



BUILDING OUR FUTURE TOGETHER

Integrated
Annual Report
2015



CONTENTS



Integrated reporting

This is the fourth TITAN Group Integrated Annual Report. In the full Report we follow the International Integrated Reporting Council (IIRC) standards, we report "in accordance with GRI G4 Core" and we use the guidelines and protocols of the Cement Sustainability Initiative (CSI), which operates in the framework of the World Business Council for Sustainable Development (WBCSD). We also meet the "advanced" level criteria for UN Global Compact Communication on Progress. The full Integrated Report is independently verified against the above standards by DNV GL. Their assurance statement is included in the full Integrated Report, and all relevant GRI management disclosures and indicators can be found in a PDF that accompanies it.

The new structure of our Annual Integrated Report, with the GRI Index as a separate document, is designed to respond more specifically to the expectations of our key stakeholders – in particular: investors, business partners, employees and local stakeholders who are interested in our overall performance as a Group.

The text and our main material figures are in this Report, while more specific supplementary texts and analytical figures related to specific GRI indicators can be found in the GRI Index. We have included GRI G4 labels throughout this Report to make it clear where the information relates to specific GRI requirements. This helps the readers of the report to find what they are looking for more quickly. In effect, the Report is divided into two parts: the Integrated Annual Report 2015 and the GRI Index 2015, and the two documents complement each other.

This Report has been independently verified by DNV GL, and our financial statements have been audited by PwC. Both PwC's Annual Financial Auditor's Report and DNV GL's detailed Assurance Statement can be found in this Report on [pages 48–56](#).



Our Annual Financial Statements for the year ended 31 December 2015 and the GRI Index are both available to view or download online at integratedreport2015.titan.gr. Please send us your feedback through this URL.

About our 2015 report

Building our future together

In 2015, we achieved strong financial results while we expanded and strengthened collaborations with all our stakeholders, further building solid foundations for a sustainable development and a better future for all.

Common values and objectives

Our consistent strategy, the enhancement of our collaboration with all our stakeholders and our focus on geographic diversification continue to strengthen the business and ensure that our operations grow responsibly.

We have managed to navigate the difficult years together, as one Group, sharing common values and objectives. This has given us the strength to build an organization that is more united, ready and capable to face the future with new ambitions.

Continuing to grow together

We have clear investment plans that are geared toward growth and sustainable development. Together, we aim to implement them with renewed energy, based on collaboration and team spirit.

The Group continues to expand its collaborative actions, learning from its stakeholders and deepening its partnerships at all levels. This commitment to continuous improvement helps us both to integrate stakeholders' concerns in our strategy and to multiply the value we create and share with them.

Defining our priorities for the future

Continuous improvement remains the driver for everything we do. That's why we have thoroughly reviewed our achievements and the lessons learnt over these years, working as a Group to pursue sustainable growth. As a result, we have decided to focus more on our local impacts and develop our future plans using a holistic approach that takes full account of the local context.

To this end, we are using the United Nations' Sustainable Development Goals (SDGs) and initiatives such as CSR Europe's European Pact for Youth.

2015 highlights

Turnover

€1,397.8 m

EBITDA

€216.4 m

Profit after taxes

€33.8 m

Total assets

€2,949.5 m

Capital expenditure

Total:
€173 m

On environment:

€49.9 m

Employees (as at 31 December 2015)

5,654

CEO message

Dear Shareholders and Stakeholders

Welcome to our fourth integrated report, which presents the year's financial results along with our social and environmental performance. Our approach to sustainability is an integral part of our business. It is critical to our growth and the way we build our future together with key stakeholders.



Improving results

TITAN returned to profit in 2014 and our financial results continued to improve in 2015, led by a strong performance in the USA. Consolidated turnover increased by more than 20% to €1,398 million, while Earnings before Interest Tax Depreciation and Amortization (EBITDA) saw a similar uplift of just over 19% to €216 million. Net Profit after minority interests and the provision for taxes (NPAT) stood at €34 million, compared to €31 million in 2014.

This strong growth has been achieved against a backdrop of continuing political and economic challenges in many countries, thanks to the geographic diversification of our operations.

In Greece, six years into the crisis, the construction sector remains in a protracted and deep recession. Housing investments have declined from 10.8% of GDP in 2007, to just 0.8% in 2015. Capital controls introduced in June 2015 further weighed on demand in the second half of 2015. Our plants have been able to shift the clear majority of production volumes to exports, maintaining capacity utilization at acceptable levels.

In Southeastern Europe, overall economic activity and construction particularly remained subdued. Sales volumes improved, but profitability declined as prices came under pressure.

In Egypt, cement demand grew, despite challenging macroeconomic conditions. Our clinker production capacity was largely restored and sales volumes were significantly higher with turnover growing by 22%. However, profitability was affected by very high fuel costs and volatile prices in the market.

Our Joint Venture in Turkey had a good year, with demand remaining at high levels, and contributed positively to the Group's profitability.

The driver for the Group's performance improvement in 2015 was clearly the U.S.A., with EBITDA more than doubling to €101 million on the back of a robust increase in turnover. Rising prices and currency effects, due to the strong US dollar, also contributed to these results.

Our operations in the USA and Egypt have benefited greatly from an intensive capital expenditure program in 2015, with €173 million spent across the business. Roughly 50% of this was in the USA to pursue growth opportunities and improve our profitability, while around 30% has been used in Egypt, primarily to fund fuel conversion projects.

The triple bottom line: Thinking global – acting local

At the same time as we are dealing with the immediate challenges that we are facing, we remain focused on the long term sustainability of our business - defining sustainability in the broader sense - aiming to improve the triple bottom line: The financial, social and environmental pillars. We aspire to be a meaningful contributor on the global stage, while at the same time we dedicate most of our efforts in engaging locally with our key stakeholders.

Over the years, the Group has enhanced its collaborative action within the framework of the global Cement Sustainability Initiative, under the auspices of the World Business Council for Sustainable Development, and the UN Global Compact. In 2015, we have strengthened the social pillar by focusing on sustainable development locally and on initiatives such as the European Pact for Youth.

We also signed the WBCSD's Low Carbon Technology Partnerships Initiative (LCTPI).

Looking ahead, we have already begun the alignment of the Group's priorities to the UN 2030 Sustainable Development Goals.

After several years of encouraging progress, our health and safety performance indicators stagnated in 2015. Despite our efforts, clearly a lot more work needs to be done to attain our aspirational goals. Our management is committed to continuously revitalizing and improving the safety culture within our areas of operation, but also beyond their perimeter.

We are increasing our focus on environmental issues and we remain ahead of our targets on water consumption and on dust emissions. We are making good progress on alternative fuels, particularly in the USA and Egypt. However, specific CO₂ emissions were slightly higher in 2015, to a great extent for reasons beyond our control. This will continue to be a focus area for improvement for the Group over the next few years.

A confident outlook for 2016

Prospects for the Group in 2016 appear positive, despite significant challenges and uncertainties. At the present juncture, the recovering US market is the key driver of growth and profitability for TITAN.

The recovery of the construction industry in the US should continue, driven by the residential and commercial segments, and to a lesser extent, public works. Based on the growth of the market and its positive outlook, the Group intends to further invest in the US in 2016, aiming to capture growth and improve costs.

In Egypt, despite macroeconomic imbalances, demand for building materials is projected to continue improving at a moderate pace.

The Group's ongoing investment program will allow for the utilization of solid and alternative fuels in Egypt, thereby ensuring the plants' energy sufficiency and improving the Group's cost competitiveness.



Patras cement plant, Greece

Construction activity in the countries of Southeastern Europe where the Group is present is expected to remain anaemic. The region continues to be affected by the economic slowdown of neighboring Eurozone countries, subsequently posting low growth rates.

In Greece, demand should improve somewhat owing to the realization of certain public works, albeit still remain at extremely low levels.

The positive results of 2015, combined with the favourable outlook for the Group, allows the Board of Directors to propose to the General Assembly of Shareholders the payment of a dividend of €0.30 per share.

A new phase of growth

Looking ahead, the Group's management is aligned behind a clear set of priorities, around three axes:

First, balancing profitability and growth - while we are taking steps to restore our Return On Capital Employed to acceptable levels, we are also considering how to allocate capital in order to grow effectively.

Second, taking the next step in operating excellence. We are implementing a number of projects centering on procurement, IT, maintenance, market and logistics.

Third, nurturing the long term sustainability of the business, along the lines described above.

With the support of our shareholders and our stakeholders, we are confident in our ability to take the TITAN Group forward into a new phase of growth and prosperity, as we build our future together.

Dimitri Papalexopoulos
Chief Executive Officer

STRATEGIC REVIEW

About us

Ethos is the Greek word meaning “character” or “spirit” and we use it to describe the values at the core of TITAN’s identity that guide the way we conduct our business with respect, accountability and responsibility.

Who we are

TITAN is an international cement and building materials producer, with more than 110 years’ industry experience. Our companies operate in diverse environments, sharing common values across the Group. Meeting the long-term expectations of our shareholders requires us to act in a flexible and dynamic way, working in close partnerships with our suppliers, customers and the communities in which we work.

Our success depends on employing the best available technologies, our systematic research and constantly updated know-how. Above all, we rely on our highly skilled and experienced people who live the values of the Group.

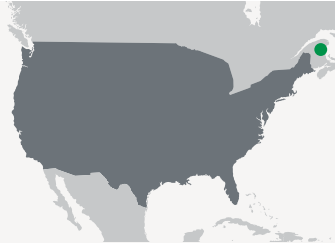
What we do

TITAN’s business activities are carried out by both wholly owned companies and joint ventures with established partners. These activities cover the production, transportation and distribution of cement, concrete, aggregates, fly ash, mortars and other building materials.

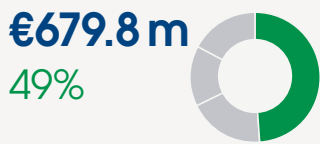
Where we operate

Headquartered in Athens, Greece, the Group employs 5,654 people worldwide and sells products to 29 countries in North Africa, Western Africa, Canada, USA East Coast and Gulf of Mexico, Central America – Caribbean, Balkans and Western Europe. We have cement plants in nine countries and our operations are organized into four geographic regions: USA; Greece and Western Europe; Southeastern Europe; and Eastern Mediterranean.

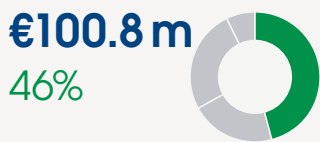
USA



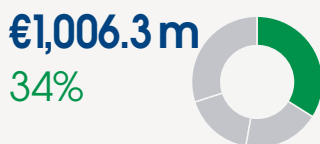
Turnover



EBITDA



Assets



Employees

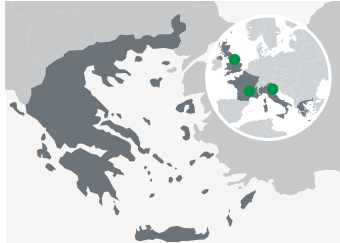
1,996

Principal products/activities



| | |
|-----------------------|---------------------------|
| Cement plants | Quarries |
| 2 | 6 |
| Ready-mix plants | Distribution terminals |
| 84 | 15 |
| Concrete block plants | Fly ash processing plants |
| 9 | 9 |

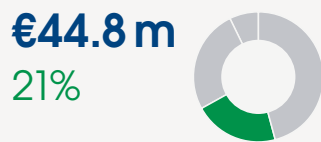
Greece and Western Europe



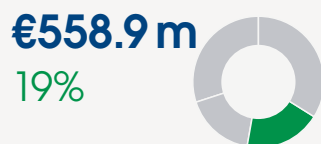
Turnover



EBITDA



Assets



Employees

1,176

Principal products/activities

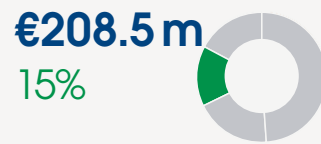


| | |
|------------------------|-------------------|
| Cement plants | Grinding plants |
| 3 | 1 |
| Quarries | Ready-mix plants |
| 26 | 29 |
| Distribution terminals | Dry mortar plants |
| 7 | 1 |

Southeastern Europe



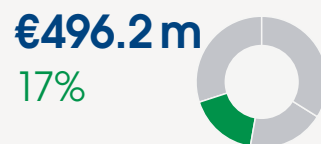
Turnover



EBITDA



Assets



Employees

1,426

Principal products/activities

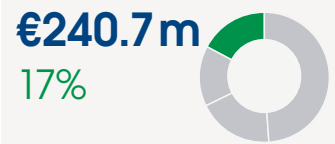


| | |
|------------------------------------|------------------------|
| Cement plants | Quarries |
| 5 | 17 |
| Ready-mix plants | Distribution terminals |
| 7 | 1 |
| Processed engineered fuel facility | |
| 1 | |

Eastern Mediterranean



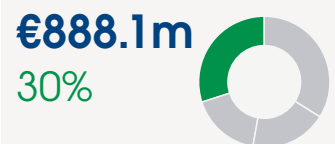
Turnover



EBITDA



Assets



Employees

1,056

Principal products/activities



| | |
|------------------------|------------------------------------|
| Cement plants | Grinding plants |
| 3 | 2 |
| Quarries | Ready-mix plants |
| 17 | 5 |
| Distribution terminals | Processed engineered fuel facility |
| 2 | 1 |

Principal products/activities key:



One governing objective, one set of strong values

Our governing objective

We aim to grow as a multiregional, vertically integrated cement producer, combining an entrepreneurial spirit and operational excellence with respect for people, society and the environment.

To achieve this objective, we focus on four strategic priorities:

GEOGRAPHICAL DIVERSIFICATION

We expand our business through acquisition and greenfield development into attractive new markets, to build production scale and mitigate the reliance on few markets.

CONTINUOUS COMPETITIVE IMPROVEMENT

We implement new efficiencies throughout our business to reduce costs and compete more effectively.

