Preserving and improving the environment

Environmental management policy
 Environmental management system
 Maintenance and development of green space
 Resource management and protection
 Other environmental activities



Development of technology knowledge and innovation

Organizational culture
 Innovation and Technology Research System
 Knowledge management
 Technology and innovation management
 The fourth industrial revolution (Industry 4.0)



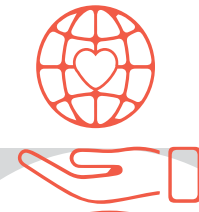
Human development

Human capital management system
 Business ethics
 Attraction and recruitment features
 The balance between work and life
 Job satisfaction measurement
 Safety and health
 Exercise and social vitality
 Education
 Local community development



Economic value creation

Economic performance
 Production performance
 Movement of raw materials and products
 Marketing and sales
 International approaches
 Projects
 risk management
 Stakeholder management
 Performance transparency



Corporate social responsibility management

Our story
 Strategic planning process
 Management structure and system
 Midco Capacities
 Stakeholders and their management
 Midco Awards and Honors



Our story narrates a unique path in achieving each of the issues in the framework of corporate social responsibility of MIDHCO, relying on the knowledge, capability and experience of the managers and employees.

Economic value creation

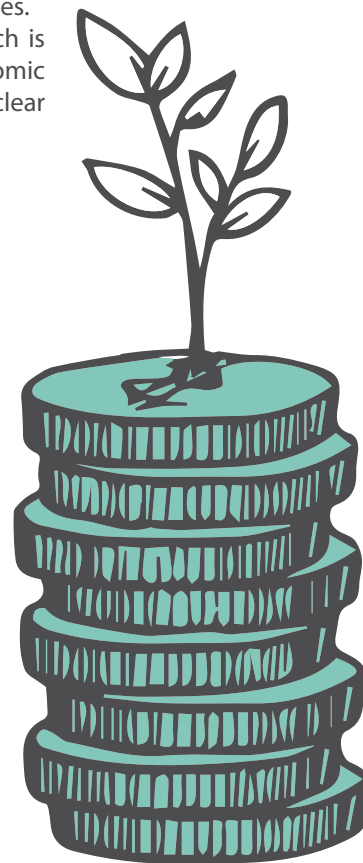


Since the launch of the long-term MIDHCO program, there have been discussions of 17 major projects, which have grown to 35 major projects. The estimated investment at the time was about \$ 5 billion, of which about \$ 4 billion has been made so far. But we first defined our long-term economic plans based on the technical and economic reports defined for each project, and we update them every year in the form of COMFAR. This update is not limited to companies that are working on the project. We continue the update even for completed projects.

In 2019, MIDHCO's capital increased from 29,000 billion rials to 35,500 billion rials, which can confirm our long-term view of the development of activities. Along with this capital increase and a 30% profit growth rate and a 22.2% equity return rate, it will mark the beginning of a production leap in our set of activities.

What is certain is that our approach is to strive for comprehensive economic development, which shows a clear vision of the years to come.

- 35 Project
 - 15 main companies
 - \$ 5 billion in capital
- We based our long-term economic planning on 35 projects in the form of 15 companies with a value of approximately \$ 5 billion



Human developmen

By defining a human capital strategy, we define where we are and where we want to go. Change as the nature of the environment leads to an annual review of our strategies. We pursue two key goals in developing our human capital. Our first goal is to have the best human capital and our second goal is globalization. The first goal is achieved by trying to develop the capabilities of domestic human capital by relying on education and the second goal by focusing on the development of activities outside the borders of Iran. The result of this effort is more than 24400 man-hours of human capital training in 2019, attracting and employing Iranian specialists abroad in order to empower human capital and also the activities of two companies outside the country in order to achieve the goal of globalization. Scoring systems for human capital recruitment and its promotion, flat organizational structure and management based on specialized committees at the holding level are special features of human capital management and organizational structure of MIDHCO .

A total of 17,619 people help us in the development path, of which 8076 people are employed by the holding company, 3632 people work as outsourced and 5911 people work with us as contractors. We anticipate employing nearly 16,000 people to advance MIDHCO Holding's great goals.

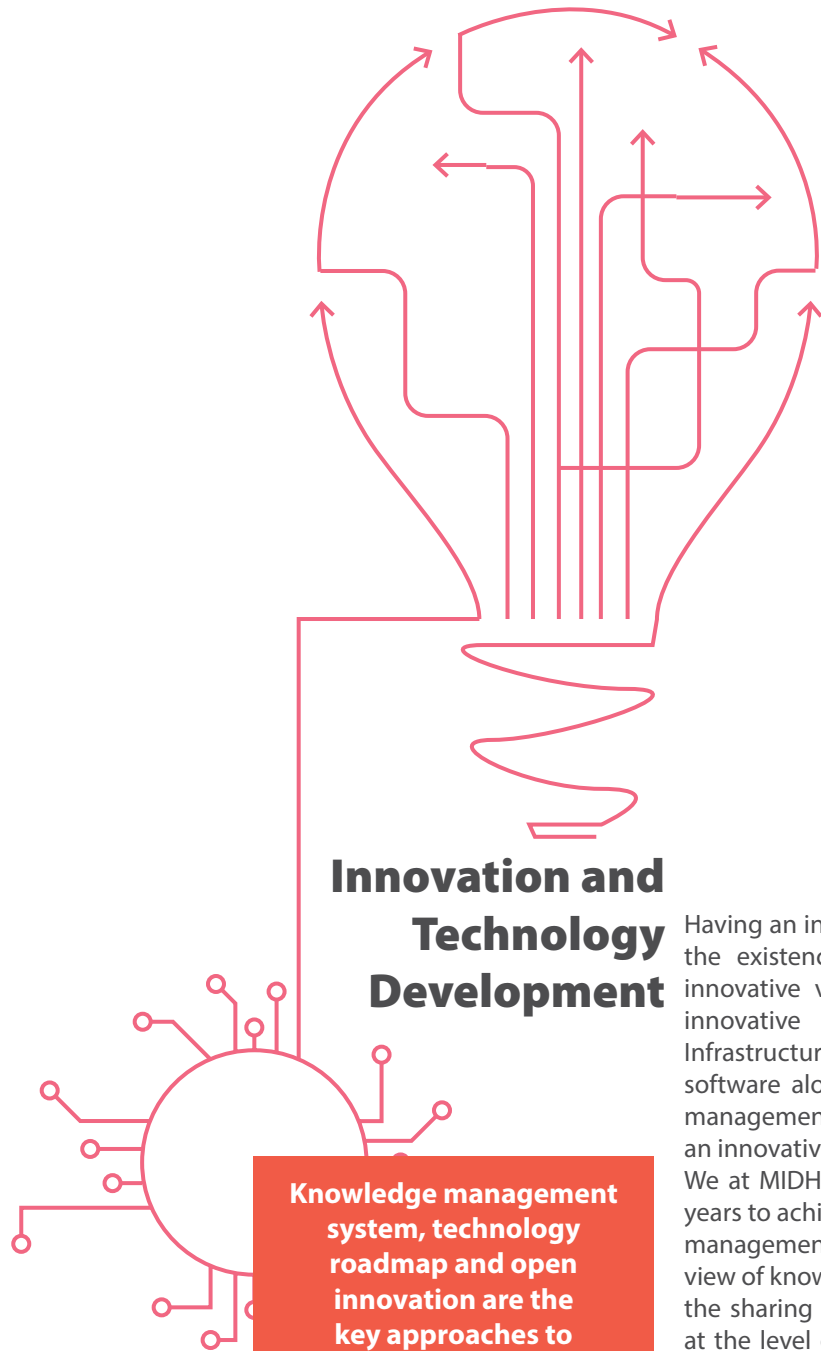
Also, in order to protect manpower, attention to safety issues has succeeded in reducing the accident rate by 0.98% compared to the previous year and reducing the number of deaths due to work accidents by 33%. Our ultimate goal will be to reduce the number of deaths to zero.

Developing schools, supporting disadvantaged students, employing local people, using local suppliers, carrying out disaster relief activities and distributing support packages to the local low-income groups are just some of our activities in support of communities affected by our activities. What is certain is that our efforts are to support the communities that host our activities.

17,619 people in direct employment and more than 170,000 people in indirect employment

Allocation of 6.3 billion tomans for students and host communities

"Having the best human capital and globalization and accident reduction are the key goals of our human capital development. Today shareholders are not the only beneficiaries in a factory. Local community development is our ultimate goal in social activities."



Innovation and Technology Development

Knowledge management system, technology roadmap and open innovation are the key approaches to innovation and technology development at MIDHCO Holding.

Our goal is to use up-to-date and advanced technology and optimize it according to environmental conditions, as well as upgrade and develop technology so that we become a provider of electrical engineering and technology knowledge.

Having an innovative view in an organization requires the existence of several aspects of capability. An innovative view is not limited to the existence of innovative strategies and innovative approaches. Infrastructure and resources of hardware and software along with human capital' capabilities and management approaches convert an organization to an innovative and leading organization.

We at MIDHCO have been planning and working for years to achieve this goal. Development of knowledge management infrastructure in order to promote the view of knowledge seeking among all subsidiaries and the sharing and development of existing knowledge at the level of Midco Holding have been an effective step in innovation in the organization. In addition, paying attention to recognizing the technological dimensions of growth and development, relying on the development of a technology development roadmap, has taken MIDHCO Holding one step further for becoming an innovation organization.

But innovation requires its own processes and mechanisms, and in an effort to develop them we have begun in-depth studies in various aspects such as open innovation, innovation networks, innovation factory, and market technique, which we hope, along with other activities, they can realize the chain of ideas to commercialization at the holding level.



Preserving and improving the environment

Development of environmentally friendly technologies, reduction of environmental pollutants and development of green spaces are among our key activities in preserving and rehabilitating the environment.

"We not only seek to preserve the environment but also to improve it."

We have always paid special attention to the position of the environment in the management of our activities. Reducing the impact of MIDHCO industrial activities on the environment is one of the key pillars of our social responsibility.

Perhaps it can be said that we go beyond protecting the environment and try to promote the environment in our area of activity in addition to preventing the destruction of the environment. This work is managed based on special standards and guidelines that focus on the maintenance, storage and management of waste, monitoring and measurement of environmental pollutants and industrial wastewater and industrial treatment plants of complexes. Construction of green space) in the amount of 3700 hectares in 2019 (Development of environmentally friendly technologies) Bioleaching technologies, CDQ, etc. (Reducing the emission of pollutants into the air, implementing a wastewater treatment project in order to preserve groundwater resources as well as improving the quality and quantity of water resources available to the people of the region and many other similar activities all show the special attention to the preservation and promotion of the environment by MIDHCO. These results will motivate us more and more to advance the goals of preserving and improving the environment and to pay attention to its recovery and reconstruction.

Strategic Planning Process

To achieve each of the goals raised in the four topics of corporate social responsibility, macro documents, strategies and special structures have been used. Strategic slogan, mission, vision and goals of the organization along with the core values of MIDHCO Holding as strategic approaches serve both as a guide and as a destination at the strategic role level.



Professional Behavior

Exercising professional management, performing the duties and responsibilities defined in each job away from dramas and environmental and non-professional factors, making decisions based on information and collective wisdom

Transparency

Honesty in behavior and words, mutual trust, accountability and commitment, reporting

Knowledge

Systematic application of experiences, innovations and intellectual capital of employees and all stakeholders and learning from each other in all activities and processes, the ability to gain experience from the success of others and apply new strategies, supporting the presentation of innovative ideas, promoting innovative view and thinking

Excellency

Continuous improvement, growth and promotion of all organizational dimensions, holism, foresight, empowering ourselves and stakeholders, aligning individual and organizational progress

Unity and teamwork

Group growth, collective cooperation and participation in a friendly environment and establishing good communication based on empathy, mutual understanding and respect for each other

Citizenship morale

Rule of law, environmental protection, safety and health, adherence to social responsibilities

Values

MIDHCO's strategic management model has been designed and implemented as a guide to achieve macro approaches based on the experiences and capabilities of our experienced managers. The dimensions of social responsibility and sustainable development have been considered as a strategic premise in various parts of the strategic management model of MIDHCO Holding. For this purpose, risk management, improving communication with

stakeholders and the surrounding community, as well as environmental protection have been mentioned in the strategy development stage and in the process layer, and staff development based on the realization of learning, growth and satisfaction in every single one of the colleagues along with development of knowledge and infrastructure in the holding is another issue that has been planned in the growth and learning layer and in the strategy development stage.

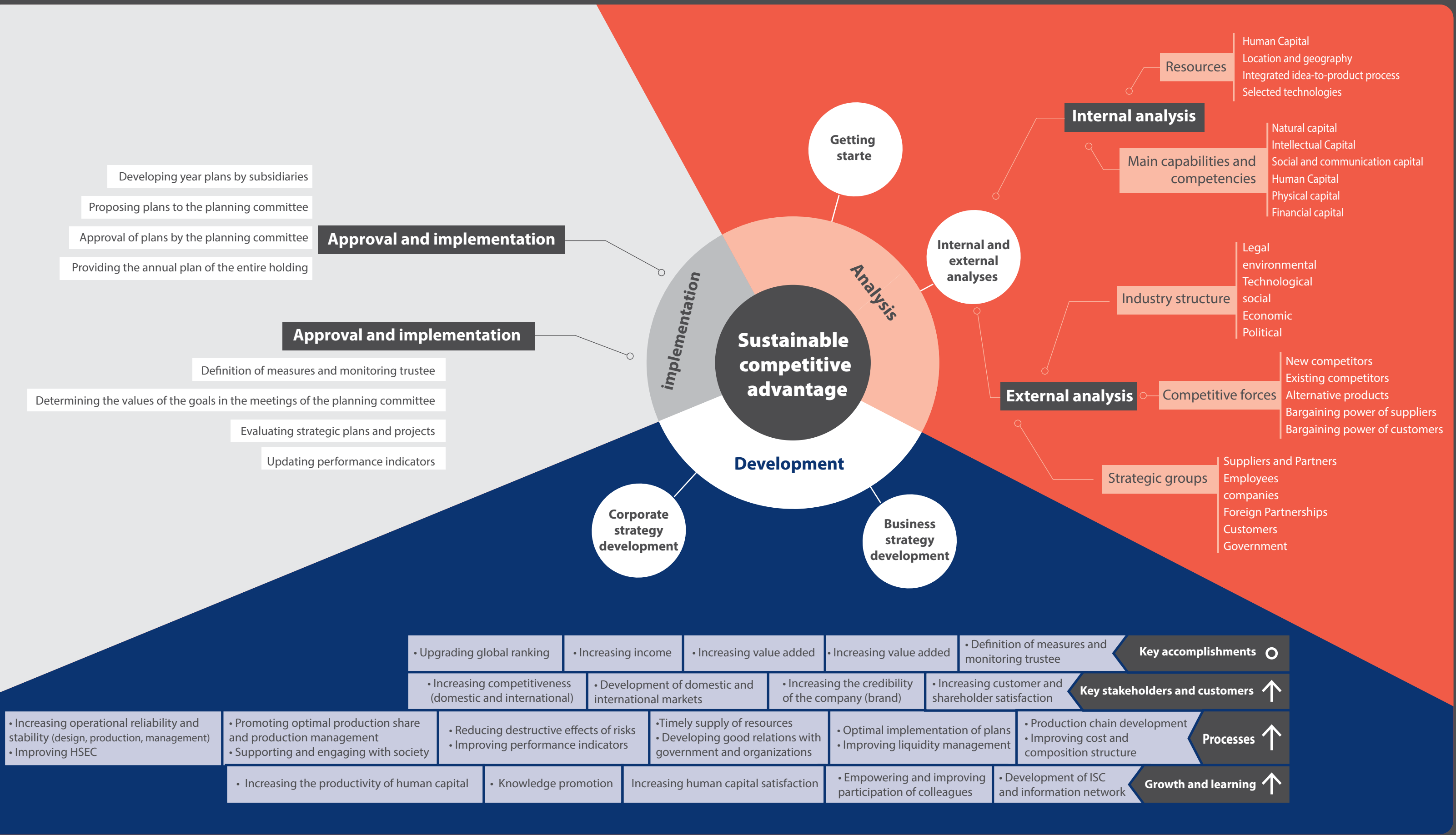
Values

Strategic slogan

Mission

Vision

Goals





Seven agenda of the Ministry of Industry, Mines and Trade in the year of production boom

- Paying attention to the social responsibility of the industry and planning to promote the position of this ministry**
- Focusing on production boom**
- Export Development**
- Paying special attention to mines**
- Development of international cooperation with the approach of economic diplomacy**
- Removing barriers to production**
- Paying attention to high-tech and knowledge-based industries**

Every year by allocating a separate budget, we strive to improve our surrounding communities based on employment development, environmental protection, networking, regional development, local community growth, etc., as well as the internal environment of the holding based on human rights, safety and health, welfare, economic development, innovation and technology development, growth, education and learning, and so on.

Our efforts in the development of operational phases have led to an increase of more than 23% in the production rate of main products compared to 2018.

In an effort to expand exports, we have completed the value chain of our products from mining to steel. Steel production as an export product in 2019 is the starting point of MIDHCO Holding activities in export development.

The most important strategy of MIDHCO has been to start the development of the production chain from mines. In this regard, MIDHCO Company today has the highest volume of mining operations in this field in the country and is the only mining industry complex in the country that has started development from the place of exploration.

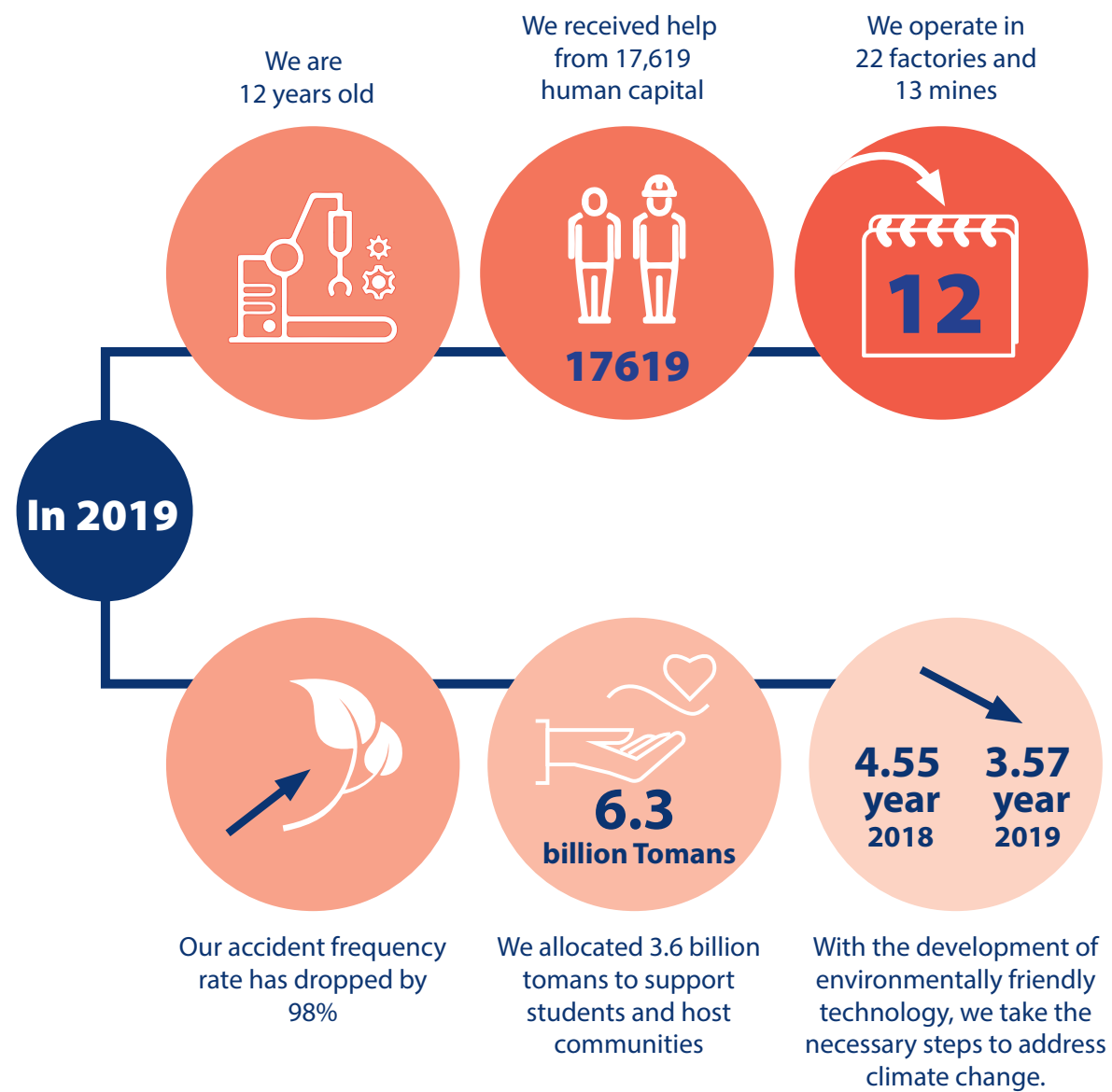
Listing on the London Stock Exchange is one of our most important achievements in achieving our economic goals in the international arena and the ground for the development of international cooperation with the introduction of us as a global company.

The Islamic Consultative Assembly has taken effective steps to eliminate the barriers to production in the form of the "Law on Removing Barriers to Competitive Production and Improving the Financial System of the Country" and to inform it to the government that MIDHCO Holding is trying to use the created capacities to improve its production activities.

MIDHCO Holding has strived to create a culture of innovation and design a technology and innovation research system, as well as develop a roadmap for technology development in the field of steel, along with forming cooperation with domestic and foreign research and technological institutions and companies in the form of their own domestic research and innovation companies and formulating Knowledge management and development processes in order to turn the development of knowledge and technology into organizational routines at the level of its activities.

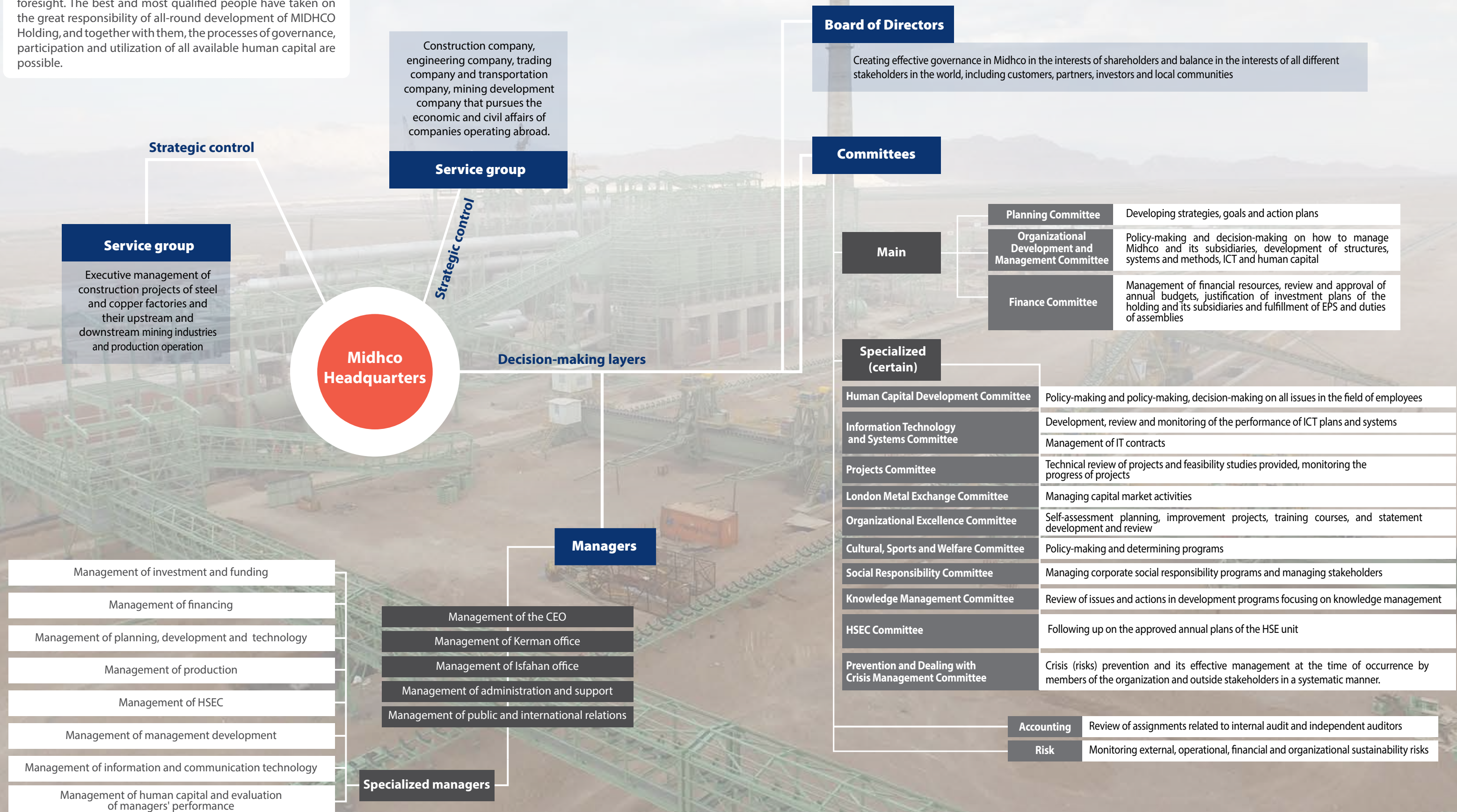
MIDHCO at a glance

What can be seen from the implementation of strategy programs formulated at the level of MIDHCO is the achievement of great goals. Only a few aspects of the results of our activities in 2019 show a purposeful and powerful path towards achieving sustainable development and corporate social responsibility management.



Management structure

Structuring and formulating governance processes is necessary to implement any strategy in order to achieve goals. We have built our structures on knowledge, capability, foresight. The best and most qualified people have taken on the great responsibility of all-round development of MIDHCO Holding, and together with them, the processes of governance, participation and utilization of all available human capital are possible.



MIDHCO Board Members



Dr. Majid Ghasemi
Chairman of the Board



Engineer Ali Palizdar
Deputy CEO and member of the board



Dr. Ali Asghar Pourmand
CEO and vice chairman of the board



Dr. Bahram Sobhani
Member of the Board

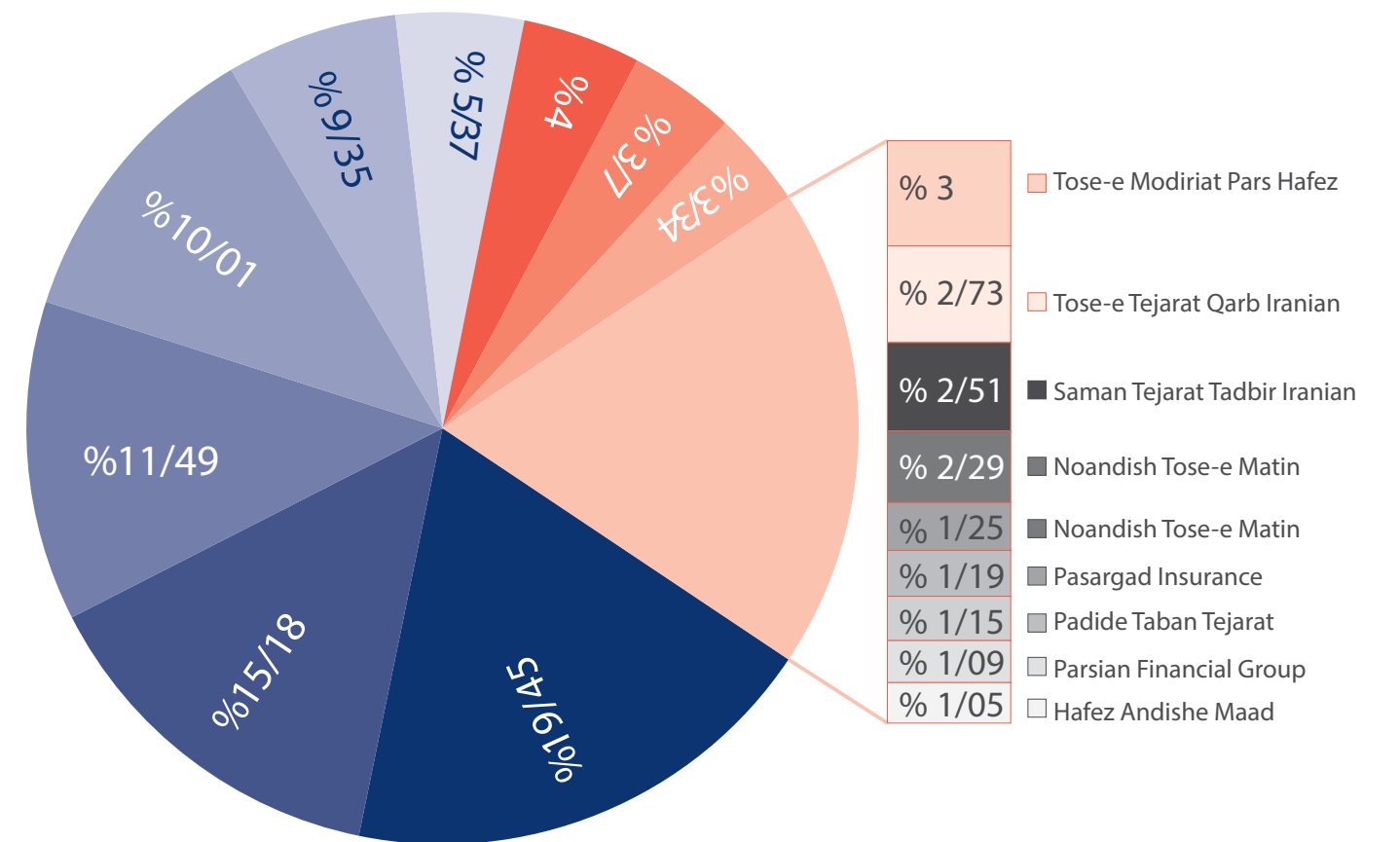


Engineer Reza Ashraf Semnani
Member of the Board

What can be seen from the implementation of strategic plans formulated at the level of MIDHCO is the achievement of great goals. Only a few aspects of the results of our activities in 2019 show a purposeful and powerful path towards achieving sustainable development and corporate social responsibility management.

Shareholders of MIDHCO Holding

The symbol of MIDHCO Holding has 11,800 natural shareholders in Iran's over-the-counter and the major shares of this holding belong to Pasargad Financial Group.



- Pouya Andishan Sarzamin-e Maad
- Pasargad Value Creators Group
- Other natural and legal shareholders
- Mabnaye Khavarmianeh
- Tejarat Pishegan Mihan Negar Pars Company
- Sakhteman-e Poushesh Tamin-e Atieh
- Iranians' Capital Strategy
- Andishe Tejarat Soroush Sahand
- Pars Aryan Investment
- Dana Gostar-e Caspian

Management system



The key functions of this management structure are planning, organizing, coordinating, monitoring and controlling based on operational plans independent of the holding's development strategies. In this regard, in addition to reviewing and analyzing the reports obtained from the analysis of performance data of the subsidiaries, senior managers of MIDHCO Holding monitor activities in their areas of operation by attending once every two weeks in projects and development plans and deploying control systems to the special function of the operating layer Deployment of MIDRP, BSC and Primavera and Armandis software in projects and presentation of performance analysis report on the status of organizational resources such as physical, human, financial resources, organizational contracts in the weekly monitoring sessions with the presence of senior managers are only part of management mechanism at the level of MIDHCO Holding. This monitoring is done according to different axes by

Corresponding department committee	Type of report or information	Analysis axes
Planning committee	Detailed performance improvements of projects including physical financial progress and HSE reports, reports related to infrastructure projects such as power plant construction and electricity distribution, water, gas, road construction and production reports	Projects and production
Planning committee	Plan performance based on year plan document / system reports / SCB review of strategies modification of plans	Plans and strategy
Planning department	Analyzing conditions and proposing future quantitative and qualitative development plans	Future development
Financial department	Budget performance, liquidity flows, financial needs, SPE financial commitments	Financing
Organizational development and management department	Progress in process development, implementation of processes and management systems	Management systems and processes

various sections of the holding's management structure.

In defined periods, the information collected and analyzed in each of the committees is presented to the relevant departments and stakeholders. In addition, the board of directors of MIDHCO and the board of directors in subsidiaries also analyze the reports and suggest and implements the necessary measures and strategies to raise the level of performance. In the field of corporate social responsibility, the Corporate Social Responsibility Committee, as the main pillar of social responsibility management and sustainable development in the management structure of MIDHCO Holding, reviews and analyzes programs and approaches at the level of MIDHCO Holding. This committee tries to follow the design of the holding's strategies in the field of corporate social responsibility in line with the macro orientations of the country. Productive, sustainable and long-term direct employment of mining projects, 10 to 20 times more employment indirectly, creation of job opportunities in line with social responsibilities and generally, comprehensive and sustainable development in compliance with safety, environmental issues and social responsibilities are goals being pursued in activities of this committee.



Based on other pillars of MIDHCO Social Responsibility Management, this committee pursues activities related to this field.

Pillars of MIDHCO's Social Responsibility Management

According to this structure, the responsibility for creating, establishing, managing and developing the MIDHCO Social Responsibility Management System (CMS) is the responsibility of the Holding Social Responsibility Committee and under the supervision of the CEO of MIDHCO. Also, the responsibility of creating, establishing, leading and developing the "Social Responsibility Management of Subsidiaries" system is the responsibility of the Social Responsibility Committee of the subsidiaries and under the supervision of the CEO of the subsidiary. In the third layer, the responsibility of creating, establishing, leading and developing the "Social Responsibility Management System of Complexes, Development and Construction Plans of Affiliated Factories and Mines" is the responsibility of the Complex Manager or project manager of development plans and construction of affiliated factories and mines.

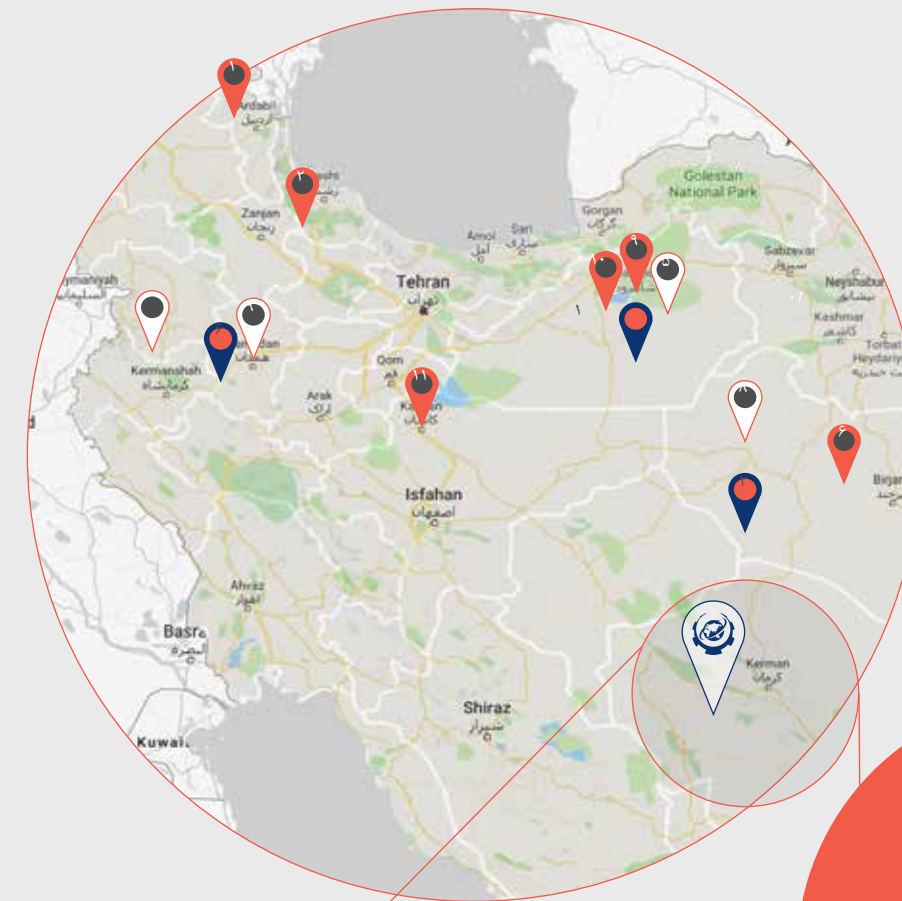
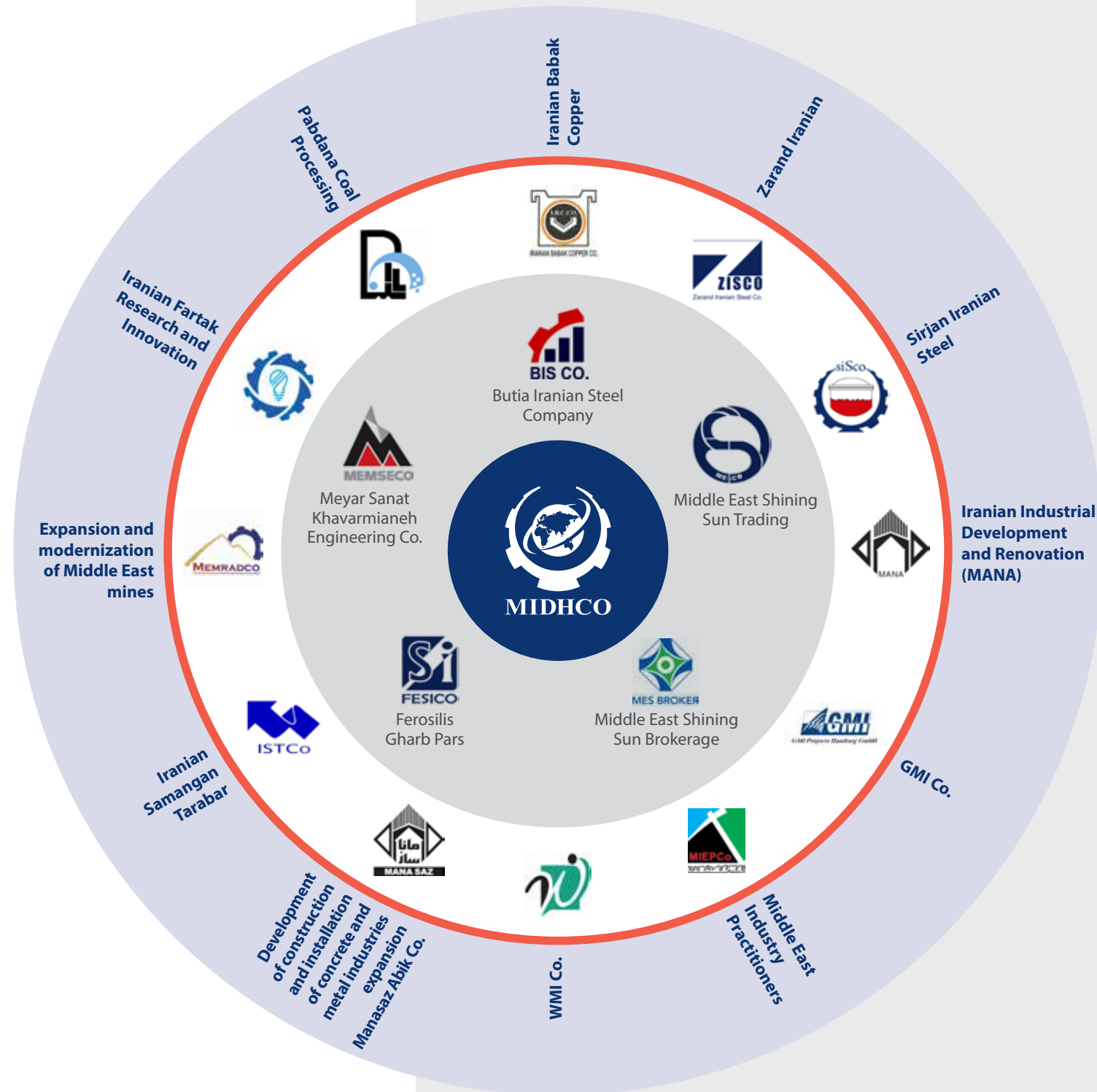


CMS: Community Management System
CRCH: Community Responsibility Committee of Holding
CRCC: Community Responsibility Committee of Company

MIDHCO Holding's Capacities

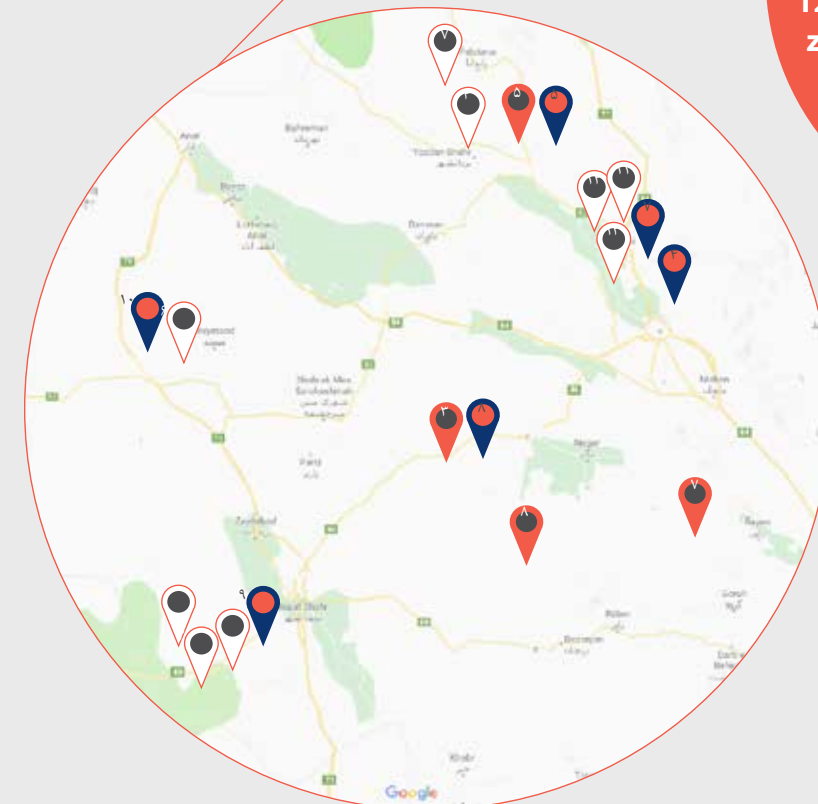
Subsidiaries

We have used various capacities to develop our activities. 17 subsidiaries with various missions and goals of operation, trade, engineering, transportation and knowledge development help us achieve the goal of full development of the value chain in the mining industry.