VERTICAL INTEGRATION

We extend our business into other product areas in the cement value chain, serving our customers better and accessing new profit opportunities.

FOCUS ON HUMAN CAPITAL AND CORPORATE SOCIAL RESPONSIBILITY

We care for and develop our employees and continuously improve our good relationships with all internal and external stakeholders, always aiming for mutual respect and understanding.

Underpinning these priorities is our approach to sharing best practice and leveraging expertise. We are committed to this, across the Group, to help us improve our capabilities and the efficient delivery of our governing objective.

Our values

Our values are at the core of who we are; they provide the foundations of our operations and growth. They have provided us with a strong bond and supported the growth that has sustained us for over a century, stemming directly from the principles, beliefs and vision of our founders back in 1902. They remain the core elements of our culture and family spirit.



Integrity

- Ethical business practices
- Transparency
- Open communication



Value to the customer

- Anticipation of customer needs
- Innovative solutions
- High quality of products and services



Continuous improvement

- Learning organization
- Willingness to change
- Rise to challenges



Know-how

- Enhancement of our knowledge base
- Proficiency in every function
- Excellence in core competencies



Delivering results

- Shareholder value
- Clear objectives
- High standards



Corporate Social Responsibility

- Safety first
- Sustainable development
- Stakeholder engagement

Achieving sustainable growth together

Building collaborations to address material issues is crucial for fulfilling our governing objective and in line with our strong set of values. Working together, both within the business and through our local and global partnerships, has helped us and will continue to enable us to achieve sustainable growth.

Below are some of the key highlights of our global collaborations.

Collaborations



WE SUPPORT

TITAN was among the first 500 signatories of the UN Global Compact (UNGC) and is also involved in local UNGC networks.

Activity in 2015



We decided to support the achievement of the most relevant UN Sustainable Development Goals (SDGs) for our business by 2030 at Group level and through our local UNGC networks.

sustainabledevelopment.un.org/sdgs

Priorities 2016

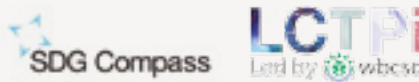
Align sustainability priorities and action plans with the SDGs.

Participate in consultations for the SDGs at national and industry levels.

[Read more on page 14.](#)



TITAN has been a core member of the Cement Sustainability Initiative (CSI), a unique and collaborative business-led initiative focused on sustainable development, since it was launched by leading cement companies under the auspices of the World Business Council for Sustainable Development (WBCSD) in 2003.



We participate in the WBCSD's Low Carbon Technology Partnerships Initiative (LCTPI), and utilize the UNGC's "SDG Compass" tool to help us embed the SDGs 2030.

lctpi.wbcd.org/

Support partnerships for the SDGs, especially through the WBCSD/CSI.



TITAN joined CSR Europe, in 2004, and also participates in national partner organizations operating in Albania, Greece, Kosovo and Serbia.



We signed the Business Manifesto 2020 to help tackle issues such as employability and human rights.

We signed the European Pact for Youth, alongside 50 other leading companies, and collaborated to accelerate our efforts throughout our operations to provide employment opportunities and address the skills gap.

csreurope.org/pactforyouth

Prioritize transparency and respect for human rights, and support the circular economy through innovation.

Improve the internship programs offered by TITAN Group.

Strengthen partnerships with the academic community.

Enhance collaborative actions with all stakeholders for the implementation of the European Pact for Youth.

Delivering value far beyond the cement plant

Aiming to be one of the world’s most economically, environmentally and socially responsible providers of construction materials, we use our unique strengths, resources and relationships to create sustainable value for a wide range of stakeholders.

OUR INPUTS

We have a sustainable approach to doing business. Our relationships with local customers, governments, suppliers and trade partners are very important, but we think global, too. Our leading role in CSI and our commitment to the UN Sustainable Development Goals help us tackle some of our most material issues, such as our impact on climate change, health and safety, water use and biodiversity.

Natural: Limestone, clay, aggregates and gypsum. Utilization of energy and water.

Manufactured: More than 150 plants worldwide producing cement, ready-mix concrete and other construction products.

Human: More than 5,600 people with local knowledge and expertise.

Financial: More than €1.7 billion equity and €621 million net debt.

Social: Work closely with customers, suppliers, local communities and international organizations.

Intellectual: Know-how and expertise, global standards and processes, patents and trademarks.

OUR CORE BUSINESS ACTIVITIES

We extract the materials we need to make our products and turn them into cement and concrete, with a strong focus on quality control and operational improvement. The use of alternative raw materials and fuels offers considerable benefits to the environment through the conservation of natural resources and has the potential to reduce our CO₂ footprint and the waste we generate.

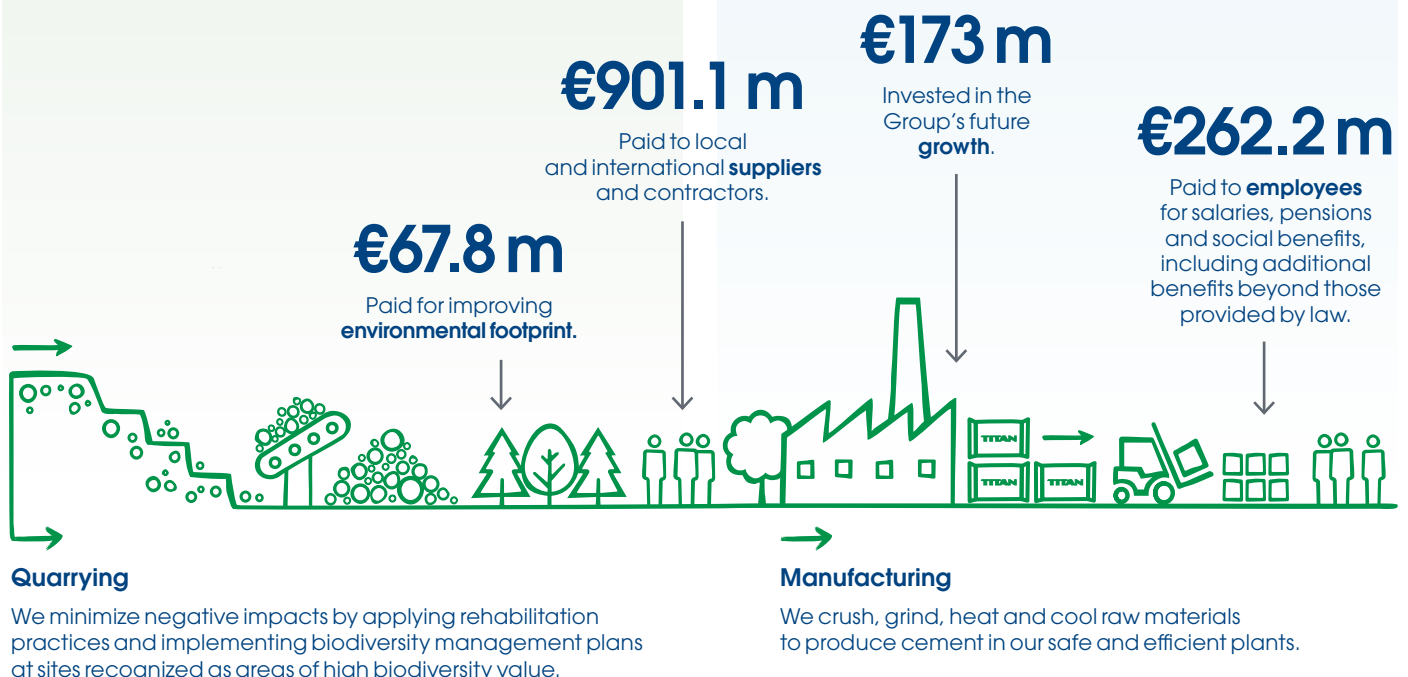
Quality and durability: We continually seek to improve our products to ensure long-term customer satisfaction.

Good governance: We maintain high standards of governance, promote ethical business practices, and focus on risk management across our value chain.

Investment for growth: We continue to invest in future growth, with an ambitious investment program in place and €173 million of capital expenditure in 2015.

Protect and develop our people: We safeguard human rights and promote the health, safety and wellbeing of our people and those who work with us.

Innovation: We develop innovative products that will provide sustainable improvements in construction.



OUR PRODUCTS AND SERVICES →

Our products and services are used in various activities ranging from major infrastructure projects (roads, airports, hospitals, schools, etc.) to housing, commercial buildings and social projects. We actively promote new products that will improve quality and durability for our customers, such as ProAsh®, as well as methods and materials that will make construction easier or contribute to reduced environmental impact.

Cement: A binding substance and the main component in ready-mix concrete. It is made by grinding clinker, gypsum and other cementitious materials to a fine powder.

Ready-mix concrete: This is made from cement, aggregates and water to produce a durable product that can be set in a variety of formats.

Aggregates: Coarse materials such as sand, gravel, crushed stone and recycled concrete are used as a raw material in cement and as a strengthening agent in asphalt and concrete. They can also be used in foundations for roads and railways.

Other building materials: Dry mortars, building blocks and other concrete products, as well as fly ash, are among the materials used for construction and other industries.

Service and collaboration: Transportation and distribution of products, as well as the transfer of know-how and expertise through collaborations with customers and business partners, local communities and academia. Systems for recycling, production and use of alternative fuels, as well as research and development of new products are also included.

16.5 m

Metric tons of cement supplied to **customers**, along with many other products.

€73.7 m

Paid in **taxes** to state and local authorities.

€31 m

Received by **shareholders** and minorities in cash payments.

€2.4 m

Invested in **community projects**.



Distribution

We operate 25 dedicated distribution terminals for our products across our regions, ensuring secure supply to our customers.

Customers and partners

Working closely with partners and customers at a local level enhances the value our business creates for local communities.

VALUE CREATED IN 2015

We create value for a wide range of stakeholders and this helps us to maintain our reputation, mitigate business risks and ensure our license to operate. Because we work closely with partners and customers at a local level, our financial and social contributions to local communities have some of the greatest impacts.

Focusing on material issues

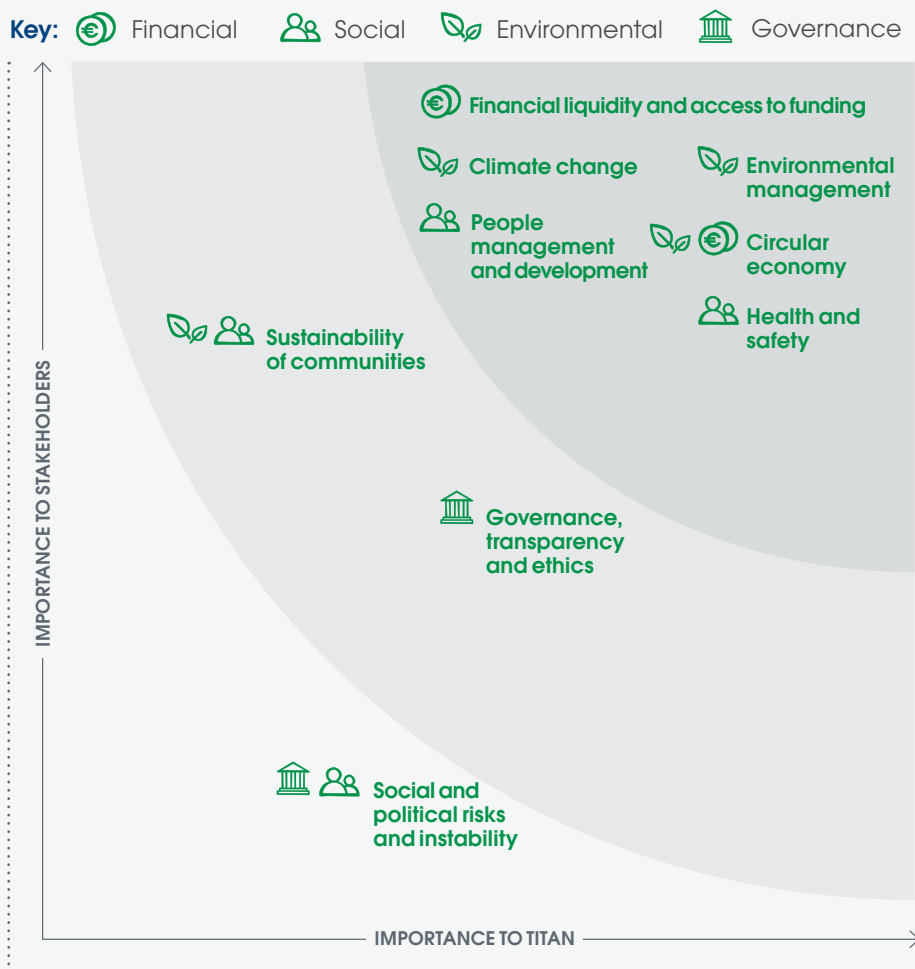
As expectations from business are growing at all levels, focusing on material issues is becoming increasingly important in developing a coherent, inclusive and consistent sustainability strategy.

Since 2007, we have conducted materiality assessments as part of our stakeholder engagement process. The outcomes are used to shape the contents of our reports to stakeholders, align business priorities with stakeholders' expectations and improve our overall performance in the long term.

In 2015, we continued the reassessment of all issues relevant to our business with respect to their impact on the Group and their significance for our main stakeholders.

Following research and stakeholder feedback, as well as input from international organizations, institutional investors and business partners, we developed a list of 30 issues that were prioritized according to importance and relevance.

This matrix summarizes the nine most material issues for TITAN Group and our key stakeholders.



Engagement process

Engaging with internal and external stakeholders is a core element of the way we do business, directly linked to our values and key priorities for sustainable growth. Assessing material issues for our significant operations and their stakeholders is a key part of enabling continuous improvement of our strategy and management systems.

We identify stakeholders according to the international AA1000 Stakeholder Engagement Standard (SES) and use its three main principles of inclusivity, materiality and responsiveness to guide the process at Group and local levels. We use feedback from organized meetings, forums and workshops involving internal and external stakeholders to develop action plans and collaborative initiatives that enhance our enduring commitment to sustainability. This helps us to improve our know-how and expertise and it raises awareness on key issues, such as health and safety, energy and climate change.

Given the importance of the Group's local operations, stakeholder engagement is analyzed for each of the countries we operate in, setting out key material issues and actions. Responding locally is critical to embedding sustainability throughout the organization and allows us to respond to the most important issues.





We have a five-step approach to stakeholder engagement:



We are seeking feedback on how we can further improve, addressing more issues such as human rights and supply chain that have been increasingly of interest to investors and other stakeholders.

This table summarizes the most material issues for TITAN Group and their relevance to local operations and stakeholders.

| Group issue | Related local issues (currently under review*) | Countries | Stakeholders | Our response to stakeholders |
|--|--|--------------------------------|---|--|
| Financial liquidity and access to funding | Financial performance | All | Business partners Communities Governments Investors Shareholders | We have diversified sources of funds (bank credit facilities and capital markets), with short-term and long-term maturities. Cash and long-term unutilized credit facilities provide ample liquidity to meet our obligations and the working capital needed to meet any challenges. |
| | Positive free cash flow | All | | |
| | Access to bank credit facilities and capital markets financing | All | | |
| Environmental management | Management of environmental impacts | All | Communities Governments Investors NGOs Regulators Shareholders | Report our environmental and social performance, as well as our efforts toward continuous improvement, through Annual Reports both at Group and country level Organize stakeholder forums and meetings to expand on our collaborative actions |
| | Natural resources, biodiversity, water and waste management | All | | |
| Climate change | Energy efficiency | All | Governments Investors NGOs Regulators Shareholders | Expand our use of alternative fuels and invest in best available technologies |
| Circular economy | Expand opportunities for waste management | Bulgaria (GAEA), Egypt, Greece | Business partners Communities Investors Regulators Shareholders | Engage in partnerships and joint ventures to support new developments at local level, such as GAEA in Egypt |
| | Create new opportunities for growth | USA | | |
| | Innovation | Turkey | | |
| Health and safety | Local health and safety priorities | All | Communities Employees Governments NGOs Regulators | Reorganize local and regional health and safety teams and develop new programs |

| Group issue | Related local issues (currently under review*) | Countries | Stakeholders | Our response to stakeholders |
|---|---|---|--|---|
|  People management and development | Attracting, developing and retaining talent | Albania, USA | Communities Employees Governments NGOs | Relate internship programs with future employment needs and strengthen our capacity for employment of local people Focus groups to specify actions to further engage and increase satisfaction among employees |
| | Employment opportunities | Egypt, F.Y.R. of Macedonia, Greece | | |
| | Employee engagement | All | | |
| | Diversity | USA | | |
|  Sustainability of communities | Local sustainable development | Albania, Bulgaria, F.Y.R. of Macedonia, Greece, Kosovo, USA | Business partners Communities Employees Governments Investors | Build private/public partnerships and networks for local development (such as LAB in Kosovo) |
| | Youth employment and education | | | |
|  Governance, transparency and ethics | Integration of international and European standards | F.Y.R. of Macedonia, Kosovo, Serbia, Turkey | Business partners Employees Governments Investors NGOs Regulators | Move beyond compliance – for example, by voluntarily adopting the UK Corporate Governance Code |
| | Increasing regulatory complexity | USA | | |
| | Supply chain | Egypt | | |
| | Lobbying | USA | | |
|  Social and political risks and instability | Social and political instability | Egypt | Communities Employees Governments Investors | Continue to update and upgrade Group policies and best practice in corporate governance |
| | Social contribution | Greece | | |

*In 2016, we will continue revisiting our materiality assessment outcomes at local level to better align our Group priorities with local priorities – with the exception of the USA, where this task was completed in 2014

Sustainable development

Challenges and achievements

What we have achieved

We first set measurable and quantifiable targets to monitor our progress in sustainability and benchmark with our peers in a comparable manner back in 2005. Since then, we have focused our efforts on continuous self-improvement and we have managed to reach an advanced level of performance across all environmental areas. We invested in upgrading and modernizing all the plants we have acquired; and incorporated the latest technology and industry best practice. This has contributed to the transfer of know-how and expertise, and the adoption of high standards in the developing markets in which we operate.

What we have learned

Despite our efforts and increased investments, the targets we set in 2010 for 2015 were not all achieved. While on dust emissions and water consumption we have exceeded our expectations, our CO₂ emissions further increased in 2015 and the target we set for 2017 to increase our use of alternative fuels to 10% is unlikely to be met.

Planning for the future

Building on what we have learned, we are planning for 2020 and beyond, focusing on the priorities we have identified at both Group and local level.

For this reason we have welcomed the UN's 17 SDGs, their study on global trends, considering that it will help build a common language worldwide, and a more balanced approach to sustainability. We are working to relate future targets to relevant SDGs and have strengthened our social pillar, through three clear priorities:

- Place even greater emphasis on managing our material issues;
- Continue to improve our health and safety performance; and
- Focus on local sustainable development through collaborative programs, such as the European Pact for Youth.

SOCIAL

| | 2005 performance | Target set for 2015 | 2015 performance | Target status | Progress since 2005 |
|--|------------------|---|------------------|---------------|---------------------|
| Zero fatalities Employees, contractors and third parties | 3 | 0 | 2 | ✗ | ↑ |
| Lost time injuries frequency rate (LTIFR) Employees | 5.87 | To be in the top quartile of WBCSD/CSI members' performance | 2.00 | ✗ | ↑ |

ENVIRONMENT*

| | 2005 performance | Target set for 2015 | 2015 performance | Target status | Progress since 2005 |
|--|------------------|---------------------|------------------|---------------|---------------------|
| Gross direct CO₂ kgCO ₂ /t _{Product} | 693.0 | 628.0 | 711.4 | ✗ | ↓ |
| Dust g/t _{Clinker} | 128.2 | 95.0 | 36.5 | ✓ | ↑ |
| SOx g/t _{Clinker} | 266.0 | 240.0 | 211.2 | ✓ | ↑ |
| NOx g/t _{Clinker} | 2,008 | 1,670 | 1,705 | ✗ | ↑ |
| Cement plants ISO 14001 certification or equivalent | 45.5% | 100% | 100% | ✓ | ↑ |
| Active quarries ISO 14001 certification or equivalent | 21.6% | 100% | 100% | ✓ | ↑ |
| Dry mortar production facilities ISO 14001 certification or equivalent | 100% | 100% | 100% | ✓ | — |
| Water consumption lt/t _{Cement} | 394.5 | 350.0 | 294.2 | ✓ | ↑ |
| Alternative fuel use %Thermal basis of total heat energy consumed for clinker production | 0.81% | 10.00%** | 6.96% | 🔄 | ↑ |

Key: ✓ Achieved 🔄 Ongoing ✗ Not achieved ↑ Improved — No change ↓ Declined

*Relevant performance calculated based on 2009 equity

**Target set for 2017

Aligning with the UN Sustainable Development Goals



Given the significant changes all businesses have experienced over the last five years, we have revisited our sustainability strategy, expanding our scope and objectives while focusing on the implementation of collaborative efforts. In 2015, we have been following the key steps of the SDG Compass tool, starting with understanding and identifying the relevant SDGs for our business and where we can meaningfully contribute to their achievement. In particular, we are addressing as key areas to invest in the future health, the consumption of natural resources, climate change and collaboration for sustainable development.

Active participation

Since 2000, we have actively contributed to the foundation of local networks to promote sustainability and corporate social responsibility within the framework of the UN Global Compact.

We will work with local networks to promote dialogue for the SDGs in the areas where we operate and support the development of relevant National Action Plans.

Defining our priorities

The Group Corporate Social Responsibility Committee has decided to utilize the SDGs to define our future priorities and areas for further improvement. We believe that they offer us a unique opportunity to strengthen collaborative action, deepen stakeholder engagement and increase the value we create at local level.

We have already begun the alignment of the Group's goals through our materiality assessment process. Rather than setting new targets for the next three to five years, we are focusing on the "triple bottom line" – taking into account financial, social and environment goals – and benchmarking our performance externally.

However, we have agreed that not all the 17 SDGs are of equal importance to us, so we have defined two main categories:

SDGs most relevant to our business



SDGs complementary to our main priorities



We will continue our assessment process throughout 2016, taking under consideration consultations with national stakeholders as we develop and promote the SDGs in each of the countries where we currently operate.

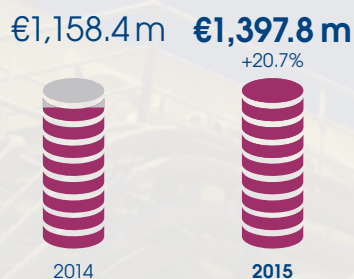
GROUP PERFORMANCE

Group key performance indicators

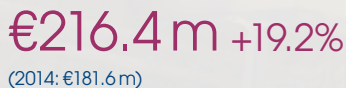
The Integrated Group Performance is measured and assessed by a set of key performance indicators (KPIs), which is further compiled in financial and non-financial results.

FINANCIAL

Turnover: Revenue received from the sale of goods and services to customers



EBITDA: Earnings before interest, tax, depreciation and amortization



Net debt/EBITDA ratio



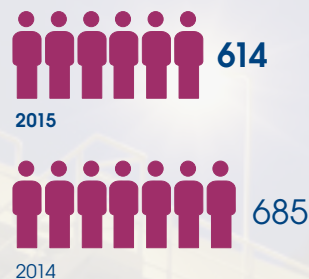
Credit rating by Standard & Poor's

BB
Positive outlook
(2014: BB stable outlook)

NON-FINANCIAL

SOCIAL

New hires across the Group

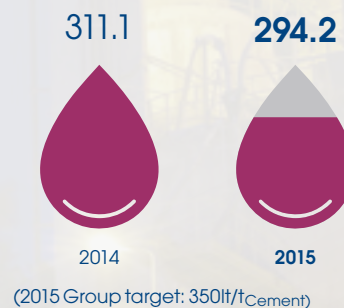


Percentage change in LTIFR for employees in 2015 compared to 2010



ENVIRONMENTAL

Specific water consumption* (lt/tCement)



Specific dust emissions* (g/tClinker)



Gross direct specific CO₂ emissions* (kg/tProduct)



*Specific CO₂ and air emissions, and water consumption values are based on 2009 equity

Financial performance

TITAN Group posted strong growth in turnover, EBITDA and net profit in 2015.

The Group achieved strong overall results in 2015, driven primarily by the growth in sales and profitability recorded in the USA. Group turnover increased by 20.7% to €1.4 billion, while EBITDA rose by 19.2% to €216.4 million. Net profit after tax also increased by 9.1% to €33.8 million.

The strong sales growth in the USA reflects the continued positive momentum and market recovery across all product lines. In 2015, the USA region accounted for 49% of Group turnover, 46% of Group EBITDA and one-third of assets. In Greece, the construction sector remained in a protracted, deep recession; a challenge addressed in recent years by a renewed emphasis on exports, made possible due to our plants' top tier performance. In the countries of Southeastern Europe, construction activity did not register a marked

NPAT: Net profit after minority interests and taxes

€33.8 m

(2014: €30.9 m)

CAPEX: Expenditure on capital investment projects across the Group

€173 m

(2014: €82 m)

ROACE = earnings before interest and taxes (EBIT) over average capital employed (CE)

4.3%

(2014: 3.6%)

Earnings per share: Net earnings attributable to shareholders/weighted average number of common and preference shares

€0.41/share

(2014: €0.38/share)

change and remained at relatively low levels, considerably below the Group plants' production capacity. In Egypt, cement demand rose and, during the year, production reached high levels again, as we achieved fuel sufficiency.

Sales volume growth driven by the USA and Egypt

The Group recorded higher cement volume sales, largely due to our performance in the USA and the recovery of production volumes in Egypt. In aggregates, a sharp decline of sales in Greece was offset by growth in the USA, limiting the total decline to a marginal 1%. Ready-mix volumes grew strongly, driven by the recovery of the US market.

| | 2014 | 2015 |
|--------------------|------|---------------------------|
| Cement | +3% | 16.5m metric tons |
| Ready-mix concrete | +10% | 4.3m m³ |
| Aggregates | -1% | 14.0m metric tons |

Substantial capital expenditure

TITAN continued to focus on operating cash flow generation in 2015. Strong cash flow, generated by higher EBITDA levels, facilitated an accelerated rate of CAPEX, which more than doubled compared to 2014. Capital expenditure, aimed at new business opportunities and at supporting the rapid business growth in the USA, as well as Egypt's extensive solid fuel conversion program, amounted to €173 million. TITAN has embarked on an ambitious investment program, with spending exceeding €250 million over the last two years, to lay the ground for the future growth of its businesses.

Group net debt at the end of 2015 stood at €621 million, €80 million higher compared to the end of 2014, reflecting the considerable increase in capital expenditure in 2015, the acquisition of the minority stake in TITAN's Albanian subsidiary, Antea cement plant, from the European Bank for Reconstruction and Development, as well as the strengthening of the USD.

| | 2014 | 2015 |
|-------------------------------|-------|--------------|
| Pre-CAPEX operating cash flow | €172m | €237m |
| CAPEX | €82m | €173m |
| Net debt at the year end | €541m | €621m |

For more information, see "Debt and capital structure" on page 17.

Parent company financial results

Turnover in 2015 grew by 3.5% to €273 million, and the company's NPAT was €60 million, which included €55 million (2014: €112 million) of dividends received from international subsidiaries.

Continuing returns to shareholders

The Board of Directors will propose to the Annual General Assembly of Shareholders the payment of a dividend of €0.30 per share, representing a total dividend distribution of €25,390,000.