- Factory
- Exploration zone
- Mine

Operational development capacity
 12 complexes, 11 exploration zones and 13 mines available to us constitute our operational development capacity.



In addition to looking at internal processes, in order to form a stable relationship with our environment, we need to recognize stakeholders because our activities will mutually influence each other. Identifying their needs and forming stable relationships based on the goals and macro approaches of sustainable development of MIDHCO is one of the requirements for forming this interaction. Considering the nature of our work and the type of our activities, the issue of stakeholder management in MIDHCO is of special and strategic importance, so that this has been specifically and explicitly considered in the holding's mission statement and various programs and actions have been designed to organize it and the importance of identifying and interacting with stakeholders is expressed in four strategic goals of MIDHCO.

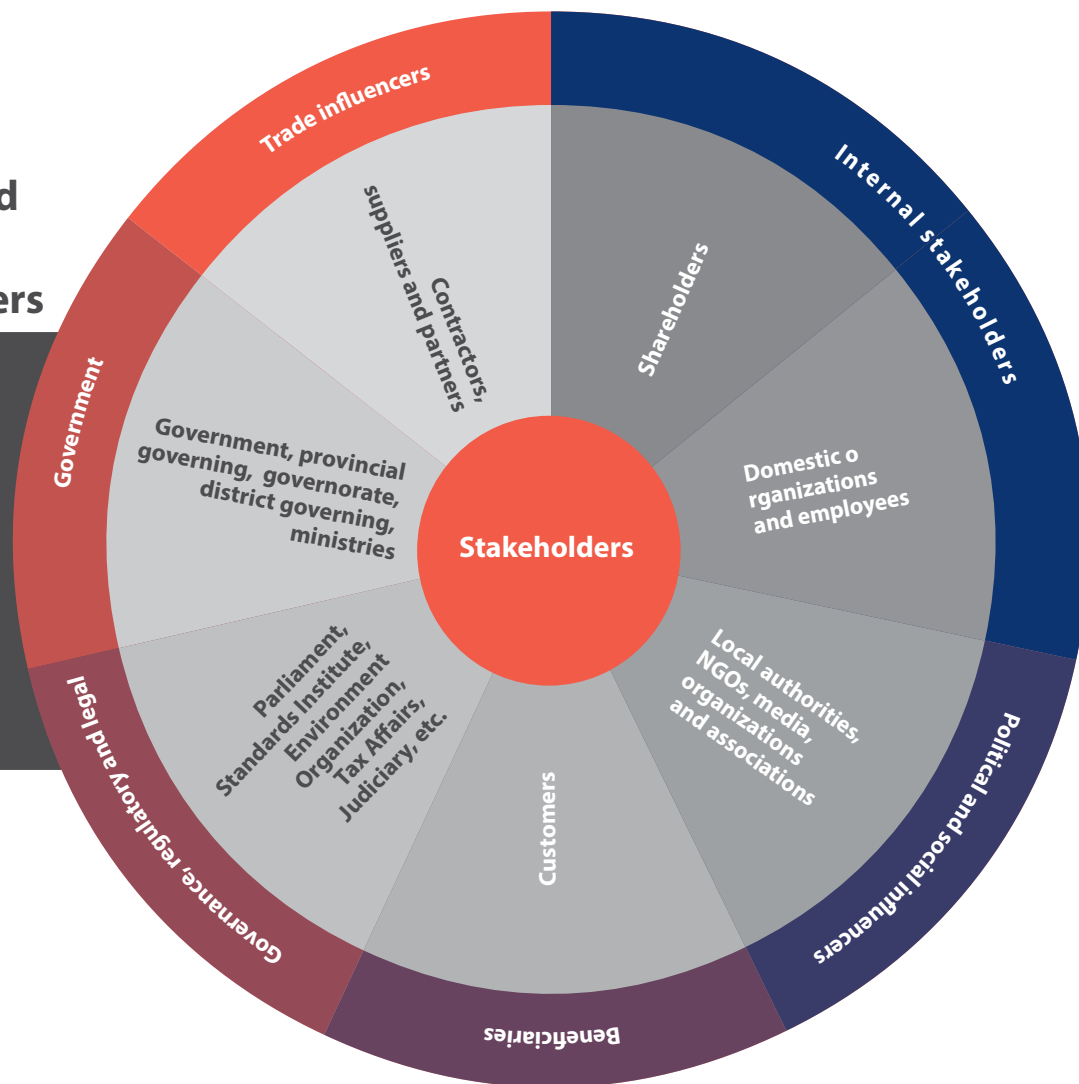
1. Developing appropriate relations with the government and organizations
2. Supporting and engaging with society
3. Developing domestic and international markets
4. Increasing customer and shareholder satisfaction

In line with these strategic goals, MIDHCO has developed a four-step process for stakeholder management.

- Step 1 Identifying the stakeholders
- 2 categorizing the stakeholders
- 3 Identifying the needs and expectations
- 4 Determining how to interact and respond

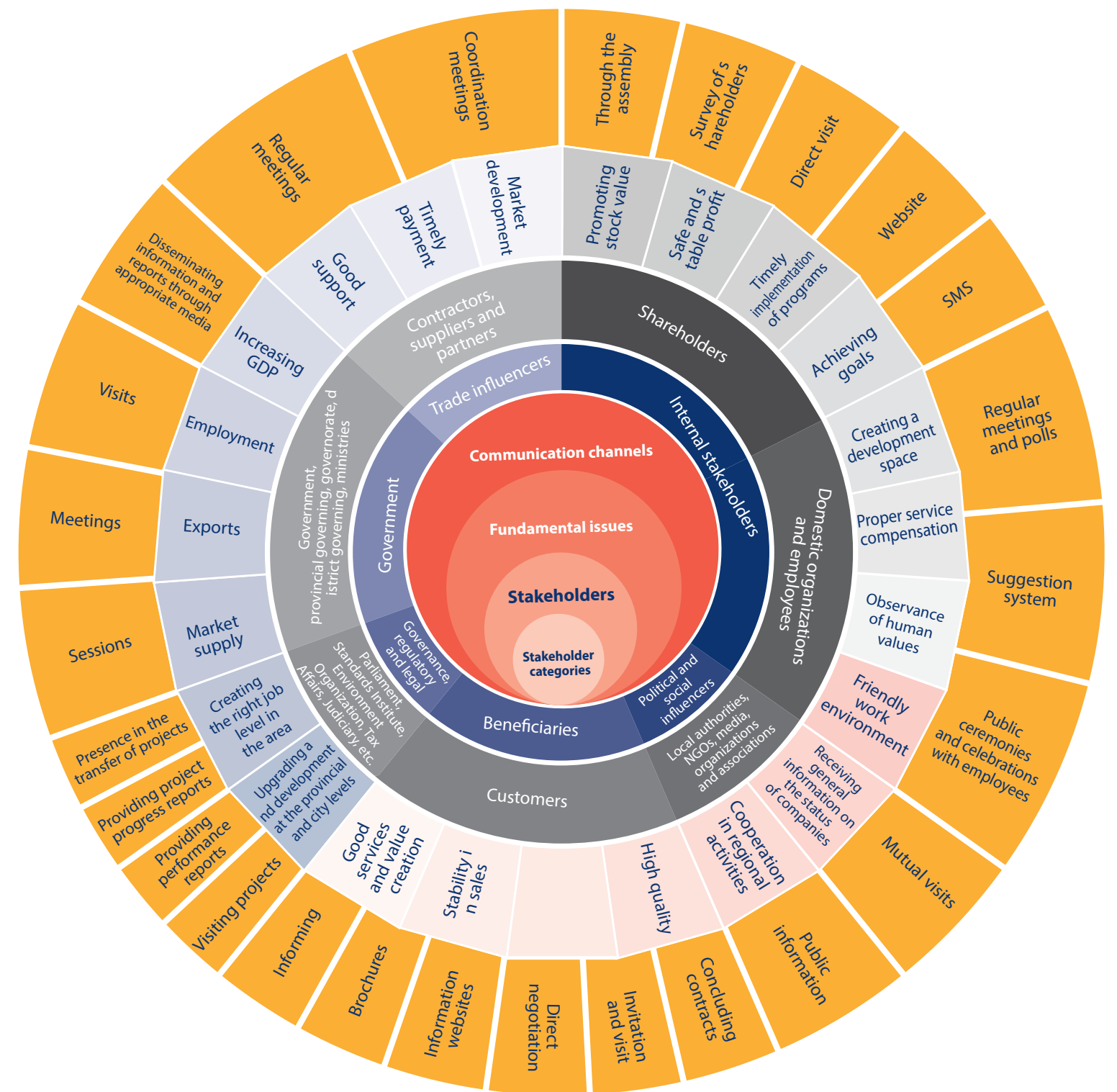
Identifying and categorizing the stakeholders

Various stakeholders are engaged in the activities of MIDHCO that management of each according to the issue of affecting and being affected is provided in different sections of this report.



Regarding the issue of stakeholder management, after identifying and categorizing them, the basic step is to establish effective interaction with them. Planning and actions required to interact with each of them in order to attract the participation of each group of key stakeholders and use their suggestions, ideas and innovations are for the purpose of creating value and improving products and services. In this way, in the first stage, identifying the basic issues of the stakeholders and trying to resolve these issues is one of the main programs of MIDHCO regarding stakeholder relations. Employees are important considering communication channels in order to interact and respond to them.

In order to meet the expectations of stakeholders, MIDHCO has defined these expectations in the form of one-year plans. These one-year plans specify the status of goals such as EPS, profit, production, etc. in a detailed manner and in a scheduled manner, which are controlled by a variety of reports such as plan reports, project control, cost, liquidity, credit status, financial needs and commitments reports, HSEC reports and human capital. Midcho's approach to interacting effectively with stakeholders is to appoint an official for each stakeholder. Generally, MIDHCO strives to provide the necessary responses to stakeholders in a variety of ways to create a clear and reliable image of the holding.



MIDHCO's Awards and Honors

Knowledge Management Award with a global development approach



Award of Iranian Steel & Iron Ore Market Conference & Expo



Silver Statue Award for Power Industries and Mining Productivity (IMIDRO)



Bronze Statue with the honorary degree of the fourth period of management social responsibility award

- Simin statue of organizational excellence
- Statue of social responsibility from the second ceremony of honoring the famous figures of industry and economy of the country) effective in the prosperity of production (focusing on brands of social responsibility
- Third National Award for Social Responsibility and Sustainable Development of Businesses
- Obtaining the "safety mark" of the HSE director of MIDHCO headquarters from the first period of awarding the safety mark of the General Department of Cooperatives, Labor and Social Welfare of Kerman province



Receiving Certificates of ISO 9001, 2015, ISO 14001, 2015, ISO 45001, 2018 from Italian IMQ Company



Certificate of Merit of Turkish ANKIROS Exhibition



Golden Award of Iranian Public Relations



Silver Certificate of Merit for Mining Industries and Mines Productivity Award (IMIDRO)

Subsidiaries and complexes

Two-star certification by Butia Iranian Steel Co. in IMIDRO productivity evaluation

Two-star certification by Zarand Iranian Steel Co. in IMIDRO productivity evaluation

Attendance of the following subsidiaries in the Second International Conference on Knowledge Management with Resource Approach and receiving:

- Silver certification by Butia Iranian Steel Co.
- Silver certification by Sirjan Iranian Steel Co.
- Bronze certification by Me'yar Sanat Khavarmianeh Engineering Co.
- Bronze certification by Ferosilis Gharb Pars Co.
- Bronze certification by Pabdana Coal Processing Co.

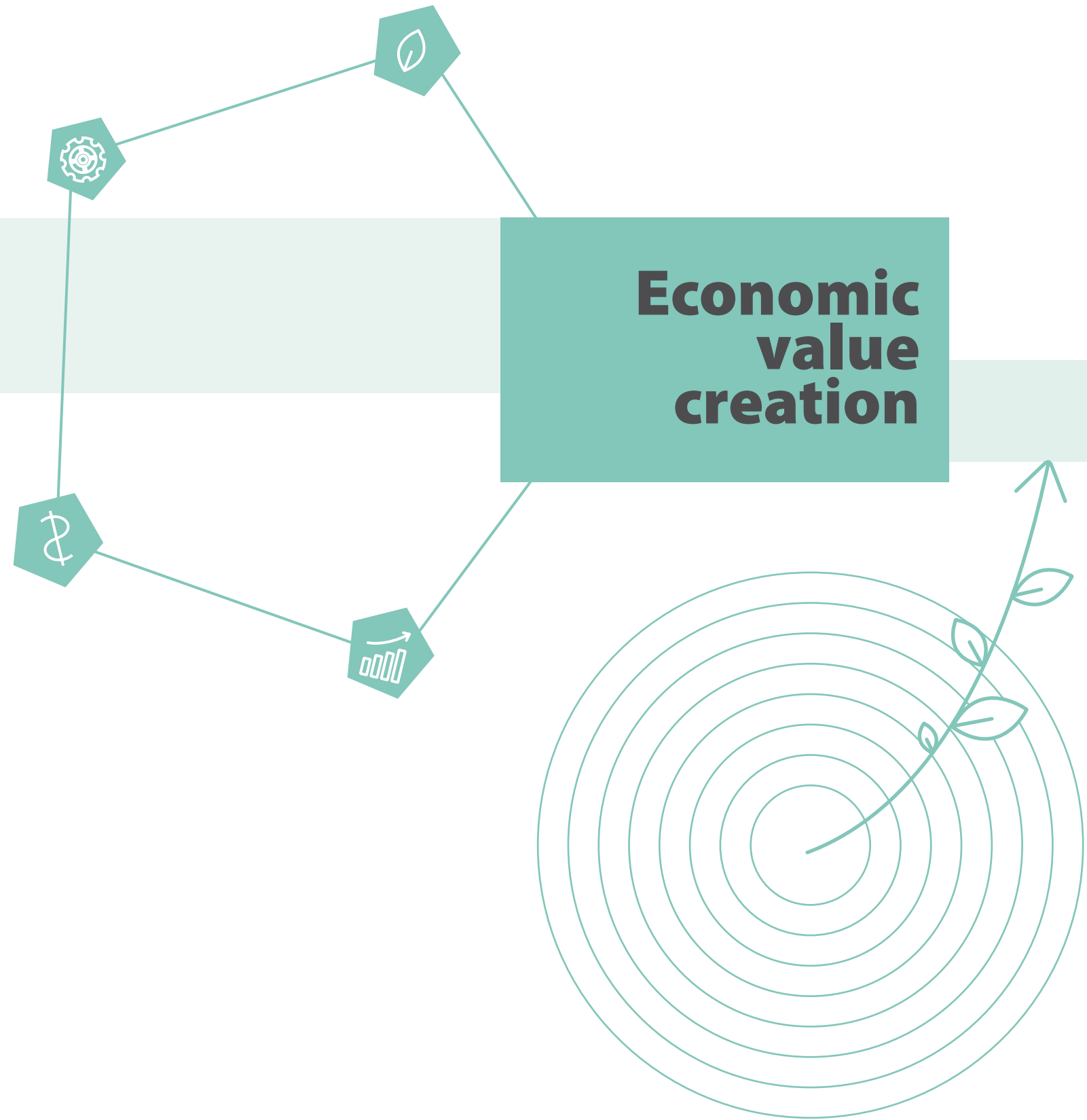
- Bronze certification by ranian Industrial Development and Renovation Construction Co. (MANA)
- Bronze certification by Zarand Iranian Steel Co.
- Bronze certification by Zarand Iranian Steel Co.
- Iranian Babak Copper Co.
- Three-star certification by Middle East Mines Development and Expansion Co.

Receiving the Green Industry Award by Chah Musa Copper Complex

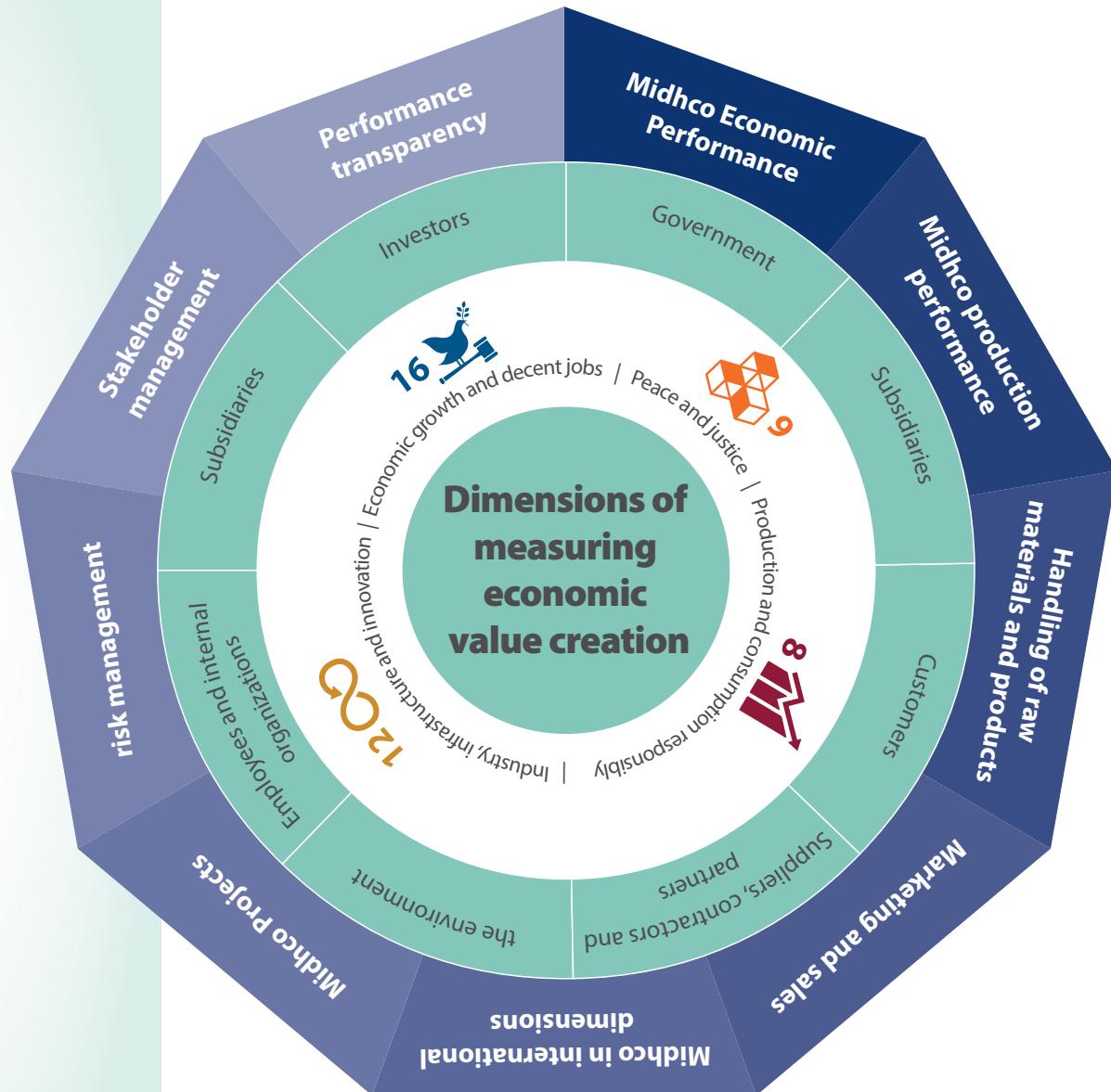
- Attending the fourth conference on management social responsibility and receiving:
- Three-star certificate of merit by Zarand Iranian Steel Co.
 - Three-star certificate of merit by Sirjan Iranian Steel Co.
 - Two-star certificate of merit by Butia Iranian Steel Co.
 - Two-star certificate of merit by Middle East Mines Development and Expansion Co.

Winning the first place in rescue and firefighting competitions at the level of Iran Mines and Mining Industries Development and Renovation Organization (Imidro) by Sirjan Concentrate and Pellet Complex

- MIDHCO on the development path
- MIDHCO economic performance
- MIDHCO production performance
- Marketing and sales
- MIDHCO Internationally
- MIDHCO Projects
- Risk management in economic value creation
- Stakeholder management in economic value creation
- Performance transparency

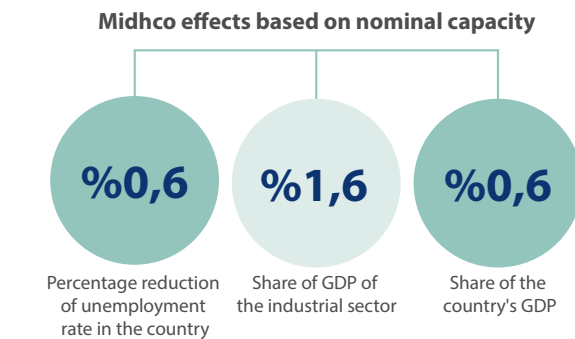
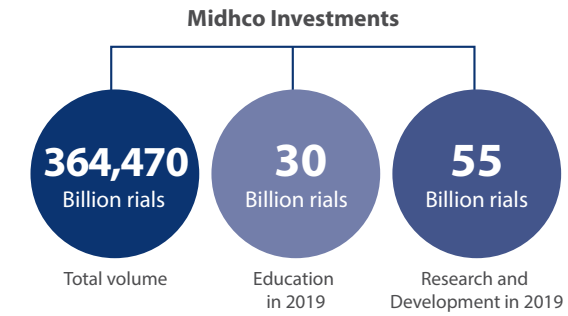


In order to fulfill its social responsibility in the development of the country, MIDHCO was established in 2007 with the aim of developing the mining and mineral industries, strengthening the private sector and developing mining and industrial entrepreneurship with an initial capital of 1000 billion rials. This capital increased in several stages and in 2017 to 23760 billion rials and in 2018 to 29,000 billion rials. In 2019, MIDHCO increased its capital from current receivables and brought cash in order to improve the company's financial performance from 29,000 billion rials to 35,500 billion rials (equivalent to 22%). In the year of production boom, despite the difficulties of MIDHCO, net profit of 1143023 million Rials (net profit growth of 56% compared to last year (and operating profit of 216023 million Rials) has achieved a growth of 176% compared to last year. MIDHCO Holding provides its financial data and information to stakeholders in a transparent and timely manner in order to achieve accountability and transparency in the area of social responsibility. The dimensions of economic value creation of MIDHCO Holding are measured from 9 perspectives, which will affect a set of stakeholders and sustainable development goals.



MIDHCO performance and the impact of MIDHCO on macroeconomic indicators

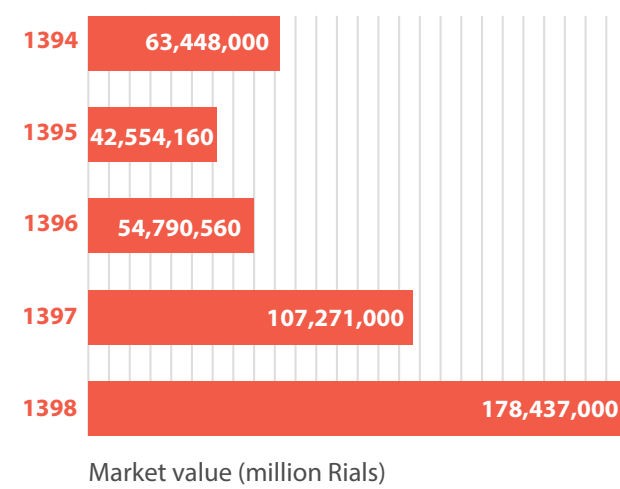
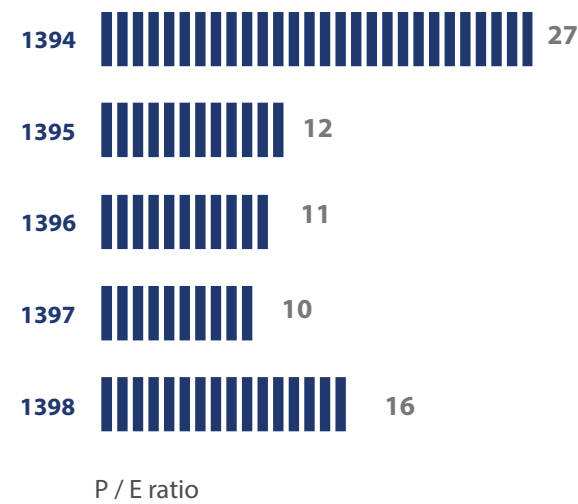
MIDHCO economic performance



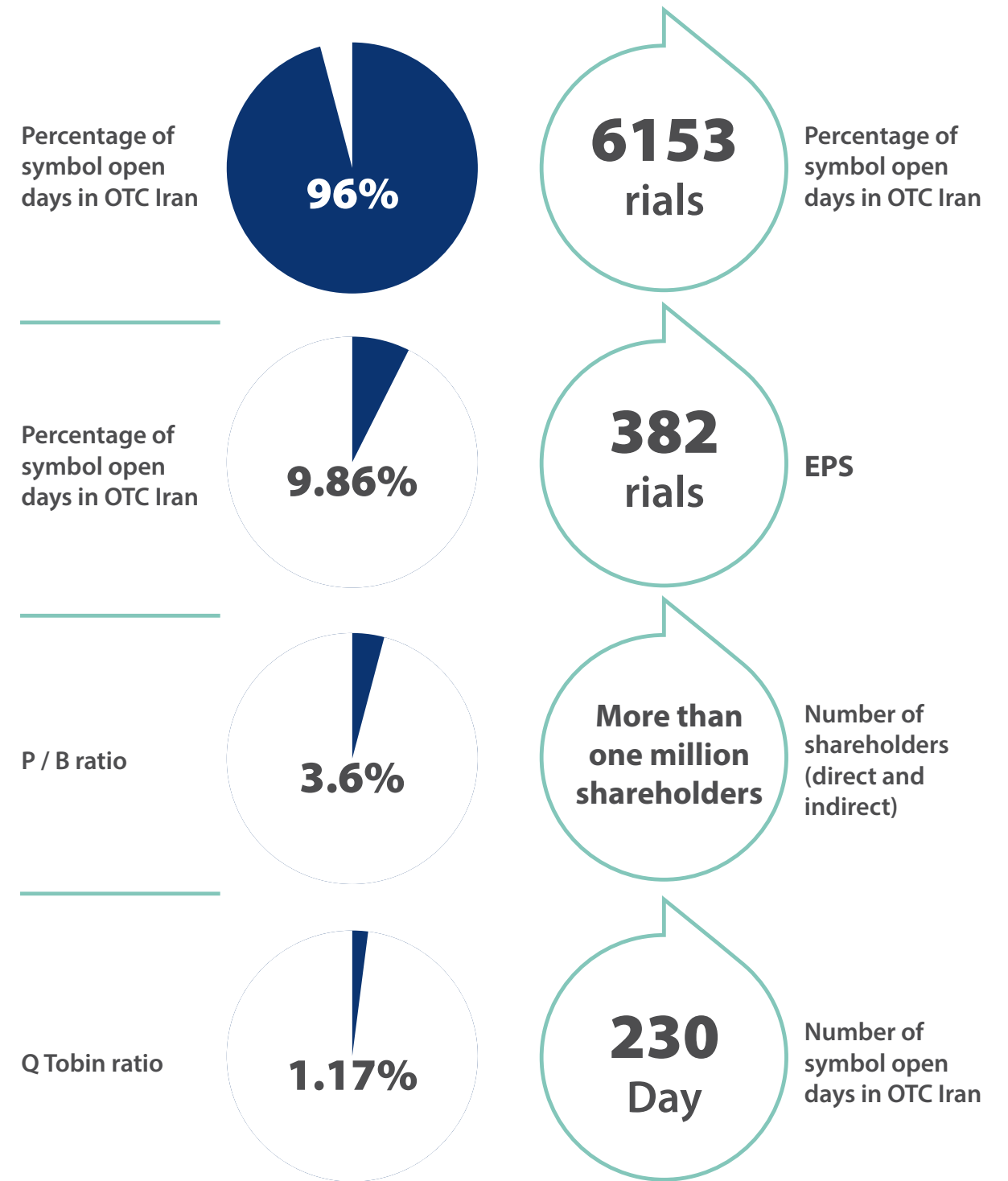
Job creation based on nominal capacity



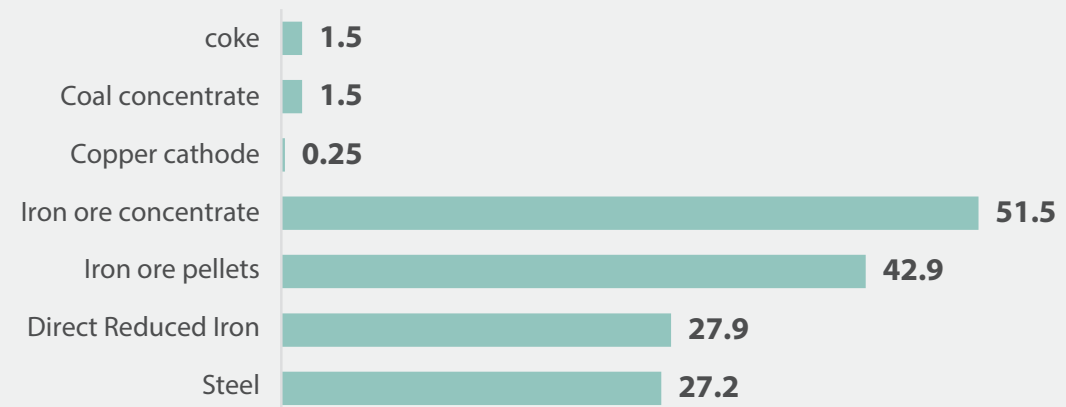
MIDHCO performance in the capital market



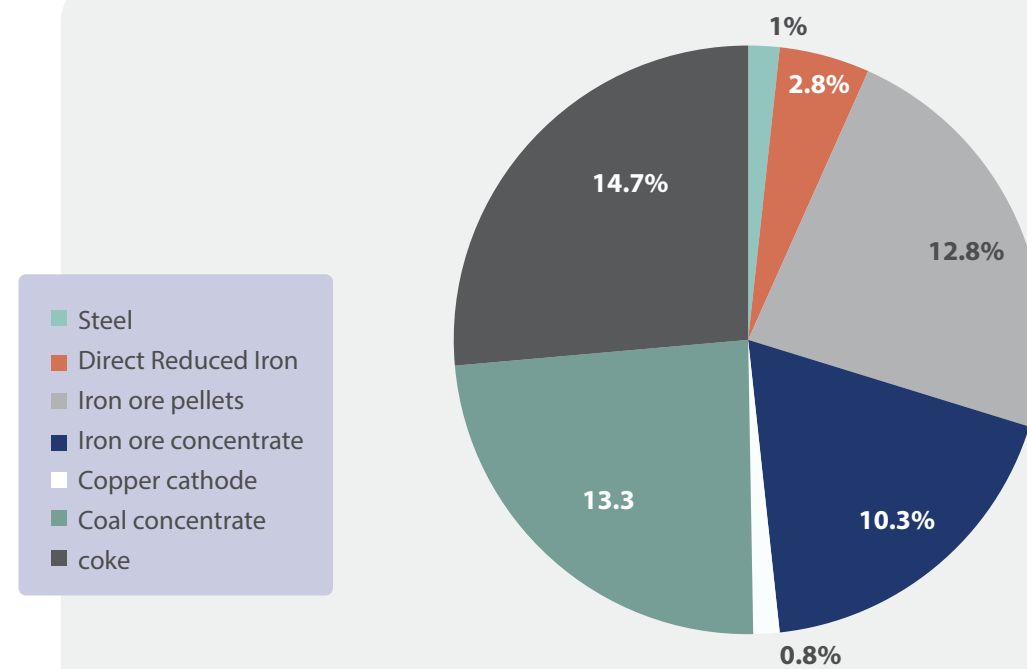
Status of MIDHCO symbol in OTC in 2019



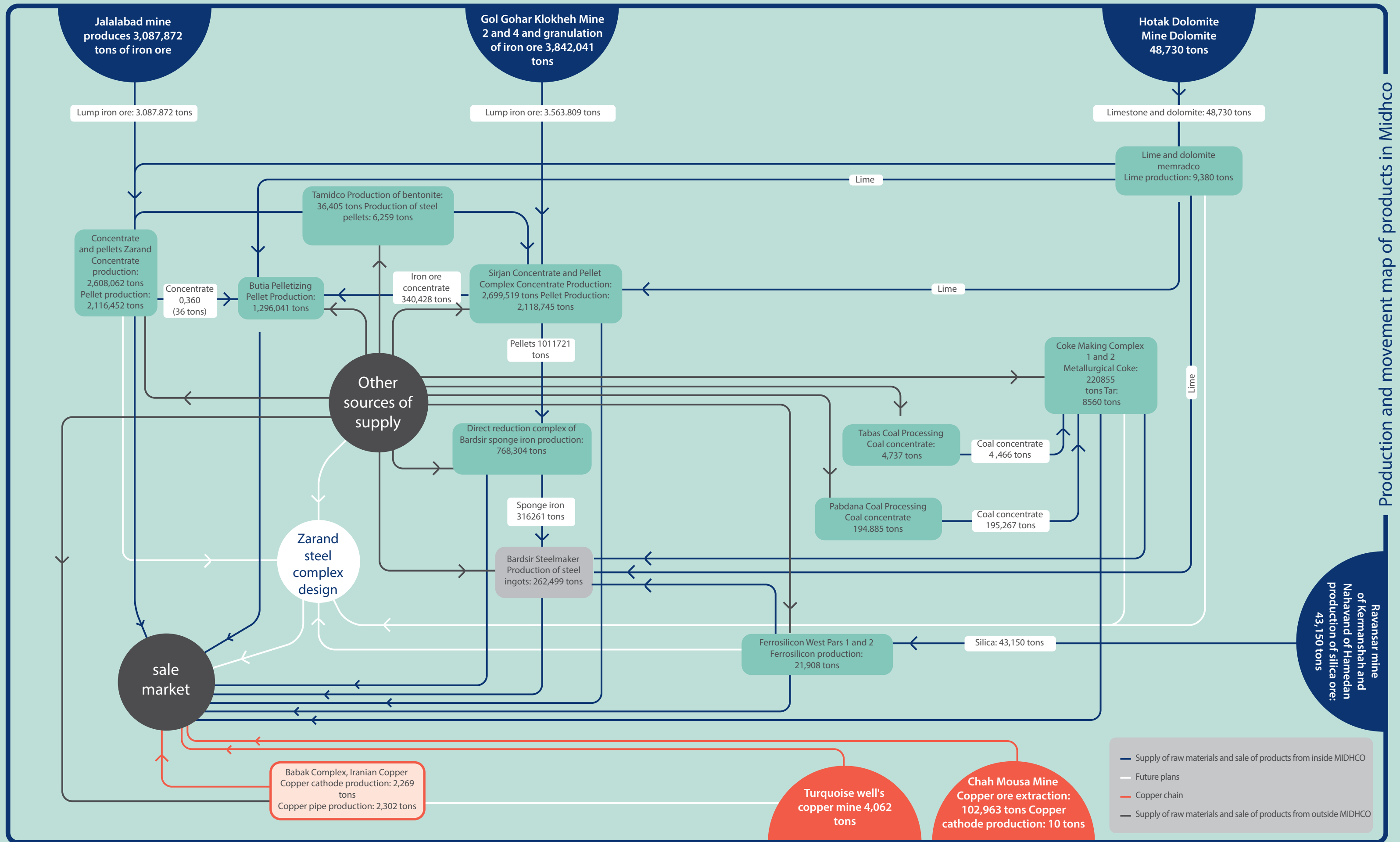
Comparison of MIDHCO and country production ratio in fiscal year 2018-2019



■ Production in the country in 2019 (million tons)



Production ratio of MIDHCO to domestic production in 2019



Total material shipping

Road transport includes raw materials, products, turnover between factories
 Tons 37,200,000 = 7,600,000 + 7,600,000 + 22,000,000
 Number of truck services 1,860,000
 Transportation of materials by conveyor including material transfer between factories: 39.800.000 tons



Products	Displacement volume (tons)
Lump iron ore	6651681
concentrate	700788
Pellet	1011721
Direct Reduced Iron	316261
Coal concentrate	199733
Silica	43150
Limestone and dolomite	48730

- The carrying capacity of road trucks is estimated at 20 tons.
- Dry product is considered
- Trucking of materials within the site is not considered.

Marketing and sales

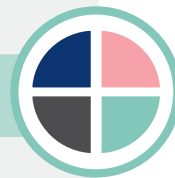
The marketing process in MIDHCO Holding follows the following process.

Marketing



Market research and market studies in Midco Holding are based on three evaluation models, SWOT, Porter Competitive Forces Analysis and PESTEL Analysis. Also, in specialized cases, the market is assessed comprehensively and in a specific field by the relevant experts.

Market segmentation



Consumer section		Customers		product type	Product or service
Building	General Industries	Rolling mills		Construction steel (billet and bloom)	Steel
		Alloy rolling mills	Forging factories	Steels (Bilt, Bloom and Inगत)	
Industrial and advanced buildings / machine building industries / tool making	Automotive / Transportation / Special Industries				
Electrical and Electronics Industries / Equipment Manufacturing / Automotive	Automotive industries Electronics industries	Downstream industries of copper (pipes, wires, sheets and sections)		Cathode	Copper
Road construction / construction / dam construction	Mining and metallurgical industries of other industries	Residential	Administrative, commercial	Public building	Building services
		Various industries, MIDHCO and outside of MIDHCO		Industrial building	
Mining	Mining Industry	Out of MIDHCO	MIDHCO	Studies / Research Design / Supervision / EPC	Building services
		Consumers of aluminum products	Consumers of copper products	Non-ferrous metals	Business
		Out of MIDHCO	MIDHCO	Business Services	

Market selection



Given the potential markets and market segmentation, with the analysis of the target market, MIDHCO, based on the comparative advantage of MIDHCO, selects and creates high returns for it. Some of the target markets are:



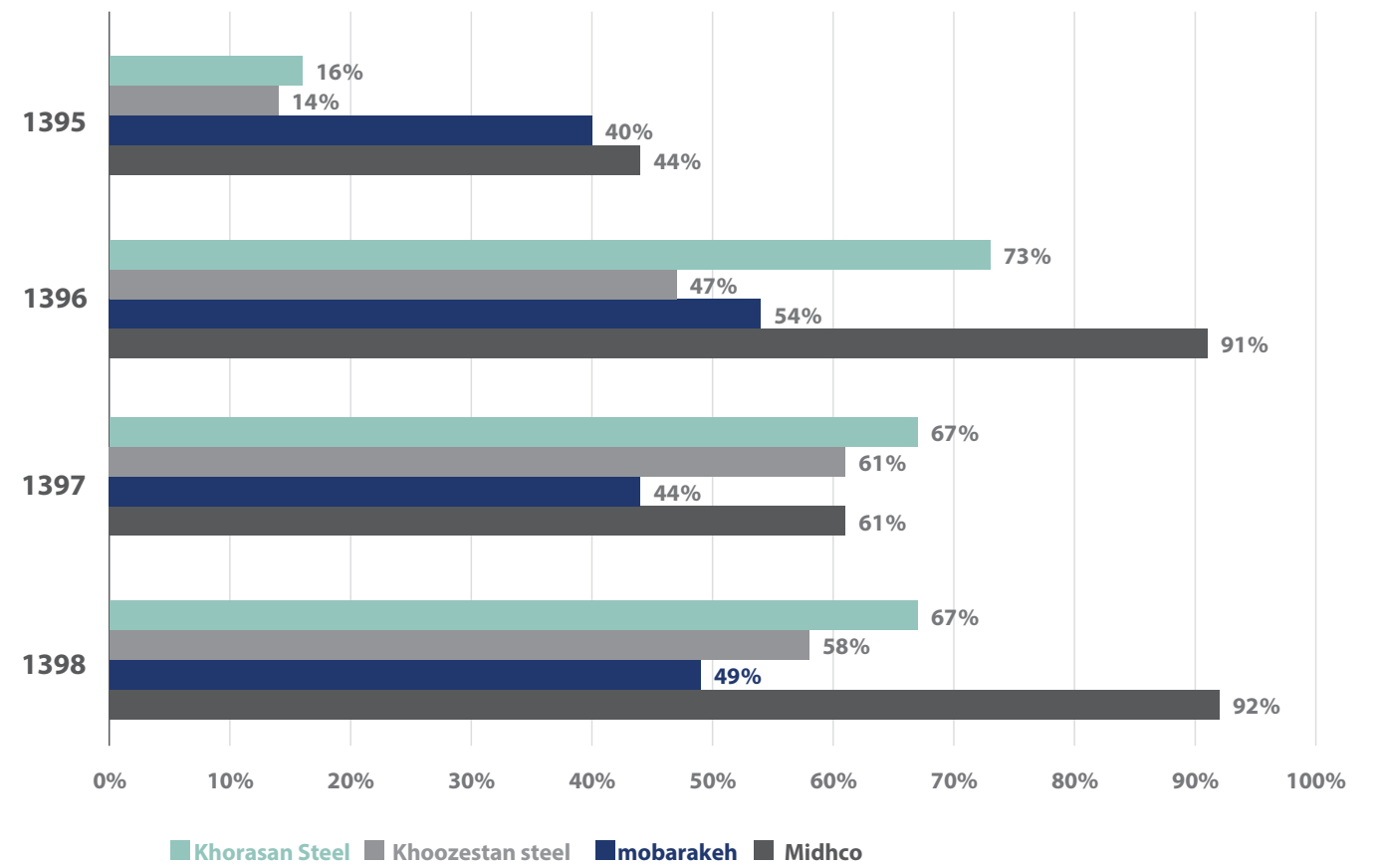
Due to the changes in the market approach towards export-oriented, competitive advantage in terms of cost, currency, avoidance of iron ore crude sales and, in other words, value chain development, MIDHCO Holding seeks to expand its market by developing downstream value chains in the steel industry in the construction and industrial sectors.