Debt and capital structure

Conservative financial management has always been a priority and has enabled us to remain competitive in the global financial markets.

Group net debt

At the end of December 2015, Group net debt stood at €621 million, an increase of €80 million compared to a year before. Of this increase, €30 million was a result of the foreign exchange (FX) translation impact on our US dollar debt due to the dollar's appreciation against the euro. Total shareholders' equity was €1,705 million, equal to 57.8% of total assets. Our net debt to EBITDA ratio stood at 2.87 at the end of 2015, a strong position in the context of the Group's positive prospects for EBITDA growth in the years ahead.

Shareholder equity ratio: Total shareholder equity over total assets

57.8%

(2014: 57.9%)

Credit facilities provide ample liquidity for the Group

The Group has a strong liquidity profile with diversified sources of funds, including short-term and long-term credit facilities. More than 80% of our net debt of €621 million reflects our two outstanding bonds, which total €500 million.

Our total credit facilities, including banks and capital markets, amounted to €1,223 million at the end of 2015.

Nearly €500 million of unutilized bank facilities are serving as standby credit buffer for the Group's funding.

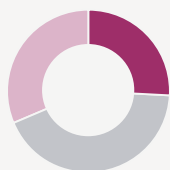
The Group's cash balance at the end of the year amounted to €122 million, with €2 million held in Greece and €53 million deposited in European banks abroad. Our cash and available credit facilities provide ample liquidity for the Group to meet its obligations and the working capital we need to meet any challenges.

Credit rating upgraded to positive outlook

In June 2015, Standard & Poor's confirmed TITAN's long-term credit rating as "BB," upgrading it from a stable to a positive outlook.

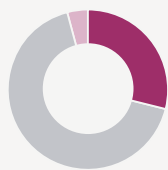
FACILITIES/UTILIZATION BY LENDER

Total facilities €1,223m



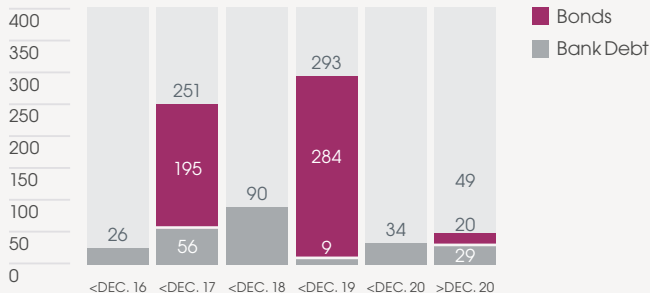
| | |
|---------------------|-----|
| International banks | 29% |
| Bonds | 41% |
| Greek banks | 30% |

Total utilization €743m

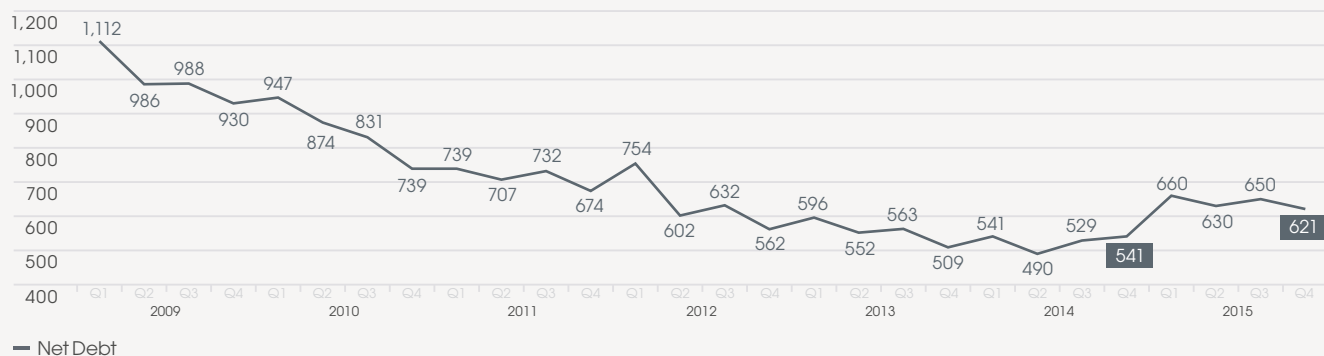


| | |
|---------------------|-----|
| International banks | 29% |
| Bonds | 67% |
| Greek banks | 4% |

Maturity profile as at December 2015 (€m)



Group net debt evolution (€m)



Equity market information

Building and safeguarding credibility within the financial markets and the investor community is an important part of positioning our business for growth.

Our shares

TITAN's shares are components of the FTSE/ATHEX Large Cap Index, the MSCI Emerging Markets Index and, since March 2016, the FTSE Emerging Markets Index.

At the end of 2015, TITAN's stock price closed at €17.61 per common share, a decline of 8% in the year, but still ahead of the ATHEX General Index, which declined by 24%, and the MSCI Emerging Markets Index, which declined by 17%. It underperformed the S&P 350, which grew by 5%. The closing price of TITAN's preference share at the end of 2015 was € 8.6 per share. Over the last five years, TITAN shares have posted compound growth of 2% per annum.

The share capital of TITAN Cement S.A. consists of 77,063,568 common shares and 7,568,960 preference shares without voting rights. At year end, TITAN held 2,766,512 treasury shares, representing 3.27% of its paid-up share capital.

Advanced level reporter

TITAN has been recognized as an "advanced" level reporter in line with the UNGC principles. Our commitment to responsible corporate practices and reporting on sustainable issues was acknowledged by international investors and signatories of the UN-backed Principles for Responsible Investment (www.unpri.org).

More information for debt and equity investors

There is comprehensive information on the TITAN website for both debt and equity investors. It includes the Group's latest announcements, investor relations calendar, analyst coverage, share price analysis tools and webcasts of results presentations. For details, visit: ir.titan.gr or contact us at ir@titan.gr

| Symbols | Common | Preference |
|------------------|---------|------------|
| Oasis | TITK | TITP |
| Reuters ticker | TTNr.AT | TTNa.AT |
| Bloomberg ticker | TITK GA | TITP GA |

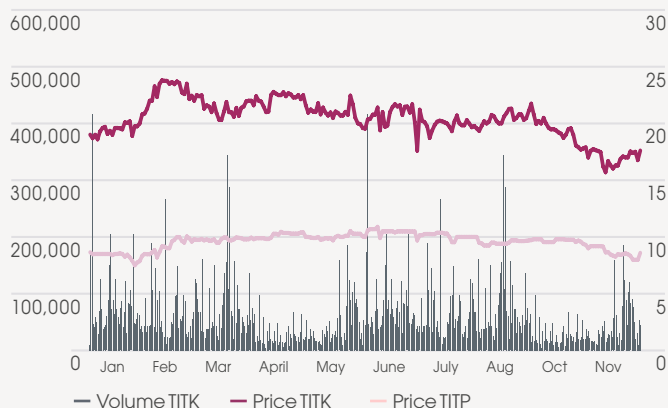
TITAN common shares as of 31 December 2015



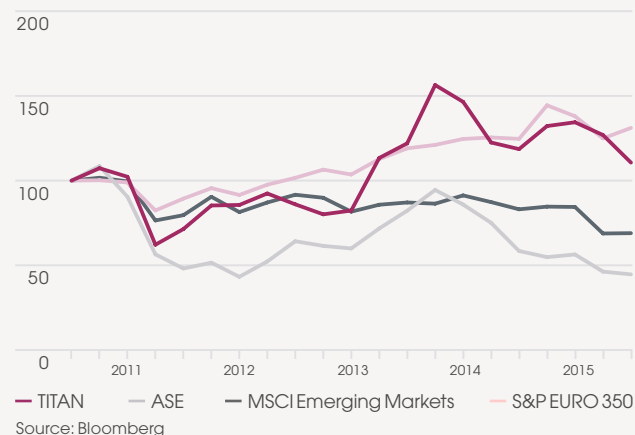
TITAN preference shares as of 31 December 2015



2015 daily volume of transactions and price of TITAN common and preference shares



Share price performance of TITAN Common shares vs the ASE General index, the MSCI Emerging Markets index and the S&P Euro 350 index (31 December 2010 = 100)



Non-financial performance: Social

We responded to urgent matters, such as the refugee crisis in Greece, and we further enhanced our collaborative initiatives, as part of our strategy.

Health and safety

We recognize that health and safety are material issues not only in the work place, but also beyond it – at home, at school or in the community. To support this, we are developing and implementing selected initiatives that create a wider culture of awareness and care. Building a safety culture together has involved creating partnerships with communities and institutions and this has spawned significant projects in all countries in which we operate.

Safety performance

In 2015, the Group saw two fatalities in the Alexandria cement plant in Egypt, one involving an employee and the other one a contractor. This incident underlines the necessity to continue and further enhance our efforts to embed a safety culture. In this context, we are working with our regional teams to ensure that our employees

understand the causes as well as the ways to prevent and avoid any serious accidents and fatalities.

To this end, 2015 marked ten years of continuous efforts to improve our health and safety performance in the workplace. New targets have been set, our Health and Safety organization has been rebuilt, new methods and systems have been introduced, and awareness has been raised. The frequency rate of lost time injuries (LTIFR) for our employees shows this improvement, with a drastic reduction from 5.87 (2005) to 2.0 (2015).

Throughout this decade, we have been monitoring the outcome of our efforts and using our conclusions to implement a range of improvements to our approach. Following eight years of constantly decreasing LTIFR, which brought us to 0.47 LTIs per million man-

hours in 2013, we are now combating an increase. Specific early actions, aimed at further strengthening our front-line performance, had already been taken since the beginning of 2014 and continued in 2015.

Yet the LTIFR for employees increased from 1.65 (2014) to 2.00 (2015) LTIs per million man-hours, still 66% below 2005. Our efforts to curb the trend are continuing with even higher intensity in 2016.

i. To better support health and safety management in all our business units, the Group issued a new set of guidelines covering health and safety governance, planning and monitoring, reporting and training. The new guidelines are based on our monitoring of all aspects of health and safety and will help the business units to proactively design and systematically run programs allowing them to implement the Health and Safety Policy of the Group.

ii. In the USA, to better respond to the challenge of a rapidly growing market, TITAN America extensively restructured and strengthened its health and safety organization.

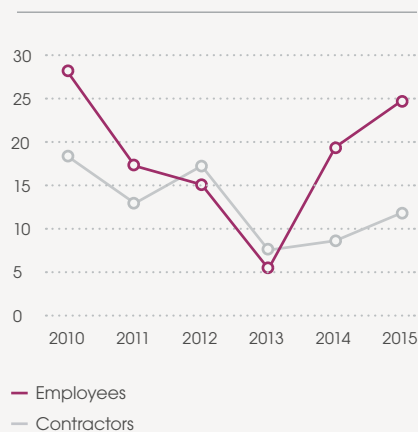
Contractors' involvement in the overall health and safety effort of the Group was intensified. Near miss reporting by contractors' employees increased relative to 2014 by 45.7%.

The LTIFR for contractors' employees increased from 0.87 LTIs per million man-hours in 2014 to 1.1 in 2015, showing a 23% improvement over 2011, the first year with full data for the calculation of this figure.

TITAN Group LTIFR
Employees and contractors
(all activities)



TITAN Group number of LTIs
Employees and contractors
(all activities)



Health and safety training

Total training hours of TITAN employees and contractors increased in 2015 by 2.2% relative to 2014. Average training hours per person were 8.6 and 9.3 for TITAN employees and contractors respectively.

The Health and Safety managers in the Southeastern Europe and Eastern Mediterranean regions received refresher training in incident investigation.

The range of topics and the training material used by each business unit were closely examined in the course of the annual audits conducted by Group Health and Safety. The conclusions drawn from the audits formulated the Group's set of guidelines on health and safety training, which was issued in 2015 and is being applied in the creation of new training materials.

Average health and safety training hours per person – TITAN employees

8.6

(2014: 10.5)

Average health and safety training hours per person – contractor

9.3

(2014: 5.8)

Fatalities and serious injuries

Our efforts to prevent serious incidents and fatalities continued in 2015 with the design of a Group-wide training and awareness-raising program. The program, which is planned to run through 2016 and 2017, will focus on case studies of serious incidents, putting special emphasis on the chain of events that lead up to them.

Identification of potentially fatal occurrences (PFOs), i.e. incidents, including near misses, with the potential to cause serious consequences, will continue, followed by detailed analysis and the publishing of findings in the form of guidelines and training material.

Site audits and incident prevention

The audits conducted by our business unit and regional health and safety teams continued in 2015. Special emphasis was placed on new projects, primarily in Egypt, where the introduction of solid fuels in both cement plants posed a particular challenge. Training and supervision combined for a zero LTI outcome.

Group health and safety audits highlighted the importance of hazard detection and the need to further raise the "hazard hunting" ability of front-line employees.

Equipment for high level safety

Following the distribution of "Equipment for high level safety at ready-mix concrete plants," Group Health and Safety issued further guidance in 2015 dedicated to aggregates production and clinker production plants. The series, expected to be completed in 2016, aims to assist our business units in reaching a high level of safety practice.

Near miss reporting

The total number of near misses reported by TITAN employees and contractors increased by 27.9% in 2015, while the percentage of investigated near misses reached a satisfactory 97.8%, practically the same as in 2014. The number of corrective actions, undertaken as a result of near miss investigations, increased by 22.8%.

Employee health and hygiene

Health and hygiene are critical factors in safeguarding a good and safe working environment. Within the framework of CSI Task Force 3, TITAN has participated in industry efforts to develop a set of guidelines that promote health in the workplace. These guidelines were adopted in 2015, and we are currently assessing our operations in all the countries we work in to further integrate best practices. We also continue to raise awareness among our employees and contractors on health and hygiene issues through organized meetings with local specialists and management.