Copper industries are also manufactured cathodes, semi-finished products and feed for downstream industries, which themselves provide raw materials for other industries, such as wires, cables, parts, belts, foils. With MIDHCO entering the downstream copper industry, customers and markets are shifting, and end users are being targeted. For example, the electrical, electronics, construction, automotive, and automotive industries, which use higher value-added alloys and special forms of copper metal. Due to the selection of the latest MIDHCO technology and competitive power to supply the market with more advanced technology, MIDHCO market conditions will be much better compared to the old technologies.



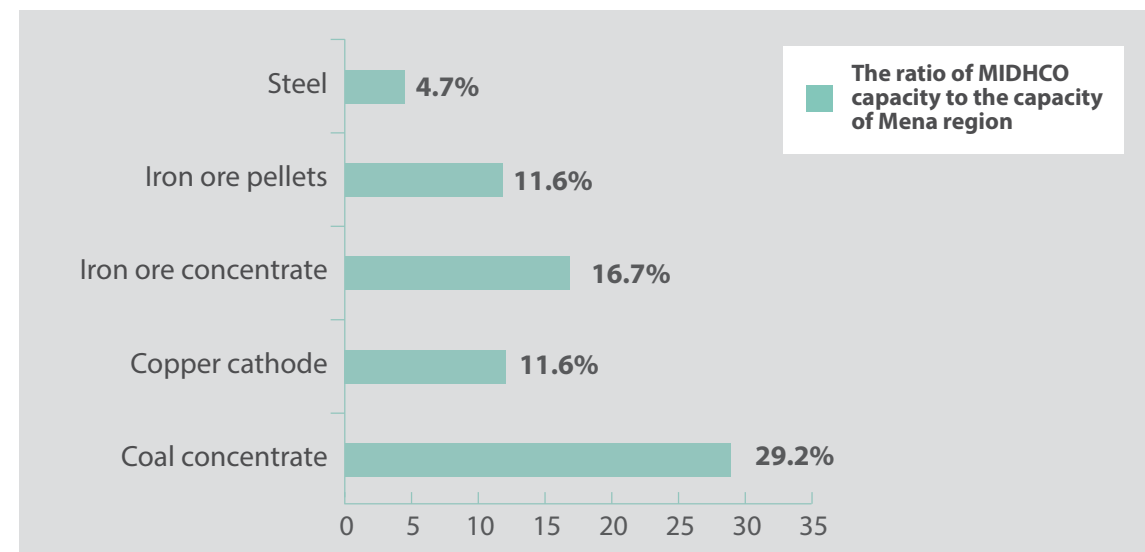
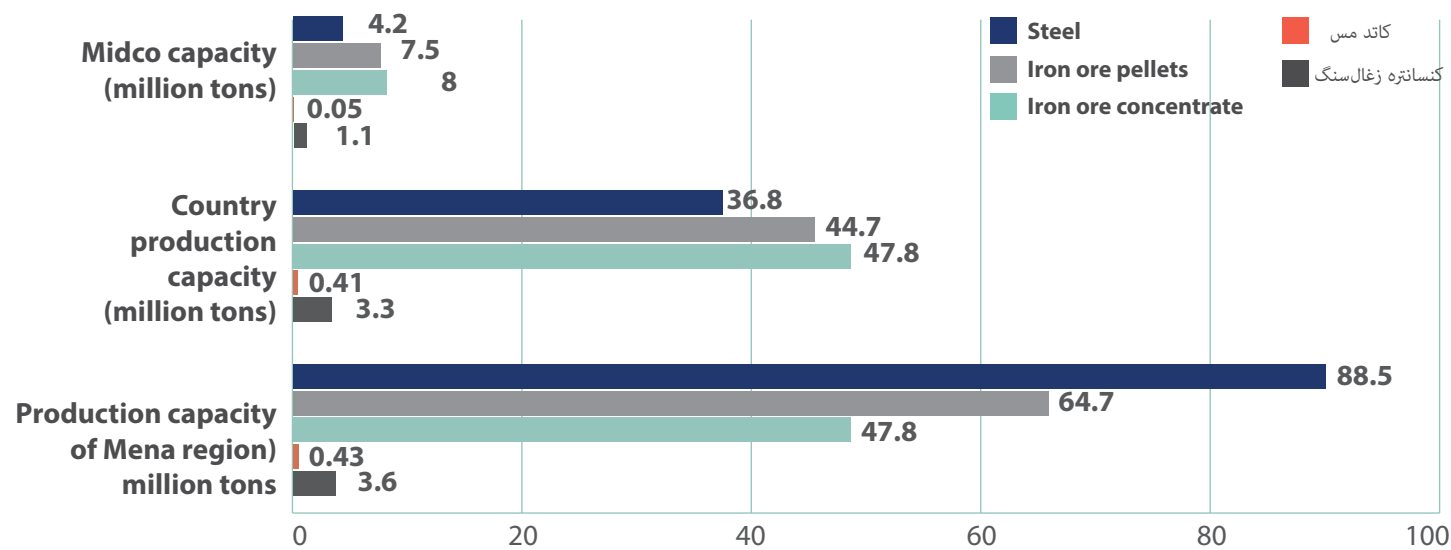
With the advancement of technology, lighter alloy steels are replaced by structural steel. In the coming years, the country will follow the strategy of industrial development by upgrading technology, and therefore this type of steel will be more needed. At the same time, the export market is added to this market. On the one hand, due to the low consumption of alloy steels and the choice of economic capacity, surplus production is created. On the other hand, with the high price of these products, the cost of transportation and export will not be decisive, and these products will feed exactly the end user. For example, more advanced machines, tool factories, and high-tech industries will consume these products.





MIDHCO Internationally

MIDHCO accounts for a large share of the production of steel chain products and part of the copper production in the country and in the Middle East and North Africa region (Mena).



MIDHCO Projects

MIDHCO projects are defined with the aim of producing more than 25 million tons of mineral products and 100 million tons per year of mining operations, of which 22 million tons of production capacity and 70 million tons of mining capacity have been achieved. With the completion and operation of all these projects, MIDHCO will become the first Iranian company with a complete steel chain from exploration to product production, as well as the largest company in the field of mining operations.

	1388	1389	1390	1391	1392	1393	1394	1395	1396	1397	1398	1399	1400
Equipping a fleet of mining machinery							●	●	●	●	●	●	● Until 2022
Infrastructure and video surveillance							●	●	●	●	●	●	● Until 2022
Midhco Comprehensive Information Solution (MIDRP)								●	●	●	●	●	● Until 2024
Exploration of coal grown in blocks 2 ,3 and 4								●	●	●	●	●	● Until 2024
Exploration in the exploration zone No. 22 of Kerman								●	●	●	●	●	● Until 2024
Exploration in the exploration zone No. 2 of Kerman								●	●	●	●	●	● Until 2024
Exploration in the exploration zone No. 7 of Kerman								●	●	●	●	●	● Until 2024
Exploration in Qazvin exploration zone								●	●	●	●	●	● Until 2024
Exploration in Zone No. 16 of Bam								●	●	●	●	●	● Until 2024
Exploration of Ardabil area								●	●	●	●	●	● Until 2024
Tabas coal processing					●		●	●	●	●	●	●	
Crushing, granulation and cooking of iron and dolomite							●	●	●	●	●	●	
Butia Power Unit					●		●	●	●	●	●	●	●
Direct reduction and steelmaking of Butia				●	●		●	●	●	●	●	●	●
Butia pelletizing							●	●	●				
Copper pipe of Babak city			●	●	●		●						
Cathode copper of Babak city			●	●	●		●	●	●	●	●		
Ferrosilis 2 Hamedan								●					
Ferrosilis 1 Hamedan			●	●	●								
Pabdana coal processing		●	●	●									
Preparation and extraction of Khomrud mine							●	●	●	●	●	●	●
Preparation and extraction of Jalalabad mine								●	●	●	●	●	● Until 2030
Zarand steelmaking				●	●		●	●	●	●	●	●	
Coke Extinguishing with Power Plant (CDQ)							●	●	●	●	●		
Zarand cokig	●	●	●	●	●								
Zarand pelletizing				●	●		●						
Iron ore concentrate 2 Zarand				●	●								
Iron ore concentrate 1 Zarand	●	●	●										
Preparation and extraction of anomalies 4 ,2 and 6 of Golgohar								●	●	●	●	●	● Until 2035
Garlic board steelmaking			●	●	●		●	●	●	●	●		
Direct resuscitation of Bardsir		●	●	●									
Re-crushing Sirjan concentrate								●	●	●			
Sirjan pelletizing				●	●		●	●	●				
Iron ore concentrate 2 Sirjan				●	●								
Iron ore concentrate 1 Sirjan	●	●	●	●									

Completed projects ●
Ongoing projects ●

Risk management in economic value creation

Given the importance of systematic management of the MIDHCO Holding Group of Activities, planning to cover potential risks in this direction will be important. Risk management in MIDHCO Holding is a 5-step process function including identification, analysis, action, monitoring and control.



- Financial**
 - Financing from shareholders
 - Providing resources in the form of finance, usance and foreign exchange facilities
 - Using the resources of the Ministry of Silence
 - Issuance of participation bonds
 - Utilization of plans and provision of resources
 - Utilizing companies with experienced consultants and creating a legal unit
- Rising prices of energy carriers**
 - Changing steel production technology
 - Proximity in parts of the value chain
- Risk of raw material supply**
 - Long-term supply contract for raw materials with Imidro
 - Supply of raw materials from other domestic and foreign mines
- External risks**
 - Special attention in companies to the issue of export sales in order to deal with the effect of rising exchange rates

- Organizational sustainability**
 - HSE risks
 - Community risks
 - Violation of corporate governance processes
- Operational**
 - Increase costs and implementation time of projects
 - Unexpected operational and natural disasters
 - Lack of required manpower
 - Limitation of mineral reserves and supply of raw materials
- Financial**
 - Significant reduction in income and cash flow
 - Impossibility (ability) of return on investment that can be due to market effects, industry structure, technical problems, prices and
 - Impossibility of fulfilling financial obligations by commercial and financial parties such as customers, suppliers, financial institutions and investors
 - Ignoring the importance of using experienced legal advisors in the company
- External**
 - Fluctuations in the prices of minerals and mineral products and the changing conditions of the global and domestic economy
 - Increasing the price of input sources such as energy, raw materials and transportation
 - The effects of exchange rate, monetary value and inflation on financial achievements
 - The effects of laws and legal and governmental requirements
 - Lack of new discoveries and lack of improvement of mineral reserves (copper, iron) and lack of equipment and preparation of related mines

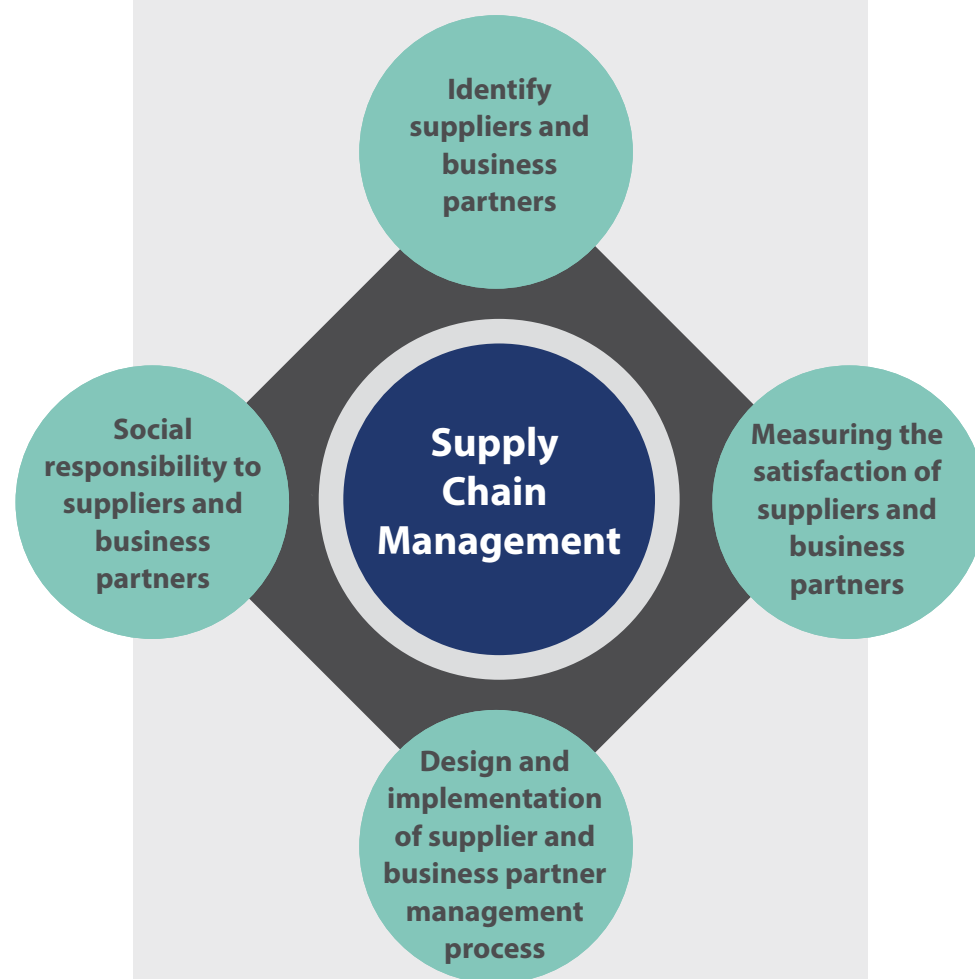


Monitoring and controlling the actions and submitting periodic reports to the risk committee will be done by the expert committees of the risk holding and the risk committees of the subsidiaries. If necessary, corrective and new measures will be designed and implemented at the holding level.

Stakeholders management in economic value creation

Stakeholders in economic value creation are not limited to shareholders. MIDHCO Holding strives to optimize the value created for other stakeholders by managing its activities.

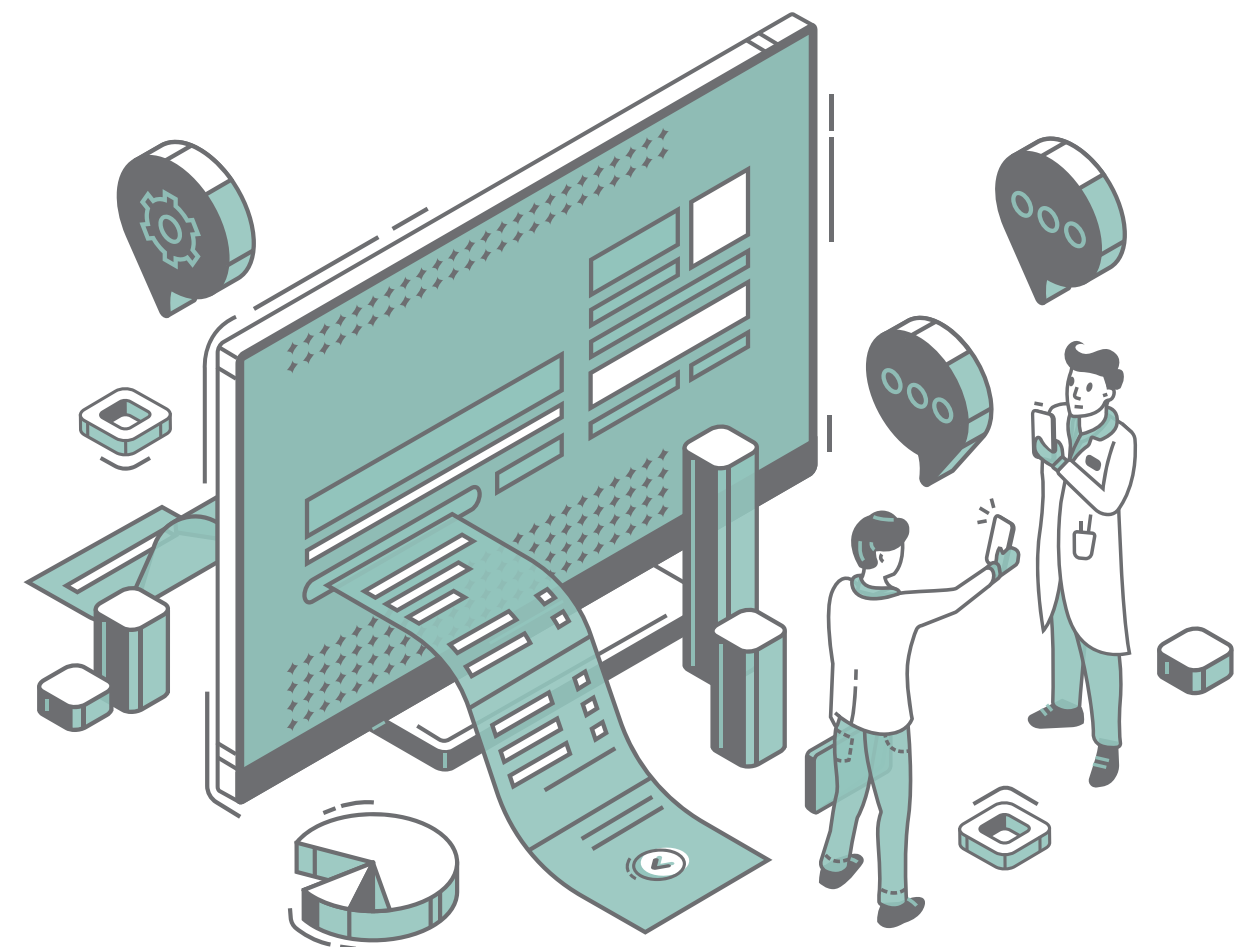
Suppliers, contractors and trading partners



Segmentation of suppliers, contractors and business partners, and management strategy and partnership development

Identify suppliers, contractors and business partners

The first step in supply chain management is to identify suppliers, contractors and business partners. In this regard, in the first step, the segmentation of suppliers, contractors and business partners, and the management strategy and development of companies at the level of MIDHCO Holding have been done.

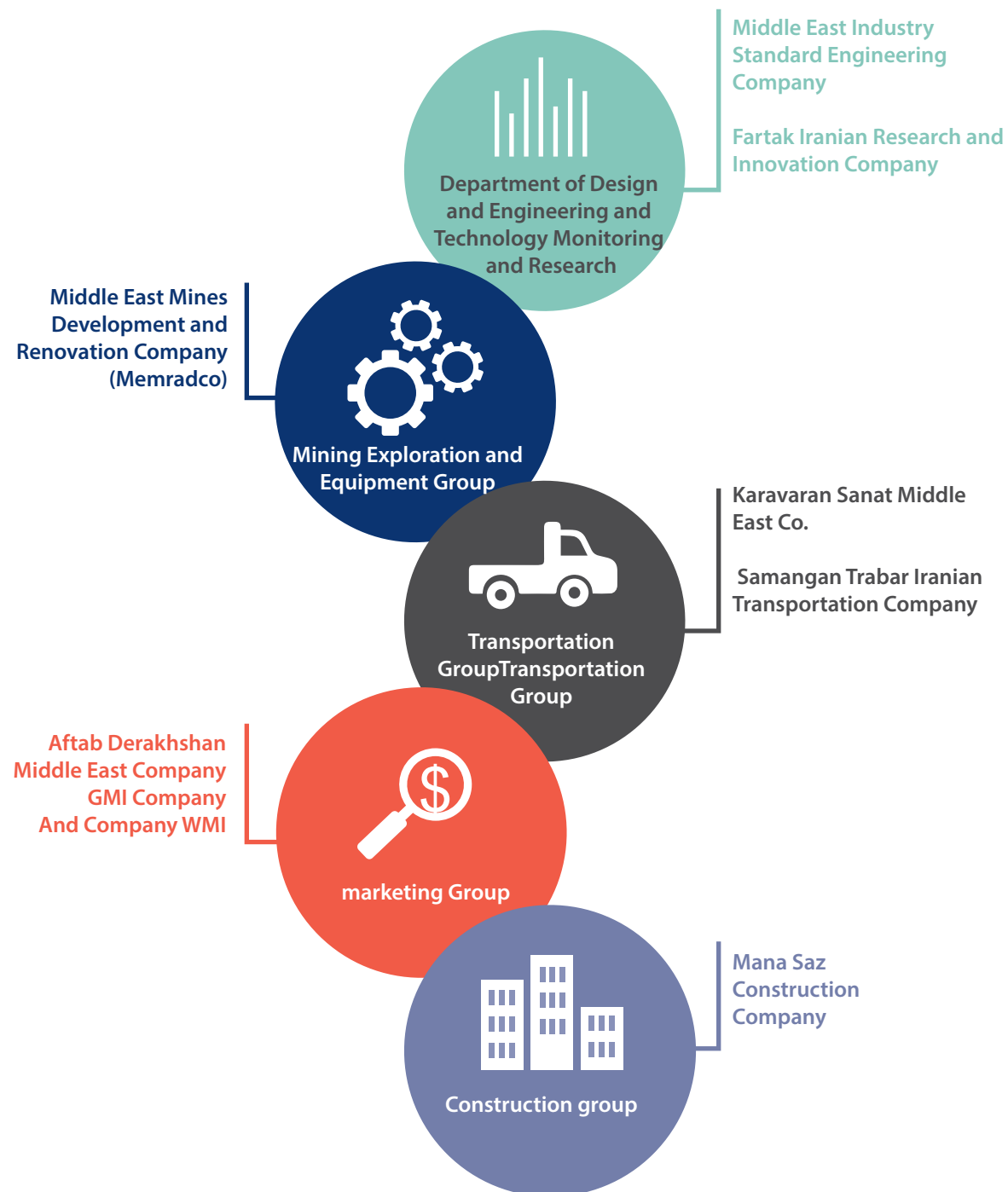


Management strategy and the development of partnerships

- Branding in the country, region and world
- Development of activities abroad (investment, partnership, Cooperation, creation of mining and industrial units, presence in global markets)
- Implementation of a complete and integrated process from idea to product) extraction Value-added chains from exploration to downstream industries (and integration in MIDHCO activity suite)

Supplier segmentation, Contractors and trading partners

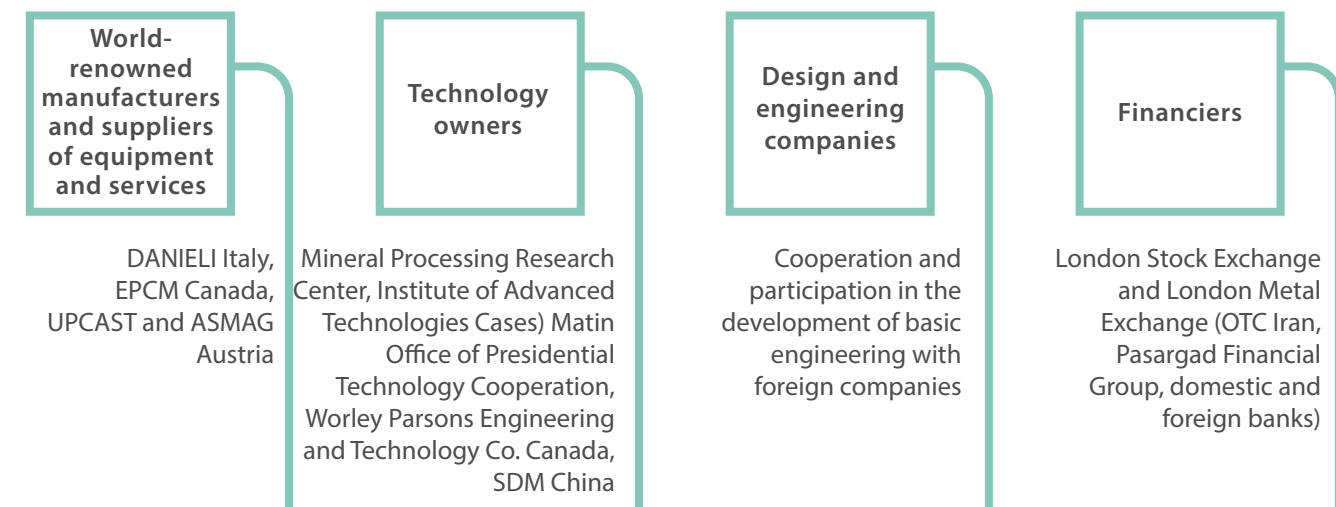
Affiliates Service and production support in MIDHCO Holding



Affiliates Production

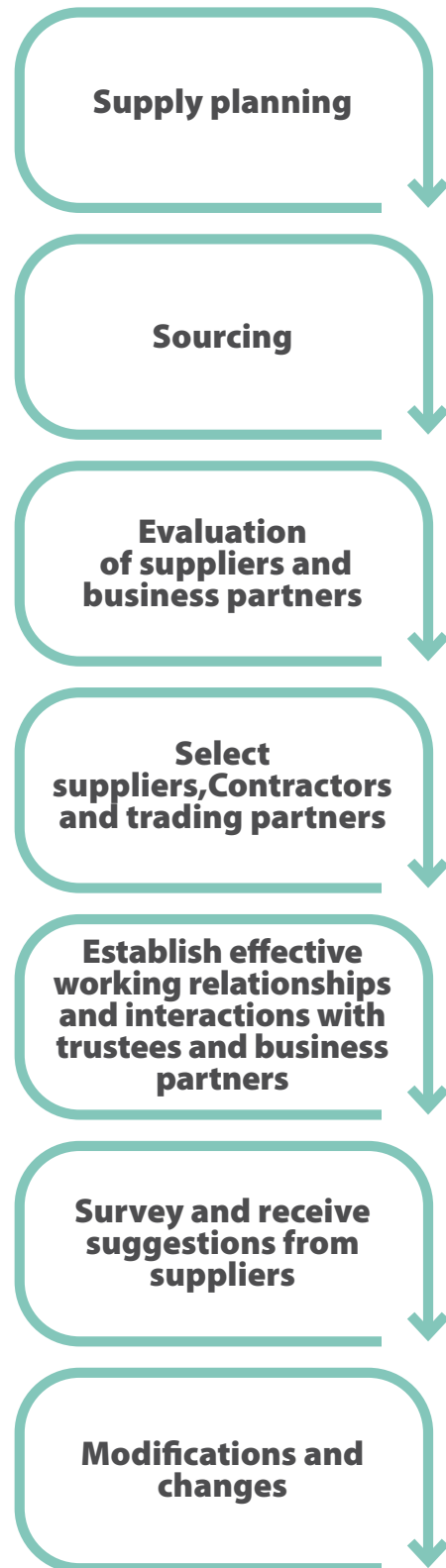


partners and external suppliers



The process of managing suppliers, contractors and business partners

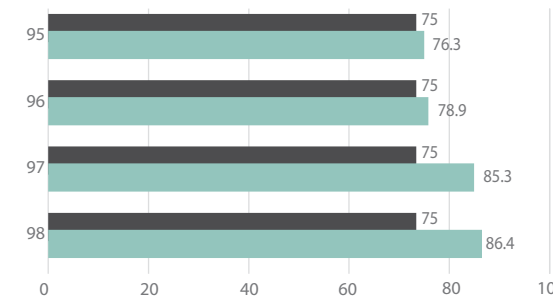
In the second step, Midco Holding goes through the following process to manage its suppliers, contractors and business partners.



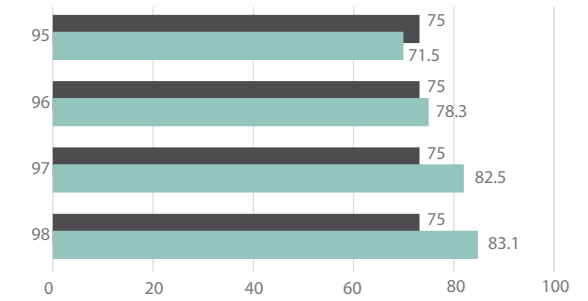
Measuring the satisfaction of suppliers, contractors and business partners

In order to obtain the satisfaction of its suppliers, contractors and business partners, as well as to receive feedback from its activities, MIDHCO Holding evaluates their satisfaction in various dimensions.

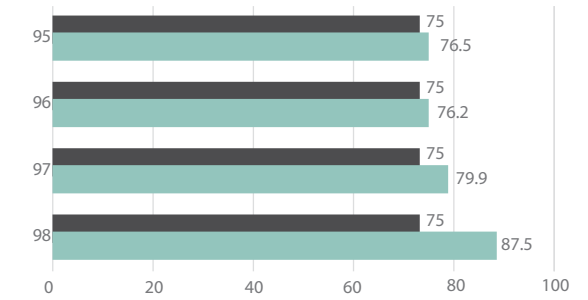
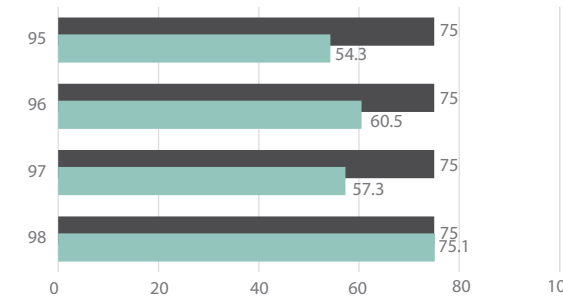
Satisfaction with transparency in the contract



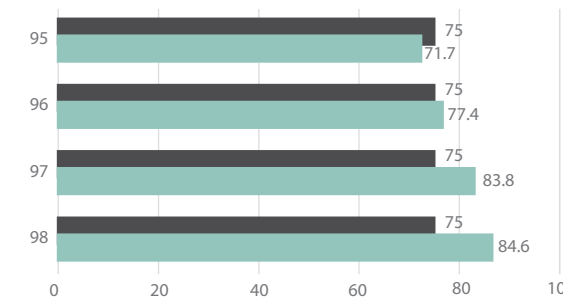
Satisfaction with bilateral cooperation



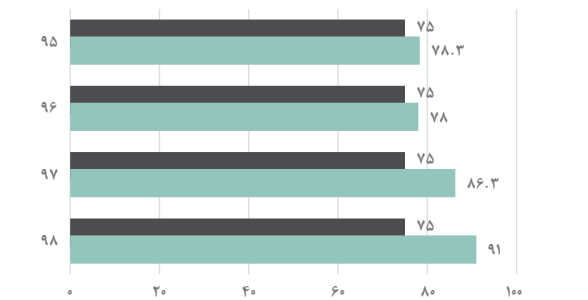
Satisfaction with timely payment



Satisfaction with accountability

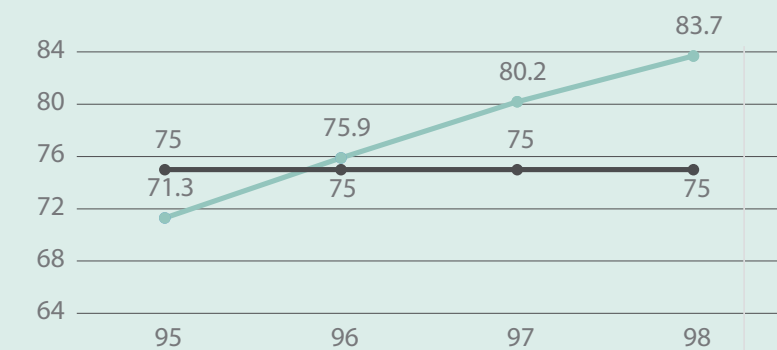


Mentality

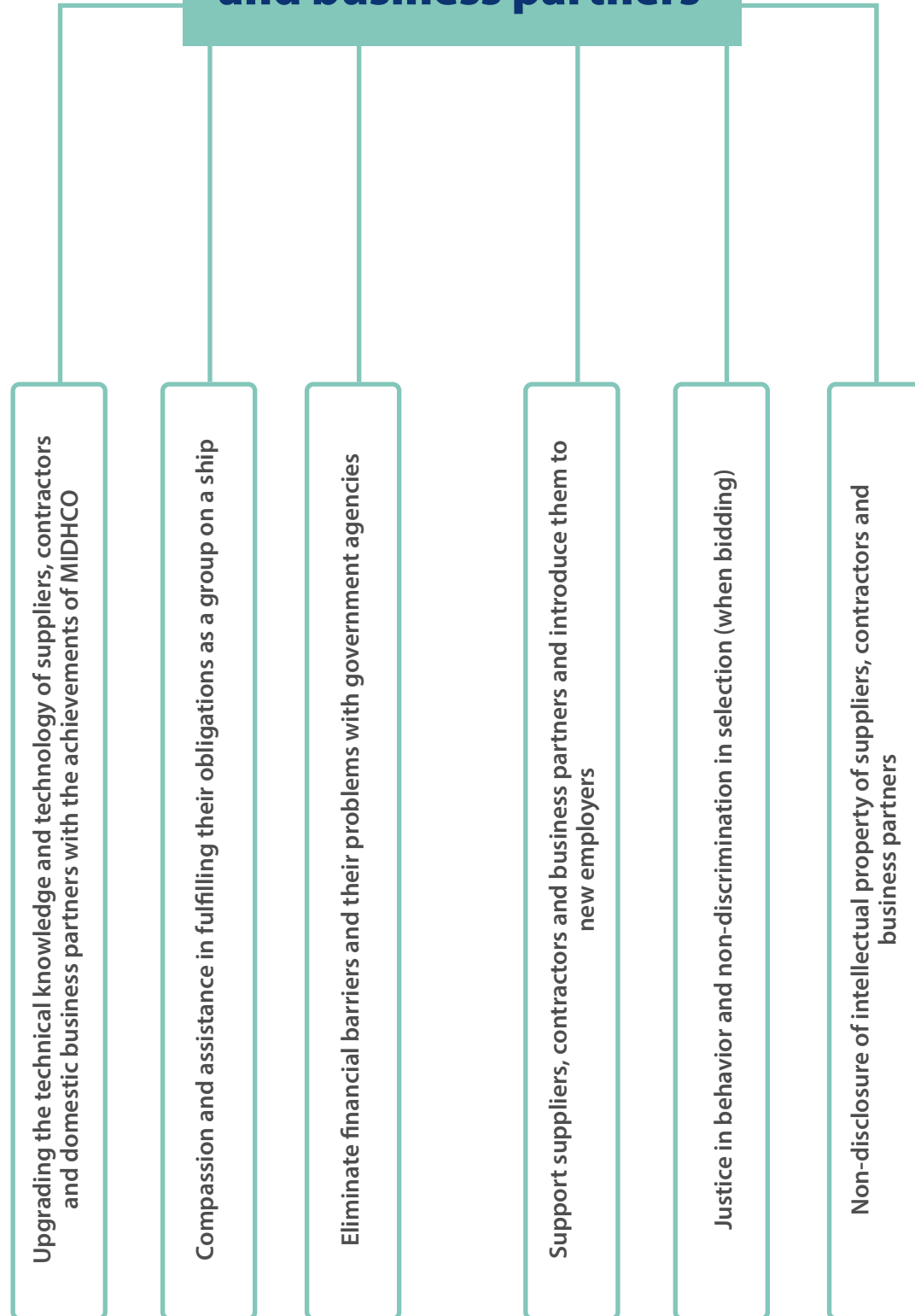


Target percentage ■
Satisfaction percentage ■

Overall satisfaction



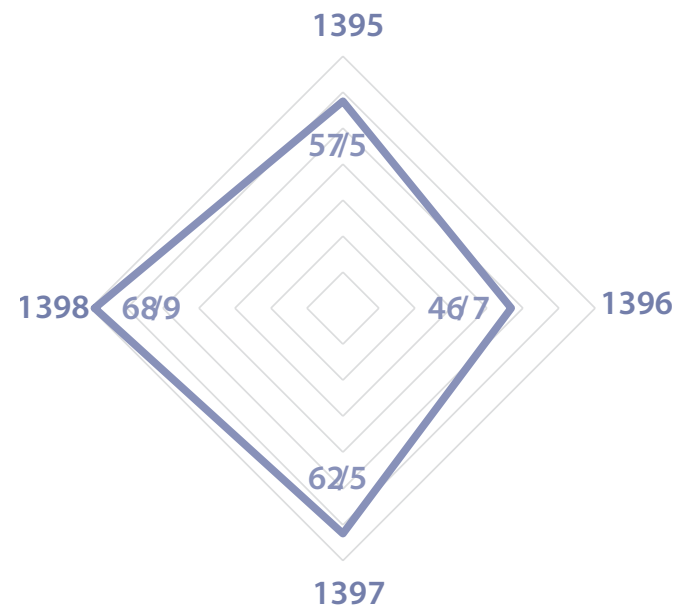
Midco Holding's social responsibility to suppliers, contractors and business partners



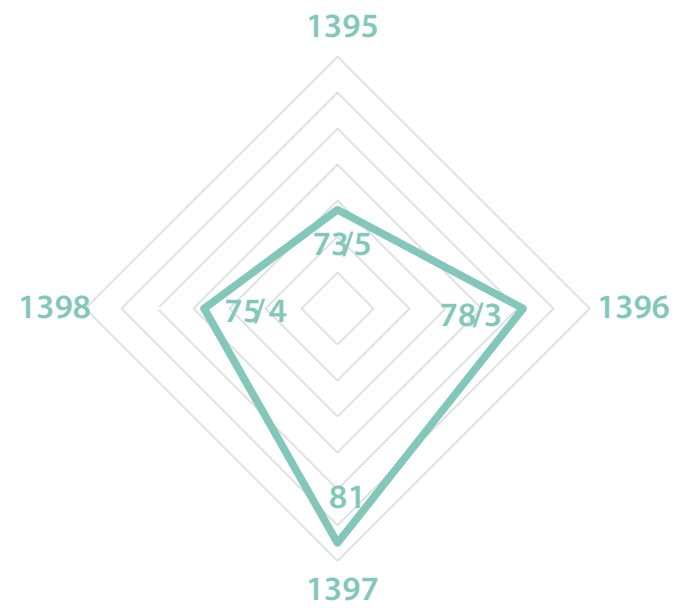
Customers

Customers are known as a valuable player in the development of any business. Relying on recognizing the needs of customers and focusing on solving the challenges ahead, MIDHCO Holding has planned and implemented several measures to form a lasting interaction with them. Measuring customer satisfaction as a targeted activity seeks to explore areas for improvement in this regard. This review is based on the ACSI customer satisfaction index at the level of MIDHCO Holding.

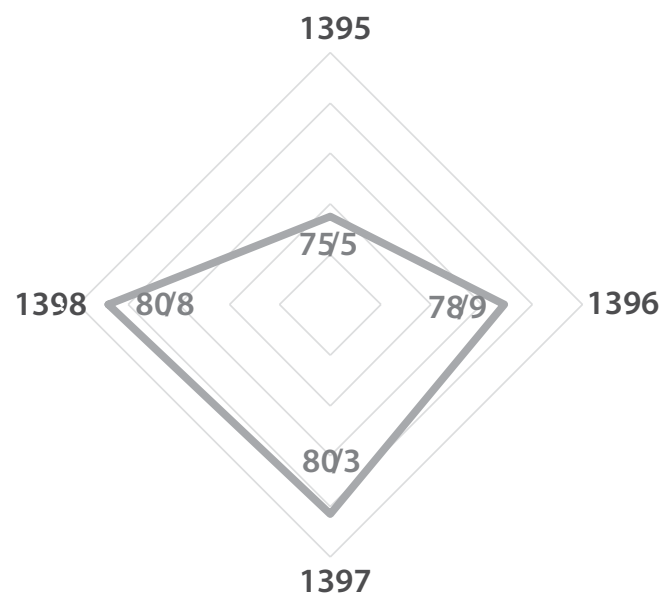
Explanation	Indicator	Type
The first part is before consuming the product or receiving the service, which is created from non-experimental sources and through methods such as announcements, advertisements or linguistic advice of other customers. Part 2: Customer prediction about the ability of the manufacturer or service provider to ensure the quality of goods or services in the future	Expectation	Entrance
Overall customer evaluation of the quality of the product or service provided by the organization in her latest experience of consumption	Perceived Quality	
Perceived level of product quality relative to the price paid to purchase that product	Perceived Value	
When a customer feels dissatisfied, in addition to being attracted to our organization's competitors, she also complains about her dissatisfaction.	Customer Voice	Output
Customer loyalty and trust in the organization	Customer Loyalty	



Customer complaints

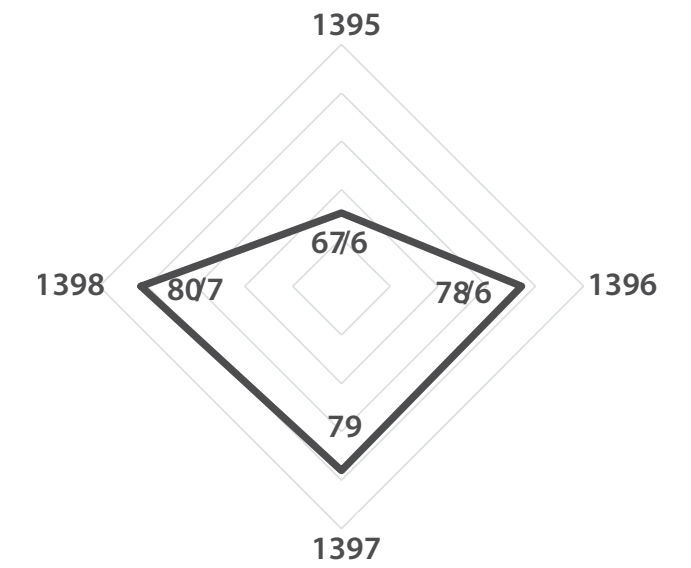


Customer satisfaction

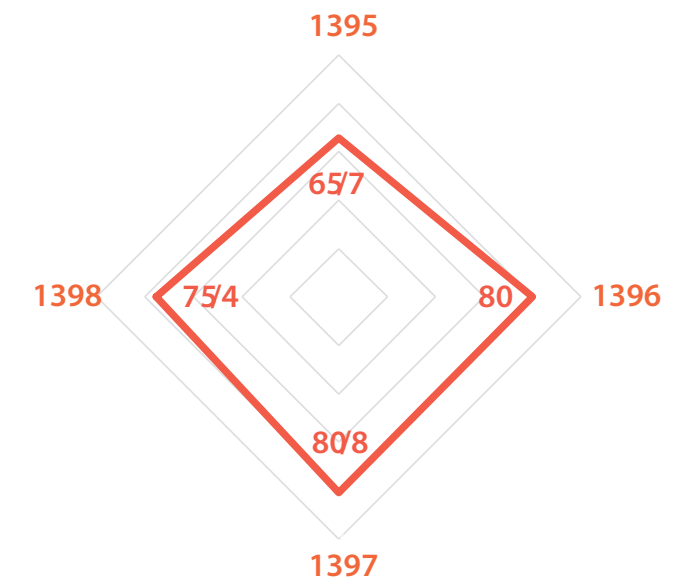


customer commitment

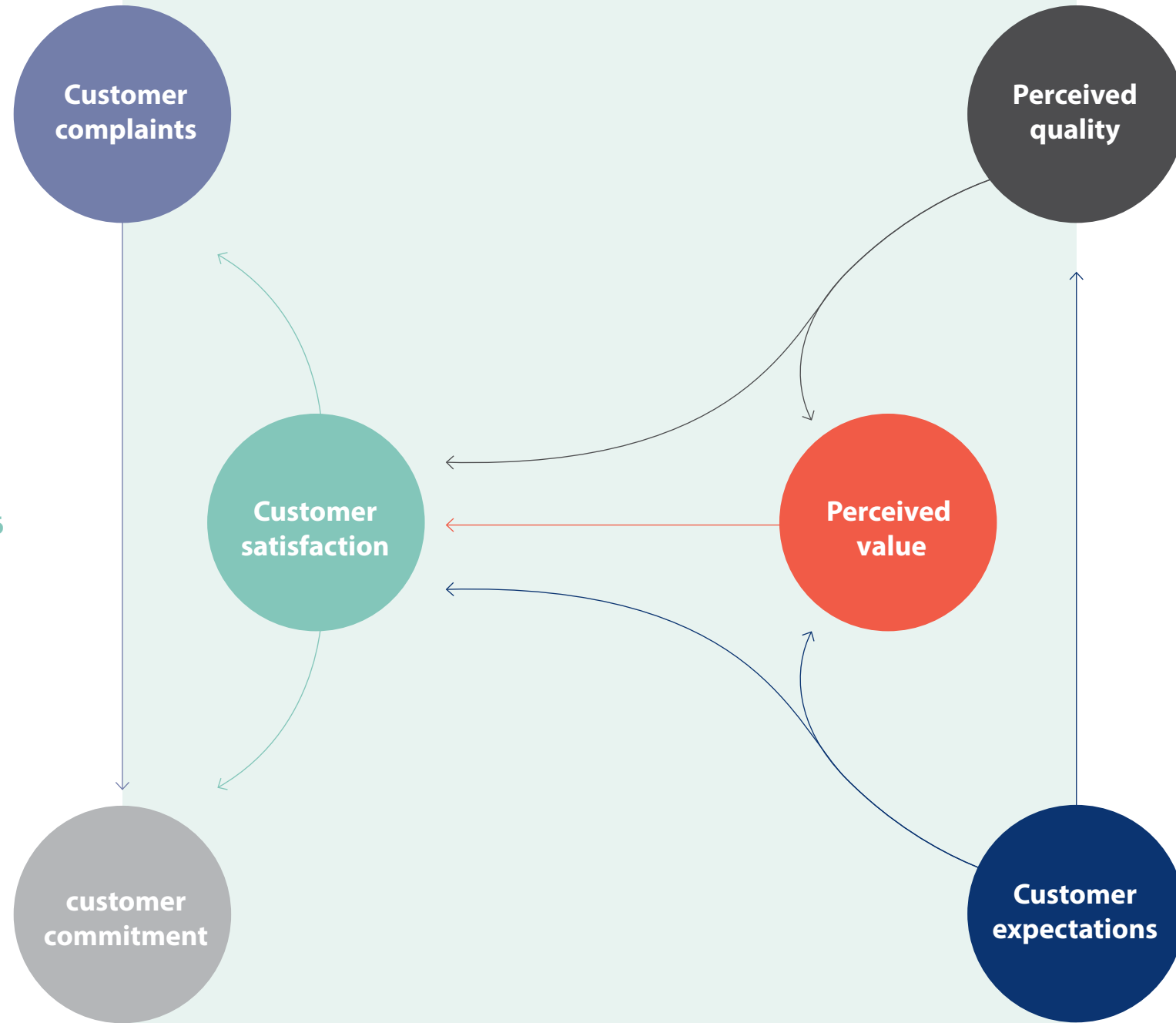
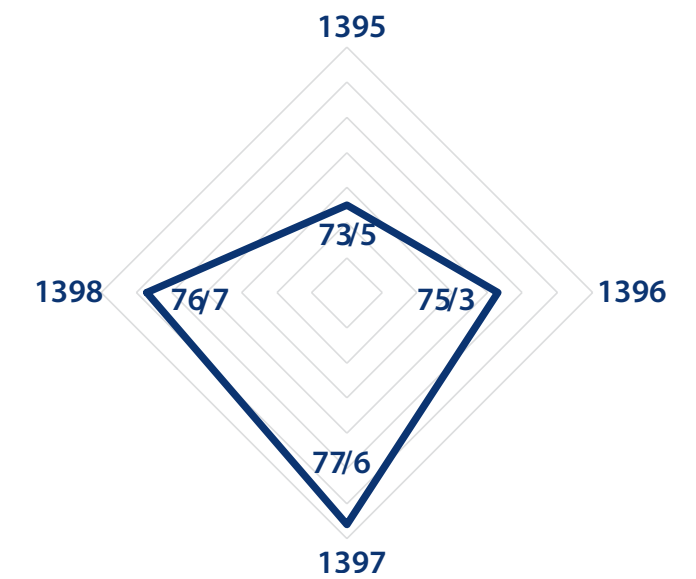
Perceived quality



Perceived value



Customer expectations



Governments, Associations and Universities

Collaborate and attend conferences, meetings and awards	Knowledge collaborations	Participation in governance and policy-making	Membership in specialized associations and unions
International Mining Conference	Iran University of Industries and Mines	Attending the think tank of the Ministry of Industry, Mines and Trade	Tehran Chamber of Commerce
Countries Conference D8	Join to the global network of knowledge partners	Membership in the Mining Commission of the Iranian Chamber of Commercial Non-Oil Drillers, Industries and Mines	Tehran Chamber of Commerce
			Iranian Iron Ore Association
Countries Conference G15	***	Institute of Business Studies and Research, Ministry of Industry, Mines and Trade	Iranian Steel Producers Association
			Iran Mining House
International Metal Bulletin Conference, Iran-Europe Conference 3	***	***	Iranian Casting Society
Collaboration with the Center for the Study of Productivity and Organizational Excellence / Judging Committee and Scientific Committee of the National Award for Organizational Excellence	***	***	Iranian Association of Metallurgical and Materials Engineering
			Iranian Casting Society
Membership in Bahr Hori Award for Mines and Mining Industries (Imidro) as a speaker and judge	***	***	Iran Public Relations Association
			Iranian Iron and Steel Association
International Conference on Steel International Conference on Non-Ferrous Metals (World of Economics)	***	***	Mining engineering system

Internal managers

Professional management and alignment of managers' approach with organizational strategies of MIDHCO Holding is defined as one of the principles of achieving macro goals at the holding level. For this purpose, a model based on the following process has been designed and implemented in all areas of MIDHCO Holding activities in order to achieve an efficient and systematic management.

Define the expected criteria of a professional management

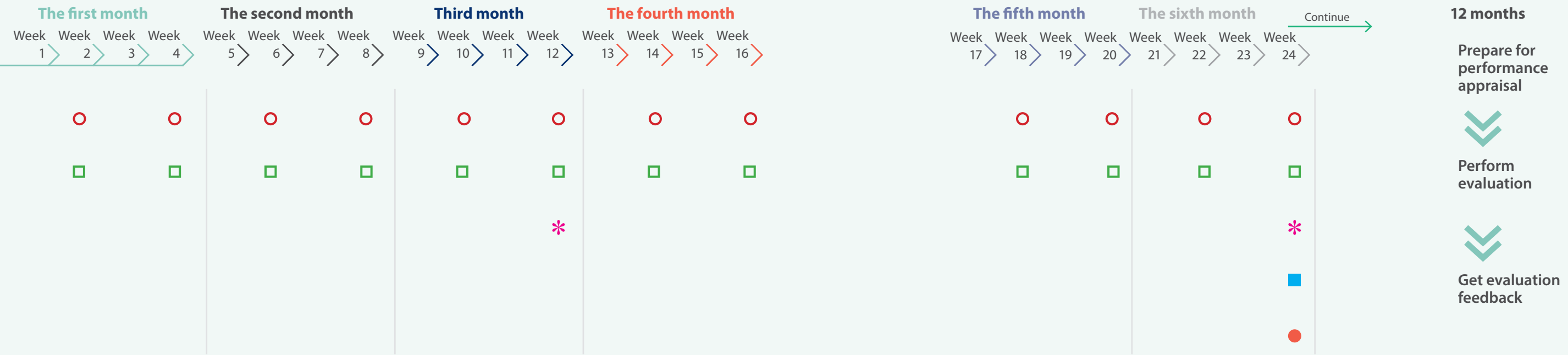
1

Management with compliance in the domain of management (more level and less depth and vice versa)	Doing work through others (management)	Systematic and process work (PROCEDURAL)	Central thinking and knowledge
Decision making based on group counseling and management	Decision making based on information	Decisions based on the approved strategy and plan	Do not deviate from professional management in the selected job

Select the right managers

2





Evaluate the performance of managers

3



Develop managers' skills

4

Monitoring approach	Monitoring approach	
Factory managers and CEOs of companies	Monitoring and control of financial production, HSE, sales and management development	○
Project managers and CEOs of companies	Project monitoring and control	□
All CEOs and middle managers	Board of Directors	*
All middle managers	Managers' performance	■
Department managers and experts	Performance of organizational units	●

Performance transparency



In order to create transparency in the operation of its activities, MIDHCO provides written reports to internal and external stakeholders in a specific program. In addition to submitting these reports, Structures such as the Trading Commission with the task of reviewing, commenting and analyzing bids, overseeing the conduct of tenders and auctions and selecting winners, they monitor the qualifications of the applicants to participate in auctions and tenders, select the goods, review the advance payment, etc., and supervise the process of conducting correct and transparent transactions. In addition, the existence of internal audit charters, the formation of internal audit committees in all companies in the group and the submission of independent external audit reports are other activities performed in the field of performance transparency at the MIDHCO level.

Another activity of MIDHCO in the direction of transparency of internal processes of the organization is the formation of an integrated information system called MIDHCO integrated comprehensive information solution (MIDRP) as the largest software project in the country in the field of enterprise resource planning it includes 13 product groups, 36 software products, 205 processes based on infrastructure based on 9 data centers. In the framework of this project, the process architecture of MIDHCO Holding is completely based on the desirable situation and successful global experiences have been designed and modeled with very precise details transparency and the ability to monitor and track processes at the MIDHCO level will be just one of the achievements of this project. Other achievements of this project include the installation of more than 800 surveillance cameras, information standardization including holding and classification of items and equipment, the establishment of a centralized inventory control system and the effective implementation of a video conferencing system with online connectivity in all MIDHCO offices .

Internal and external stakeholders Board of Directors and CEO	Consultants and managers	Subsidiaries	Company shareholders and potential investors	Tehran Stock Exchange and Securities Organization	Bank branches	Insurance and Tax Office	Auditor and statutory auditor
Reporting needs Performance of projects and companies, information	Function	Transparency of performance and applications	Clarify the performance and status of projects	clarification	Notices	Function	Notices
Report type Resource and Expenditure Report, Budget, Forecast and Monthly Performance Report, Internal Audit Report	Requested reports	Budget report, basic financial statements, forecast and performance report, balance sheet reconciliation report	Basic financial statements, performance reports and other market-reflected reports	Statement of portfolio status, information and basic financial statements of three, six, nine months and the main year and consolidated unaudited and audited, the first forecast of earnings per audited share, activity report of the board of directors, report of participation papers, transparency regarding the implementation schedule and percentage of project progress, transparency regarding contracts, schedule payment of company profits, interpretive management report and observance of corporate governance instructions, disclosure of other requested information, etc.	Monthly account turnover report	Monthly list of personnel premiums, monthly salary reports, mandatory taxes, list of contracts, quarterly sales reports, annual performance tax return, quarterly value added tax return, etc.	Receive reports and comments on the issuance of participation bonds, capital increase, board activities, basic financial statements of the company
Reporting period Weekly, monthly, 3 months	As needed	Weekly, monthly	Monthly, quarterly, annually	Monthly, quarterly, annually	Monthly	Monthly, quarterly, annually	Six months and annually



Preserve and Improve the Environment

- Environmental management policy ■
- Achievements ■
- Resource consumption ■
- Management and protection of natural resources ■
- Other activities ■

The environment is not the legacy of the past for us, but more of a trust in our hands for the future. For MIDHCO, focusing on preserving and enhancing the environment with all the challenges in the mining and metals industry is a priority. MIDHCO owes itself to the high moral, nominal and Iranian values and seeks to promote and institutionalize the preservation and promotion of the environment while defining obligations above the minimum, in the field of environmental issues and striving to meet them, and achieve a good image of MIDHCO in the eyes of domestic and foreign observers. Protecting and improving the environment also has a special place in the 17 goals of sustainable development.

MIDHCO focuses on achieving these goals by focusing on its vision, mission, policy and environmental management model.



Environmental management policy

Policy-making in the field of environmental management in MIDHCO Holding is based on a specific framework consisting of vision, mission, policy and HSE-MS management system.



Safety, Health and Environment Vision (HSE MIDHCO Holding)

Safety, health and the environment as a key priority and value in MIDHCO Holding for sustainable development, protection of human capital and other stakeholders (contractors, consultants, customers, neighbors) and ... and to become a leading and knowledge-based model in the mines and mining industries of the country and the Middle East and on par with the world class.



Safety, Health and Environment Mission (HSE MIDHCO Holding)

Middle East Mining and Mining Development Holding Company is committed to providing a safe and healthy work environment for all employees and other stakeholders by managing safety, occupational health and environmental issues as an integral part of its business chain to have a positive interaction with the environment in its activity chain.

Our approach is to ensure comprehensive and integrated management of safety, health and environment in all activities, equipment, facilities and MIDHCO Holding Infrastructure and its subsidiary service and manufacturing companies, by developing the level of professional capabilities and transferring the world's top technical knowledge in the field of HSE and with emphasis on the following principles :

● Conformity

MIDHCO will comply with all applicable laws, regulations and standards and will establish and implement the necessary enforcement procedures and programs to ensure compliance with them. Compliance with HSE standards is also a key approach in training, planning goals and programs, evaluating performance, and employee motivation programs.

● prevention

MIDHCO designs and builds HSE management systems to prevent actions or situations that pose a threat to human health and safety and the environment and minimizing the risks and protecting employees and other stakeholders and preventing the waste of resources and air, land and water pollution, by using the right technologies and operational methods, is a continuous effort in MIDHCO.

● Commitment to participation

MIDHCO announces its commitment to HSE to all employees, suppliers, customers and other stakeholders and encourages them to participate in HSE meetings and plan goals and programs. Commitment to HSE plays a key role in selecting employees and contractors.

● Continuous improvement

MIDHCO continuously pursues the identification of opportunities for continuous optimization in the efficiency and effectiveness of the management system, HSE optimization of resource consumption and adherence to the principles of this statement.

Safety, Health and Environment Policy (HSE MIDHCO Holding)

Middle East Mining Development and Mining Industries Holding Company Excellence in Environmental Protection, makes the safety and health of employees an integral part of its accepted organizational culture, and considers the protection of the environment, the effort to improve the level of safety and health of employees as the main approach.

In this regard, with the firm belief that if the work is properly planned and implemented, all accidents are preventable, as the leading industrial and mining holding in the country and the Middle East, with a performance in accordance with international standards, we aim to put the following goals at the forefront of HSE management system activities:



● Increase the quality of products and services and increase productivity to improve stakeholder satisfaction

● Development and empowerment of human capital and promotion of organizational knowledge

● Improve processes and their performance through MIDHCO (MIDR) integrated information system

● Improving the atmosphere of partnership and synergy between the headquarters and its subsidiaries

● Accident prevention, maintenance and promotion of safety, occupational health and health of employees and optimal management of emergencies and hazards

● Full compliance with all, national and international HSE rules and regulations and requirements and beyond and non-acceptance of actions other than zero injury level

● Full familiarity of each employee with the work and description of their duties in the field of health, safety and environment and having the appropriate preparation to do the job and create a balance between employees and assigned work

● Moving towards a green organization free of environmental hazards and pollutants and the optimal use of resources and energy by helping to promote environmental culture and ethics at the stakeholder level

● Believing that HSEC is a dominant public duty and culture as an integral part of all positions, and the participation of all stakeholders, including employees, customers, contractors, etc. in the continuous improvement of the management system of health, safety, environment and social responsibility

● Respect for culture and traditions, promote active participation and support the social development of stakeholders

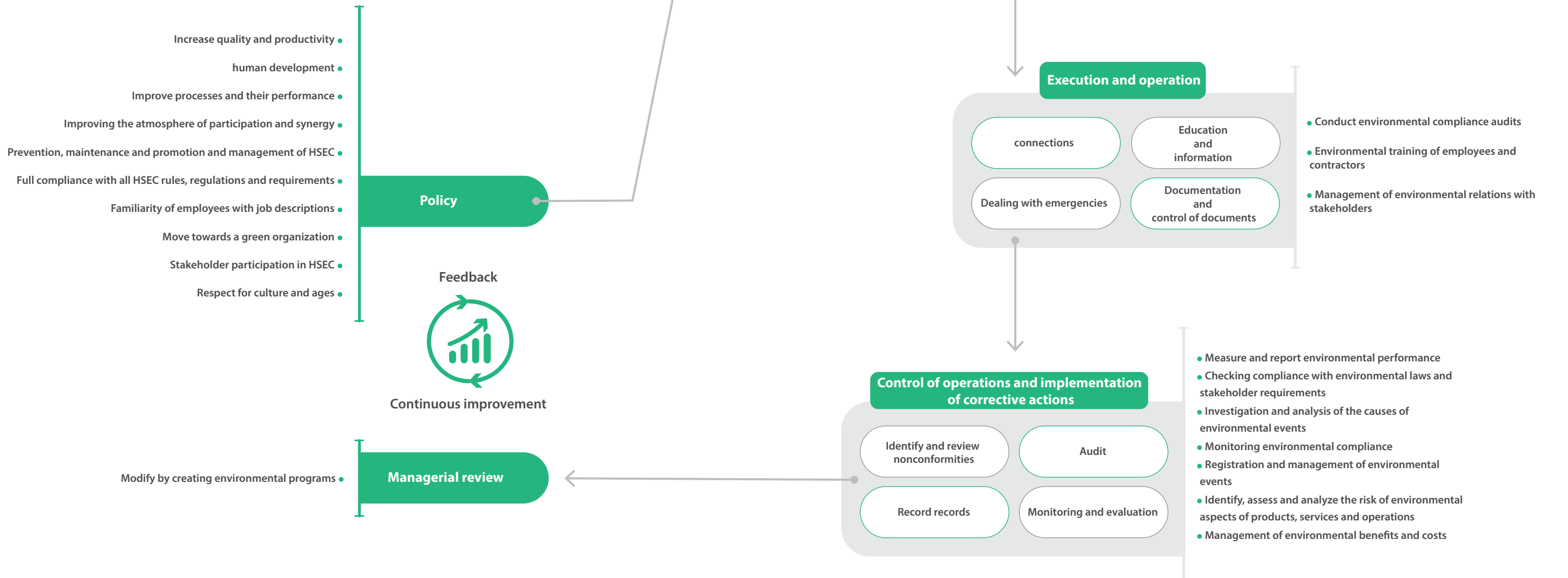


HSE-MS management system

MIDHCO Health, Safety, Environment and Social Responsibility Management System has been established since 2012 in accordance with the needs and characteristics of MIDHCO's field of activity in the steel and mining industries and in order to enable comprehensive policy and purposeful management, Integrated and integrated HSEC, adherence to HSEC Holding policies and strategies and achieving a better level of performance in line with MIDHCO's overall goals in the areas of health, safety, environment and social responsibility,

The PCF Process Classification Framework (provided by APQC for industries) has been used to develop this system and related HSEC processes at the MIDHCO level. MIDHCO HSEC management has also used HSE management standards such as ISO14000 and ISO45000 as well as HSE-specific mining industry specific patterns in companies such as BHP Billiton and Rio Tinto to ensure that all HSEC needs are met in accordance with MIDHCO activities.

HSEC Management MIDHCO has prepared policies and HSEC macro strategies at MIDHCO level as well as planning the macro structure of HSEC Holding management systems, with the aim of ensuring a safe and healthy work environment for employees to monitor and supervise the management systems of subsidiaries, and pursues continuous improvement, upgrading and improvement of HSEC level in the affiliated units by following the measures of improvement.



Some of the achievements and benefits of HSE-MS Environmental Management and Safety and Health System are:



In order to implement environmental protection objectives in the HSE-MS system, MIDHCO Holding has designed a set of upstream documents in the form of instructions and guidelines in order to implement the desired processes at the holding level.

- **Safety, Health and Environment (HSE) Basic Process Structure Guide:** The purpose of this guideline is to explain how to record, report, investigate and analyze incidents (pseudo-accidents) and accidents in safety, occupational health and the environment in order to determine the shortcomings and other factors affecting the occurrence of events, it is necessary to take corrective and preventive measures and identify opportunities for improvement and communicate the results of these studies.
- **Operational instructions for storage and storage of special wastes:** The purpose of compiling this instruction is to provide a document in order to get acquainted with the method of storage and storage of special wastes in industries.
- **Waste Management Guide:** Depending on the level of activity, the type of technology and raw materials used and the existence of recycling systems, significant amounts of waste are generated, the management of which is very important from an environmental point of view. The purpose of this guide is to explain how to manage waste in industries and determine control strategies. In order to control their waste, each subsidiary must develop and implement a waste management process with the aim of reducing or eliminating the source (or controlling the negative environmental effects and aspects of waste, including Recycling, Reuse, Treatment, Disposal).

- **Guide to monitoring and measuring environmental pollutants:** The purpose of this guide is to describe how to identify, monitor and evaluate all environmental pollutants in order to control and minimize them.
- **Industrial Waste Monitoring Guide:** The purpose of this guide is to explain how to monitor wastewater in the factories of manufacturing companies in order to control and minimize them. After preparing the environmental Fludiagram and determining the points with potential for environmental pollution through water and sewage, it is necessary to prepare a list of basics of sewage production and drainage of surface water and a view of the location of these points on the plan. Points to be monitored into two parts: points to be monitored to provide results to the Environmental Protection Agency and points to be monitored to control the system process) they will be.
- **Guide for management and operation of industrial refineries of factories:** The purpose of compiling this guide is to explain how to manage and direct industrial treatment plants in the factories of MIDHCO Holding companies in order to determine solutions to control the operation of treatment plants from the HSE perspective. In general, wastewater treatment methods in industrial plants can be divided into three main categories: physical, chemical and biological. The different stages of the wastewater treatment process are as follows:
 - Preliminary treatment (preliminary): which includes debris / grain / sediment.
 - Secondary purification: This stage also includes methods such as:
 - A: WSP = Wastewater Stabilization Pond
 - B: Extensive aerated activated sludge with sticky growth at high rate (High rate: Extended Aeration)
 - C: Intermittent Cycle Extended Aeration
 - D: Activated sludge system with sticky growth (IFAS = Integrated Fixed Activated Sludge System)
 - E: Aerated Lagoon)) Aerated Lagoon
 - F: Activated sludge system following drip filter (Trickily filter- Activated Sludge)

- **Guidelines for monitoring and measuring air pollutants:**

The purpose of this guide is to explain how to identify, monitor and measure all air pollutants in order to control and minimize them. Emission monitoring of air pollutants should be done in a way that always ensures compliance with emission standards. The HSE unit of the relevant company is obliged to directly monitor the emission sources online or periodically and request one of the trusted laboratories, the list of which is determined annually by the Environment Organization, to monitor air pollutants. The trusted laboratory will sample and monitor the outputs and send the results simultaneously to the HSE unit as well as to the Environmental Protection Agency. After preparing the environmental Fludiagram and determining the points with potential for air pollution through air, it is necessary to prepare a list of sources of air pollutants and the types of pollutants released from these sources.

- **Risk Management Guide in HSE Management System:**

Because the identification and Assessing safety and health risks and environmental aspects and risks is the main basis of other activities related to safety, health and environment in HSE management systems, planning and implementation of HSE risk management subsystem in HSE management systems has a very key and decisive role.

The purpose of this guide is to describe steps to achieve the following objectives:

- **Identify hazardous conditions resulting from activities, equipment and work environment**
- **Assessing the risk of hazardous situations, according to their classification and identifying critical risks and prioritizing them for management decisions.**
- **How to perform control measures**
- **Maintaining the identification and assessment of hazardous conditions**

- **Management instructions for identifying HSE rules and regulations:** The purpose of this guideline is to explain how to identify the legal requirements of safety, health and environment related to the holding activities and to achieve and prepare them , ensure that all legal requirements related to the holding activities are up to date and available.

- **Operational Guide to HSE Monitoring and Inspections at Operational Sites:**

The purpose of this guide is to describe the necessary steps in HSE monitoring and inspections at the operating sites of MIDHCO Holding subsidiaries. In this regard, a plan should not be prepared to carry out monitoring and action inspections. It should also be noted that reactive monitoring and inspections, as the name implies, are performed after the occurrence of events, and therefore it is not possible to make prior planning for these monitoring.

- **Operational instructions for recording and reporting events:** The purpose of this guideline is to explain how to record, Report, investigate and analyze incidents (quasi-accidents) and safety, occupational and environmental health incidents to determine occupational and occupational health and safety deficiencies and other factors affecting the occurrence of events, the need to take corrective and preventive measures and identify opportunities for improvement and communicate the results of these studies.

Achievements

Green space development

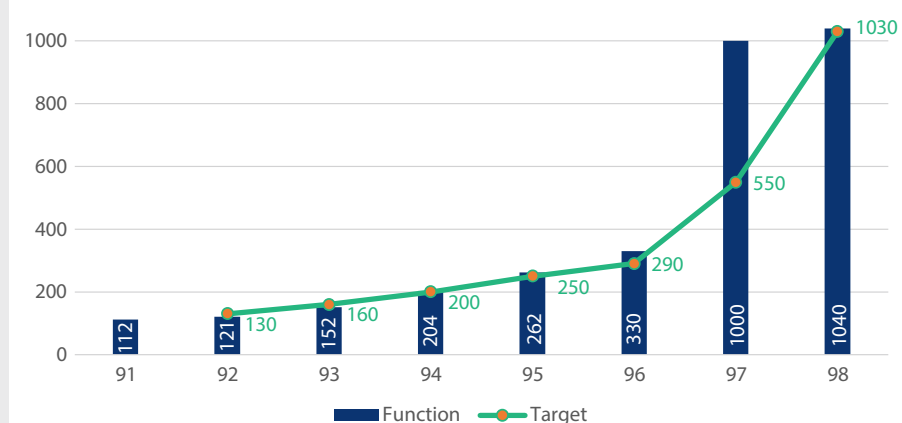
The plan to create 4700 hectares of green space in MIDHCO , which by the end of March 2019, about 3000 hectares (1040 hectares in line with legal obligations and 1950 hectares in line with social responsibility programs) (by planting more than 400 thousand trees of species suitable for the climate of each region has been achieved.



Examples of activities carried out in subsidiaries include the development of green space with special plant species in the Bardsir Direct Rehabilitation Complex and the desertification project in the Fatahabad-Sharifabad area of the Yazdanabad section of Zarand city.



Green space development project with special plant species and implementation of tree planting and flower planting operations in the amount of 220,000 square meters in line with environmental goals and green industry in 2019 in Bardsir direct rehabilitation complex with different species of pine trees in Tehran, Cypress, acacia, Mashhad pine, Sarvanaz, elm, Silver cypress, Peacock, Silk, Ornamental barberry and Lawson has been implemented.



Green space based on legal obligations



Desertification project of Fatahabad-Sharifabad region, Yazdanabad section of Zarand city



Specifications

Hawthorn is a shrub plant from genus C to rooster, sub-genus of spinach, with high resistance to drought and heat with an extensive root system that is used to stabilize sandy soils and desertification. Hemp is a hardy plant and is not threatened by any particular disease.



Irrigation required

The amount of irrigation required for pine trees in the period of 1 year is approximately 50 times that of hawthorn. As the pine tree needs 2200 liters of irrigation per year, but the hawthorn tree only needs 400 liters of irrigation in the first year and in the following years, it does not need irrigation.



MIDHCO Activities

- Zarand Iranian Steel Company for the development of hawthorn cover:
- Desertification of Fatehabad-Sharifabad area, Yazdanabad section of Zarand city
 - First stage project: area of 200 hectares, 24,000 pans for masonry
 - Second phase project: area of 200 hectares, 30,000 pans for masonry
 - Third phase project: area of 400 hectares, 60,000 pans for masonry

Other desertification activities in the area include Planting of plant species in accordance with climatic conditions, including 1200 hectares of almonds and pistachios around Chah Firoozeh mine, 260 hectares of almonds around the copper pipe and cathode complex of Babak city and 900 hectares of scissors, three callas and turmeric around the Butia Steel Complex, which no longer need irrigation after irrigation at the beginning of planting.

Also, Frosilis Gharb Pars Company, despite the fact that according to environmental laws, 10% of industrial space should be allocated to green space, in order to maintain and improve the environment, to allocate 21% of factory space to create green space. At present, the amount of green space inside the factory is 3600 square meters and the amount of green space created in the outside of the factory and the surrounding hills is 3.6 hectares. A total of 4 hectares of green space includes plant species including roses, Mohammadi, pine trees, cypress, acacia, rain-fed almonds, etc.

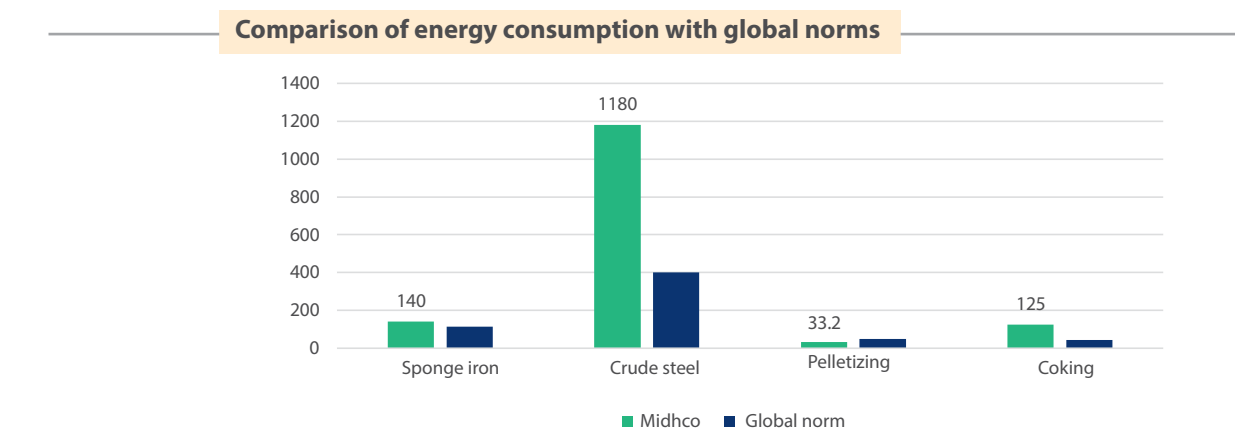
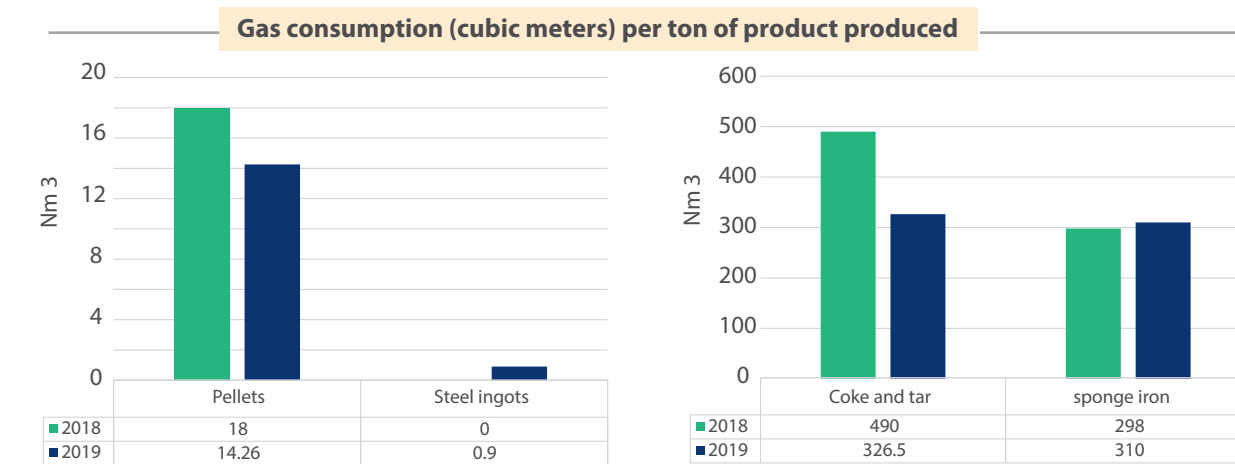
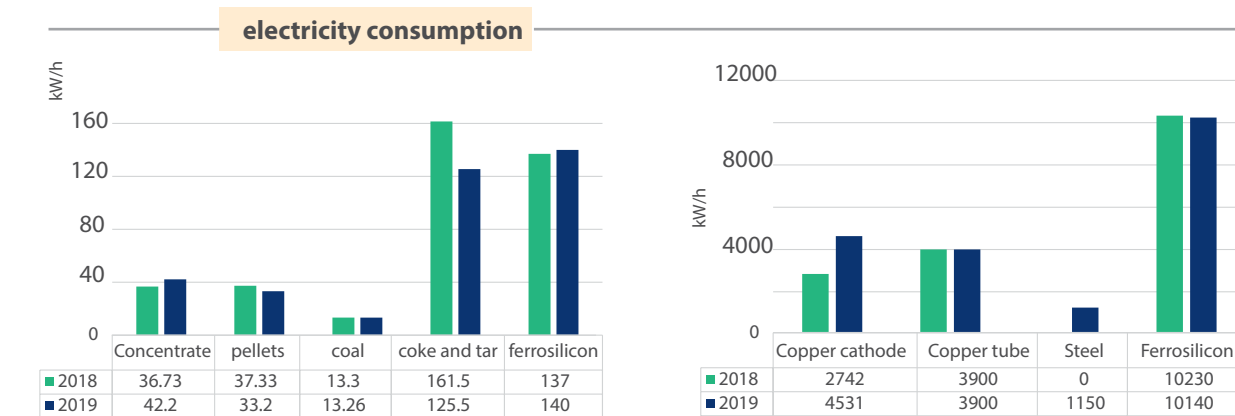
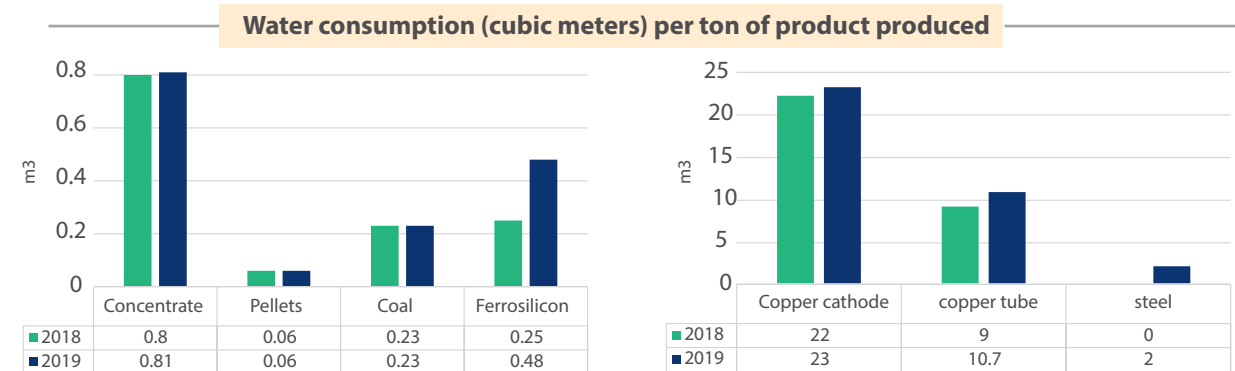


Protection of plant species

● Study and research on planting of plant species in accordance with the ecological characteristics of the region and planting of species approved by the Natural Resources Department of Kuhbanan on the north side outside the Pabdana linga processing plant



● Studies in order to identify and cultivate medicinal plants in the region by Butya Iranian Company





Management and protection of natural resources

Energy resource management, water conservation and air pollution control are based on the development of environmentally friendly technologies, in line with sustainable development, Protecting human capital and other stakeholders and becoming a leading and knowledge-based model in the mines and mining industries of the country and the Middle East and on a par with world class. Relying on its knowledge and human capital capability, MIDHCO has carried out development projects based on the development of green technologies and large environmental protection and improvement projects.

Tank bioleaching

Using the Tank bioleaching method in the production of copper cathode in the copper complex of Babak city, instead of the metallurgical method in which no polluting gases are produced. Bioleaching is the process by which microorganisms extract metal from the desired ore and concentrate. Due to the closure of the cathode production cycle, no industrial effluent is produced by bioleaching tank method. There are two prominent mechanisms for bioleaching:

- Direct mechanism: In this mechanism, microorganisms have the task of dissolving the mineral, which reacts directly with the mineral surface and increases the dissolution rate.
- Indirect mechanism: In this mechanism, iron ion is oxidized to ferric ion by activity with a kettle. The resulting ferric ion then oxidizes the sulfide ore.

There are several advantages to using a copper concentrate bioleaching process compared to other methods in the field of environmental protection.



1

the environment

Bioleaching or biooxidation uses a natural kettle that is harmless to both humans and the environment to extract metal from ore. Therefore, this technology is much more environmentally friendly than the conventional method.

Reduce greenhouse gas emissions

In this method, unlike the pyrometallurgical method, due to the lack of thermal processes, the consumption of fossil fuels is lower, which results in less production and emission of greenhouse gases.



2



3

Use of low grade ore

It is possible to use low-grade sulfur and oxide ores in the bioleaching method. In the normal leaching method only the use of high grade oxide ore is not possible

Less energy consumption

In the bioleaching method, because the kettles are in charge of the bio-oxidation process, there is no need to use complex equipment and facilities related to chemical oxidation in the traditional leaching method and heating in the pyrometallurgical method, and therefore energy consumption will be less.



4



5

Create less air pollution

In this type of process, unlike the extraction technology, sulfur dioxide and toxic mercury are not produced by melting process.