Promoting health and safety outside of work

Various activities aiming to raise health and safety awareness in the communities were undertaken by several business units in 2015. For example:

- In Greece, TITAN's cement plants continued their well-established collaboration with the Board of European Students of Technology, hosting further safety training for engineering students.
- Volunteers from TITAN operations taught more than 12,600 pupils from elementary and junior high schools. The "Safety and health at home" program has reached more than 39,500 children since it began in 2012.

G4-10, G4-56, G4-57, G4-58, Market presence G4-DMA, Employment G4-DMA, G4-LA2, Labor/management relations G4-DMA, Training and education G4-DMA, G4-LA9, G4-LA10, Diversity and equal opportunity G4-DMA, Equal remuneration for women and men G4-DMA, Supplier assessments for labor practices G4-DMA, Labor practices grievance mechanisms G4-DMA, G4-LA16, Security practices G4-DMA, Non-discrimination G4-DMA, G4-HR3, Human Rights: Assessment G4-HR9, G4-HR12, G4-SO11

Employment and development

TITAN has always been a people-driven organization. We recognize the importance of being a responsible employer and build long-term relationships with employees founded on mutual trust, reliability and shared values.

Our employment model is based on long-term employment for our employees, and long-term relationships with our contractors. We also have self-employed workers who are specialists or experts providing certain services, such as lawyers and doctors.

We believe that safeguarding employment is an important part of being a responsible employer. Indeed, unemployment is a material issue for our stakeholders, particularly for employees who feel that they and their families could be exposed to this issue due to uncertainties in the economy. It is also important to communities who rely on local employers to generate income, as well as to regulators and society at large.

Living by our values

We believe that an effective and engaged workforce should live by our values and have a strong understanding of our Code of Conduct. The Code of Conduct is translated into all languages spoken by TITAN employees and contractors. It is signed by managers and employees every time it is reviewed and updated by the Board, typically every three years.

The Code of Conduct is provided as part of the "personnel file" given to any new employee and they are required to read and sign it with their contract. It is also an important element of our induction courses provided to employees, and Group HR periodically runs a training program for managers in all countries to help them train employees appropriately and ensure they are familiar with it.

As part of our focus on continuous improvement, we designed and launched a new leadership platform in 2015, "Leading the TITAN Way." The platform describes the fundamentals of good leadership within TITAN and helps

TITAN GROUP EMPLOYEE STANDARDS

| | |
|--|--|
| Non-discrimination | Prohibit discrimination in all employment-related practices |
| Working hours | Respect the right to leisure and avoid excessive overtime |
| Wages and benefits | Guarantee a wage that – at a minimum – meets national legal standards and provides additional benefits that respond to local needs |
| Discipline | Apply appropriate disciplinary measures |
| Fair treatment | Prohibit bullying and harassment |
| Prohibition of child and forced labor | Prohibit the use of all forms of forced and child labor, complying with International Labor Organization (ILO) standards |
| Freedom of association | Respect our employees' freedom of association and related rights, within the framework of local laws |

our people to demonstrate the ethos at the core of our culture, based on their personal integrity and authenticity.

The platform does this by combining the behaviors that have brought us success through the years – these are the elements we want to safeguard – with new behaviors we want to reinforce to guarantee that our success continues in the decades to come. It has been shared and discussed with our top managers at engagement events, so that they can communicate it to their own teams and eventually to all employees in 2016.

Investing in our people

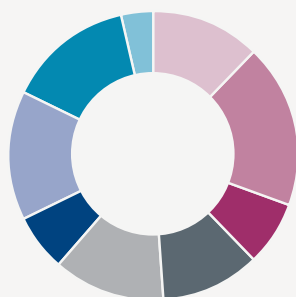
As an employer, our goal is to promote life-long learning among our people and enhance the professional skills and competencies they need to meet local and global challenges.

We continued to run training programs focused on improving management capabilities for living our values. Out of 110,776 training hours provided to our 5,584 (average) employees in 2015, 88% were related to topics that build management skills. In 2015, we

also launched the TITAN "Principles Day program", which links our Code of Conduct to TITAN's values, while providing direction on ethical dilemmas, increasing awareness and facilitating dialogue on issues related to business ethics.

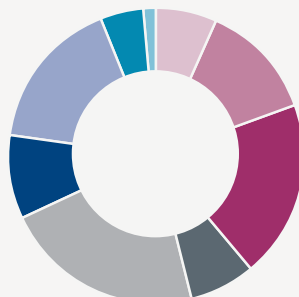
The program was developed internally by Group HR with special input from the United Nations Convention against Corruption, the United Nations Office on Drugs Crime and the UNGC. Ninety managers from the country management teams in our Southeastern Europe region have participated in the program and 720 hours of training have been devoted to it. So far, the program has reached around 20% of our management teams and will be rolled out across our remaining operations in 2016.

2015 Distribution of average training hours per employee by country



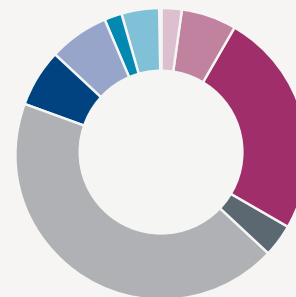
| | |
|---------------------|----|
| Albania | 29 |
| Bulgaria | 43 |
| Egypt | 17 |
| F.Y.R. of Macedonia | 26 |
| Greece | 29 |
| Kosovo | 15 |
| Serbia | 34 |
| Turkey | 33 |
| USA | 8 |

2015 Total training investment per employee in euros



| | |
|---------------------|--------------|
| Albania | 138.8 |
| Bulgaria | 267.6 |
| Egypt | 404.5 |
| F.Y.R. of Macedonia | 145.7 |
| Greece | 454.1 |
| Kosovo | 192.7 |
| Serbia | 346.5 |
| Turkey | 94.8 |
| USA | 27.2 |
| Total | 221.5 |

2015 Percentage of total investment per employee by country



| | |
|---------------------|--------|
| Albania | 2.23% |
| Bulgaria | 6.19% |
| Egypt | 25.15% |
| F.Y.R. of Macedonia | 3.62% |
| Greece | 43.65% |
| Kosovo | 6.31% |
| Serbia | 6.58% |
| Turkey | 2.03% |
| USA | 4.25% |

2015 Employees trained by country and gender

| Country | Employees (average) | Trained employees | Trained males | Trained females | % of women among employees trained | % of women among total employees |
|---------------------|---------------------|-------------------|---------------|-----------------|------------------------------------|----------------------------------|
| Albania | 199 | 219 | 194 | 25 | 11.42% | 12.56% |
| Bulgaria | 286 | 263 | 193 | 70 | 26.62% | 24.48% |
| Egypt | 769 | 424 | 395 | 29 | 6.84% | 3.77% |
| F.Y.R. of Macedonia | 307 | 300 | 244 | 56 | 18.67% | 18.24% |
| Greece | 1,189 | 1,048 | 919 | 129 | 12.31% | 10.85% |
| Kosovo | 405 | 266 | 248 | 18 | 6.77% | 4.44% |
| Serbia | 235 | 236 | 199 | 37 | 15.68% | 15.74% |
| Turkey | 265 | 274 | 251 | 23 | 8.39% | 8.68% |
| USA | 1,929 | 1,631 | 1,343 | 288 | 17.66% | 14.93% |
| Total | 5,584 | 4,661 | 3,986 | 675 | 14.48% | 12.09% |

Employee engagement

Our latest employee opinion survey across all of our operations was completed in 2015. It was available in all nine of TITAN Group languages and in certain countries we achieved a response rate of 95%. The survey revealed that 83% of our employees feel that TITAN is a socially responsible Company, exceeding global manufacturing benchmarks by 6%. Where the survey showed opportunities for improvement, such as collaboration across functions and business units, communication strategy and performance management, we have put in place action plans at a country level, as well as at a Group level.

Creating and safeguarding human capital

Creating opportunities for long-term employment for competent and talented people is not only good for our business on a day-to-day basis, but also contributes to our overall effort to be sustainable.

The conditions of employment provided by TITAN, the level of engagement with its employees and the continuous effort to improve their skills and capacities are the elements that differentiate TITAN from its competitors and peers in local markets. We had 5,654 employees across the Group as at year end 2015 and our overall turnover rate was 11%.

Training man-hours

110,776

(2014: 130,067)

Total training hours (contractors)

41,881

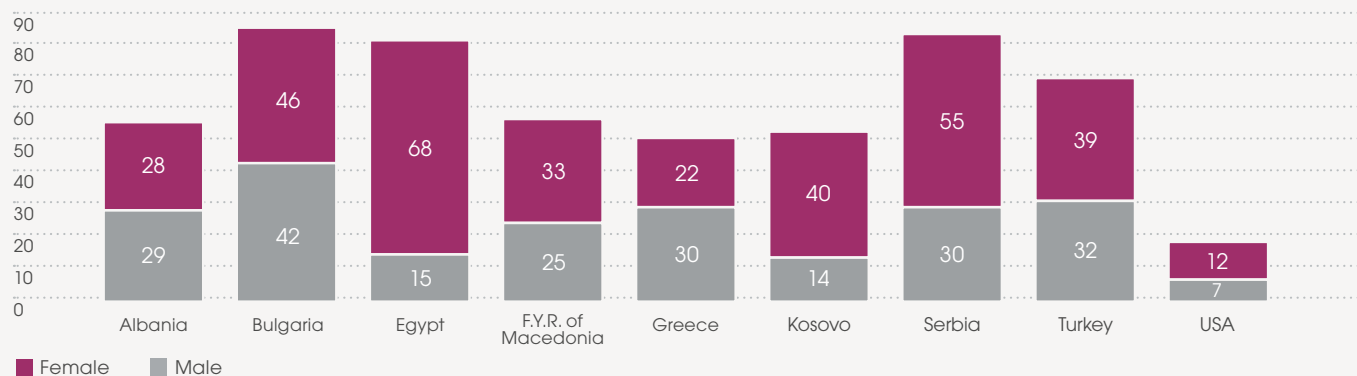
(2014: 27,848)

Average training hours per person (employees)

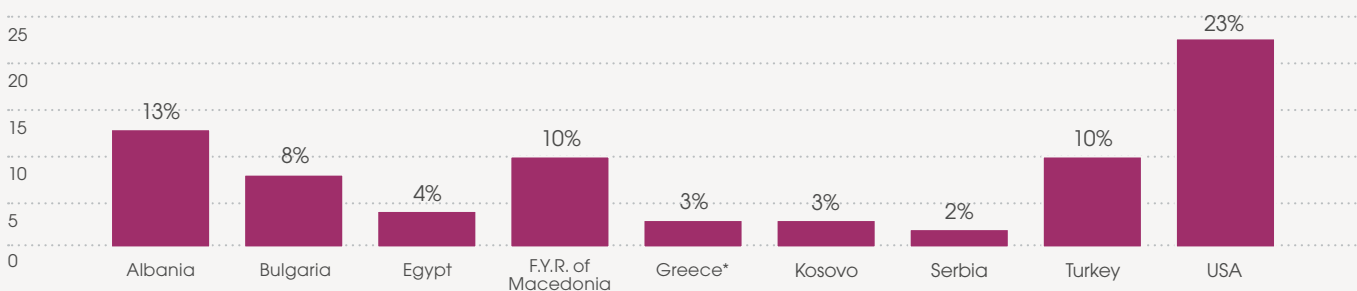
20.0

(2014: 22.0)

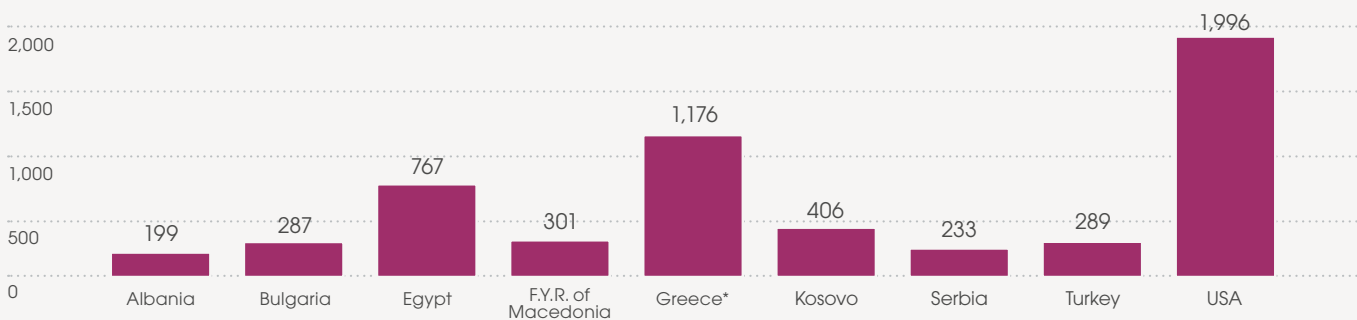
2015 Distribution of training hours per employee by gender and country



2015 Employee turnover



Employment at 2015 year end by country



* "Greece" includes the regional operations as well as the Group corporate center

Employee grievance mechanisms and consultation

All of our operations have mechanisms for employees to report grievances, mostly through their ISO 14001 management systems. For example, our sites either have a complaint box for employees to communicate with management or there are written procedures that can be followed. Our people in Greece and in the USA, or 56% of all our employees, have access to anonymous grievance hotlines. In the USA, this is called "Ethics Point" and in Greece it is called "The Hotline." These hotlines consist of an anonymous email and telephone number that enables employees to raise concerns in confidence directly to senior management.

When a concern is raised through these hotlines, it is immediately investigated to see if the concern is a justified grievance. If it is deemed to be justified, a thorough investigation is undertaken and the necessary actions are taken by TITAN to remediate the grievance. In 2015, two cases were reported through the Ethics Point in our US operations, one related to a policy violation and the other to misconduct. Both cases were addressed and closed. No cases were reported through The Hotline in Greece.