Reduce greenhouse gas emissions

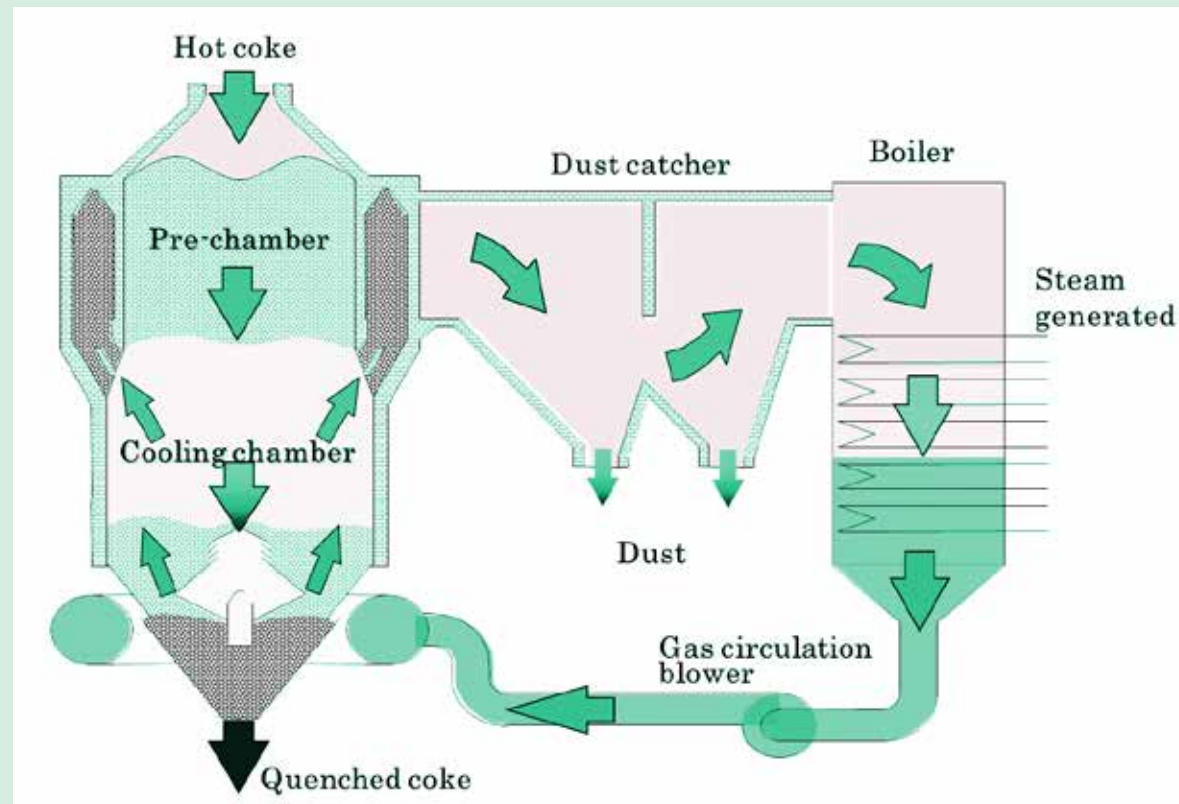
In this method, unlike the pyrometallurgical method, due to the lack of thermal processes, the consumption of fossil fuels is lower, which results in less production and emission of greenhouse gases.



6

Dry cooling of coke by CDQ in Zarand Iranian Steel Company

Currently, all coke makers in Iran use the Coke Wet Quenching system (CWQ) for coke cooling operations. The wetter tower is one of the most important environmental aspects and a source of air pollution and also one of the most important sources of heat and water loss in the coking process. One of the main ways to eliminate this important environmental aspect is to implement a Coke Dry Quenching system or CDQ. Zarand Iranian Steel Company has implemented the CDQ system for the first time in Iran at a cost of 31,750,000 Euros. Dry coke cooling (CDQ) is a heat recovery system for cooling or quenching hot coke from a coke oven. This cooling continues until the coke temperature is suitable for transportation. CDQ is an energy saving system in which the heat energy contained in hot coke generates water vapor and then electricity.



For this purpose, hot coke enters the chamber from the top of the cooling chamber and there in effect Contact with Nitrogen Gas) In CDQ, instead of using water, inert nitrogen gas is used to cool the hot coke (cooled and removed from the bottom of the chamber). Therefore, nitrogen gas, which has a high temperature after contact with hot coke, enters the boiler after passing through the dust filter and provides the heat energy needed to evaporate water, and after cooling, re-enters the process cycle. But the steam generated in the boiler is then transferred to the power plant, where it provides the energy needed to run the turbine and generator and eventually generate electricity. This water vapor also re-enters the process cycle after condensation.

In general, the advantages of the CDQ system in environmental protection are:



Generate clean energy using hot coke heat

The electrical energy that can be generated using CDQ is without consuming fossil fuels. As a result, carbon dioxide emissions are reduced.



Prevent the release of coke dust during cooling

Most of the dust usually comes out of the cooler tower with the exhaust steam. However, due to the dryness of the cooling process in the CDQ, it is much easier to separate the dust from the air.



Improved production in blast furnaces

Coke output from the furnace by cooling technique, dry has more mechanical strength and moisture is much less than the coke removed from the furnace by wet cooling method. Less moisture leads to a reduction in energy consumption in the blast furnace to evaporate the moisture in the coke and subsequently, it reduces CO2 emissions. Also, higher mechanical strength increases the permeability in the blast furnace and thus increases the reduction efficiency.



Improve coke quality

Cooling by inert gas instead of water sprays that prevent water and gas reactions.

Dust collection process (FTP) Bardsir direct reduction complex

The process of steel production in electric arc furnaces is associated with the production of large volumes of smoke. In the complex Bardsir has been designed and implemented in accordance with the environmental standards of the dust collection and transfer system (FTP).

The main parts of this system are:

- Air inlet valves and ducts or flue pipes
- Emergency valves to release smoke into the atmosphere
- Bag Hoos (smoke and dust collection place)
- Spiral conveyor to transport and direct soot through a chain conveyor into the silo
- Smoke and dust storage silos
- Two smoke and dust suction fans
- CCTV system of water-cooled coats



MIDHCO aims to implement projects related to water treatment and its recovery cycle in the production process, conservation of groundwater resources and optimal use of existing water resources. During its activity, MIDHCO has not taken any groundwater from the region with the aim of preserving water resources, which is one of the most important goals of sustainable development at the holding level. The following are some of the ongoing and ongoing projects in the field of water conservation in MIDHCO subsidiaries.

Kerman Wastewater Collection, Transmission Line and Treatment Plant Project (Iranian Butya Steel / Middle East Industry Standard / Mana)

Execution of collection network, transmission line and wastewater treatment plants of Kerman city has been done in order to supply the required water of Butia steel complex and Zarand Iranian steel complex from Kerman and Zarand wastewater and Execution of one of the most advanced and well-equipped wastewater treatment plants and reverse osmosis water and wastewater effluent control for agricultural use. This project is one of the most important projects in the province and the country in terms of volume and Rials, with its operation in Kerman, 1450 km of collection network, 12 km of sewage transmission line, three modules of wastewater treatment plant with a total capacity of 90 thousand cubic meters per day and 135000 items of sewage branch will be implemented within 5 years. In return for the investment of 1396 billion Tomans of Iranian Butia Steel Company in the implementation of this project, 750 million cubic meters of treated wastewater will be provided to this company in a period of 28 years.



Construction of sanitary wastewater treatment plant by activated sludge method and use of treatment plant output to irrigate the green space of Bardsir direct regeneration complex

Due to the production volume of sanitary wastewater in Bardsir steel complex And also in order to reduce energy consumption, wastewater treatment system by activated sludge method with technical specifications of daily discharge of 100 cubic meters, 300 BOD5 mg / liter and 350 TSS mg/l, which after treatment this amount is reduced to a concentration of BOD5 and TSS each less than 100 mg / l and the output water is used to irrigate green space. .

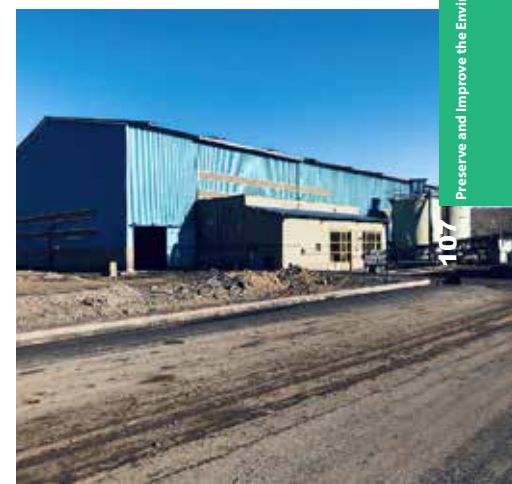


Wastewater extraction plant (DEWATERING) Sirjan Iranian Steel Company

Sirjan Iranian Steel Company, the owner of the 4 million ton Sirjan iron ore concentrate production complex, has constructed a tailings dewatering unit in order to save water consumption and restore a significant part of the water used in the concentrate production process. According to the design, 700 liters of waste water is extracted from each ton of waste and about 70% of the incoming water is recycled to the concentrate plant. On average, 160 cubic meters of water is extracted and returned per hour of operation of the Dewatering plant. With the construction of this factory, water consumption per ton of concentrate has been reduced from 1.2 cubic meters to 0.6 cubic meters, which will save 150 billion rials and 1.5 million cubic meters of water per year. For this purpose, the slurry produced by the operation of concentrators of concentrate plants is transferred to the dewatering unit through two parallel transmission lines (each transmission line for one phase). The effluent from the concentrators of the concentrate plant then enters the mixer tank of the distilling plant and is pumped to the distributors (located on both sides of the plant) by captive pumps. The belt filter system then sucks the captive water with the help of vacuum pumps and the resulting mud remains on the belt fabrics and is finally transported out of the factory by a conveyor belt. The water sucked by the vacuum tankers is sent to the water transfer canals and after being collected in a main pond, it is returned to the concentrate plant by floor pumps. The returned water is transferred through a separate transmission line to the Water Basing Unit of the concentrate plants.

Zarand city wastewater collection project by MDBR method Zarand Iranian Steel Company

This project has started with the investment participation of Zarand Iranian Steel Company and implementation by Mana Construction Company, which will be completed in 1400 according to the schedule. The length of the collection network in the first phase of this project is 352 km, its transmission line is 8 km and the number of branches in this project is 22,000 branches with a length of 176 km. The output of this project with an initial value of 70 liters per second will be upgraded to 170 liters per second in the vision of 1420. The cost of this project is estimated at 400 billion tomans. This project, after finalizing the capacity of 18,000 cubic meters of wastewater treatment for the city of Zarand.



Waste management and water management plan of Chah Musa copper complex (second phase)

Chah Musa Copper Complex, in line with its environmental goals and in order to comply with the country's environmental laws and regulations, has implemented a waste management system at the complex level. This project was implemented at the end of 2016 with a total cost of 1,085,000,000 Tomans and in 2 phases in the complex with the aim of controlling and reducing soil and water pollution, waste management due to sulfide copper ore processing, reducing costs and reducing environmental impact.

In its first phase in 2016, this project was implemented on a land area of 12,000 square meters. In this phase, all necessary permits and correspondence with the Environmental Protection Organization were done. Due to the success of the project in phase 1 and 3 years after the beginning of the first phase, in the second phase of the project, in order to increase the level of the depot and the 10-year vision plan, necessary measures were taken to increase lining in the desired location. In the second phase, land adjacent to the first phase with an area of 17,000 meters was considered. The lining and infrastructure project of the place started on the first of Azar 2019 and will end in a 1-month contract. In this phase, according to phase 1, all environmental requirements such as: sloping, infrastructure, sealing, lining, staining, monitoring and inspection, etc. are being done. In this phase, Chah Mousa copper complex to build a 1000 ton factory and increase production capacity annually, it conducted an environmental impact assessment (EIA).



Design and construction of Geomembrane pool for reuse of return water of Bardsir direct regeneration complex

Due to the fact that Water from the production process (Blowdown water) enters the environment, in order to prevent its release into the environment and also to prevent the contamination of soil and groundwater resources., a 12,000 cubic meter pool was constructed in the form of reinforced concrete and impermeable Geomembrane layer, the water from the production process is returned to the system after passing through sand filters and adding anti-fouling materials.



Dewatering plant from wet iron ore concentrate in Zarand iron ore concentrate and pelletizing complex

This project in Zarand Iron Ore Concentrate and Pelletizing Complex of Zarand Iranian Steel Company with a credit of more than 700 billion Rials will enable the return of at least 75% of the incoming water to the dewatering plant (Dewatering). Filter presses are used in the dewatering process. Wet concentrate or slurry is pumped to the distribution pool and then transferred to the filter feeders with the help of other pumps from the distribution pool. The filtered material is transported to the concentrate cake depot by belt conveyors. This project is currently in the phase of excavation and construction.



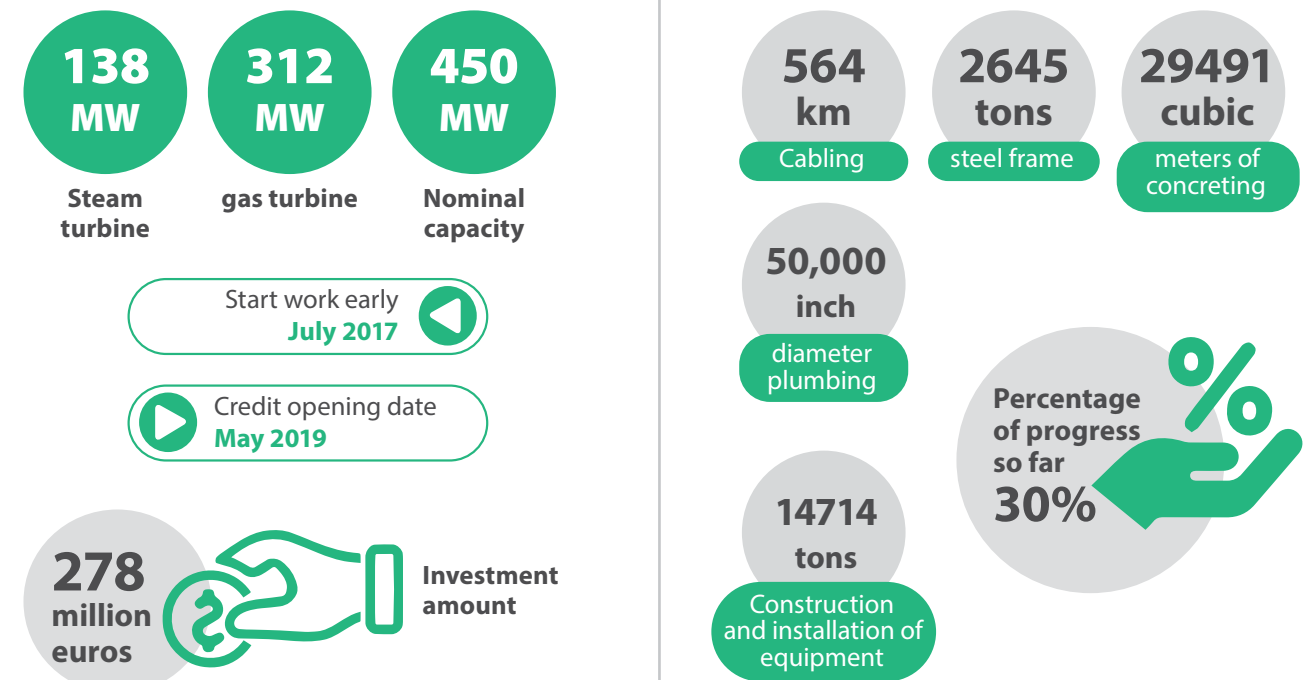
Water consumption management in Zarand concentrate and pelletizing complex

Row	Activity	Type of strategy of 3R components	Quantitative index: the rate of reduction in harvesting from water resources (percent)	Qualitative index: rate of decrease in wastewater production (percentage)	Condition
1	Construction of dewatering plant from industrial waste (Dewatering)	Recycle	28.5	75	Under Construction
2	Choosing an alternative for large water uses: Using the effluent of Kerman treatment plant	Reuse	33	-	Providing infrastructure
3	Reuse of water condensing RO treatment systems in the production process	Reuse	2	7	
4	Use natural stabilizers instead of spraying roads and yards	Reduce	2	-	
5	Implementation of pressurized irrigation project in 35% of the existing green space and planning to increase this project by 70% this year	Reduce	4	-	
6	Construction and operation of the complex wastewater collection and treatment network and use of its effluent for irrigation	Reuse	2	4	
7	Water treatment and recycling process required by the pelletizing plant to reduce water consumption	Recycle	2	5	

Energy management in MIDHCO has been considered in order to make the best use of energy resources in the production process. Due to the lack of energy in the province, the construction and operation of a 500 MW combined cycle power plant in the Butya Iranian Complex is on the agenda. This project can help to maintain sustainable energy resources in the province. Also, the urban pressure reduction station of Butya Iranian Company in the pipeline project, the 30-inch Baghin-Zarand gas transmission is being carried out with the aim of supplying gas to Iranian Butya Company with more than 95% progress. The main goal of this project will be to protect the environment and reduce the consumption of other polluting fuels at the level of Butia Company. In addition, the gas pipeline develops industry and, with it, employment, welfare and environmental protection, and reverse migration. Gas supply to the villages along this pipeline is also considered as one of the side achievements in the field of social responsibility of Butia Company.

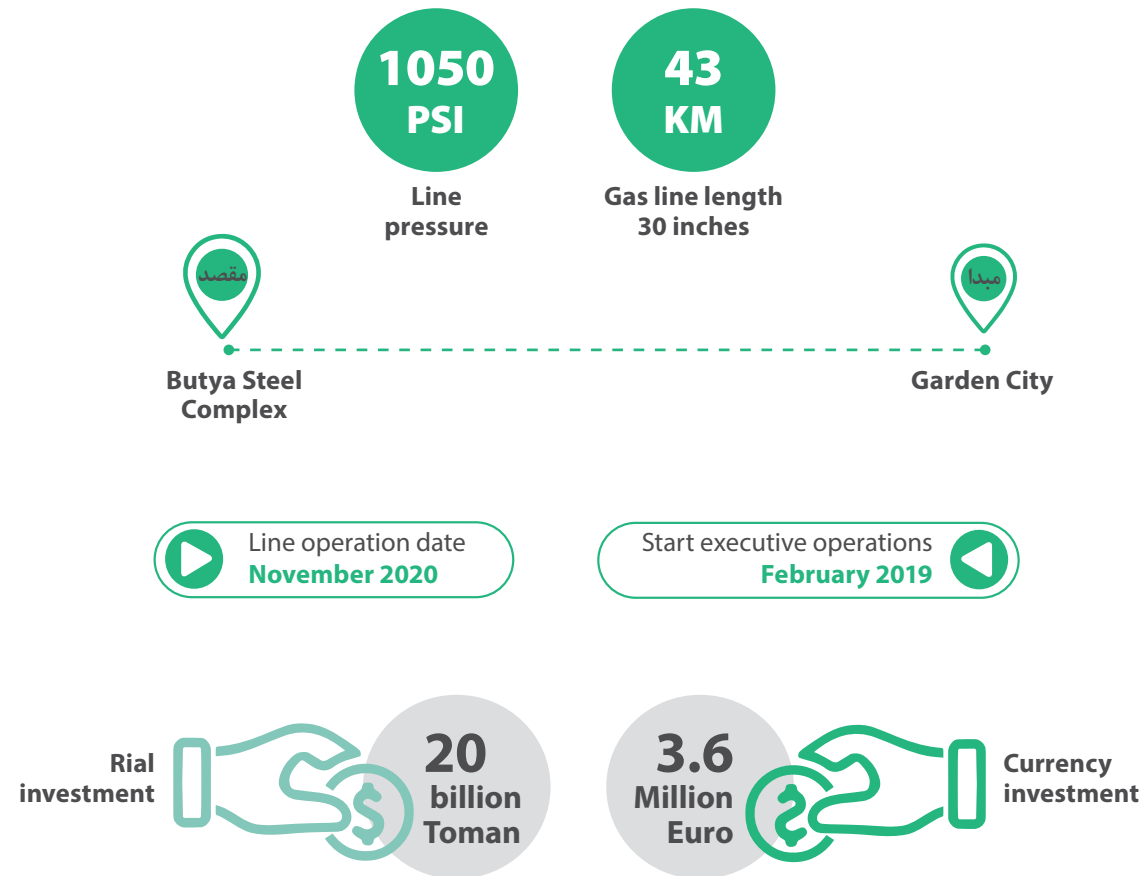
450 MW Combined Cycle Power Plant of Butya Iranian Company

General specifications of the project



Butya Iranian Company Urban Pressure Reduction Station

General specifications of the 30-inch gas line project



General specifications of the pressure reduction station project



Other activities

- Utilization of ZLD (ZERO LIQUID DISCHARGE) system in the construction project of Butia Steel Plant
- Application of HYL3 technology in the construction project of Butia Steel Plant to reduce energy consumption
- Installation of instant and online monitoring system for measuring gases, vapors and dusts on the chimney of Zarand Coke Manufacturing Complex and Zarand Refinery and West Pars Ferrosilicon Plant
- Execution and construction of flood dam around the complexes to collect water from seasonal rainfall and use the mentioned water in irrigation of green space
- Implementation and implementation of drip irrigation system of green space in order to manage and reduce water consumption
- Planning for the implementation of 400 hectares of desertification in 2020 by Zarand Concentrate and Pellet Complex
- Cultural events related to special days of the year such as Environment Week
- Perform periodic environmental self-declaration activities
- Signing memorandums of cooperation with the Environmental Protection Organization in the provinces

1. The technology used in this factory is HYL third generation and using Hytemp system for hot charging of sponge iron (Hot DRI) with a temperature of 600 ° C. Italian company Danieli as a technologist and Mana company as a subsidiary of the MIDHCO is collaborating on this project.

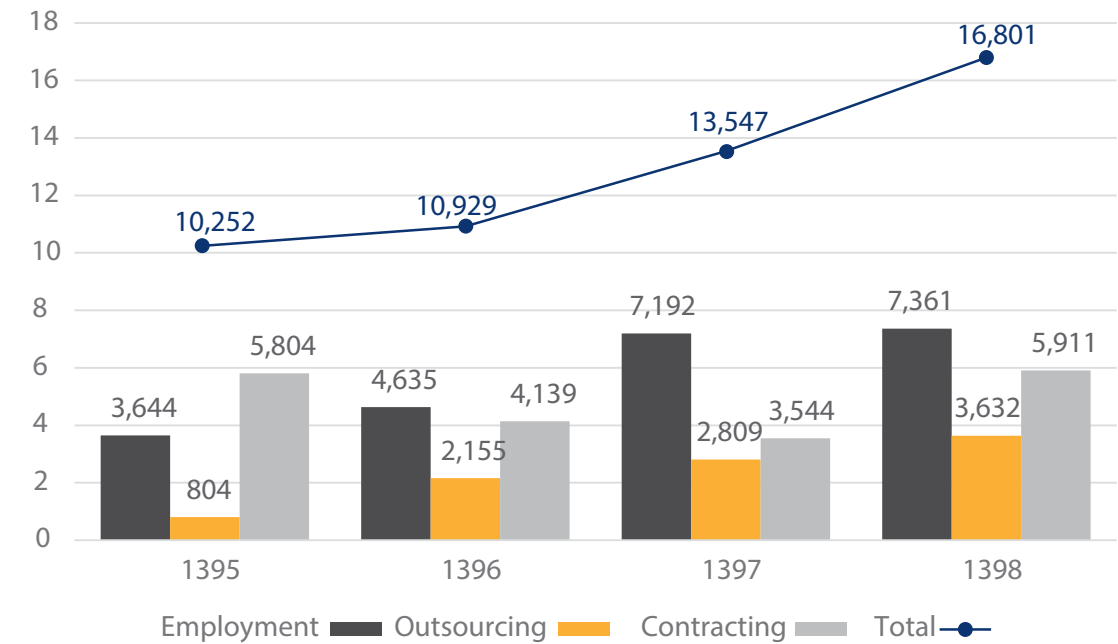
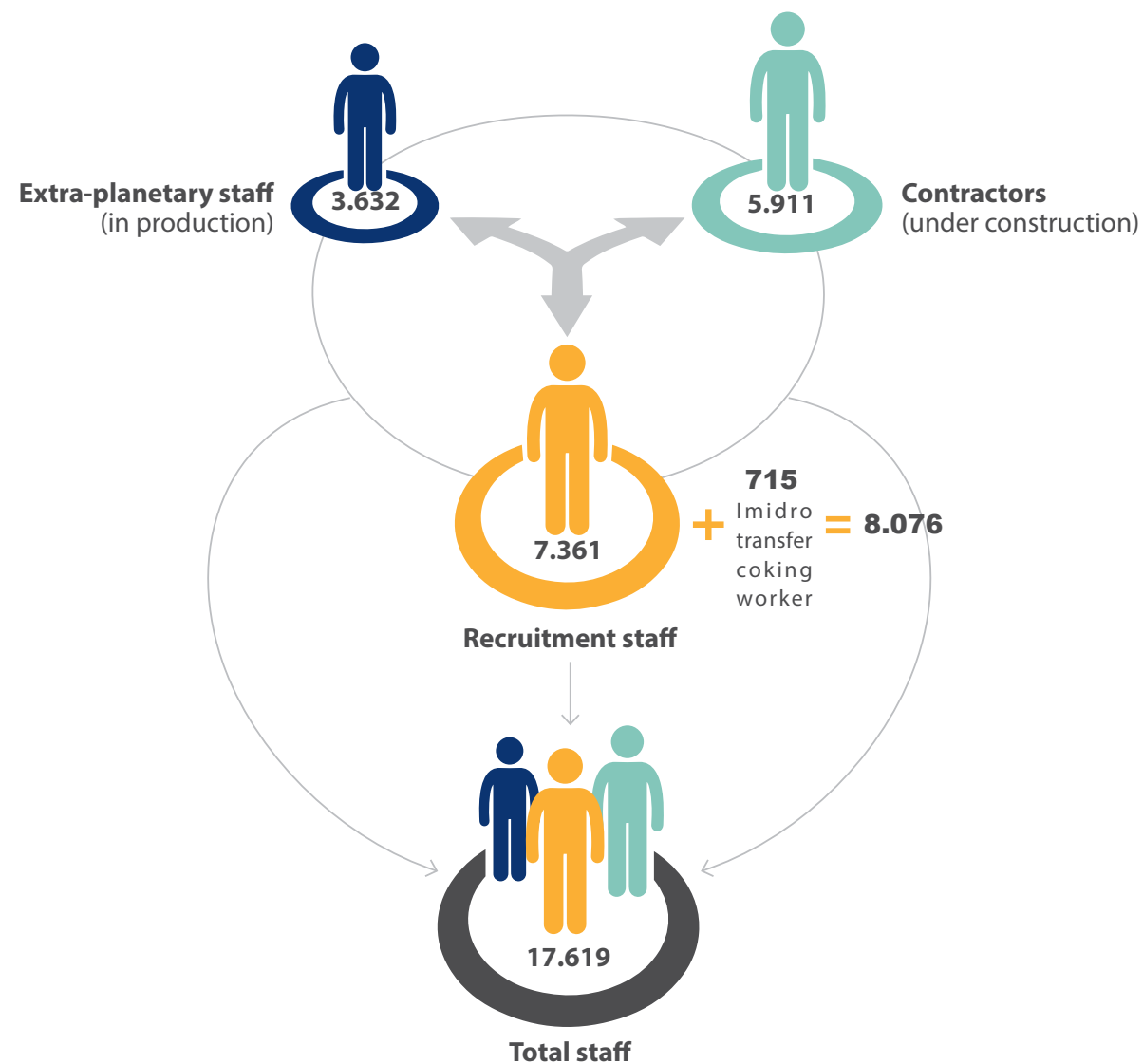


Human capital development and society

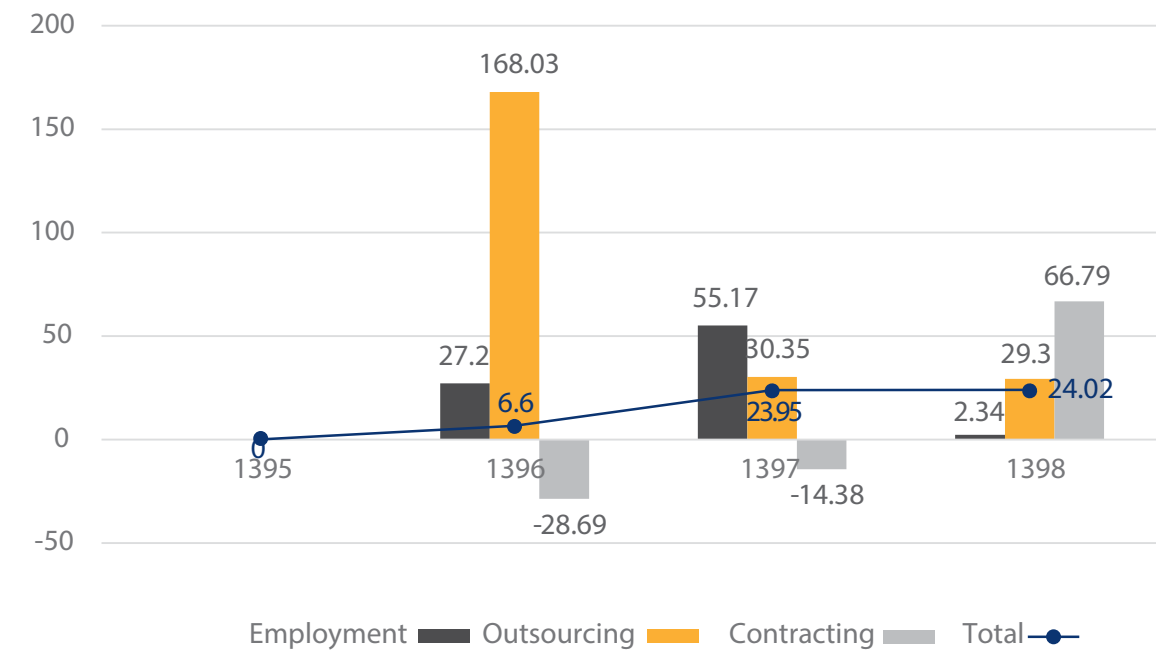
- Human capital at a glance ■
- Human capital and sustainable development ■
- Human capital management ■
- Business ethics ■
- Achievements ■
- Recruitment and employment ■
- The balance between work and life ■
- Job satisfaction measurement ■
- Health and human capital growth ■
- Exercise and social vitality ■
- Education ■
- Local community development ■

Human capital at a glance

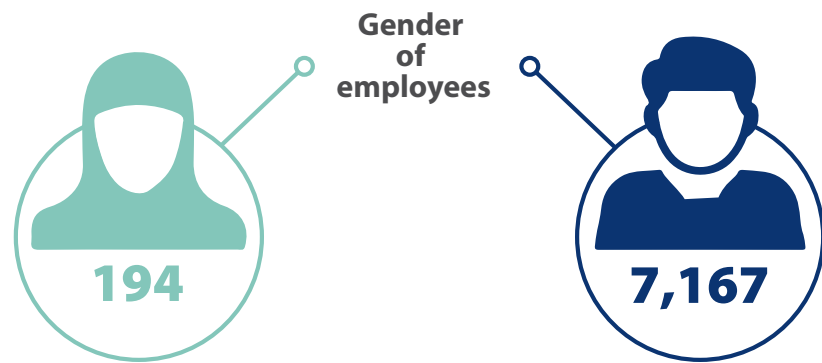
Relying on human capital and using experienced and capable managers, MIDHCO has turned its human capital into a strong point in its activities. MIDHCO's focus on the use of indigenous manpower (more than 95% of the manpower employed in each region) has been able to play an important role in the development of local community in terms of employment, vitality and social welfare. Preventing the migration of residents of the region can be considered as one of the important effects of employing local manpower. Lack of migration and activity of people in their place of residence will prevent the effects of cultural heterogeneity and social problems caused by the activity of people in environments with different cultures. MIDHCO not only pays special attention to supporting young people in the region, but also seeks to increase self-confidence among local residents through its economic development and infrastructure. Also, the use of contracting capacity in the region with more than 90% of contracting activities by human capital and companies in the region has helped to achieve these goals. MIDHCO strives to take effective steps to train skilled manpower with well-crafted training. This will be clearly seen in the statistics related to the training courses in the last year.



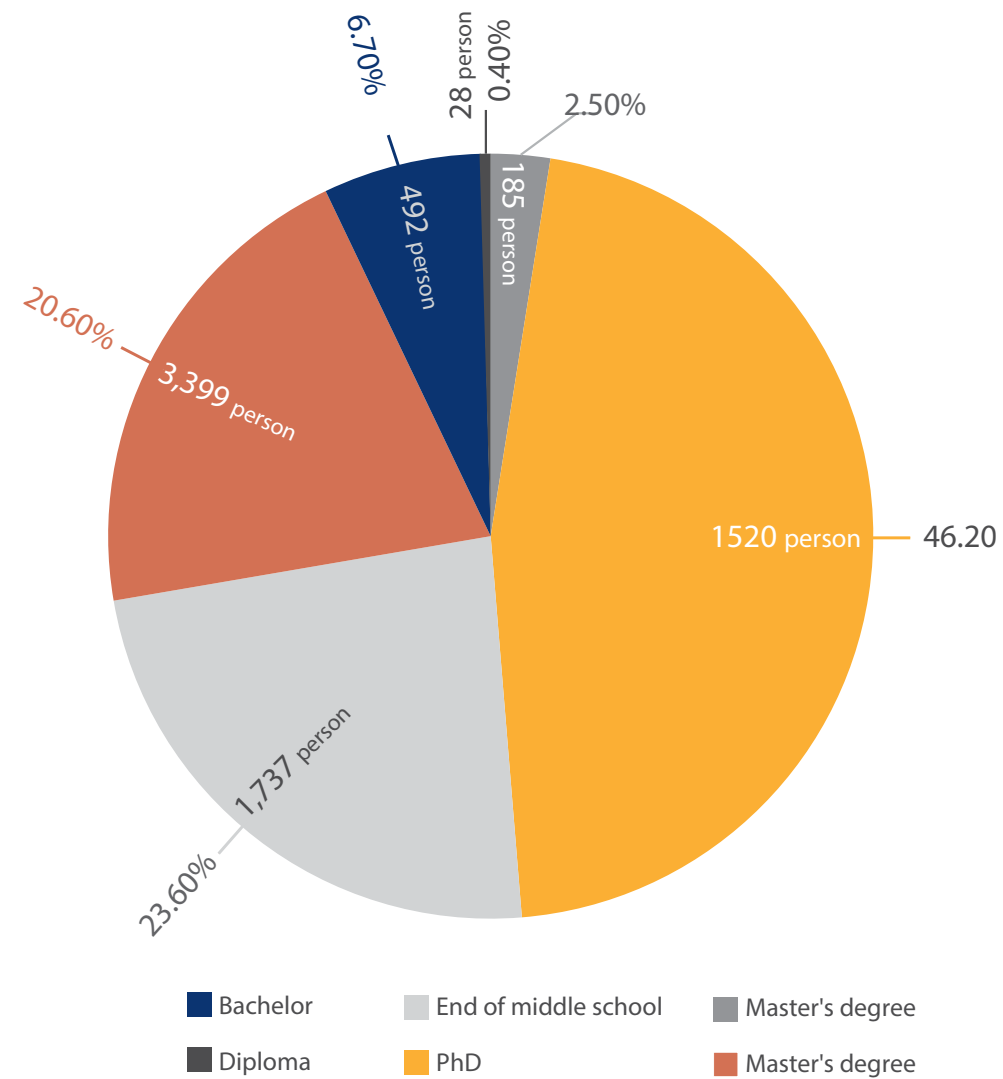
Type of cooperation



Type of cooperation - annual growth rate compared to last year



Employee degree



Human capital and sustainable development

Human development at the level of MIDHCO is considered from various aspects, each of which is guided to achieve part of the macro goals of sustainable development.



- Safety and health
- Exercise and social vitality
- Education

- Human capital management system
- Business ethics
- Recruitment and employment
- The balance between work and life
- Job satisfaction measurement



- Develop and implement academic support programs
- Improving the living standards of the local community
- Health development
- Support the development of infrastructure and solve or reduce the problems of the region
- Cultural and sports activities



Human capital management

Human capital management system

The 11-member MIDHCO Human Capital Development Committee, chaired by the Director of Human Capital, presented 81 resolutions in 2019 with 394 working hours in 19 management sessions, in order to advance human development activities. The set of approvals presented in the form of a comprehensive approach as a human capital management system is designed as a key dimension in human development management at the holding level.

Human capital policies

- MIDHCO capital approach to human capital and promoting the position of human capital in designing and implementing business strategy
- Coordination of all group companies with the human capital strategy of the parent company
- Design and implementation of comprehensive systems of human capital management and development in the group companies, taking into account the geographical requirements, the context and culture of human capital, social conditions in the region and other influential environmental factors
- Being a role model for parent company leaders for all group companies
- Development of professional competencies of human capital leaders (senior management and middle managers) at the global level and capable of managing the group's projects and management staffs
- Develop human capital competencies and capabilities to nurture smart, creative, motivated, value-committed, and healthy employees who adhere to ethics and professional conduct. Identify and build reserves of human talent in MIDHCO and nurture new generations of executives
- Managing the process of creating, sharing, applying and developing organizational knowledge to foresee and facilitate the movement of the company, instructor, knowledge creator, in the direction of the learning organization and rapid response with the effective use of information and communication technology
- Agility and increase the flexibility of the company to recognize and respond in a timely manner to the changing needs of the market and stakeholders and intelligently use the existing capacity of the country through outsourcing
- clarification

The Human Capital Development Committee, chaired by the Director of Human Capital and Performance Evaluation of MIDHCO Managers, consists of the Director of Administrative Affairs and Staff Support, Midco Human Capital Experts and the Human Capital Managers and HSEC of major subsidiaries.

- More participation of human capital in the programs of the organization
- improving Productivity
- Identify worthy and successor talents
- Improve potential and actual management capacity

- Accurate level of valid payments
- Increase the level of satisfaction
- Manage welfare programs
- Improving and targeting education at different levels
- Matching jobs and employees
- Improving human capital productivity
- Ensure sustainable development
- Improve the level of belonging and reduce leaving the service
- Improve training effectiveness
- Increase and target per capita education
- Improve and manage planned recruitment
- Reduce accident rates and increase health
- Improving the level of safety and health
- More accurate training needs assessment system
- Managing and adjusting the cost of staff training
- Improving the level of participation

- Unify payment levels
- Improving the level of knowledge and skills of employees
- Improving the mechanism of human capital processes simultaneously with the establishment of the ERP project
- Complete implementation of employment regulations and payment system

- Improve leadership style
- Improving organizational culture indicators
- Improving human capital analysis reports
- Review, preparation and implementation of regulations

- Identify and create a reserve of force talents
- Humanity at MIDHCO and nurturing a new generation of managers with a globalization mindset
- Human capital productivity

- Coordinating the organization based on needs (timely recruitment)
- Improving the level of participation and empowerment of human capital
- Improving staff knowledge and skills and developing competencies
- Gradual improvement of the welfare level
- Develop a culture of employee appreciation based
- Individual and organizational performance
- Accountability and active participation of employees in the performance management process
- Balancing work and life
- Paying attention to staff living issues

- Competence and creating a reserve of human capital in MIDHCO and nurturing a new generation of managers with a globalization mindset
- Competitive and accountable employment system and dedicated payroll

- Strategic role of human capital
- Raising the level of organizational culture
- Transparency, administrative health and the development of a culture of work and honest effort

Special look at human capital

Applying global models, standards and indicators and evaluating based on it

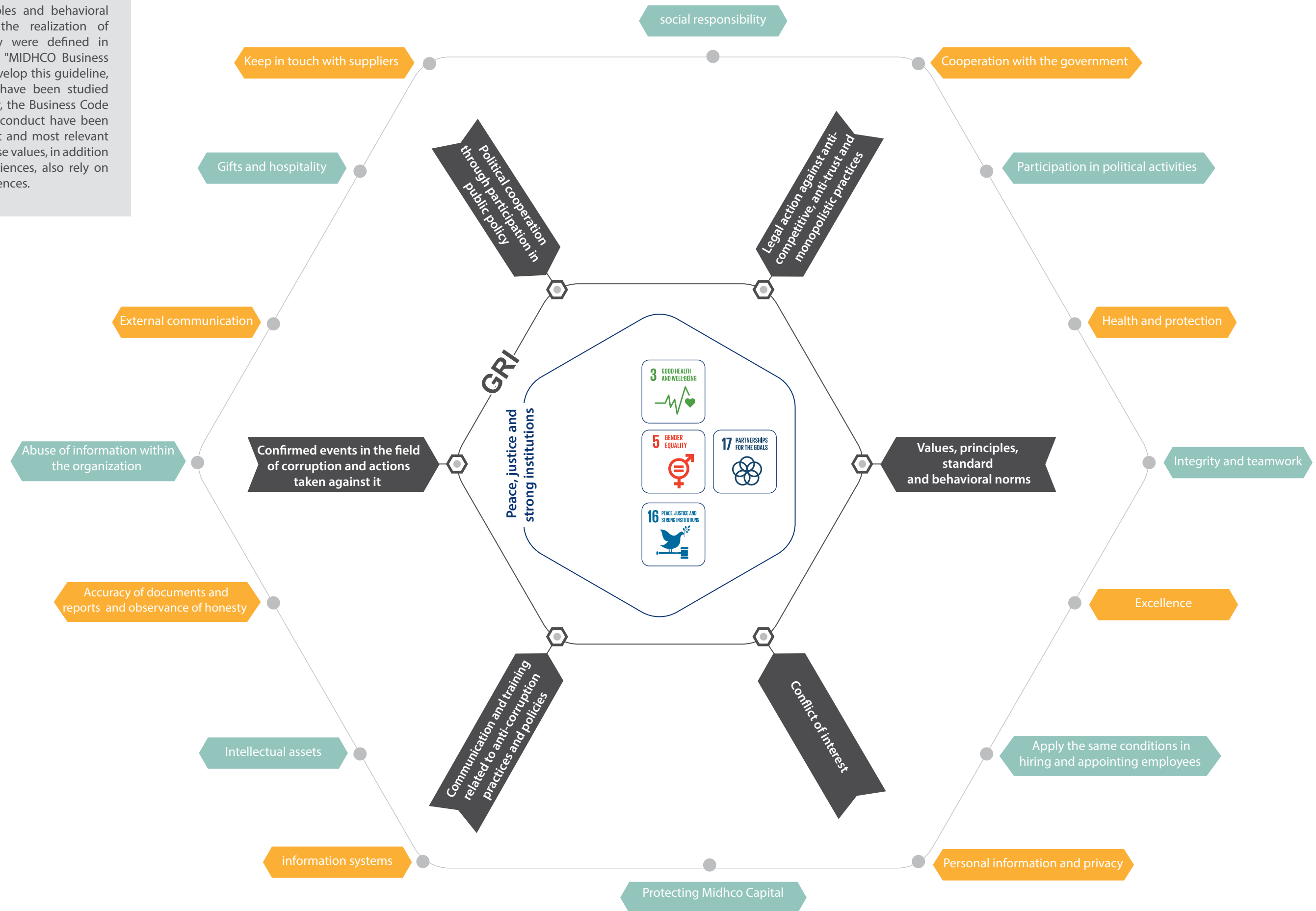
Applying global models, standards and indicators and evaluating based on it

Branding in the country, region and world

Ethics, fairness and justice in business

In order to create examples and behavioral and ethical models for the realization of organizational values, they were defined in the form of the document "MIDHCO Business Behavior Guidelines". To develop this guideline, various codes of conduct have been studied and optimized in particular, the Business Code of Conduct (BHP) codes of conduct have been modeled as one of the best and most relevant codes of conduct so that these values, in addition to successful internal experiences, also rely on outstanding external experiences.

MIDHCO Business Behavior Guidelines



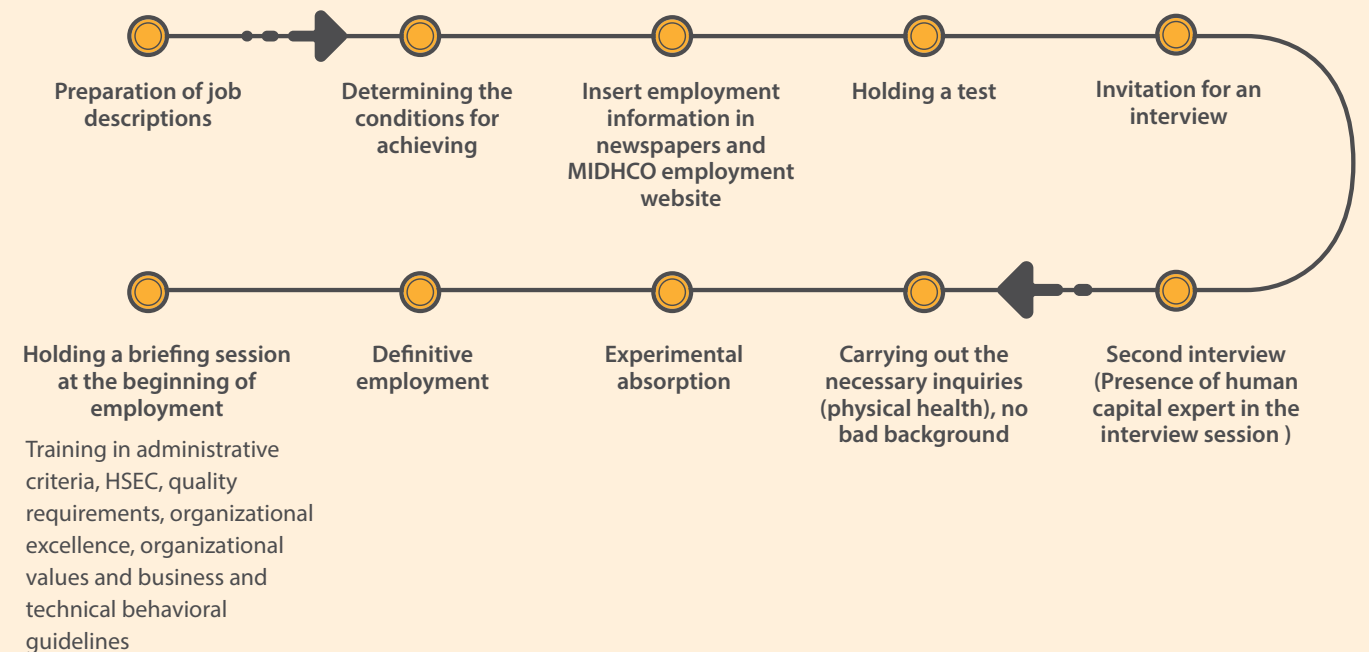
Dimensions	Descriptio
social responsibility	<ul style="list-style-type: none"> Regular, open and honest relationship with the people who are affected by our activities
Cooperation with the government	<ul style="list-style-type: none"> Honest relations with the government and its representatives
Participation in political activities	<ul style="list-style-type: none"> Lack of political or similar political support for political parties and groups No direct or indirect participation in the political activity of parties and groups
Health and protection	<ul style="list-style-type: none"> A serious commitment to minimizing the risk and damage to our colleagues in the field of safety and health and protection of the community in which we implement the project...
Integrity and teamwork	<ul style="list-style-type: none"> Achieve long-term success through empathy, support, integration and teamwork and learning from each other along with health, accuracy, speed and discipline
Excellence	<ul style="list-style-type: none"> Creating and maintaining a spirit of excellence (striving to be the best, promoting and supporting creativity and innovation and continuous improvement) Achieving international standards and organizational promotion using the experiences of top organizations
Apply the same conditions in hiring and appointing employees	<ul style="list-style-type: none"> Treat each employee appropriately and with respect Every employee is aware of their role in the development and success of the business
Personal information and privacy	<ul style="list-style-type: none"> Collecting and maintaining information in line with business affairs and based on national laws
information systems	<ul style="list-style-type: none"> Use of MIDHCO information systems (hardware, software and all information on
Intellectual assets	<ul style="list-style-type: none"> Protecting Midco Intellectual Assets from External Customers
Accuracy of documents and reports and observance of honesty	<ul style="list-style-type: none"> Generate and maintain real information and non-distortion, secrecy, destruction or reporting Distorted
Abuse of information within the organizatio	<ul style="list-style-type: none"> Do not use information within the organization for their own financial benefit or transfer it to others
External communication	<ul style="list-style-type: none"> Provide timely, accurate and complete information to investors and shareholders
Gifts and hospitality	<ul style="list-style-type: none"> Take care not to misuse gifts and hospitality on business decisions
Gifts and hospitality	<ul style="list-style-type: none"> Take care not to misuse gifts and hospitality on business decisions
Keep in touch with suppliers	<ul style="list-style-type: none"> Engage with suppliers and encourage them to apply MIDHCO approved methods and standards

Achievements

One of the achievements of implementing MIDHCO Business Behavior is system-level anti-corruption. By setting clear boundaries for the development of external relations and external relations with other organizations as a framework, this guideline guides professional behavior along with healthy behavior in dealings with other companies and individuals outside the organization. Also, MIDHCO Holding Administrative Discipline Code has tried to determine specific penalties for such behaviors at the holding level by identifying administrative violations, including cases related to bribery and bribery. Thus far, no corruption cases have been filed against MIDHCO Holding in the judiciary this confirms the remarkable success of the structure of supervision and control at the system level and, more importantly, the formation of a culture of work ethic and health among all employees at the holding level.

Recruitment and employment

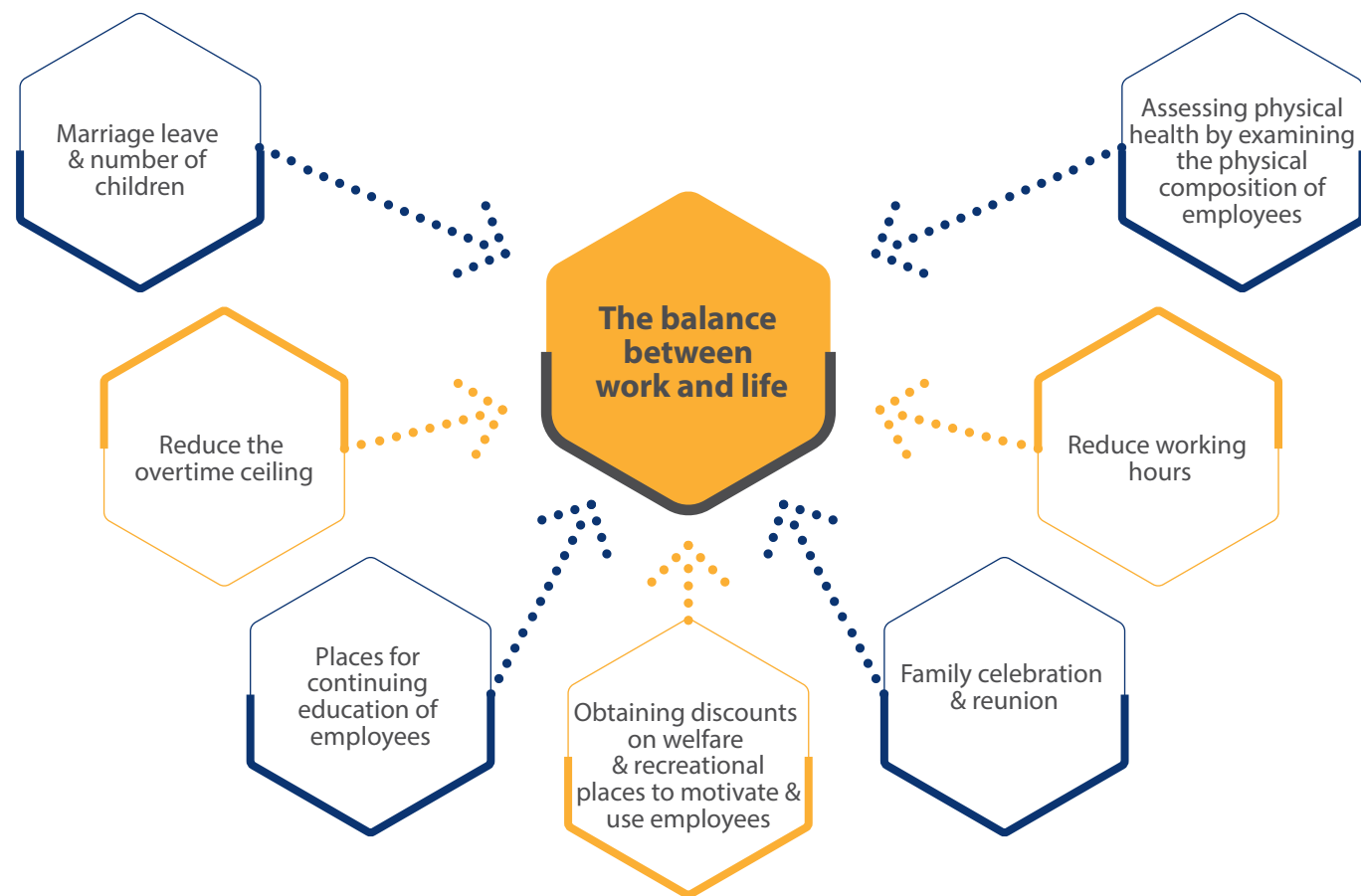
Recruitment and Employment in MIDHCO Holding is based on the development plan of the holding and the commissioning of the projects and the long-term recruitment and recruitment program and follows a pre-designed process. MIDHCO Holding Recruitment Guidelines are based on the principles of the Human Capital Strategy Document based on the SRP theory.



Also in line with the issue of career advancement, transfer and succession programs, MIDHCO Holding has designed a "manager competency model" and a "succession system" that will be implemented after the stabilization of the number of employees and employment in subsidiaries.

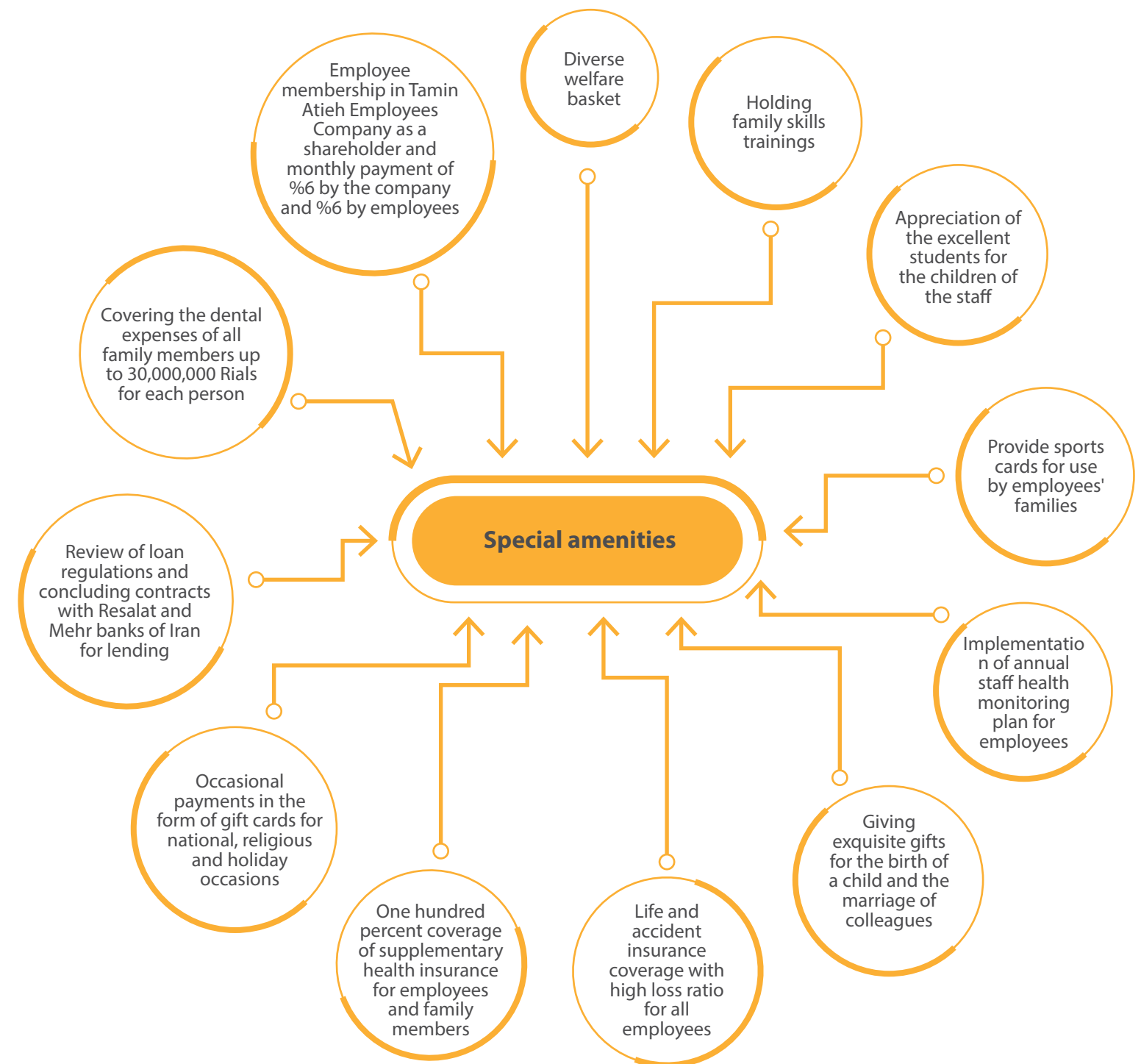
The balance between work and life

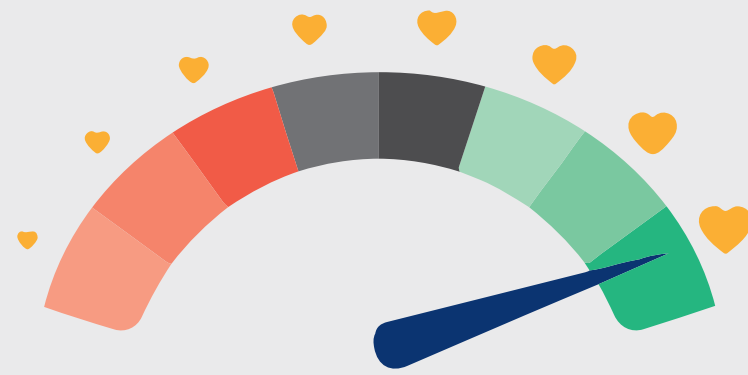
Another activity for the health and growth of human capital is to pay attention to the balance between work and life among all employees. The MIDHCO Human Capital Committee has taken a number of steps to balance work and life as one of the core human capital strategies. These measures are taken to create the conditions for directing employees towards devoting time to relationships. Family is designed to maintain their health and well-being during work activities.



Special amenities for employees and their families

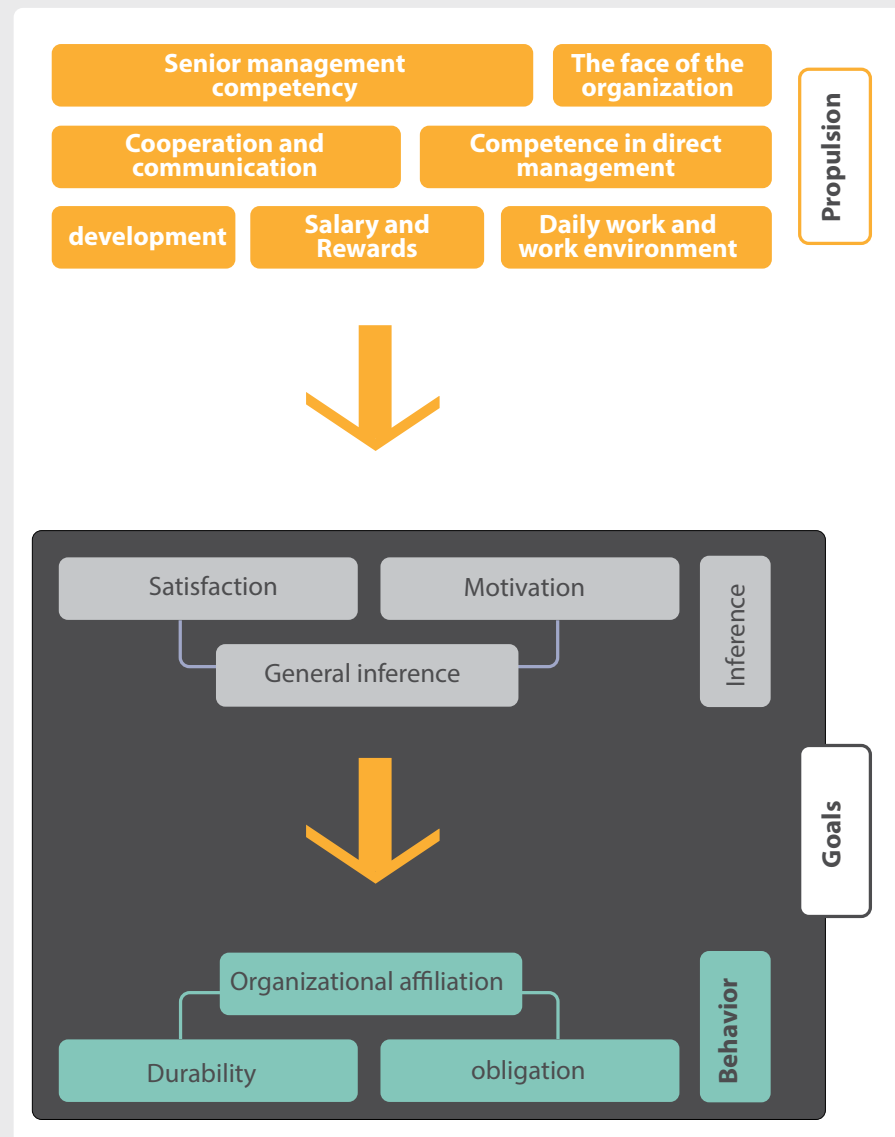
In addition to the set of activities performed to create a balance between work and life of employees, a set of welfare facilities for employees and their families have been considered in order to achieve this goal.





Job satisfaction measurement

We use the Employee Satisfaction Index (ESI) to measure employee satisfaction. In this model, the general inference of employees from the organization is determined not directly, but by relying on hidden variables.



The results of employee satisfaction measurement based on the model proposed by MIDHCO Holding are monitored and evaluated annually in two layers of managers and employees.

subject	Staff			Managers		
	Arithmetic average of 2018	Arithmetic average of 2019	Growth rate (percent)	Arithmetic average of 2018	Arithmetic average of 2019	Growth rate
money organization	(Percentage)	69.8	3.56	86.6	89.9	3.81
Competence of senior managers	84	87.1	3.69	-	-	-
Competence in direct management	72.8	80.3	10.3	-	-	-
Cooperation and communication	73.2	78.4	7.1	85	90.4	6.35
Daily work and work environment	73	72.6	0.55-	84.3	89.3	5.93
Salary and Rewards	60	61	1.67	81	88.3	9.01
development	59.1	60.3	2.03	79	81.6	3.29
Motivation	72.3	73.3	1.38	92.5	91.8	0.76-
Satisfaction	54.5	61.9	13.58	-	-	-
obligation	83.3	81.9	1.68-	93.2	94.4	1.29
Durability	82.1	81.6	0.61-	93.1	93.8	0.75
Satisfaction (percentage)	73	71.3	2.33-	91.8	89.2	2.83-



Health and human capital growth

Health and human capital growth

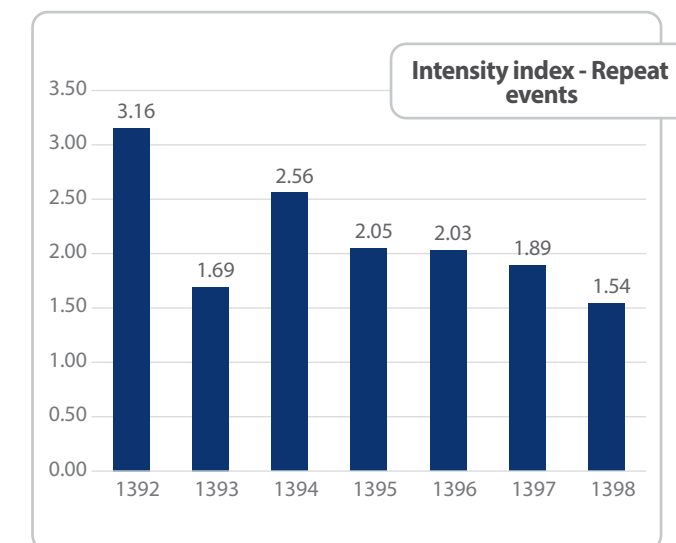
Summit and growth of human capital is defined as the largest asset of Midco as a principle in all our activities. More than 54 regular and scheduled HSE visits, Complexes, factories and projects of MIDHCO subsidiaries and more than 50 reports related to monitoring and aggregation of bi-weekly reports on HSE status of production units and projects for planning in bi-weekly meetings of projects and production are just some of the activities that the organization has recorded in its 2019 performance record in order to inform and manage HSE activities at the holding level.

Safety and health

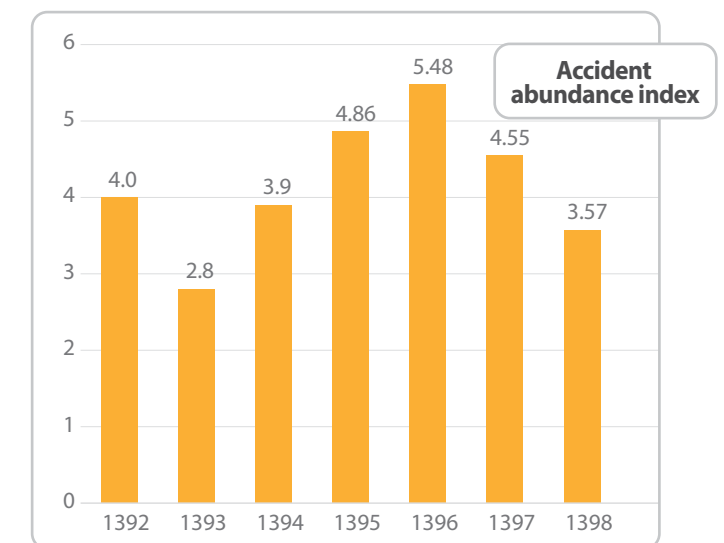
Considering the set of activities carried out in the HSEC Holding unit and its subsidiaries, significant achievements have been achieved in this field. To manage this structure, during 2019, 34 meetings of the Prevention and Risk Management Committee of MIDHCO with the presence of managers and senior advisors to the CEO in order to systematize, integrate and develop capabilities and preparedness in the face of crisis conditions and follow up and report on the status of subsidiaries Holding were held. Also, 61 meetings of HSEC MIDHCO specialized committee and 78 meetings of monthly meetings of HSEC managers and officials of MIDHCO subsidiaries have been held in order to synergize and think in the field of HSEC in this regard, which points to the importance of this issue in MIDHCO activities.

Considering the high risk risks in the framework of the program to reduce the severity of accidents, the number of fatal accidents has been reduced compared to 2018, and despite having more people - working hours in 2019 compared to 2018 by 3 million hours, the number of fatal accidents by Decreased by 33%. According to the Worldsteel report, working at heights and working with machines are among the top five risks in the steel industry, falling from heights and colliding with machines have contributed the most in terms of the nature of the accidents leading to MIDHCO's death.

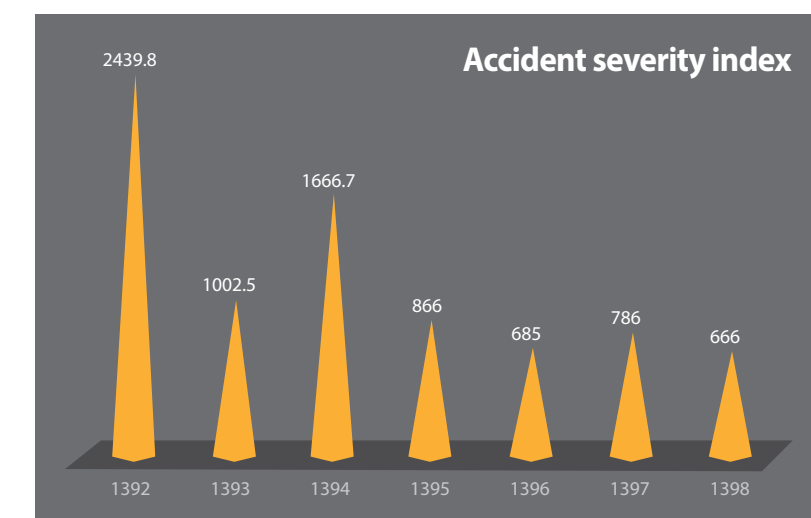
According to our efforts to maintain the health of employees at work, surveys show that the severity-recurrence index of accidents has been declining since 2015.



According to the implementation of the approved program to reduce the accident abundance index in 2019, the accident abundance index has decreased by 0.98 compared to the previous year.



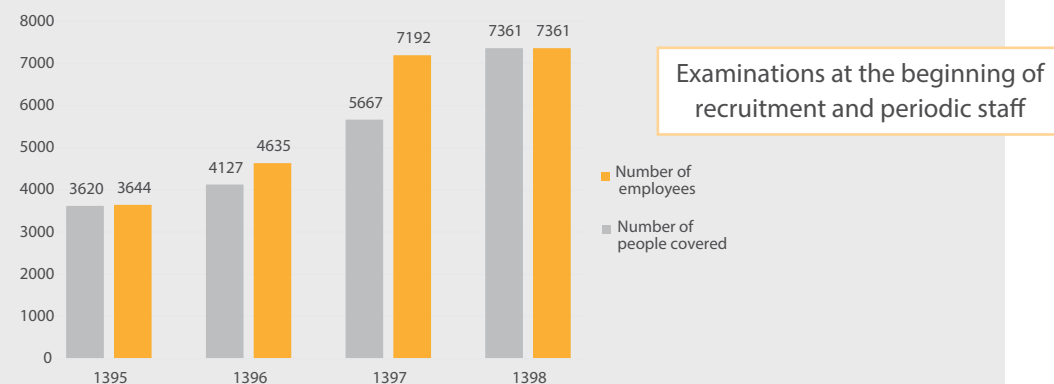
It also seems that the HSEC MIDHCO Holding program in 2019 with the focus on reducing the severity of accidents by controlling high-risk risks in this area has been effective and has led to a decrease of 120 units compared to the previous year.



Perhaps the most important step after the occurrence of any of the incidents raised at the level of MIDHCO is to perform Incident Investigation (.This activity is called incident management at the holding level. Because if more follow-up and diligence can be applied to the implementation of accident analysis findings in a comprehensive manner at senior management levels, the probability of success in accident control will be higher. Incident Investigation (Incident Investigation) is based on expert methods for 6 incidents that occurred in 2019 and while offering corrective actions at various managerial and technical levels, the lessons learned and training is done at the level of MIDHCO . This analysis is designed and implemented based on the following model.



Also in the subject of examinations, we managed to cover 100% of occupational medicine examinations and to perform tests and examinations at the beginning of recruitment and periodic employment of employees and subsidiaries of MIDHCO Holding in 2019.



In addition to the set of activities carried out, the development of safety and health infrastructure at the level of MIDHCO has been one of the approaches to improve the health and safety of employees.

- 19 stations**

Follow-up and supervision of the establishment and operation of 19 fire stations equipped with trucks and vehicles ahead of the fire and other firefighting facilities
- 20 health centers**

Follow-up and supervision of the establishment of 20 occupational health centers equipped with ambulances, medical facilities, specialized manpower and medicine
- Equip ambulances and medical facilities in all operational planets
- Producing suitable work clothes (clothing design and production project)
- Ergonomic modification

COVID-19 Coronavirus

At the end of 2019, a global health challenge over the spread of the coronavirus (COVID-19) caused major changes in various economic, social, cultural and, of course, business health systems. By the end of March 2019, 18,407 people in the country were definitively infected with the Coronavirus, of which 1,284 died due to the virus and 5979 people recovered. At the end of March 2019, this number reached more than 275,000 people worldwide and nearly 9,000 deaths. In order to control the rate of the disease and its mortality in other countries, including Iran, prevention of the outbreak of coronavirus has been raised as a major goal at the national level and all sections of society were required to observe health principles in this area. Businesses and large industrial companies are no exception to this rule and each company has designed and implemented specific programs for this purpose. In this regard, a set of measures to combat the spread of corona virus and maintain the health of employees was designed and implemented in the HSEC management of MIDHCO Headquarters. For this purpose, 12 specialized HSEC sessions were held by video conference at different levels of MIDHCO . After expert examinations, it led to the development of 5 guidelines and guidelines for the prevention of the spread of the corona virus in accordance with the requirements of the National Corona Headquarters, the Ministry of Silence and the Occupational Health and Environment Center of the Ministry of Health, Treatment and Medical Education. The relevant instructions along with all the requirements of the National Corona Headquarters, the Ministry of Silence and the Occupational Health and Environment Center of the Ministry of Health, Treatment and Medical Education were informed to the MIDHCO Headquarters and all affiliated units for implementation. The set of measures taken by MIDHCO Headquarters to prevent the spread of the Corona virus is divided into categories: "Information Update", "Training" and "Coping". Follow-up of the necessary actions at the level of subsidiary collections is done by the HSEC management of the holding headquarters.



• Update information

- Continuous communication with Kerman, Hamedan, Semnan and South Khorasan universities of medical sciences in order to receive up-to-date information and take appropriate measures;
- Preparation of infrared thermometer, masks, gloves, disinfectants, etc .;



• Education

- Continuous and frequent information through comprehensive training on how to prevent outbreaks Corona virus;
- Holding a training course on how to clean, disinfect and observe the principles of hygiene for all colleagues Services;



- Holding specialized meetings on the management of coronary heart disease prevention at various levels of MIDHCO in the form of video conferencing
- Holding a training course on cleaning, disinfection and observance of hygiene principles for all service partners
- Compilation of 16 instructions and guidelines for preventing the spread of coronavirus and notifying all MIDHCO affiliated units for implementation in accordance with the requirements of the National Coronation Headquarters, the Ministry of Silence and the Occupational Health and Environment Center of the Ministry of Health, Treatment and Medical Education
- Providing the possibility of using sick leave at the rate of diagnosis of trusted physicians for colleagues who had underlying diseases such as diabetes, heart, MS, kidney, liver, lung, etcin accordance with occupational medicine examinations.
- Inform all the requirements of the National Anti-Corona Headquarters, the Ministry of Silence and the Center for Occupational and Environmental Health of the Ministry of Health, Treatment and Medical Education to the national units for implementation
- Prevent the presence of people with Covid 19 and suspected symptoms of coronary heart disease at work
- Provide leave of absence for staff with Covid 19, personnel with symptoms similar to seasonal colds, with fever, or in contact with patients with coronavirus
- Continuous communication with the universities of medical sciences of Kerman, Hamedan, Semnan and South Khorasan provinces to receive up-to-date information and take appropriate measures
- Reduce working hours, minimize the presence of staff in the workplace and use the telecommuting system in activities that can be done
- Follow up and monitor the observance of instructions and procedures at the level of subsidiary collections
- Continuous and frequent information through comprehensive training on how to prevent the spread of coronavirus through banners, Cyberspace, brochures, announcements, short tutorials, PowerPoint, making videos, etcfor production staff, staff, contractors, service personnel, new drivers .
- Cancel training sessions, seminars and conferences and meeting receptions
- Eliminate fingerprint recording of the presence and absence of colleagues and use the face display system
- Preparation of infrared thermometer, masks, gloves, disinfectants and .
- Ensuring the health of people with Covid 19 and issuing a return to work permit subject to the approval of qualified physicians
- Perform continuous thermometry for all people entering the collections
- Distribution of disinfectants and protective equipment among contractors' staff and personnel
- Continuous cleaning and disinfection of devices, work areas, work equipment, offices, transportation services, toilets and common contact surfaces
- Disinfection of cargo trucks upon arrival and distribution of disinfectants, masks, gloves for use by cargo drivers and transportation services



Exercise and social vitality

MIDHCO Holding Cultural and Sports Olympiad is held every year with the aim of creating unity and unity among the employees of this complex.

Paying attention to sports activities along with all the proposed programs can help to cheer up and improve the morale of employees in the course of their activities.

This will be important in realizing the issue of employee health in the goals of sustainable development. For this purpose, in 2019, for the seventh consecutive year, we were able to hold our sports programs in the form of sports olympiads.

The competitions started in the first year with only one sport and now are held in 5 disciplines in the men's and women's divisions with more than 600 participants.

In line with the topics of types of injuries and injury rates, occupational diseases, lost days and absenteeism rates and work-related mortality from the GRI index set, in this year's sports competitions for the first time competitions in rescue and fire The address was also held.

These competitions were held with the presence of 8 teams from MIDHCO Holding subsidiaries, which will act as incentives to increase the capabilities of companies in the field of safety and health.



Rescue and fire
8 teams



Table tennis
13 teams



Chess
7 teams



Volleyball
7 teams



Badminton
8 teams



Development of sports facilities

The development of sports facilities for the use of manpower in leisure time has also been one of the measures of MIDHCO Holding in line with the theme of sports and social vitality.

These measures include ping-pong tables located in companies and reservation of special seats for employees in the province's gyms and swimming pools.

Education

We strive to promote growth as a key discourse at the level of MIDHCO Holding. At Midco, training and development of human capital is a useful investment and a key factor in the development and growth of the company. MIDHCO's comprehensive staff training system is an interconnected set of components and subsystems that, through continuous interaction, achieve a predetermined goal of improving human capital efficiency and organizational effectiveness. Behavior change, reaching an acceptable standard in skills, improving insight and attitude, and improving employee performance are some of the targeted effects of this system.

The process of developing training courses



Since 2011, along with the development of the company activities and the operation of production and developing units, the company training instructions were revised in cooperation with human capital consultants and ISO standardization consultants and based on information and knowledge gained from learning and related role models. Therefore, after the revisions, the programs (calendar) (training at the level of the whole collection) of the holding company and the companies covered (Systematically, based on new instructions and tailored to the needs of the production units of the complex in the framework of training to start employment), training for empowerment (and post-employment training), training for staff development (Proportional to the technology used in each complex), are planned. Due to the purposefulness of training and increasing the effectiveness of training courses, MIDHCO Holding has considered various approaches in determining the necessities and needs of training (training needs assessment).



Develop training programs

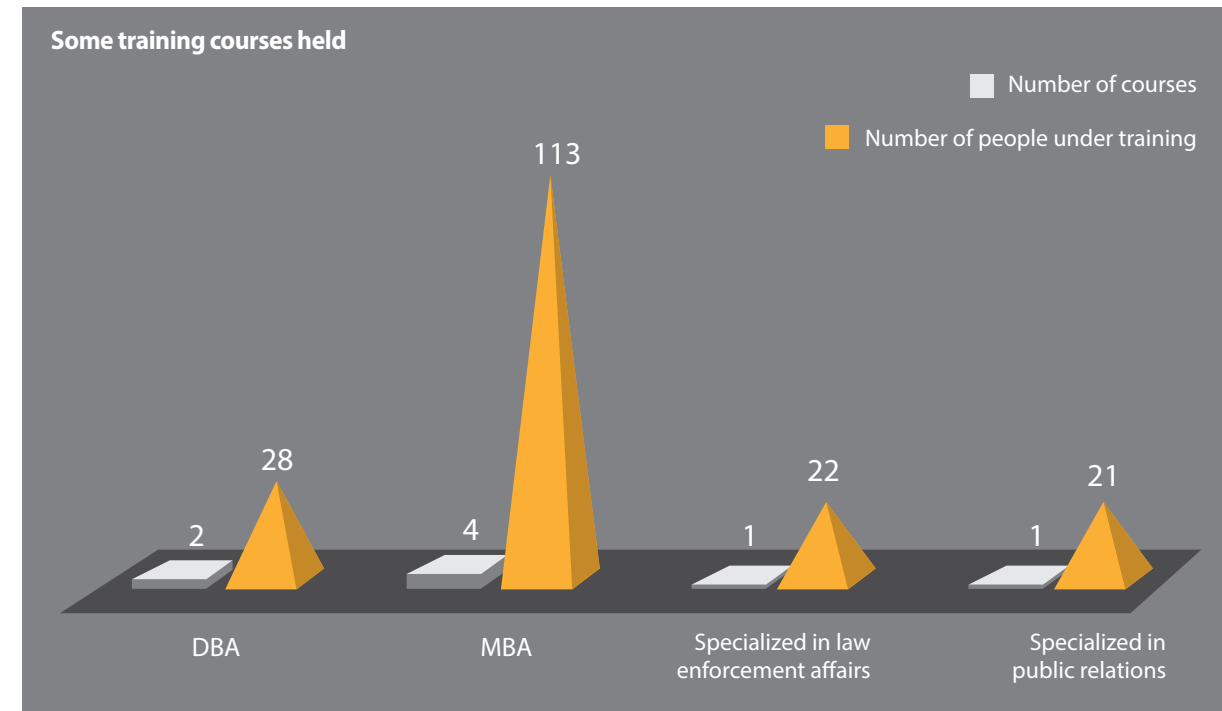
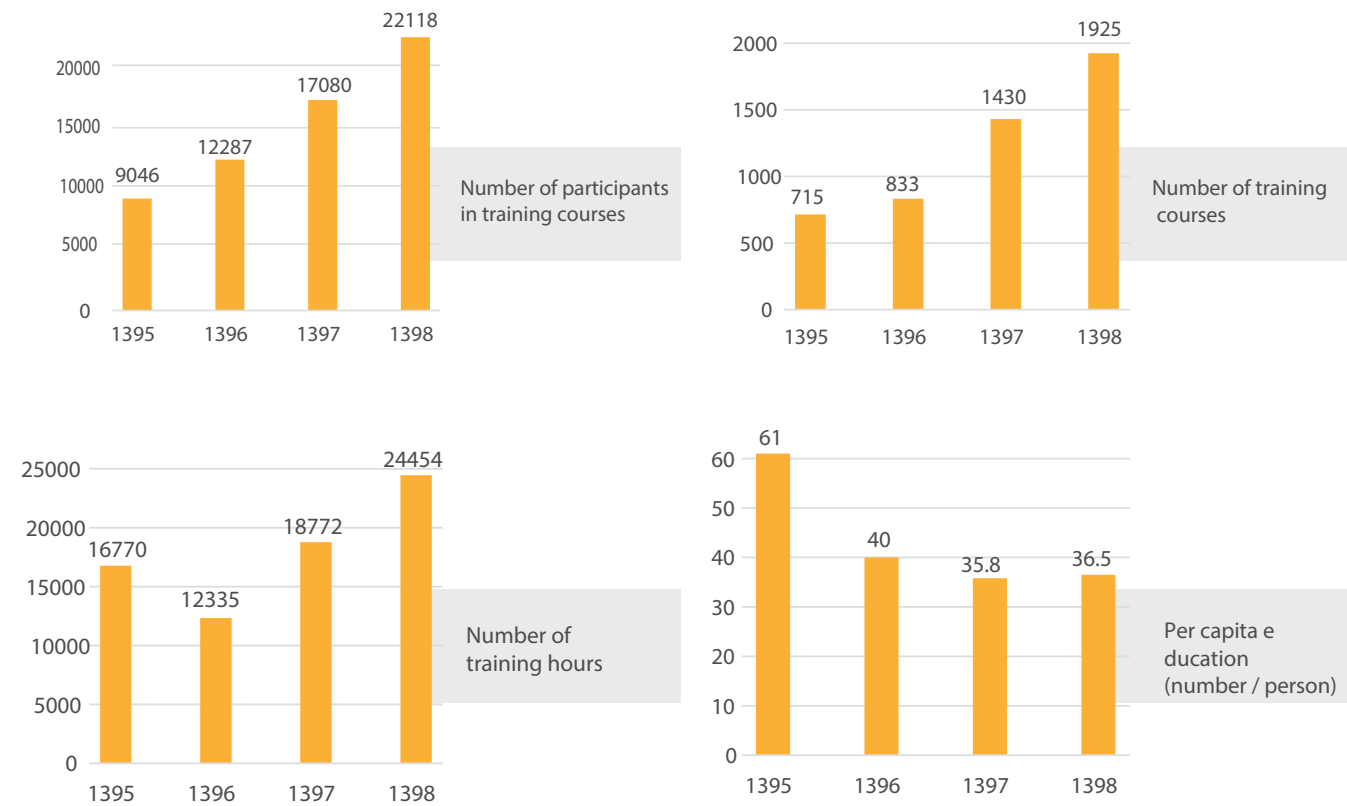
Development of training programs is done with educational needs assessment and in the shadow of interaction and evaluation of employees' opinions. The selected sets of schools are divided into general and specific schools.