Protecting human rights

We are committed to protecting and advancing human rights as defined in the Universal Declaration of Human Rights (UNDHR) and the ILO conventions. Within this framework, we aim to promote respect for human rights within our areas of influence. These include: respect for the freedom of association; the valuing of diversity; equal opportunities for all; the elimination of all forms of discrimination; and consideration of human rights in investment decisions. We signed the UNGC pledge in 2002 and this guides our decision making, management systems and our training courses for managers and employees. Every year, our country management teams examine the potential risks for human rights abuse within the spheres of our influence. We monitor our performance against fundamental human rights standards to ensure that we provide a safe, fair and reliable working environment for our employees.

We communicate our expectations to significant suppliers and primarily local contractors with whom we seek to develop long-term relations to make sure that they acknowledge potential human rights risks and challenges within their sphere of influence. We arrange safety audits for our local contractors on an annual basis and these cover the main aspects of human rights concerns, such as working hours and labor rights. The Group Corporate Social Responsibility (CSR) Committee also examines reports on human rights risks by country and identifies opportunities for improvement.

In 2015, as part of the implementation of our new "Leading the TITAN Way" and CORE programs, we have begun a policy review process at local level, with the aim of developing a common Group-wide framework. Therefore, all local and Group policies are currently under review and, in the case of human rights, a new policy is currently being developed.



The responsibility to respect human rights requires that business enterprises have in place policies and processes through which they can both know and show that they respect human rights in practice.

United Nations Guiding Principles on Business and Human Rights



Child labor and compulsory labor

Child labor and compulsory labor are material issues in specific countries where international human rights and labor standards are not sufficiently enforced through local laws and where the prevailing societal conditions and local culture might even accept such practices. Child labor is of course a material issue for heavy industrial businesses like TITAN, due to the potential risks and dangers that our working environments can present to even our most experienced employees.

Forced labor may take many different forms, among which the greater risk might relate to second tier suppliers of fuel and raw materials that operate in countries where forced labor is deemed acceptable.

Equal opportunities, gender and age equality

Creating a culture of equal opportunities is not only a prerequisite for meeting our voluntary commitment to the standards defined by the UNGC principles and the UNDHR, but also a critical part of implementing our business strategy.

Our adherence to international standards for diversity and equal opportunities provides the framework for implementing our Employee Management Framework throughout the TITAN Group. This in turn helps us put in place the relevant practices to recruit and develop people, even in countries where gender equality is not safeguarded by local legislation.

In particular, we focus on women empowerment in specific markets, such as Egypt and Kosovo, in order to provide them with skills to enhance their employability and support self-employment.

Participation of female employees in top management and provisions to support age diversity remain important priorities for the TITAN Group in this area, as they are the two issues identified as most material for our business and our key stakeholders, particularly our employees, our communities and our investors. In 2015, 15.0% of our managers were women, while the overall percentage of women employed by TITAN was 11.5%.

We pay the same salary to men and women who do the same job and ensure that there is no difference through in-cash and in-kind provisions due to gender or type of contract.

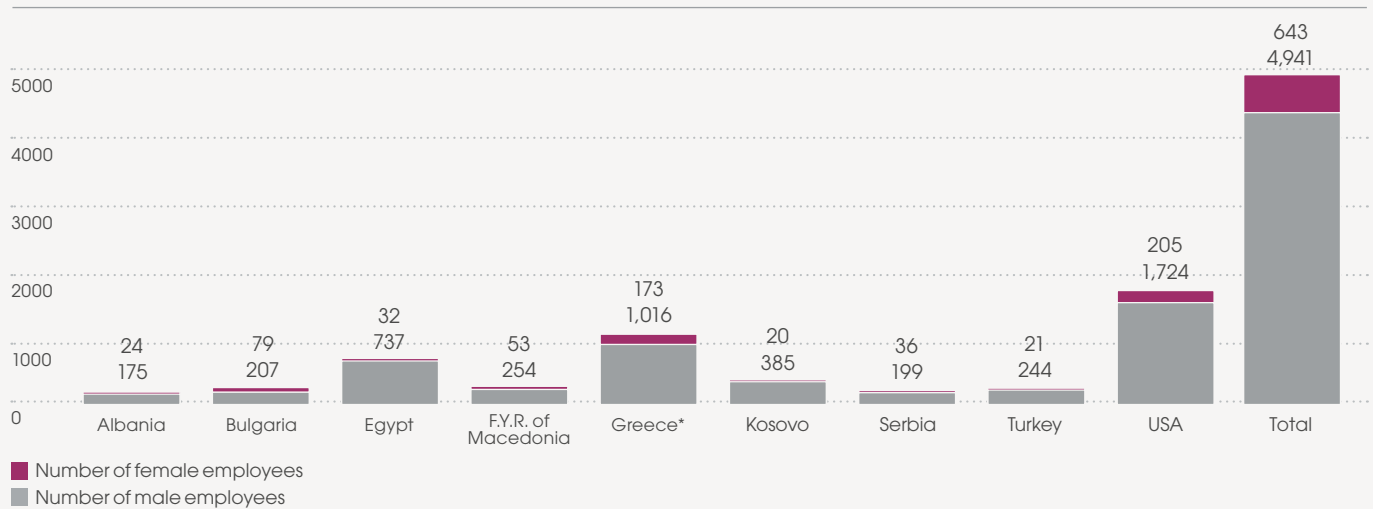
We invest in building long-term relationships with our employees and value the know-how, skills, competencies and experience that come from an employee's long tenure with TITAN. The Group continues to invest in employee development regardless of age.

TITAN has a very long tradition in partnering with society and positively influencing the conditions that affect our stakeholders. Initiatives benefiting young people have been established for many years, though in 2015 we put a particular focus on developing young people through our internship programs and our commitment to the European Pact for Youth, which is a mutual engagement of business and the European Union leaders. Our commitment through the European Pact for Youth is to develop and consolidate partnerships in support of youth employability and inclusion, which is a priority across our international operations.

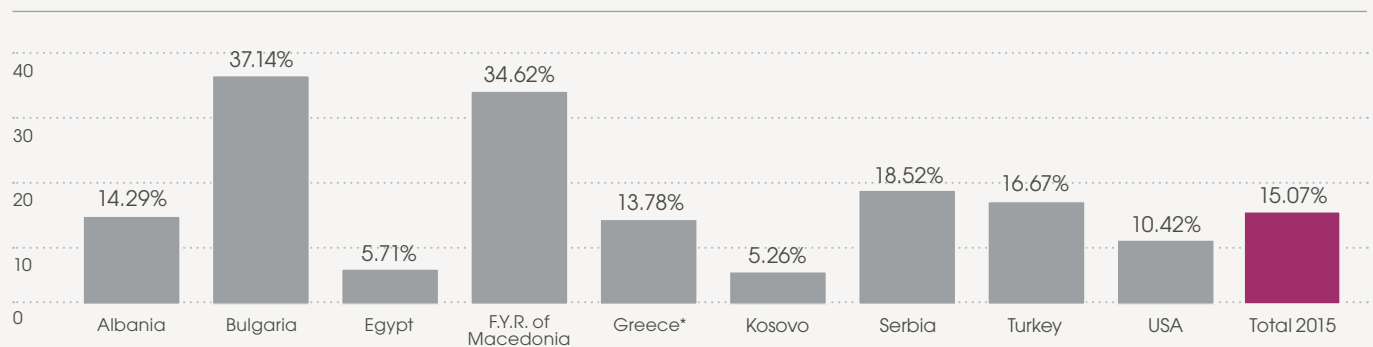
Internships provided

432

2015 Total workforce by region and gender (average)

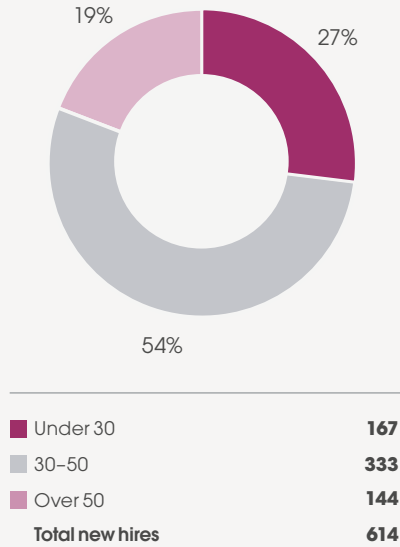


2015 Percentage of women in management by country



* "Greece" includes the regional operations as well as the Group corporate center

New hires per age group

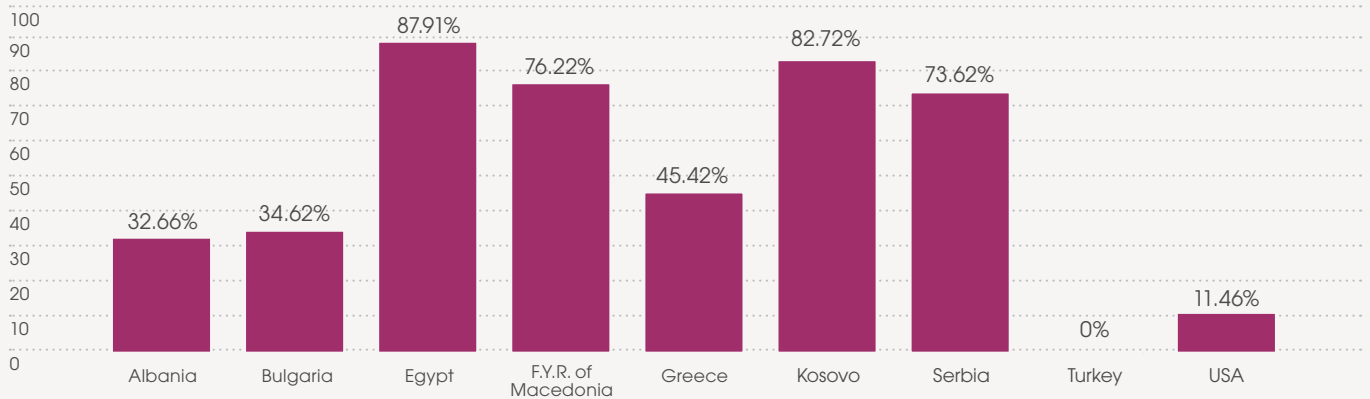


Collective bargaining and unionization

Labor rights are a material issue for all employees, regulators and communities. TITAN Group ensures the freedom of association of employees. Unions, when established by employees, participate in bilateral meetings with management on a yearly basis, as well as stakeholder dialogue that addresses strategic issues within the framework of sustainable development.

Union representatives have the right to meet with line management to discuss their concerns and suggest improvements, and to negotiate agreements on different issues, such as wages and additional benefits, and proposals to improve health and safety conditions. In addition, Health and Safety Committees comprising management and employee representatives operate in all countries.

2015 Unionized employees



Community relations and development

We operate in a diverse environment, yet we share common values and goals. It is important for us to think globally, but at the same time take action at a local level. Securing a sustainable future is a long-term commitment, embracing stakeholder engagement and collective action.

We define our communities as the “social environments” in which we work (where our offices and primarily our cement plants and other operation units are located) and we work with the organizations, public, advocacy and civic society groups that operate in the community.

Our partnerships are helping to improve local quality of life through education, social inclusion, caring for culture, protecting the environment, and by generally increasing community awareness and engagement to help solve local problems.



In 2015, we made a commitment to the European Pact for Youth, an engagement between business leaders and the EU aimed at improving education and job prospects for young people.

Supporting communities and local development

The objective of our community activities is to provide strategic support that results in significant impact and contributes to sustainable community development. Our community strategy and plan of activities are led and implemented by local CSR Committees operating in every country. The CSR Liaison Delegate appointed by the local management in each country is the contact person for both internal and external stakeholders.

The primary stakeholder group for TITAN’s community strategy is employees and our aim is always to attract new colleagues due to positive reactions to our community initiatives. Other key stakeholders are contractors, suppliers and business partners.

Our approach is directed by the feedback we receive from organized dialogue with community leaders and representatives, but also from events where our managers work together with communities to improve local conditions, such as safety at schools, tree-planting and reforestation, cleaning the environment and

managing waste. Local stakeholder forums and panels are organized annually and local stakeholders are invited to provide feedback on our programs, to address new needs and suggest other opportunities to engage with us on.

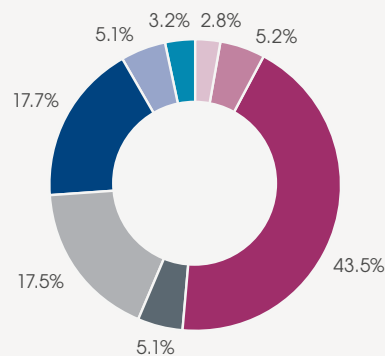
This input also feeds into our policy review process at local level, as we aim to develop a common Group-wide framework. It is helping us develop our new Community Policy.

Our social investment themes

We contribute both financial and non-financial resources toward local development and, while priorities vary from one community to another, they usually fall into one of our strategic social investment themes: safety; healthcare; poverty and unemployment; and environmental awareness.

They are also strongly aligned with the material issues for the Group, which were reviewed in 2015 (see [page 10](#)) and, in particular, they help us respond to health and safety concerns, community relations, our socioeconomic impacts, our reputation for integrity and transparency, and climate change and air emissions. During 2016, we are carrying out local material issue assessments by country and our future community investments in each country will reflect this.

2015 Donations by country*



| | |
|---------------------|-------------------|
| Albania | €65,909 |
| Bulgaria | €122,000 |
| Egypt | €1,026,624 |
| F.Y.R. of Macedonia | €120,388 |
| Greece | €414,579 |
| Kosovo | €417,537 |
| Serbia | €120,361 |
| Turkey** | €74,972 |
| Total | €2,362,370 |

* Excludes USA

** Figure for donations in Turkey has been adjusted in line with our 50% equity share of the Company

Community awareness and local partnerships

A significant part of the positive indirect economic impact that we provide to local communities is our support for creating opportunities to young people from local communities to develop skills and competencies that are necessary for employment through organized internship programs and our support for the European Pact for Youth.