In order to increase the productivity of educational activities and to implement and implement educational programs in recent years, MIDHCO has taken basic and groundbreaking measures. Including equipping the educational space of the company through an amphitheater hall with a capacity of 75 people, a smart meeting hall with a capacity of 25 people, a video conference with special facilities and technology to communicate with the Kerman office and the library. In line with the policies of the company and senior managers and in order to implement and execute training programs is foreseen and taking into account all the issues available to employees, including time to attend training, Needs, quality of training and efficiency and effectiveness of training from approaches appropriate to each training topic and the position of staff to hold effective and appropriate courses is used.



The results of the implementation of training courses are measured and presented based on various indicators.



One of the specialized educational fields with more than 97,000 people is the HSEC field and related specialized training courses, including specialized firefighting training courses, material safety information (MSDS, occupational health, etc.).

More than 97,000 training hours, HSEC area

Comprehensive information for 2019		
General education	Number of participants	12362
	Number of courses	1361
	Total training hours	20365
	Person hours	151100
Specialized trainings	Number of participants	9756
	Number of courses	564
	Total training hours	4089
	Person hours	146134
Total costs (Rials)	29050723669	

After the implementation of the training courses, the implementation of the training courses and the performance of the subsidiaries are evaluated and reports are prepared to be presented to the CEO separately for new and old employees. MIDHCO, using the experiences of its managers and consultants and citing training instructions and inspired by the integrated model of measuring the effectiveness of training based on ISO1999 :10015, has developed forms related to the effectiveness measurement process. According to this model, the effectiveness of training courses is measured by the weighted average of the four factors of learner, trainer, direct responsibility of the people under training and impact on problem solving, and the final effectiveness of training courses is graded according to the table below.

Evaluate the implementation of training courses

Above 4.5	4.5-4	4-3.5	3-3.5	less than 3
Excellent	very good	good	medium	Weak

Local community development

As mentioned at the beginning of this section, our activities for the development of the local community can be summarized in 5 main approaches.



The social responsibility budget spent in the fiscal year -2018 2019 at the level of MIDHCO Holding in order to implement local community development programs has been calculated at the amount of 62950 million Rials, which has been allocated by subsidiaries.

Develop and implement academic support programs

In order to support students in disadvantaged areas, various activities have been carried out by MIDHCO Holding subsidiaries in different areas.

Build a school

- Improving schools
- Equipping the school library
- Equipping schools with heating systems
- Equipping schools with thermal insulation
- Reconstruction of schools (including construction of classrooms, landscaping, construction of sports fields, construction of toilets, construction of laboratories and computer sites, installation of whiteboards, etc.)

- Granting shopping carts to students
- Providing clothing to needy students
- Granting support packages
- Awarding stationery
- Holding educational tours for students
- Holding scientific educational competitions
- Build a school

Most of the activities carried out in this sector at the beginning of the 2020-2019 academic year were carried out by MIDHCO subsidiaries in order to provide academic support to underprivileged students.

Distribution of more than stationery packages 7800 and teaching aids among students 7724

Equipping and schools 100 improving

Row	Collection Title
Classroom repair and construction	100 (Class)
Construction and repair of toilets	30 (number)
Landscaping	6 (School)
Creating a sports field	5 (School)
Construction and equipping of laboratory	2 (Laboratory)
Installing blackboard / whiteboard	200 (number)
Computer and Internet equipment	4 (Number)
Donation of table and bench	500 (number)
Construction of drinking fountain	30 (School)
Cooling / heating equipment	50 (number)
Equipping the library	10 (Library)

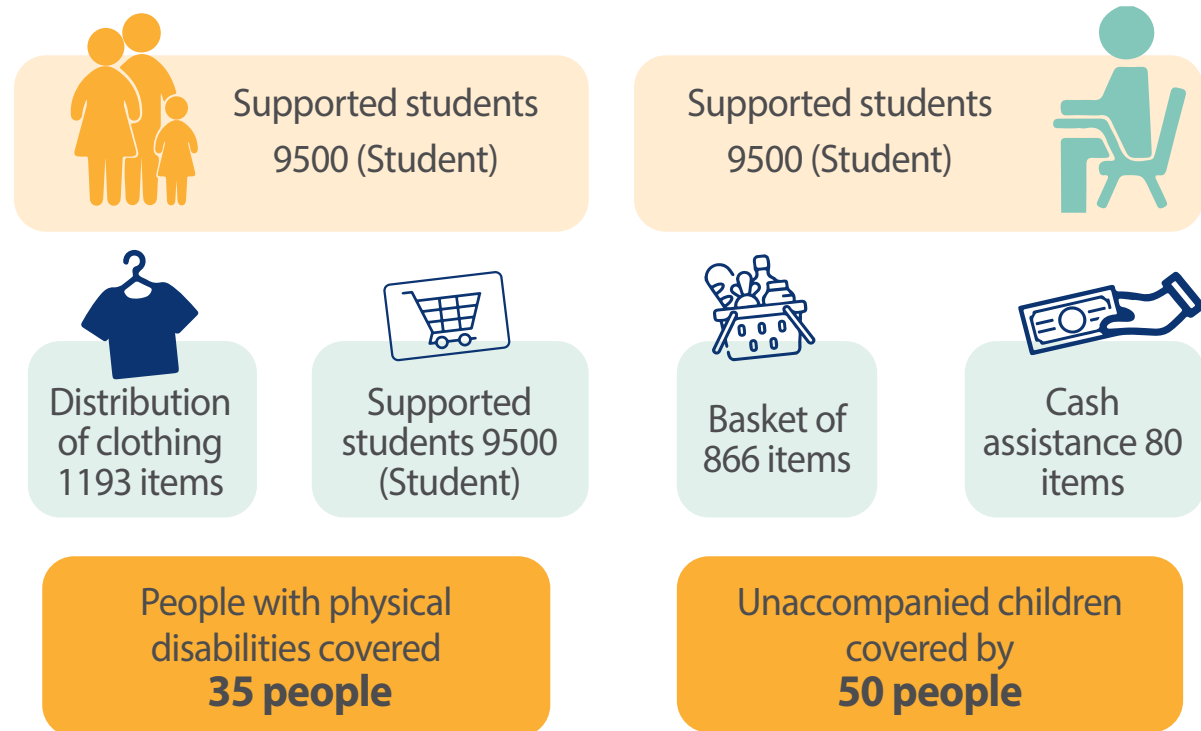


Efforts to improve the living standards of the local community

One of our key activities to improve the living standards of the community at MIDHCO has been employment development. For this purpose, MIDHCO has used various tools that include training and hiring local human capital and using the capacity of non-governmental organizations are among the main activities in this regard.

- Hiring local manpower
- Collaborate with non-governmental organizations to create jobs
- Skills training courses
- Entrepreneurship training courses
- Skills training courses

In order to support the less fortunate families, support packages, goods and clothes were distributed in the region. One of these activities was carried out in a systematic manner appropriate to the year 1998 by subsidiaries with the aim of distributing support packages in the regions.



600 local contractors

More than 15,000 people are directly employed by local manpower

More than 150,000 indirect employment of indigenous manpower

We tried to activate the existing potentials by focusing on local capacities, including the labor force and companies operating in the region, and by using these capacities, we could pave the way for the development of regions in our areas of activity. With the start of MIDHCO activities in Kerman province, 600 companies and contractors (small and large) have been active and working in the region, which is a great change in creating employment in the region. MIDHCO's strategy of using indigenous manpower up to 95% of the workforce capacity as a principle has led to a very high increase in job opportunities. By achieving this goal, the employment of more than 15000 local people directly and the employment of more than 150000 people indirectly in the region are among our achievements in the field of local employment.

Cultural and sports activities

- Construction of a prayer hall in all plans
- Construction of a cultural center
- Construction of a cinema (with the help of relevant institutions)
- Construction of a library
- Holding Quran and ethics classes
- Holding pilgrimage tours for the villagers
- Selecting the holy names of imams for factories and projects
- Construction of the statue of Al-Zahra (AS), Imam Reza (AS) and Imam Asr (AS)
- Cultural and social activities in the form of holding religious events, festivals, etc.
- Holding public tours (reference groups of logics) of the complexes
- Donate to charities and mosques
- Helping to release prisoners of unintentional (financial) crimes
- Helping to hold a conference and metallurgy conference (Bahonar University)
- Helping to hold a conference on sedimentology at Shahid Bahonar University of Kerman
- Help me cultural, religious and jihadi camps in Shahrbabak
- Cash and non-cash donations to disabled people in the area
- Participate in financing urban and rural projects and cultural and social programs
- Holding local community competitions (volleyball, tug of war, etc.)
- Sponsorship of the popular volleyball team in the Kerman Premier League

Other local community development activities

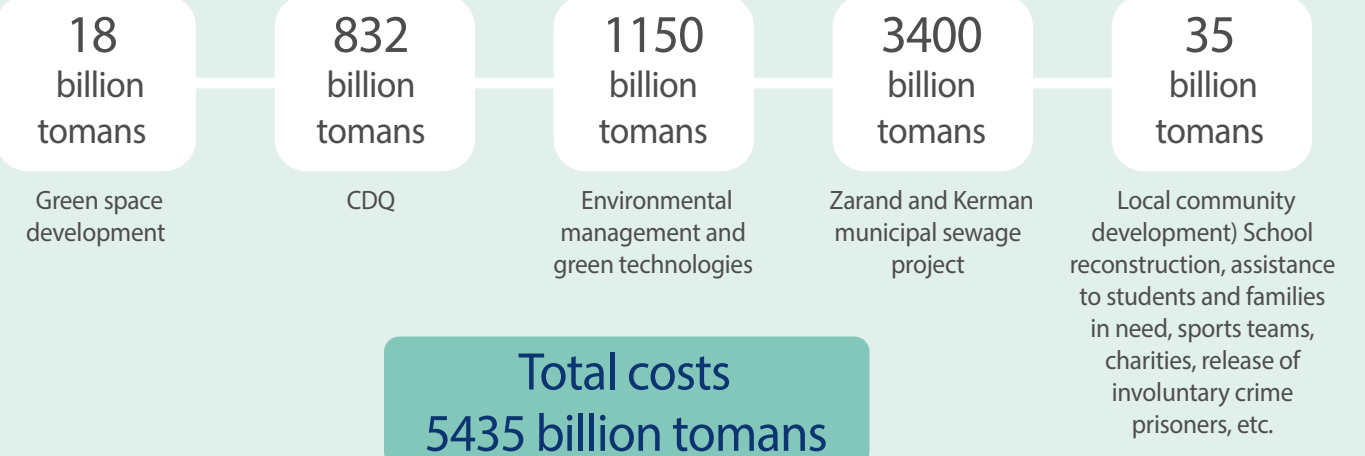
Health development

- Improve my goat treatment
- Distribute health brochures
- Supply of medical equipment
- Help build Ekhtiarabad Stadium
- Helping to build Sarasiab Six Stadium (100 cubic meters of concrete foundation)
- Installing culture banners and billboards on various occasions, especially health culture for patients such as coronavirus

Support the development of infrastructure and the region

- Implementation of risk management and flood control plan in the spring of 2019 in Taroud village, by sending a loader with the driver and conducting a 2-day operation in the area
- Securing the road leading to Taroud village, emptying the entrances and exits of bridges
- Information about the transfer of Kerman water to Butia and Zarand and its economic and financial consequences for the industry
- Information about factory pollution, factory activities and positive impact on the area
- Providing fodder to the environment department of Bardsir city for the animals of Saadi protected area
- Helping flood victims
- Contribute to the National Environmental Development Fund
- Participation in financing the construction of Yazdanshahr access road to Zarand-Bafgh axis
- Construction of carpet weaving sheds
- Participation in financing the asphalt of Sirjan airport and non-level intersection of Basfahran village of Sirjan
- Improving the housing of people in need in Shahr Negar
- Cooperation with the governorate, municipality and the Department of Roads and Urban Development in order to improve the areas

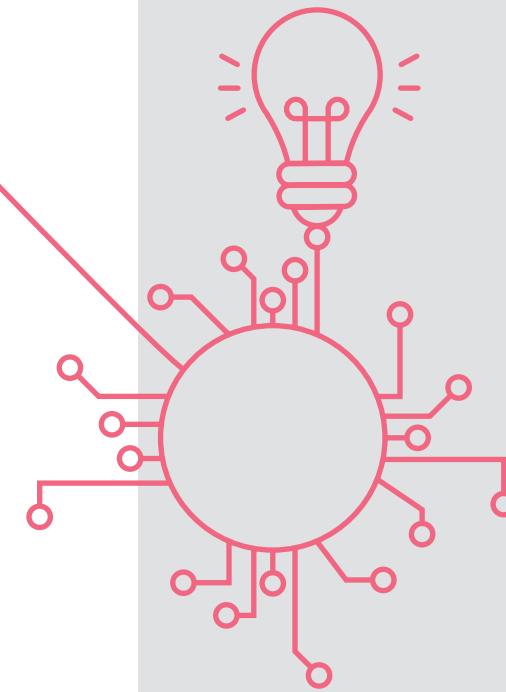
MIDHCO Social Performance Financial Performance from the Beginning to the Present



* Foreign exchange costs of CDQ project and management of environment and green technologies at the time of preparing the report based on each Euro, 26000 Tomans and each dollar, 24000 Tomans have been calculated.

- Organizational Culture ■
- Research, technology and innovation system ■
- knowledge management ■
- Technology management and innovation ■
- The Fourth Industrial Revolution ■

Knowledge, technology and innovation development





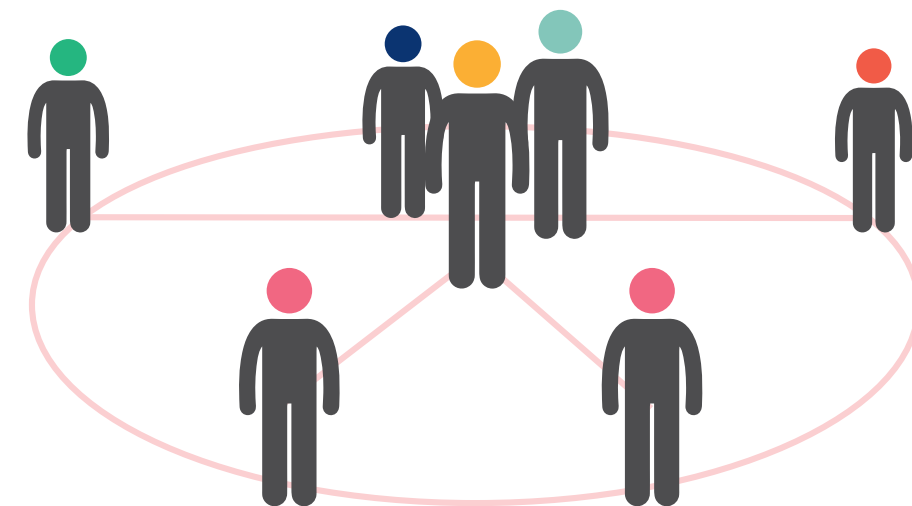
Development of knowledge, technology and innovation

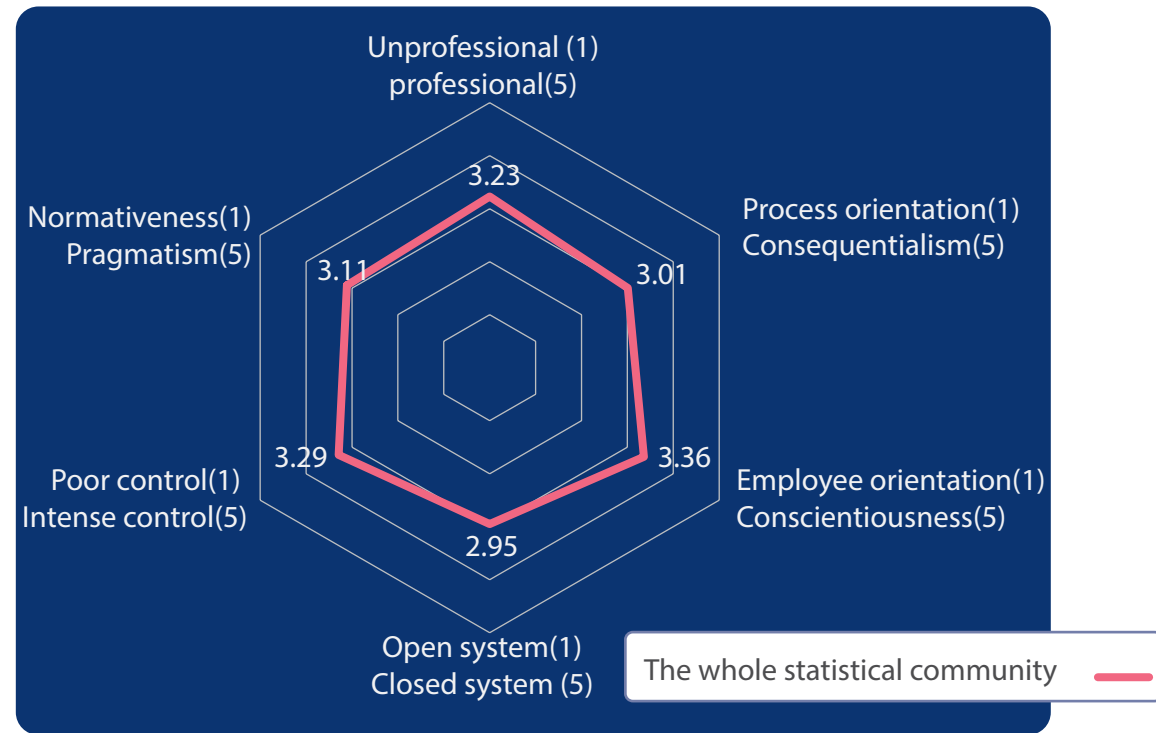
Knowledge, technology and innovation are considered as the main elements of development in the present age. The coherence and entanglement of these concepts makes it impossible to determine a clear boundary between them, but a systematic understanding of the relationships between these elements can be provided with a systematic look and consideration of the relationships between these elements. Up-to-date technology and consideration of global indicators and compatibility with maintaining safety, health, environment and society (HSE + C) and local sensitivities (for example, water shortage in Kerman, reducing energy consumption) are issues that are always in the strategies Holding has been emphasized and this causes these criteria to always be considered in identifying and evaluating technologies. Systematically, the planning committee in the holding is composed of senior executives to policy and determines environmental strategies. Issues related to the environment are mainly relevant in the implementation of plans and projects, and this is important due to the initial design and compliance with environmental standards in the technology selection stage. Carrying out environmental impact assessments on water, air, soil and energy consumption for all contracts by builders and designers ensures that there are no negative impacts. Also, all projects are licensed by the Environment Organization during the operation phase. Therefore, all environmental protection equipment is included in the plan and is included in the costs. In general, MIDHCO Holding, considering the activities carried out in the three fields of knowledge management, technology development and innovation management, has tried to develop the knowledge, technology and innovation development system according to the dimensions of safety, health, environment and society and at the level of MIDHCO Holding. And the current community.

Organizational Culture

Organizational culture is a set of values, beliefs, perceptions, inferences and ways of thinking (thinking) in which members of the organization have commonalities and is what is taught to new members as a true phenomenon. Understanding the culture of an organization in order to understand the approaches of employees in the field of technology and innovation in any organization that works with the aim of development based on knowledge, technology and innovation seems necessary. In this regard, the Planning, Development and Technology Unit of MIDHCO Holding in 2019 in order to evaluate the comprehensive organizational culture of employees in order to use it in recognizing their approaches to the development of knowledge, research and innovation conducted a comprehensive evaluation based on Hofstede model. For this purpose, 11 companies from the MIDHCO holding group were surveyed.

- Sirjan Iranian Steel Company
- Zarand Iranian Steel Company
- Butya Iranian Steel Company
- West Pars Ferrosilicon Company
- Babak Mes Iranian Company
- Pabdana Coal Processing Company
- Middle East Mines Development and Renovation Company
- Iranian Industries Development and Renovation Construction Company (Mana)
- Middle East Industry Standard Engineering Company
- Fartak Iranian Research and Innovation Company
- MIDHCO Holding Headquarters





Non-professional view (partial / limited): the values and norms of the organization surround the work environment and life of individuals, and the organization prioritizes the organizational background and background over job capabilities (identification from within the organization).

Professional view: Employees believe that their use in the organization is based on competence and the future of the organization is important (getting identity from outside the organization).

Pragmatic: not paying attention to the customer and the market and doing the right things only according to organizational routines and routines,
Normative: Serious attention to the customer and the market and flexibility in order to achieve the goals associated with it.

Intense control: high degree of formality and accuracy, precise and controlled monitoring.
Poor control: low formality, high freedom of action.

Duty-oriented: Employees' problems are less considered and decisions are made without employee participation.

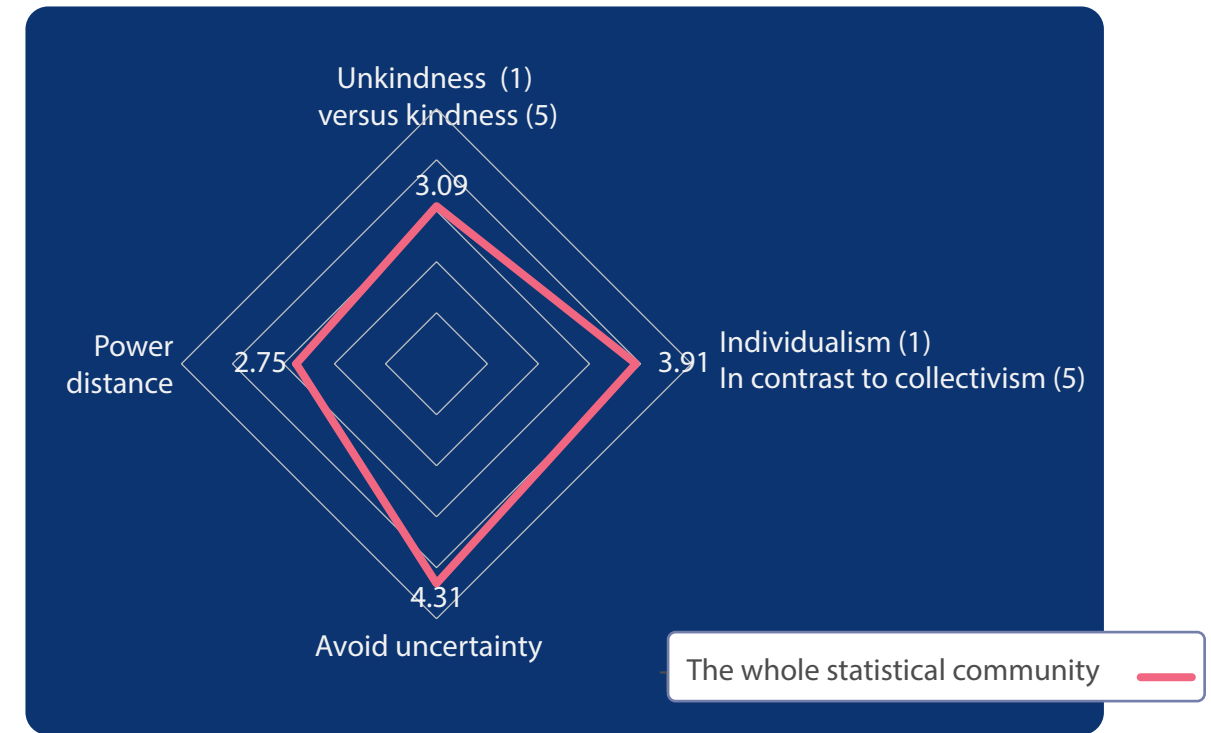
Employee-oriented: The problems of employees are considered and the organization, while paying attention to the welfare of employees in important decisions, forms a group and participatory decisions.

Duty-oriented: Employees' problems are less considered and decisions are made without employee participation.

Employee-oriented: The problems of employees are considered and the organization, while paying attention to the welfare of employees in important decisions, forms a group and participatory decisions.

Closed system: Individuals and organizations feel closed and hidden, and the organization environment is too limited to accommodate the external environment and new people.

Open system: Employees and organizations adopt open door policy and accept the external environment easily.



Unkindness versus kindness: Toughness refers to society's priority for assertiveness, heroism, success, and material rewards for success. In contrast, gentleness reflects the priority of humility, cooperation, quality of life and service.

Avoiding Uncertainty: Describes the degree to which people are upset by ambiguity and uncertainty.

Avoiding Uncertainty: Describes the degree to which people are upset by ambiguity and uncertainty.

Power distance: Indicates the extent to which members of society have accepted and even considered the unequal distribution of power.

MIDHCO tries to study the strengths and improvements in the dimensions of its organizational culture according to the results of this monitoring and to design and implement strategies and operational plans to improve the dimensions of organizational culture according to the characteristics and needs of the holding.

Company	Total number of manpower	Number of R&D manpower	My number is R&D	My number of production goats	Number of countries involved
POSCO	32000	n/a	3	10	17
Arcelormital	200000	1300	11	56	19
china baowu group	57154	1386	1	10	n/a
TATA	74000	1000	5	13	9
JFE	44975	n/a	6	6	20
NLMK	60200	1174	n/a	22	12
Nucor	6900	n/a	0	25	6
Hyundai	9589	n/a	4	25	8
Nippon Steel	93557	800	7	39	11

Research, technology and innovation system After understanding the cultural

characteristics of MIDHCO holding activities, the development of research, technology and innovation system was considered as the main priority in technology development and innovation planning.

The proposed conceptual framework is designed and presented based on comparative studies of technology management and innovation approaches in 9 major mining companies around the world.

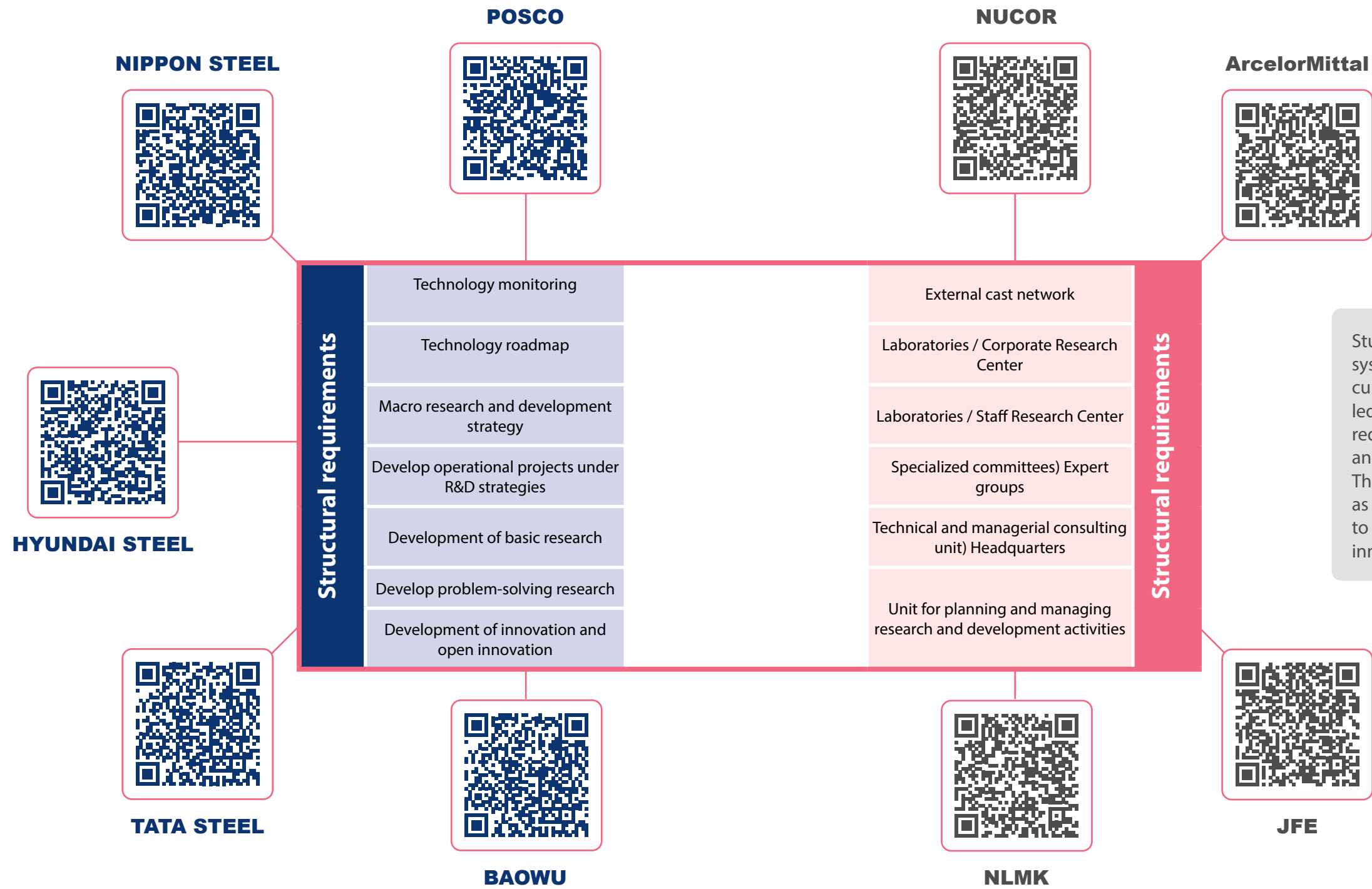


Company Name

geographical location

(Steel production (million tons)

Global ranking in production



Study of technology and innovation development systems at the global level along with comprehensive cultural studies and review of activities carried out has led to the identification of structural and functional requirements for the design of research, technology and innovation system within MIDHCO Holding. The final design of this system has been proposed as one of the upcoming programs in 2020 in order to systematically develop research, technology and innovation activities at the holding level.

In order to view the development systems of research, technology and innovation in the mentioned companies, you can scan the codes related to each company

knowledge management

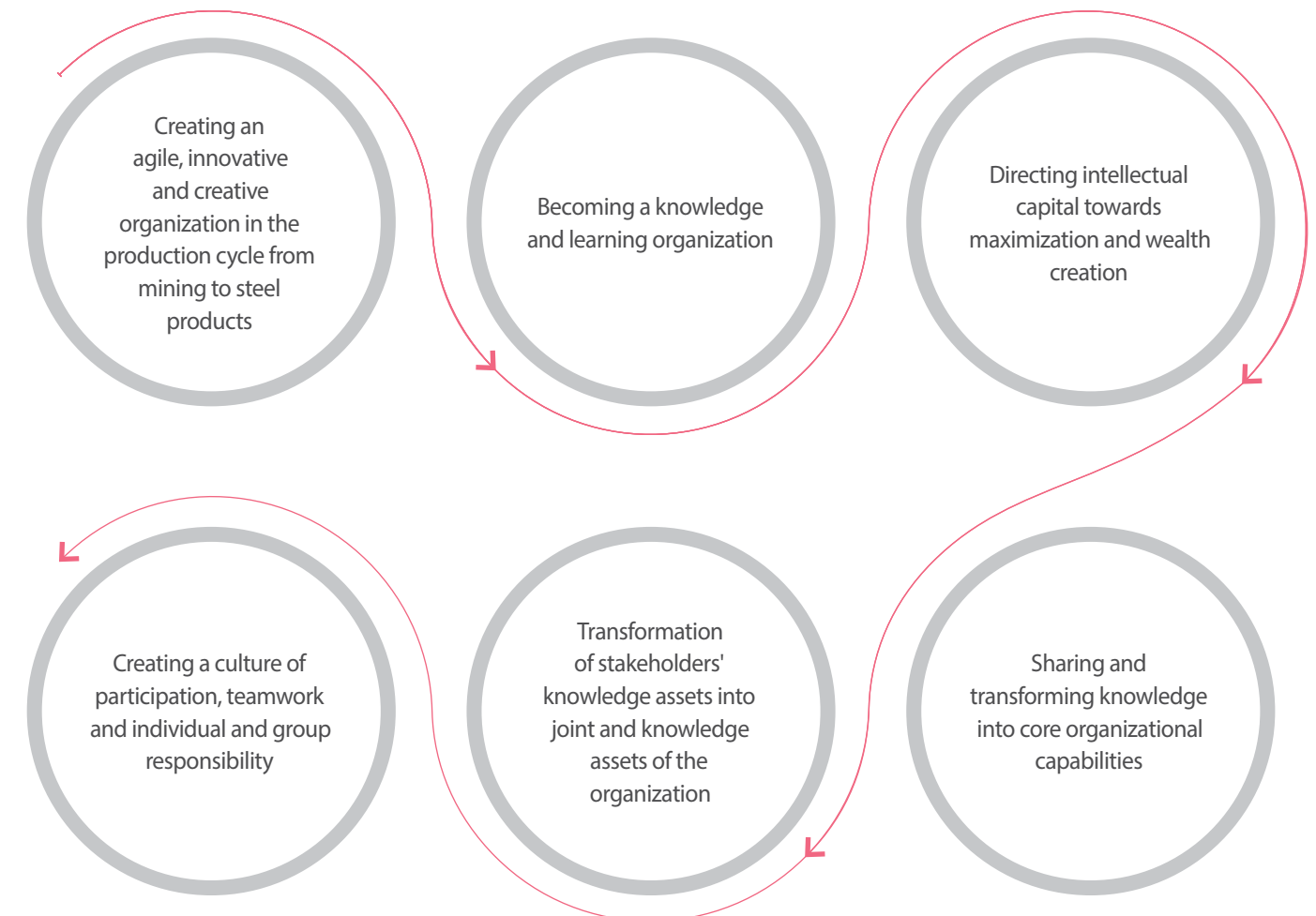
Native model of knowledge management

From its inception, MIDHCO Holding has defined knowledge-based management by defining its strategy (knowledge organization, learner, agile and leading) in the strategy document, and in this regard, and to better realize this important issue, after recognizing the strengths and weaknesses of the collection's knowledge in this field and the related opportunities and threats, and based on extensive field studies and obtaining the opinions of the collection's experts, it has taken action since 2013 implementation of projects to implement the comprehensive knowledge management plan, Knowledge Management and Culture Development Plan, Objectives and strategies of knowledge management and executive methods of knowledge management, and finally, designing a native model of MIDHCO knowledge management in 2018 based on the activities of the Knowledge Management Development Committee.



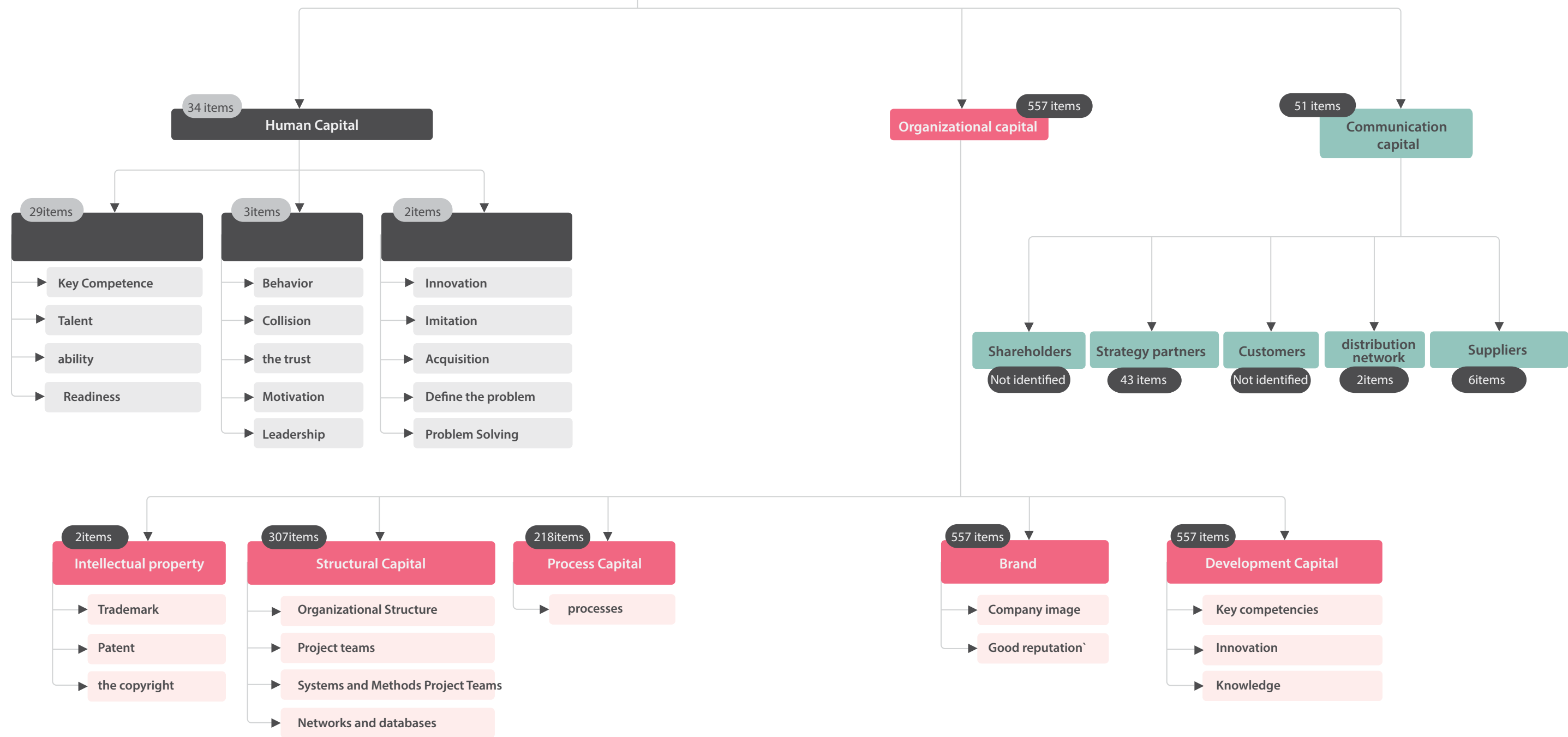
The first circle: management and leadership

At this stage, the leader of the organization determines the vision and knowledge strategies to start the establishment of knowledge management in the organization.



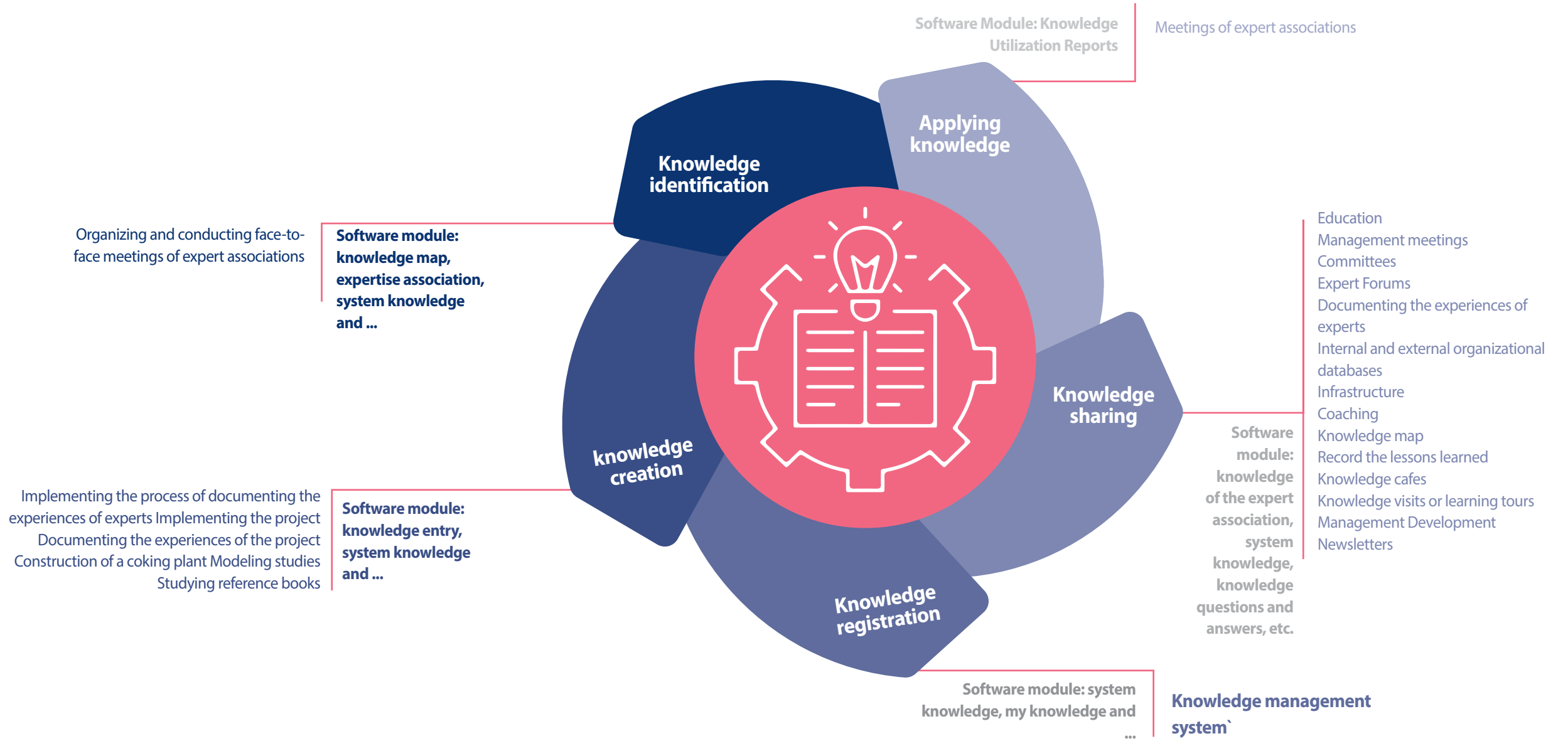


The second ring **Intellectual Capital**

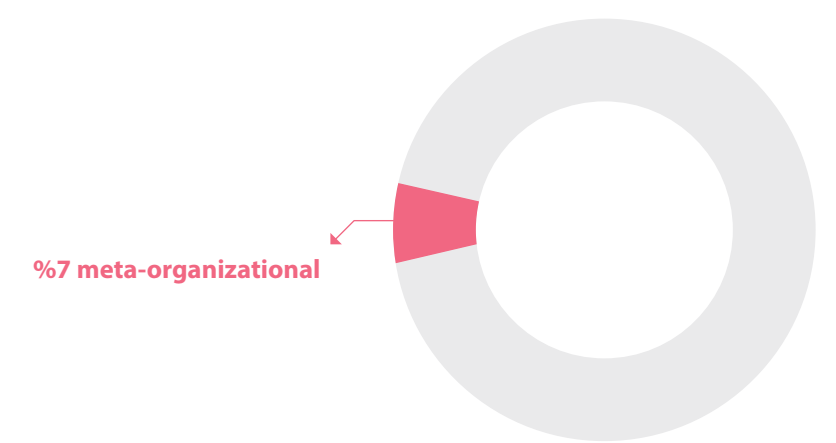
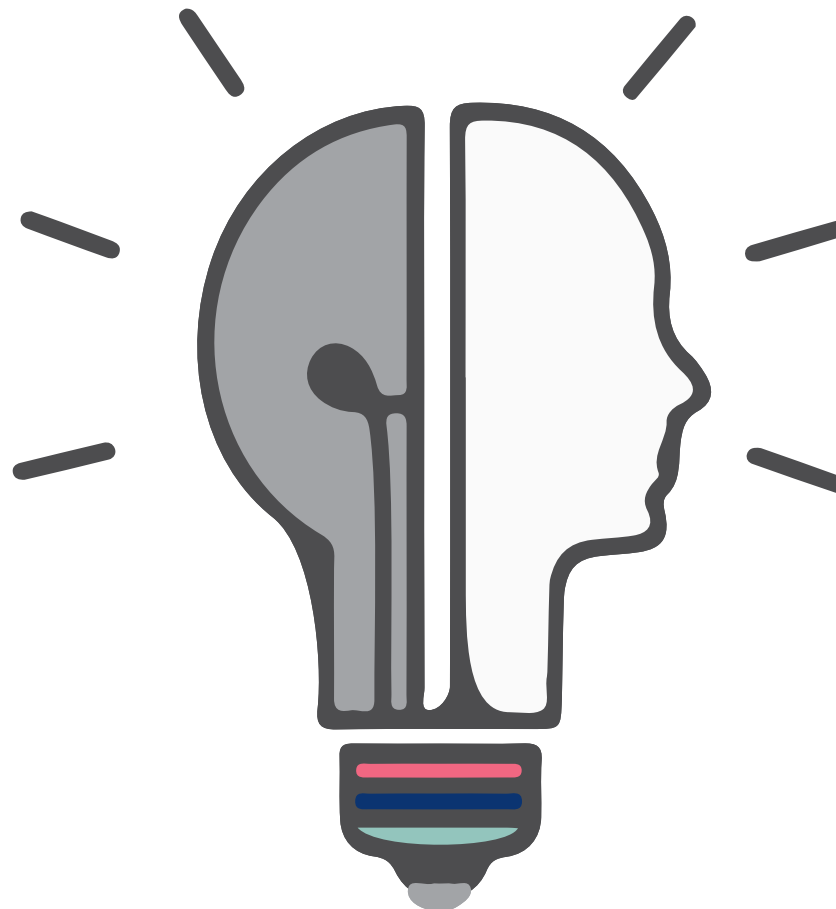
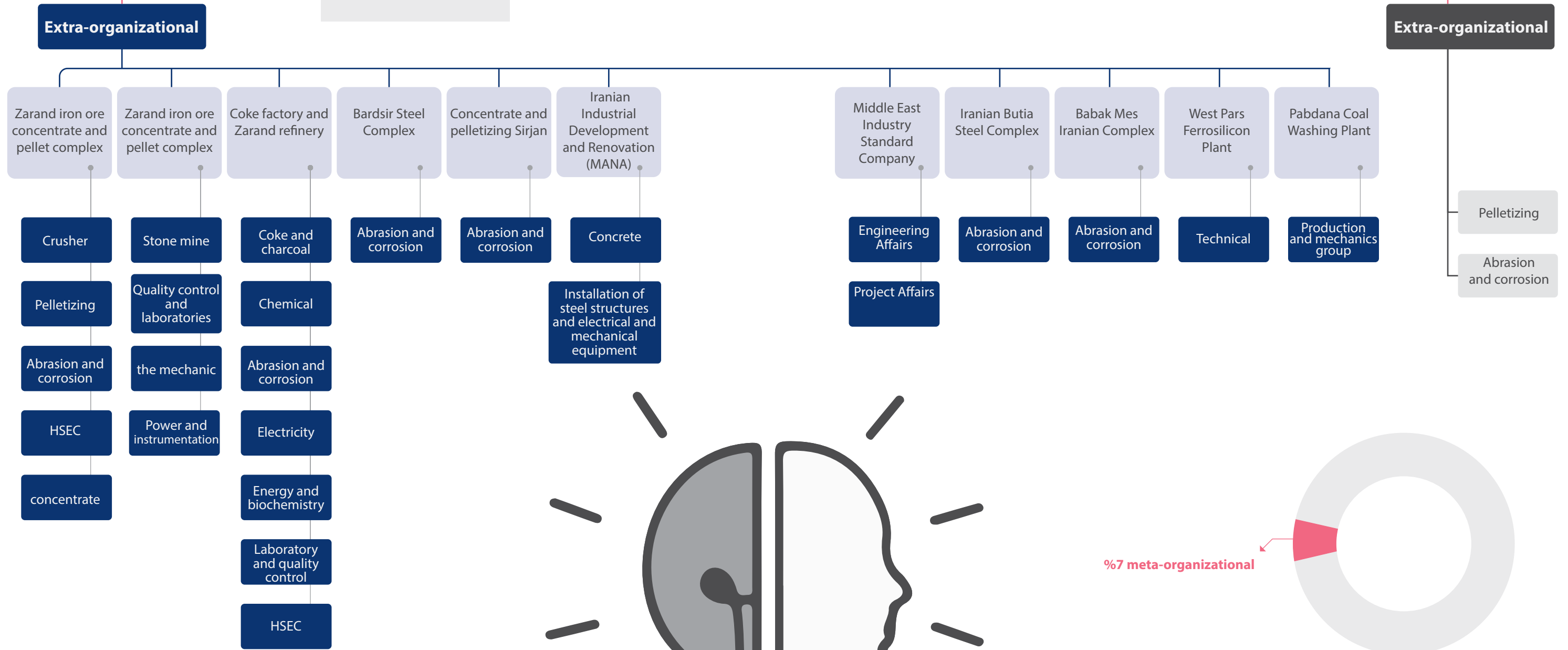


Third cycle: knowledge management processes

The knowledge management process is designed and implemented in line with the knowledge management strategy in order to design specific approaches in knowledge management and the use of software tools as an infrastructure and platform for the development of knowledge management activities at the MIDHCO holding level. Defining new approaches such as increasing knowledge interactions through the formation and leadership of expert associations is only part of the activities undertaken to record, develop and share the knowledge of MIDHCO holding personnel. Comprehensive knowledge management software (MTAShare) is designed and presented in order to record, maintain, share and use the explicit and implicit knowledge of the organization as well as create an interactive environment for knowledge questions and answers and create expert associations.



Extra-organizational



270 experts in 28 expert associations

Management Development Newsletters In 2019

Newsletter and Gallery	Number (of this course)
Preparation of newsletters No. 37-46	10
Preparing a gallery of the best MIDHCO in 4 sections of top knowledge, expert associations, knowledge management system, achievements and ...	1
Special letter of MIDHCO Extra-Organizational Expertise Association	1

Content title
A common feature of the top companies in the field of knowledge management in the world
Recommendations for strategic planning in the steel industry with a social values approach
Synergy and value creation in holding companies
Management Development Newsletters In 2019
Work-life balance management (MIDHCO message)
The role of knowledge management in gaining a competitive advantage (MIDHCO message)
Management systems and their value creation in organizations
Feasibility study of investment plans
Strategic analysis of the holding portfolio
Fortune Report Analysis 5
Use of legal materials to reduce costs and increase tax exemptions
The intellectual capital of the hidden treasure of the organization
Guide to developing measurement indicators and process monitoring
Talent identification strategy trend
Agile Organizations Tomorrow's Organizations
Ansof Business Development and Framework
Evaluate the performance and effective management of the organization
Report on the share of different sectors in GDP

Iranian Butya Steel Company Newsletter



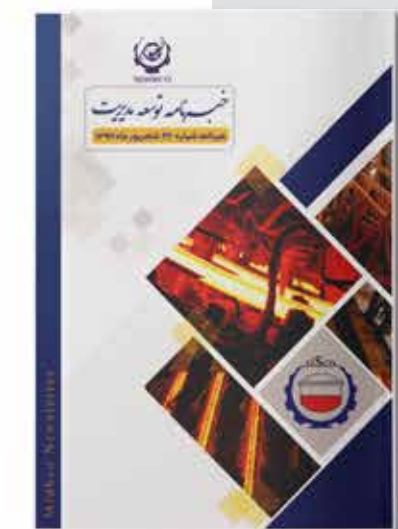
Karavaran Middle East Industry Company Management Development Newsletter February 2019 - No. 46

Management Development Newsletter November 2019 - No. 44



West Pars Ferrosilicon Management Development Newsletter No. 37 April 2019

Management Development Newsletter October 2019 - No. 44



Management Development Newsletter No. 43, September 2019

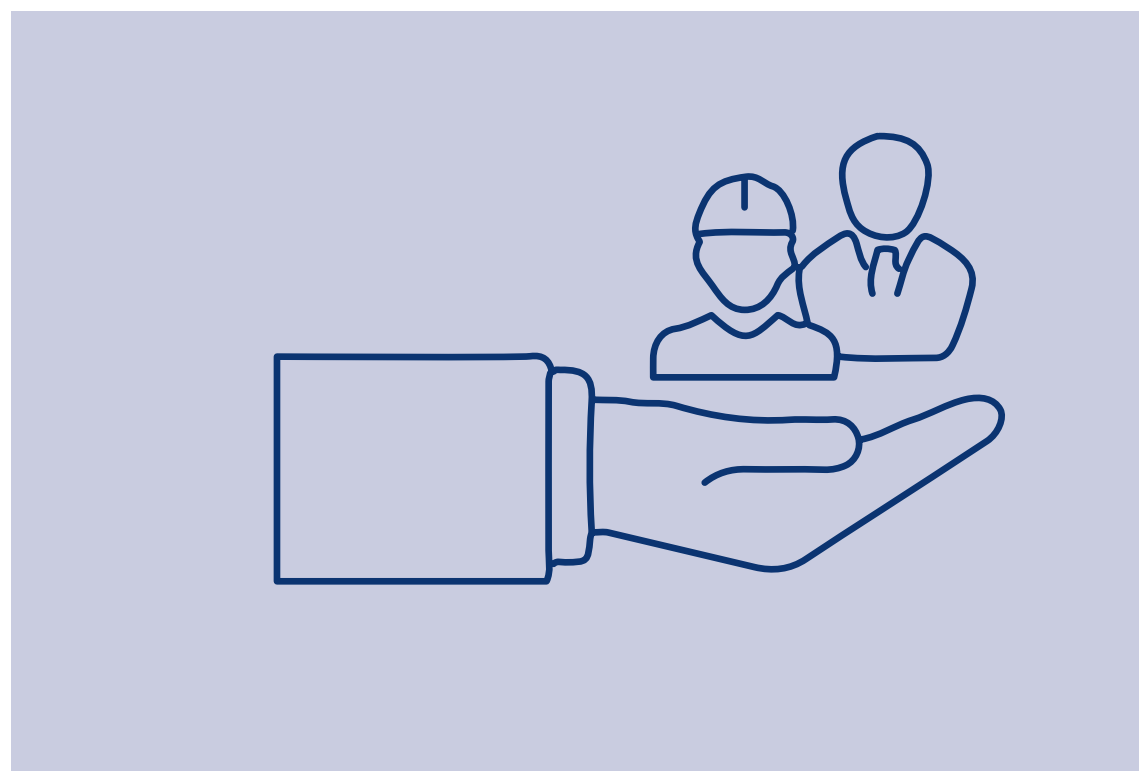
Fourth circle: organizational culture in

this level relying on studies of organizational culture, knowledge-based organizational culture is gradually formed and beliefs, values, beliefs of the organization as a result of the establishment of knowledge management processes in the organization will change and with the synergy of knowledge culture will be created in the organization. At this stage, organizational processes are guided in the framework of management and knowledge management culture and will lead to synergy in the organization.

Fifth cycle: value creation, innovation and learning organization

At this stage, as a result of establishing a knowledge management system in the organization, the following results are obtained:

- Innovation will be institutionalized as one of the important pillars of knowledge organization.
- The organization will become a learning organization.
- Customer and organization satisfaction will be achieved.
- Creating the expected value of shareholders and other stakeholders will be achieved.



Evaluation and feedback

Establishing a feedback mechanism and reviewing the designed process is considered as a principle in improving the knowledge management activities at the level of MIDHCO holding.

Attending the evaluation process of the Iranian Management Association as one of the activities of MIDHCO Holding in order to evaluate the activities carried out in the field of knowledge management was able to draw a good picture of the current situation and provide guidance for future planning.

1. (Coordination and selection of companies) 9 companies to participate in the evaluation process in the meeting of the Knowledge Management Development Committee
2. (Holding training courses for companies in Kerman and Tehran
3. (Cooperation in completing company declarations
4. Evaluation of 20 external and internal companies by the management development staff of the headquarters and its affiliates in the form of senior evaluator and evaluator
5. (Received 8 statues and a certificate by MIDHCO subsidiaries

Technology management and innovation

Technology management

Up-to-date technology and consideration of global indicators and compliance with safety ,Health, environment and society (HSE + C) and local sensitivities (water shortage in Kerman, reduced energy consumption, etc.) are issues that have always been emphasized in the technology management strategies of the holding , and this causes these criteria to always be considered in identifying and evaluating technologies.

Midco Holding Technology Management Model MIDHCO Holding has designed and presented its technology management model in order to identify and analyze, plan and deploy technology management as follows.

- Review of existing technologies in the country in selected MIDHCO industries for investment and analysis of their strengths and weaknesses
- Review of the best global technologies in the field of MIDHCO investment projects (steel and copper)
- Adaptation of these technologies to the conditions of the country and the region of the project (existence of gas energy, high cost of electricity, water shortage, transportation issues, raw materials, etc.)
- Full review and observance of environmental considerations
- Using the experiences of studies conducted in the identification and selection of technology in the mining and mineral industries for the relevant ministry in order to conclude contracts with technology companies

Cognition and analysis

- Develop technology transfer policies in the program document
- Moving towards technology-oriented) through the establishment of Iranian industry standard engineering companies and Fartak Iranian Research and Innovation Company (
- Planning to optimize technology during operation
- Use partnerships with global technology holders
- Collaborate with a research center

planning

- Continuous review of technologies, even during the design period and the possibility of updating them or using superior technology
- Relying on technology and emphasis on conceptual and basic engineering and not just detailed engineering as MIDHCO engineering strategy (due to the problems of engineering companies in Iran that lack technology)
- Enabling basic design

Induction

Technological cooperation

One of the achievements of establishing the technology management model has been the development of cooperation with other research and operational institutions in the country and internationally.v

<ul style="list-style-type: none"> • Conducting mineral processing research on submitted samples and preparing Flow Sheet on a semi-industrial scale for design 	Iran Mineral Processing Research Center
<ul style="list-style-type: none"> • Carrying out research on advanced technologies and materials and providing results for implementation in the mining and metallurgy units of the holding 	Institute of Advanced Materials Technology (Mati)
<ul style="list-style-type: none"> • Obtaining the results of research on coal and iron ore to benefit the feed supplier of Zarand and Sirjan concentrate plant • Obtaining the results of nanotechnology research in materials and ceramics for use in construction projects of Mana Company 	Center for Transformation and Development Cooperation
<ul style="list-style-type: none"> • Participate in the design of base metal designs 	Concluding a contract with Worley Parsons Engineering and Technology Company of Canada
<ul style="list-style-type: none"> • Signing a contract for the transfer of new and advanced technology for the production of copper cathode (hydrometallurgy) on a smaller scale, removal of pollutants and reduction of energy consumption 	EPCM Canada
<ul style="list-style-type: none"> • Pelletizing 	Partnership with SDM China and a German company

Technology Development

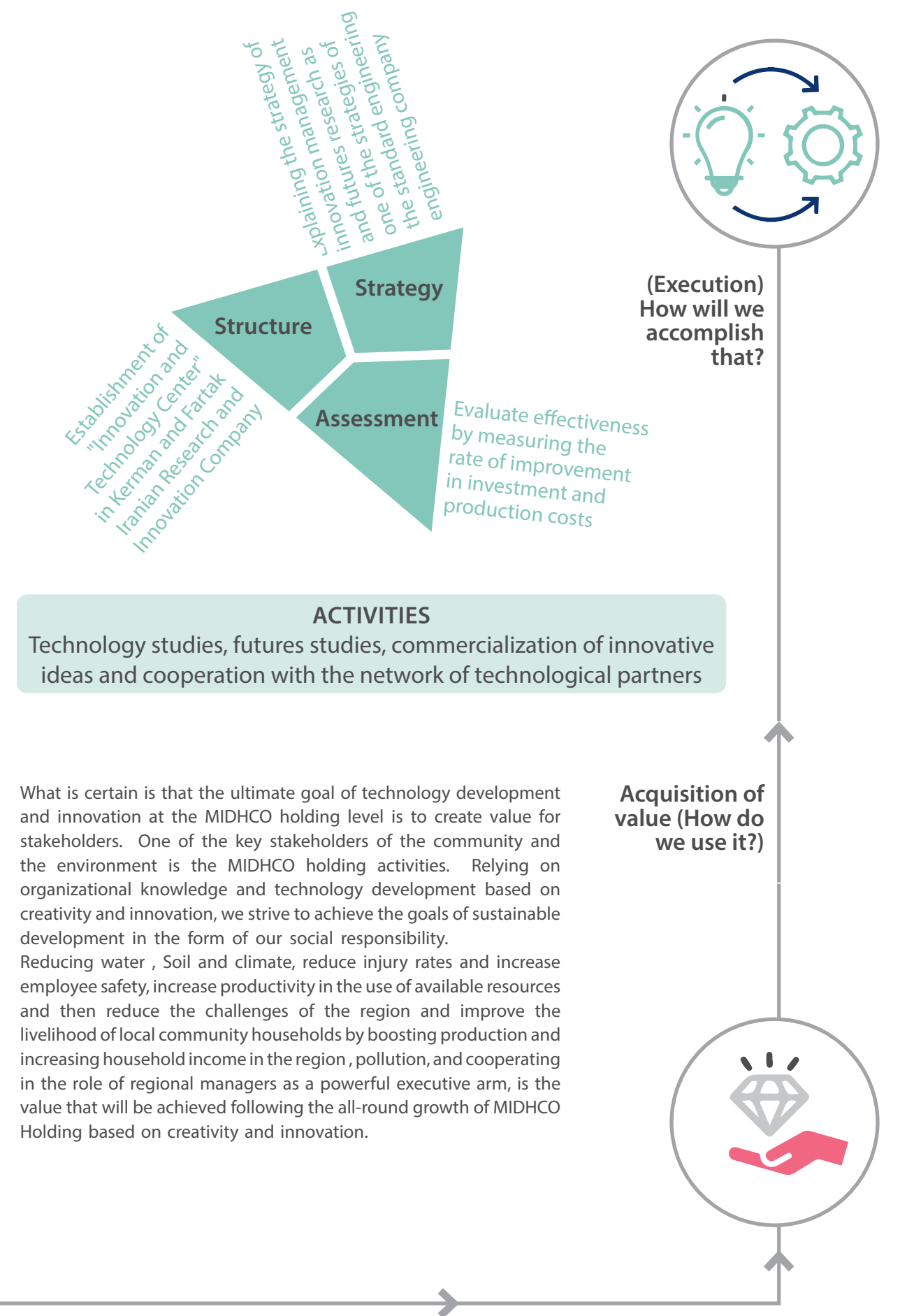
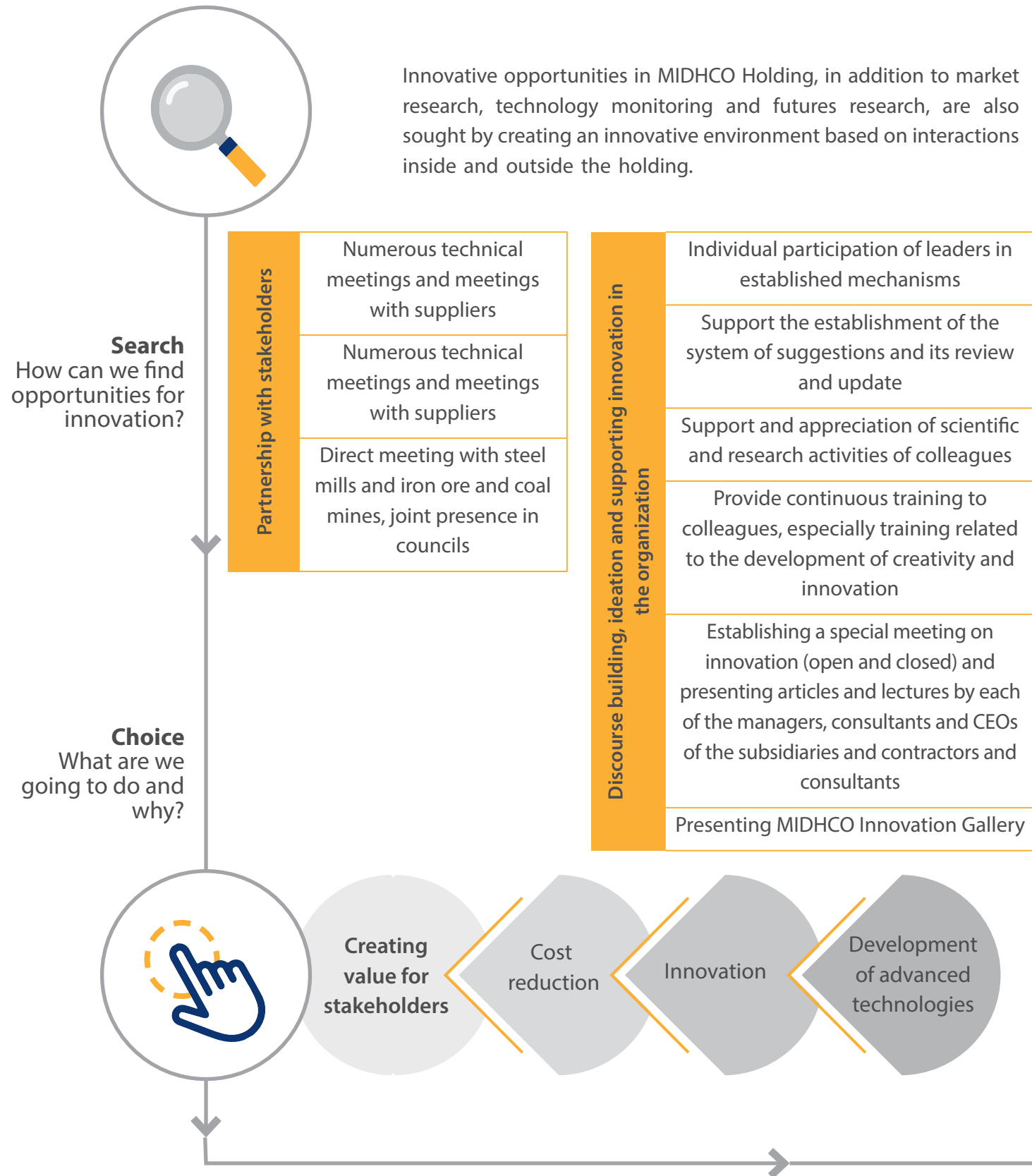
Also a set of technologies in MIDHCO holding activities has been developed in the technology management model.

HPGR در دانه بندی	Lurgi	BF blast furnace	Two furnaces with one method and CDQ	Bioliching	ZLD	Asmag/ Upcast
Iron ore concentrate design - Zarand	Sirjan pelletizing project	Zarand steel production plan	Zarand coke production plan	Cathode copper production plan	Kerman Butya steel production plan	Copper pipe production plan

Innovation Management

In the direction of innovation management, MIDHCO tries to plan and implement specific steps based on the innovation management process.

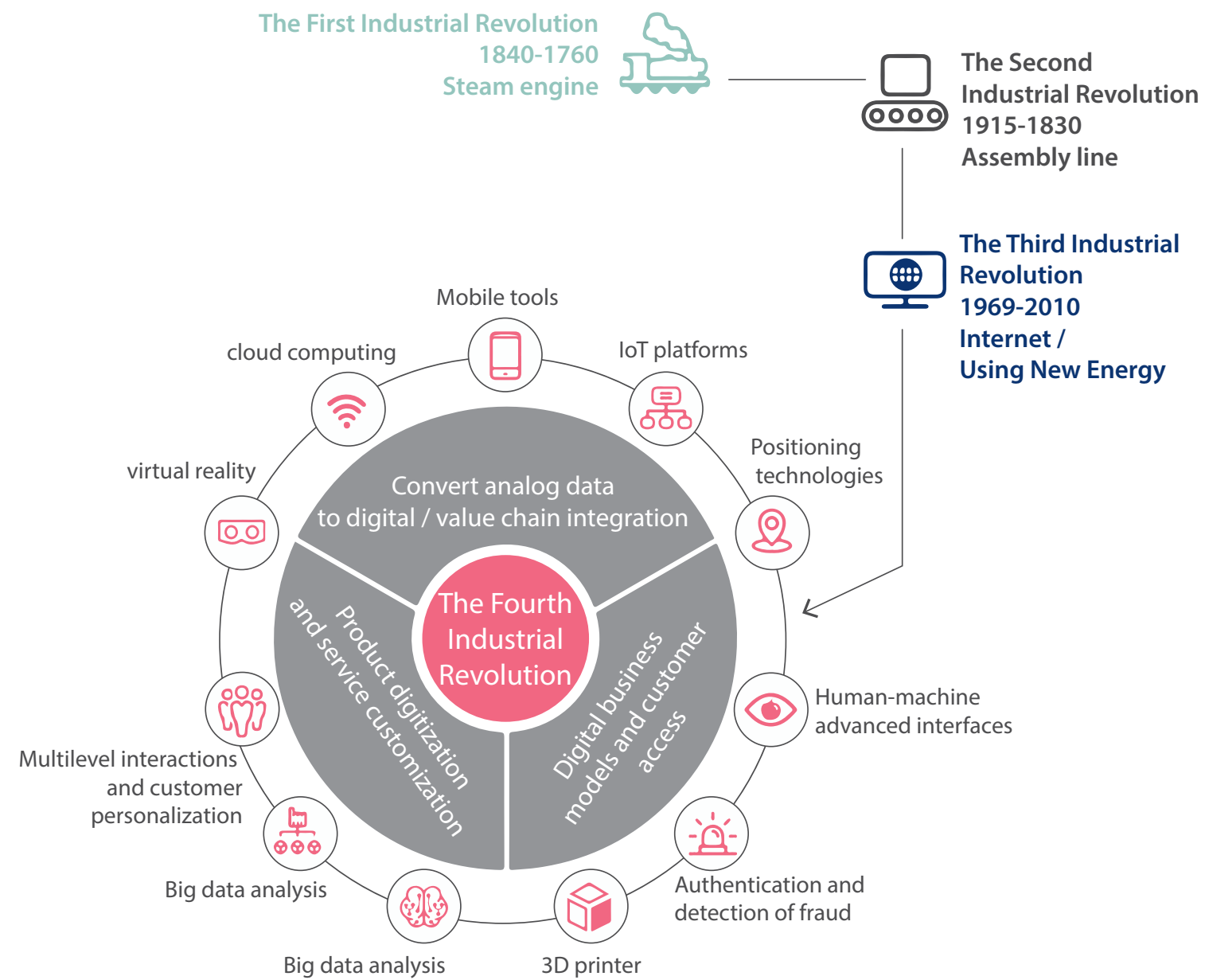
Innovative opportunities in MIDHCO Holding, in addition to market research, technology monitoring and futures research, are also sought by creating an innovative environment based on interactions inside and outside the holding.



What is certain is that the ultimate goal of technology development and innovation at the MIDHCO holding level is to create value for stakeholders. One of the key stakeholders of the community and the environment is the MIDHCO holding activities. Relying on organizational knowledge and technology development based on creativity and innovation, we strive to achieve the goals of sustainable development in the form of our social responsibility. Reducing water , Soil and climate, reduce injury rates and increase employee safety, increase productivity in the use of available resources and then reduce the challenges of the region and improve the livelihood of local community households by boosting production and increasing household income in the region , pollution, and cooperating in the role of regional managers as a powerful executive arm, is the value that will be achieved following the all-round growth of MIDHCO Holding based on creativity and innovation.

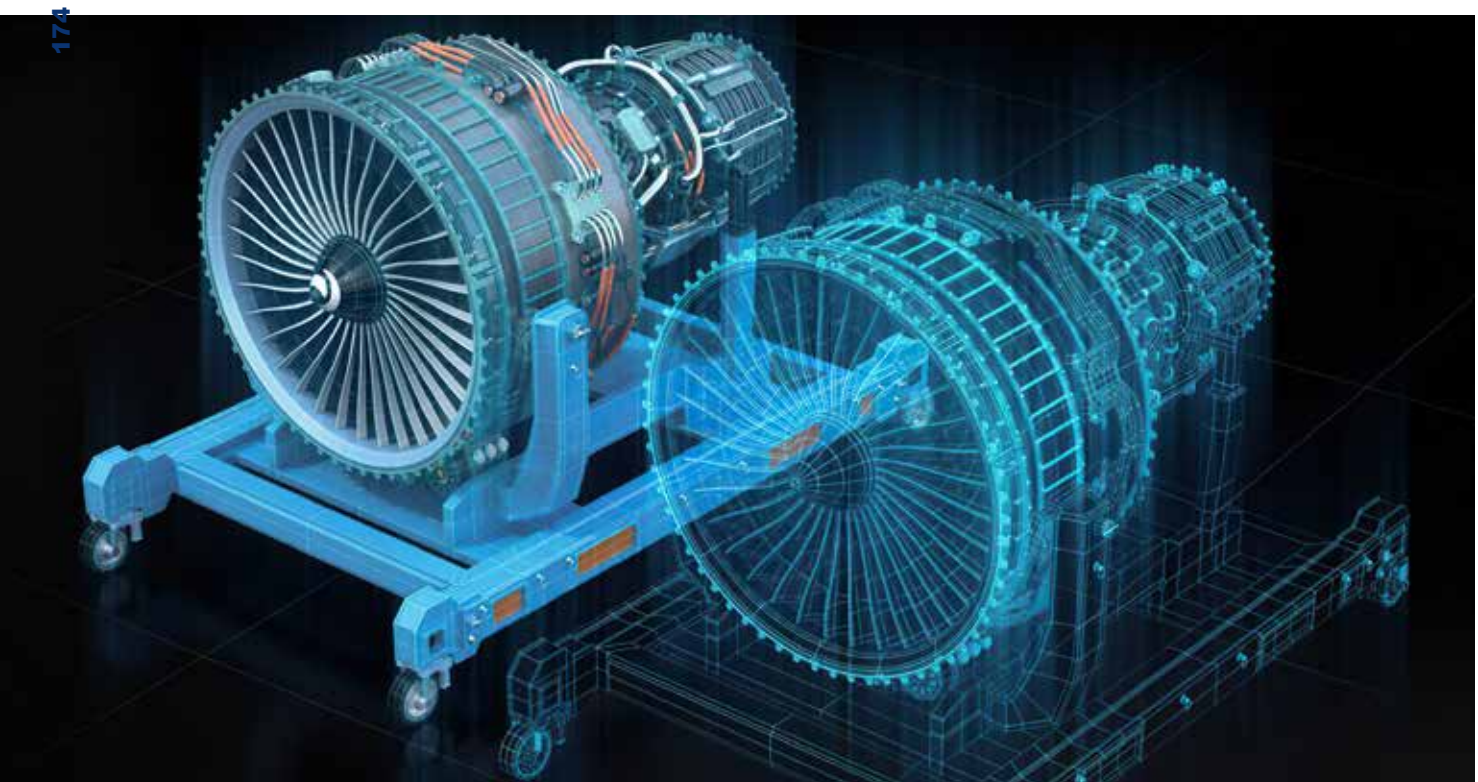
The Fourth Industrial Revolution

Today, technologies related to the fourth industrial revolution have been considered in various industries.



Various mining companies are striving for a global competitive advantage by investing in digital technologies. BHP has made its first Australian \$ 14 million Bella Cachin-based business using the Canadian startup platform MineHub with ChinaBaowu Steel Group. The company has also begun using Bella Cachin technology in supply chain processes and will use Bella Cachin to record mineral transport data.





Inefficiency, accidents and mistakes in mines have made it a costly and dangerous business. Given this, the mining industry is increasingly in need of new technologies that can help reduce these risks. The Anglo-American Mining Company is implementing the digital twin modeling technology developed by WebTek to optimize mining operations at its Platinum Group metal mine in South Africa. With the help of digital twin technology, the problem in the mine cooling unit before the accident was identified and led to savings of \$ 2 million.

Siberian Coal Energy Company (SUEK), like other major coal companies in the world, is testing self-propelled trucks in its open pit mines using fifth-generation mobile technology. These trucks were developed by Zyfra.



MIDHCO Holding, following the example of leading mining companies in this field, as a future-based program, tries to use in the coming years by focusing on digital technologies to identify and use existing capacities. In order to develop its activities as well as improve the realization of social responsibility, including environmental protection, safety and health of employees and the development of jobs in the community.



Title	Page	GRI-related clauses	Paragraphs related to the management social responsibility model
Part II: Economic value creation			
MIDHCO economic performance	46-53	201-1 203-2	F2-1-8,9,10,14
MIDHCO production performance	54-55	102-4	L3-2-13
Move raw materials and products	56-59	102-4	L3-2-13
Marketing and sales	60-63	102-6	-
MIDHCO in international dimensions	64	102-12	-
MIDHCO projects	65-67	203-1	-
Risk management in economic value creation	68-69	102-30 205-1	M1-2-4
Stakeholder management in value creation Economic	70-83	102-13	M1-1-2 M1-2-2 F2-1-2 L3-3-4
Transparency and prevention of corruption	84-85	102-25 205-2 205-3 206-1	F2-1-4,5 F2-3-2 L3-1-3,5

Title	Page	GRI-related clauses	Paragraphs related to the management social responsibility model
Part 3: Environmental protection			
Environmental management policy	90-97	201-1 203-2	L3-1-1,2 L3-2-1,2
Green space development	98-101	102-4	L3-2-6
Protection of plant species	102	102-4	L3-2-7
Resource consumption	103	102-6	L3-2-3,4,8,15,16
Management and protection of natural resources	104-117	102-12	F2-4-2 L3-2-10,11

Attachment

Annex 1: Compliance of MIDHCO Holding Corporate Social Responsibility Report 2019 with GRI Standard and Management Social Responsibility Model

Title	Page	GRI-related clauses	Paragraphs related to the management social responsibility model
Part One: Social Responsibility Management			
Contents	-	102-44 102-47	-
message from head manger	9	102-14 103-2 103-3	M1-1-1
Our story	10-23	23-10 102-2 102-46 102-48 102-49 103-1	M1-1-3,6,8
Strategic planning process	24-27	102-16 102-26	M1-1-1,5
Midco at a glance	30-31	101 102-1 102-3	-
Management structure	32-37	102-18 102-19 102-20 102-23 102-32	M1-1-7 M1-2-1,5
MIDHCO Holding Capacities	38-39	102-2 102-4	-
Stakeholder management	40-41	102-40 102-42 102-43 415-1	M1-1-2 M1-2-2 F2-1-2 L3-3-4
MIDHCO Awards and Honors	42-43	102-12	M1-3-5 L3-1-9 L3-2-25

Title	Page	GRI-related clauses	Paragraphs related to the management social responsibility model
Section 4: Human Development			
Human capital at a glance	102-123	120-8	F2-1-14
Human capital management	124-133	401-2 401-3	L3-6-1,2,3,9,13,14,15,17,18 L3-7-3
Health and human capital growth	134-145	403-2 404-1 404-2	M1-2-7 L3-6-7,8 L3-7-1,3,4,5,6,9,12,14,15
Local community development	146-149	413-1	F2-2-2,5,11 F2-4-5

Title	Page	GRI-related clauses	Paragraphs related to the management social responsibility model
Section 5: Development of knowledge, technology and innovation			
Organizational Culture	153-155	-	F2-4-4
Research, technology and innovation system	156-159	-	F2-4-6 L3-1-4
knowledge management	160-171	404-2	F2-4-4,5,6,8
Technology management and innovation	172-175	-	F2-4-7,8 L3-4-3
The Fourth Industrial Revolution (4.0 Industry)	176-179	-	F2-4-8

Appendix 2: Partners participating in the preparation of the MIDHCO 2019 holding social responsibility repor

MIDHCO Social Responsibility Committee	
1	Mr. Mohammad Jafar ekram Jafari
2	Mr. Massoud Farhanak
3	Mr. Houshang Pourreza Gholi
4	Mr. Alireza Ebrahimi
5	Mr. Ebrahim Bagheri
6	Mr. Saeed Philosophers
HSEC management of MIDHCO headquarters	
8	Mr. Mirshakari
9	Mr. Minaei
Fartak Iranian Research and Innovation Company	
10	Mr. khoshnevisan
11	Mr. Hamidi
12	Mr. Seif
13	Mr. Fazli
14	Ms. Shojaei
Financial and business management	
15	Mr. Taleb
16	Mr. Dolatabadi
17	Mr. Mirtoni
Production management	
18	Mr. Davari
19	Mr. Barkho
Planning, development and technology management	
20	Mr. Heidari
21	Ms. Sadeghi
22	Ms. Rastegar Moghadam

Sirjan Iranian Steel Company	
45	Mr. Shojaei
46	Mr. Ahmadi
47	Mr. Amozegar
48	Mr. anjam
49	Mr. Mehdi Khani
50	Mr. Mohebbifard
51	Mr. Abbasloo
52	Mr. Amrollahi
53	Mr. Zeidabadi
54	Ms. Yazdanpanah
Babak Mes Iranian Company	
55	Mr. Khajehzadeh
56	Mr. Ahmadipour
57	Mr. Aminpour
58	Mr. Yazda
Iranian Butia Steel Company	
59	Mr. Mohammadi
60	Mr. Irannejad
61	Mr. Rashid Farrokhi
Pabdana Coal Processing Company	
62	Mr. Noor Mohammadi
63	Mr. Yousefi Nasab
West Ferrosilicon Company	
64	Mr. Shams
65	Mr. Mansouri
Karavaran Sanat Company	
66	Ms. Shafiee
67	Mr. Nikzad
68	Mr. Hakimipour
Memradco Company	
69	Ms. Javid
70	Mr. Pour Ghasemi
71	Mr. Salmani

Human capital management	
23	Mr. Amin
24	Ms. Moeini
Organizational Planning and Excellence Committee	
25	Mr. Reza Ashraf Semnani Ms. Peyghami
Management Development Management	
26	Mr. nemehgoshay
27	Ms. Alizadeh
28	Ms. Mehri
29	Mr. Gholamrezaei
30	Mr. Moinzadeh
Public Relations and International Affairs Management	
31	Mr. Mohammadi
32	Ms. Hajiloo
33	Mr. Ketabi
Zarand Iranian Steel Company	
34	Mr. meysami
35	Mr. Mir Habibi
36	Mr. Nazemi
37	Mr. Khazaei
38	Mr. Tahami
39	Mr. Afzali
40	Mr. Izadi
41	Mr. Soltani
42	Mr. Azimi
43	Mr. Pudineh
44	Mr. Mohammadi

SOCIAL
RESPONSIBILITY
REPORT
2019



WWW.MIDHCO.COM

**Social
Responsibility
Report
2019**