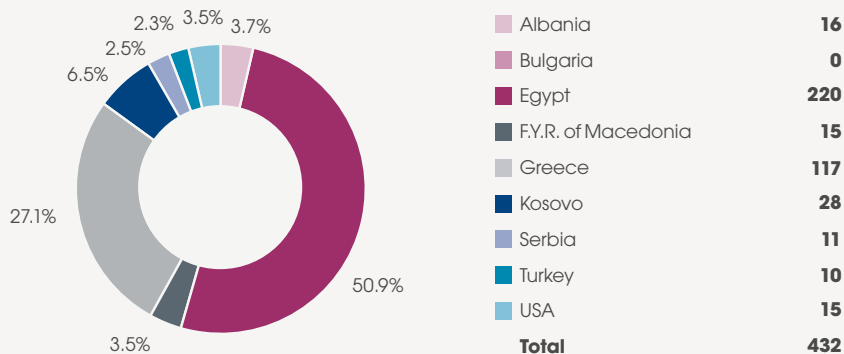
In 2015, we expanded our internship programs, while we also participated in CSR Europe's effort to develop a guide for improving quality and effectiveness of internships. Across our regions we also align our community investments to local and National Action Plans and are looking to support key UN SDGs in each country where we operate.

Enhancing social capital

We recognize the value of relationship building with relevant local communities and industry business groups, such as chambers of commerce, local councils and business interest groups. Our local engagement initiatives include open plant days, study visits and stakeholder panels, while specific programs are aimed at reducing poverty and tackling unemployment, and serve to strengthen the communities in which we work. These include the programs of internships and apprenticeships in the F.Y.R. of Macedonia, our LAB ("Laboratori për Aktivitete të Biznesit") project in Kosovo, and the "Teach for All" program in Bulgaria.

Our company in Serbia has successfully run an internship program called "Knowledge for the challenges – Building a culture of continuous learning." The program enhances the Company's presence in the community and helps to create a solid base of local young professionals as potential new hires.

2015 Internships by country



G4-12, G4-15, Procurement practices G4-DMA, G4-EC9, Supplier environmental assessment G4-DMA, G4-LA14, G4-LA15, G4-HR1, Human rights: Investment G4-DMA, Supplier human rights assessment and investment G4-DMA, Supplier assessment for impacts on society G4-DMA, G4-SO9, G4-SO10, Customer health and safety G4-DMA, Compliance G4-DMA

Our value chain and business partners

Our supply chain is integral to the sustainability practices of the organization. It consists of a variety of business partners who provide us with services (as contractors or licensees) and products (as brokers or wholesalers). We mainly use local contractors for the maintenance of machinery and operations, which are largely capital intensive activities, as well as cleaning and catering, which are labor intensive activities. This benefits the communities we work in by creating local jobs, though we also source centrally through international suppliers who provide goods such as fuels, technology and machinery.

Supplier selection

Our Group Code for Procurement guides the selection, management and evaluation of the suppliers who provide us with goods and services – key criteria are quality, reliability, flexibility and location of business. We also place a high degree of importance on health and safety compliance, environmental legislation compliance, prevention of bribery and corruption, respect for human rights and local legal compliance.

Our partnership approach

We depend on our long-term relationships with suppliers and contractors. They significantly contribute to our performance and we work with them to develop innovative solutions to meet our customers' requirements. This is one of the reasons we co-lead both the CSR Europe's portal for buyers and suppliers and the WBCSD/CSI's Task Force 10, and have contributed to the Cement Sustainability Initiative (CSI) guidelines on suppliers. Through this task force we are developing a new framework for engaging with suppliers, to help embed sustainability at every level, based on the UNGC principles and WBCSD/CSI standards.

In 2015, we began a consultation process at local level, initially in Greece and Egypt, to ensure our suppliers were engaged in implementing the guidelines. We are seeking opportunities to engage with local

suppliers and relevant industry associations through local Corporate Social Responsibility (CSR) and sustainability networks to improve capabilities for meeting sustainability standards across our value chain.

Paid to local and international suppliers

€901.1m

(2014: €764.9m)

Managing material issues across our value chain

The focus of our supply chain management is on maintaining cost-effective and sustainable relations with all suppliers, whether global, national or local. This means managing and minimizing the negative economic, social or environmental impacts associated with the sourcing of our goods and services. We also act to maximize the positive effects of efficiency, good labor practices, performance, injury and risk reduction, and environmental protection.

Our operations have established quality management systems certified according to ISO 9000, and for cement and ready-mix products we comply with all relevant European quality standards. We are committed to improving safety standards among our suppliers, especially those in areas identified as high risk, such as the transportation of goods and materials, maintenance, services and quarrying.

We are also expanding our engagement with suppliers to help them reduce their use of material resources and tackle

environmental risks. We are looking to develop a supplier environmental program by 2020 to work together with our suppliers to improve their environmental performance.

On human rights, we communicate our expectations to significant suppliers and primarily local contractors with whom we seek to develop long-term relations, to make sure that they will acknowledge any potential human rights risks and challenges within their sphere of influence. We arrange safety audits for our local contractors on an annual basis and these cover the main aspects of human rights concerns, such as working hours and labor rights. We also assess suppliers through contractual reviews, two-way engagement and grievance mechanisms. The Group CSR Committee examines reports on human rights risks by country and identifies opportunities for improvement. By 2020, we plan to identify and assess in more detail significant actual and potential negative human rights impacts linked to our activities, products and services, and through our relationships with suppliers.

Compliance: products and services

We comply with all relevant legal requirements in relation to our products and services. This is imperative to continuously meeting our customer needs and ensuring high quality. Compliance is the responsibility of the Group Legal Department in each country. Local legal departments refer to the Group Legal Department, which informs and updates all other departments in the Group on issues of compliance.



Non-financial performance: Environmental

Acknowledging our environmental responsibilities creates value for our business, our customers and the communities in which we operate.

Environmental management

Environmental concerns such as water and energy use, biodiversity, CO₂ emissions and alternative fuel and resource use underpin our operational efficiency and our focus on sustainability. Compliance with environmental regulations and best practice is a material concern for our business, as it is part of our license to operate. We invest in the required best available technologies to ensure that we meet existing and potential new regulatory requirements.

We devote large amounts of human resources and environmental expenditure across the Group to improve and maintain our performance in this area, ensuring we meet local regulations and our own targets, which are often more demanding. Internal and external audits are carried out to monitor our progress and, where issues are identified, we plan new initiatives and programs, in conjunction with local stakeholders to meet their needs.

We consider that measuring performance against set goals and objectives is a significant driver for continuous improvement, so we engage in a long-term process with experts and stakeholders, seeking meaningful ways to understand and record the added value created both for TITAN and our stakeholders.

Compared to 2014, our Group performance improved in some areas, such as dust and SO_x emissions, and we reduced water consumption. However, in other areas, like CO₂ and NO_x emissions, performance moved away from the Group targets, due to prevailing economic conditions in markets characterized by low penetration of blended cements.

Group environmental investments

In 2015, total expenditure related to implementing the Group's environmental policy was 67.8 million euros. This corresponds to more than 20% of the total amount of 320 million euros we have spent on the environment over the last decade.

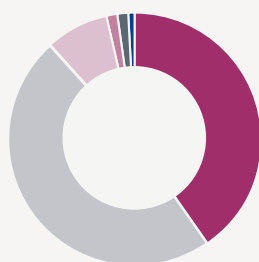
Compared to 2014, expenditure more than doubled, despite the economic crisis still evident in many of the areas in which we operate. Almost two-thirds of money spent was invested on major environmental projects concerned with environmentally and sustainability friendly technologies, like the installation of new dust-reducing equipment, vertical mills, and alternative fuels storage and feeding facilities.

Environmental expenditure (million euros)



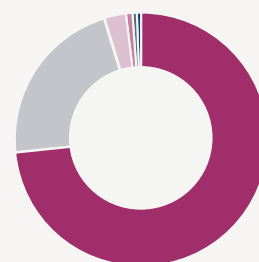
Environmental investments

2014
Total €30.1 million



| | |
|---------------------------------------|-------|
| Environmentally friendly technologies | 40.5% |
| Environmental management | 48.2% |
| Waste management | 8.3% |
| Rehabilitation | 1.3% |
| Reforestation | 1.3% |
| Environmental training and awareness | 0.4% |

2015
Total €67.8 million



| | |
|---------------------------------------|-------|
| Environmentally friendly technologies | 73.6% |
| Environmental management | 21.8% |
| Waste management | 3.0% |
| Rehabilitation | 0.7% |
| Reforestation | 0.6% |
| Environmental training and awareness | 0.3% |

Our environmental footprint – an everyday challenge

Thermal and electrical energy, along with raw materials, are fundamental resources for a high-intensity cement and construction materials producer. This means that what we do impacts climate change and has significant implications on communities and biodiversity. We address this through the use of alternative raw materials and systematic monitoring and recording of the energy resources we use.

Energy efficiency and the conscious use of raw materials, aligned with a waste management system, in line with the principles of the 3Rs (Reduce, Reuse and Recycle), is a proven means of adding value throughout the value chain, particularly at local level.

Reducing our environmental footprint is, and has been for many years, one of our main concerns and the focus of our efforts. In a changing world, keeping on track with our strategy is an everyday challenge that we need to overcome. We need to balance the need to manage our impact on the environment and that of running our business in a way that will positively affect society, locally and globally, in social and economic terms.

We are investing in increasing the use of alternative raw materials in clinker, cement and concrete production, and working toward the development of new blended cement products that will satisfy the current and future needs of our customers. Using alternative raw materials helps to reduce the consumption of extracted raw materials as well as the by-products that might be sent to landfill.

During the last decade, we implemented programs in Greece and the USA to collect concrete returns and use them as alternative raw materials for clinker production and block production or aggregates for pavements and other uses. Our ST subsidiary also provides solutions for managing fly ash to minimize the

need for, and therefore the cost and risk associated with, sending waste to landfill.

We have augmented our efforts and harmonized our activities across all of our operations to increase the use of alternative fuels, preferably biomass, and reduce thermal energy consumption at our facilities. An action plan, developed and implemented over the last ten years, has included the acquisition and installation of state-of-the-art equipment for the handling, storage and feeding of alternative fuels in many of our plants.

Carbon emissions

Like many energy-intensive manufacturing industries, cement production generates significant greenhouse gas (GHG) emissions and climate change poses a risk to our operations. TITAN is subject to the EU Emission Trading Scheme cap and trade quotas and, since 2006, we have addressed our carbon emissions in line with the Kyoto Protocol (using 1990 as the base year for CO₂ emissions) and, since 2003, we have reported the CO₂ emissions from our cement plants in line with WBCSD/CSI guidelines.

Our CO₂ emissions, along with our thermal and electrical energy consumption, are calculated and reported in accordance with the corresponding WBCSD/CSI protocol (CO₂ and Energy Accounting and Reporting Standard for the Cement Industry, version 3.0, May 2011). According to the protocol, no other GHG is considered material to cement plant operations.

Total direct carbon emissions from our cement and grinding plants in 2015 was 10.5 million metric tons, an increase of 1.0 million metric tons, or about 10.5%, compared to 2014, mainly due to the 9.2% increase in our clinker production.

Reducing our carbon emissions therefore remains an area for improvement for the Group, as we recognize the need to do our fair share



Gross direct specific CO₂ emissions*

711.4kg/t_{Product}

(2014: 676.3kg/t_{Product})

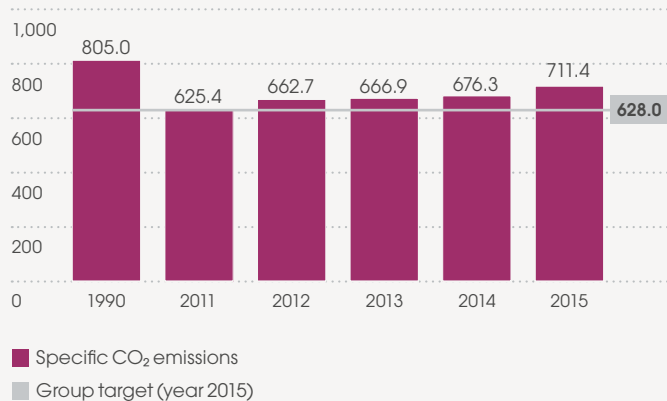
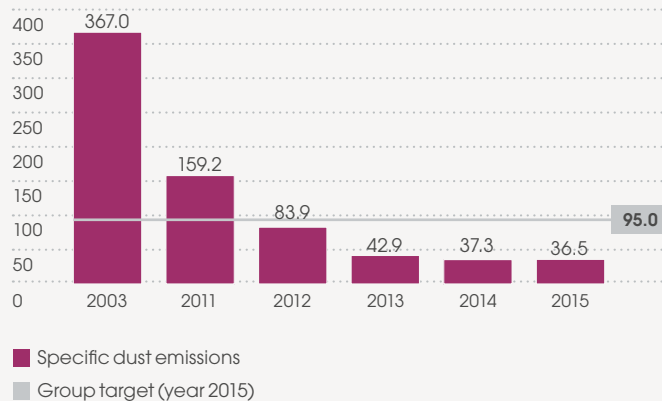
2015 Group target: 628.0kg/t_{Product})

in supporting the outcomes of the 21st Conference of the Parties (COP21) to the United Nations Framework Convention on Climate Change.

Our current goal is to achieve an overall reduction of the specific CO₂ emissions by 22.0% compared to the 1990 level. This target was set to be attained by 2015, but our specific CO₂ increased by around 5.2% compared to 2014, moving further away from the target. Compared to 1990, the reduction of our specific CO₂ emissions is around 11.5%, short of our target due to prevailing social and economic conditions that affect the use of specific conventional fuels and the availability of alternative fuels, as well as the production of products such as blended cements and other cementitious products.

We continue to invest in innovative technologies and alternative fuel sources to improve our carbon footprint measured by our specific emissions in the years ahead.

*Specific CO₂ and air emissions are based on 2009 equity

TITAN Group cement production and grinding plantsSpecific gross direct CO₂ emissions¹ (kg/t_{Product}²)**TITAN Group cement plants**Specific dust emissions^{1,2} (g/t_{Clinker})

1 Specific emissions in each year and the Group target are calculated based on the equity held by TITAN Group in 2009.

2 Product equals cementitious product as defined by WBCSD/CSI.

Air emissions

Monitoring and reporting our air emissions are part of our effort to tackle our impact on the environment. Currently, most of our cement plants have an environmental management system, ISO14001. For our operations in the USA, we use relevant voluntary management systems, such as LEED (Leadership in Energy and Environmental Design), Environmental Protection Agency (EPA), Energy Star and the National Ready Mixed Concrete Association (NRMCA) Green Star certifications, which are "unit-focused." Aligning with WBCSD/CSI recommendations, main pollutants like dust, NO_x and SO_x are covered with continuous monitoring devices at most of our cement plants, while all minor pollutants are covered by spot measurements. The external verification of our performance was extended to cover emissions of dust, NO_x and SO_x in 2014.

Dust

Dust is a major environmental pollutant resulting from many industrial activities. At cement production plants, major emission sources of dust are smokestacks. Fugitive dust is also generated by material transportation.

All TITAN Group facilities have monitoring and recording equipment for all main pollutants, in accordance with local environmental legislation and our WBCSD/CSI commitments. Continuous monitoring of fugitive dust emissions is not possible, but we conduct periodic measurements to safeguard the health of employees and to reduce the impact on areas nearby. We take care to ensure the proper maintenance and optimal functioning of machinery and equipment, as well as applying rigorous rules covering the transport of materials within our plant sites and beyond.

In 2015, total emitted dust was 438 metric tons while specific emissions were 35.7g/t_{Clinker}. At all of our facilities continuous efforts are

made to respect the limits set by the environmental terms of their operating permits as well as specific conditions set by the local authorities.

Compared to 2014, Group performance improved with a reduction of almost 3.5%. During the last decade, TITAN Group has invested heavily in new technologies to reduce its air emission footprint. In that time, our specific dust emissions have decreased by about 65.0%, exceeding the Group target. This resulted from an extensive investment program to install new dusting equipment at the stacks of our kiln lines. Electrostatic (ESP) filters were replaced either by bag filters or by hybrid filters (a combination of bag and ESP technology).

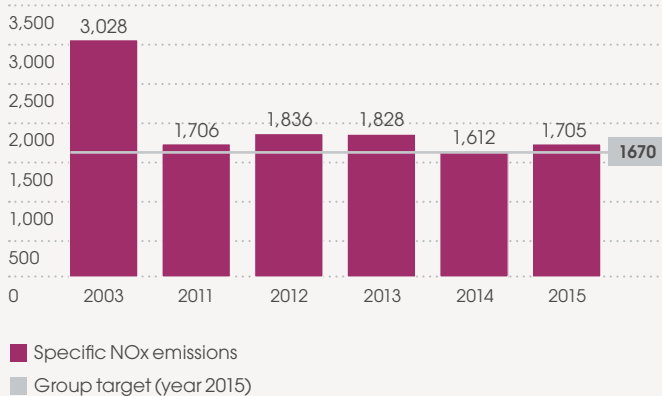
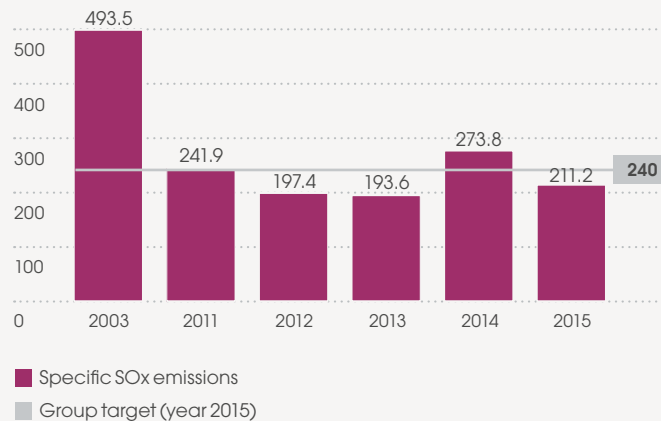
Specific dust emissions*

36.5g/t_{Clinker}

(2014: 37.3g/t_{Clinker})

2015 Group target: 95.0g/t_{Clinker})

*Specific CO₂ and air emissions are based on 2009 equity

TITAN Group cement plantsSpecific NO_x (as NO₂ eq) emissions^{1,2} (g/t_{Clinker})**TITAN Group cement plants**Specific SO_x (as SO₂ eq) emissions^{1,2} (g/t_{Clinker})

1 Specific emissions in each year and the Group target are calculated based on the equity held by TITAN Group in 2009.

2 Product equals cementitious product as defined by WBCSD/CSI.

NO_x and SO_x

Combustion at high temperatures leads to the creation and emission of nitrogen oxides (NO_x). Scientific studies have indicated that these emissions lead to the creation of acid rain and smog. Specific NO_x emissions increased to 1,705g/t_{Clinker} during 2015, marginally above the Group target. The year-on-year increase was around 6.0%, although compared to 2005 the cumulative reduction stands at 16.0%.

In the last few years, TITAN has invested heavily in technologies that can reduce NO_x emissions, such as SNCR systems and low NO_x burners. Six of our cement plants now have an SNCR system installed, and we are actively working on extending the use of similar technologies to additional cement plants in the Group.

In 2015, total NO_x emissions were 20,927 metric tons. As with dust, these emissions remained within the limits and exemptions stipulated in the environmental terms of our operating permits.

The presence of sulfur in raw materials is the primary cause of sulfur oxide (SO_x) emissions, which are directly linked with the creation of acid rain. In 2015, our SO_x emissions were 2.527 metric tons, while specific emissions were 206.0g/t_{Clinker}.

At many of our Group plants, SO_x emissions were negligible once again, while in all cases they are lower than those allowed in the environmental terms of our operating permits. Compared to 2014, specific SO_x emissions decreased by 22.0%, and were below our Group target. The overall performance since 2005 has improved by 27.0%.

Specific NO_x emissions***1,705.0g/t_{Clinker}**

(2014: 1,612.1g/t_{Clinker}
2015 Group target: 1,670.0g/t_{Clinker})

Specific SO_x emissions***211.2g/t_{Clinker}**

(2014: 273.8g/t_{Clinker}
2015 Group target: 240.0g/t_{Clinker})

*Specific CO₂ and air emissions are based on 2009 equity

Fuel, raw materials and energy use

Raw materials are fundamental resources for high-intensity cement and construction material producing industries. The development, implementation and monitoring of programs to use natural resources more efficiently is a material issue for our business and a key part of our Environmental Policy. By using alternative raw materials, we can reduce the consumption of extracted raw materials and the by-products that go to landfill.

Thermal energy

In 2015, TITAN Group consumed a total of 43,970TJ in thermal energy, in its clinker and cement production processes. This was an increase of almost 11.3% compared to last year, mainly due to the increase in production volume, resulting from our successful efforts to increase the level of utilization of our facilities through exports of both clinker and cement.

We do not measure our energy use against a specific base year. Energy savings are only reported when a relevant project exists.

Specific consumption was 3,584MJ/t_{Clinker}, up by less than 2.0%, mainly due to changes to the fuel mix. The cumulative reduction of specific consumption compared to 2003 is around 6.0%. The largest source

of thermal energy came from conventional energy sources such as coal, pet coke, lignite and fuel oil.

Alternative fuels

Alternative fuel consumption, as a percentage of overall thermal energy consumption, was 6.75%, almost unchanged compared to the 2014 level of 6.65%. Our cement plants in the USA saw a significant increase (average region level: 12.7% in 2015 vs 4.9% in 2014), while Greece showed an overall decrease (average region level: 12.3% in 2015 vs 13.0% in 2014) due to the unavailability of suitable fuel streams. Although significant steps have been taken in the last decade, our performance remains below the Group target set for 2017.

Electrical energy

In 2015, electrical energy consumption by the Group's cement production plants, attached and related quarries was 1,600GWh or 5,761TJ. As with thermal energy consumption, the increase of almost 8.0% is a result of increased production. Average specific consumption was 118.6kWh/t_{Cement}, 2.0% lower than 2014.

Extracted and alternative raw materials

In 2015, we used 21.2 million metric tons (dry basis) of raw materials for our total cement production. Approximately 5.5% of all raw materials, about 1.2 million metric tons (dry basis), were alternative raw materials, namely

by-products and waste disposals from other industries, such as fly ash, pyrite ash, blast furnace slag and industrial gypsum. The remaining 20.0 million metric tons (dry basis) were natural materials from mining and quarrying activities. Compared to 2014, the total quantity of alternative raw materials consumed fell by about 14.0%, as a result of the overall reduction in the production of blended cement products.

Percentage of alternative fuels in the total fuel mix*

7.0% Thermal basis

(2014: 6.9%_{Thermal basis}
2017 Group target: 10.0%_{Thermal basis})

Electrical energy consumption at Group cement and grinding plants and attached quarries

1,600GWh

(2014: 1,481GWh)

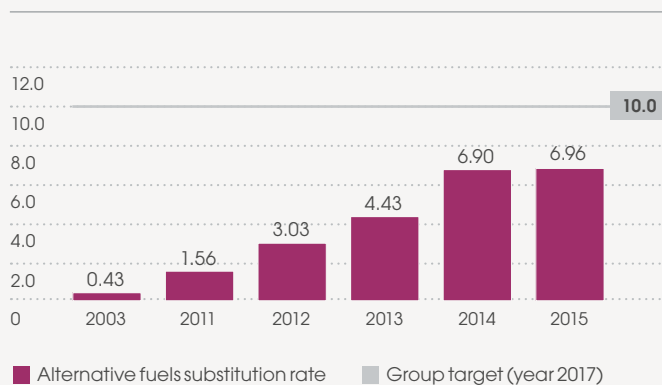
Thermal energy consumption at Group cement production plants and attached quarries

43,965TJ

(2014: 39,506TJ)

TITAN Group cement production and grinding plants

Alternative fuels substitution rate (%Thermal basis)^{1,2}

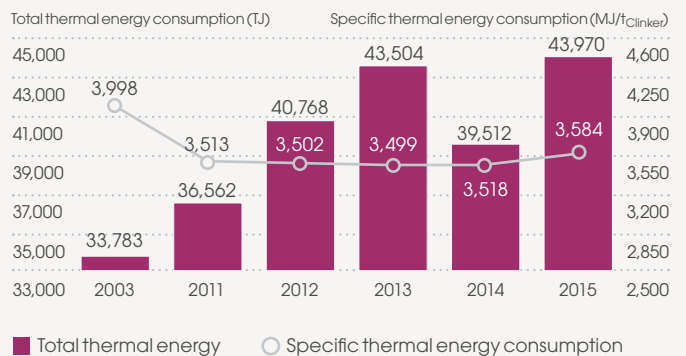


1 Substitution rate of each year is calculated based on the equity held by TITAN Group in 2009.

2 Group target is calculated based on the equity held by TITAN Group in 2009.

TITAN Group cement production and grinding plants, attached and related quarries

Thermal energy consumption for clinker and cement production¹



1 Calculated based on the equity held by TITAN Group in each specific year.

*Alternative fuels percentage is based on 2009 equity

Water management

The effective water management at our production sites remains a key material aspect of our environmental performance and sustainability goals overall. Our businesses use a significant amount of water, particularly in their production plants, and our Group CSR Committee reviews the effectiveness of our sustainability policy covering water management; adjustments are agreed by the Committee in tandem with local CSR Committees.

The implementation of water management systems at our sites has led to the consistent monitoring of water use and the reporting of water data according to the WBCSD/CSI Protocol for Water Reporting. For the first time, in 2015 TITAN had its water data assured by an independent third party, covering the total water withdrawal for the cement plants, in line with commitments made under the WBCSD/CSI Charter (as updated at the end of 2014 to include water reporting).

Our continuous efforts over the last years toward a more efficient and sustainable use of natural water resources have included: the installation of modern water recycling systems in Kosjeric (Serbia) and Zlatna Panega (Bulgaria); the application of other good practices such as rain water harvesting and water re-use; and the overall enhancement of water accounting and monitoring at all of our sites.



Patras cement plant, Greece

In 2015, specific water consumption at our cement and grinding plants and their attached quarries decreased further, by 6.0% compared to the previous year, reaching 287.1lt/t_{Cement}, and, for the fifth consecutive year, at a level below the Group target of 350.0lt/t_{Cement}. In the last decade, the cumulative reduction in specific water consumption was around 23.0%. This progress reflects all the actions taken over these past years to improve the efficient water management at our cement plants and provides an opportunity to reconsider and set a new target for lower specific water consumption in the coming years.

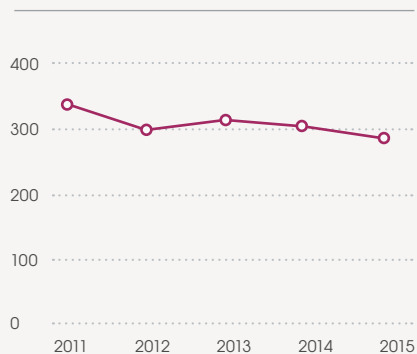
At Group level, 31.8 million m³ of water were withdrawn in total, out of which 9.1 million m³ were consumed and 22.7 million m³ were discharged. For the cement plants in particular, total water withdrawal was 8.2 million m³, consumption was 3.9 million m³ and discharge was 4.3 million m³.

Water recycling facilities are operating in 92% of our cement plants. Approximately 30% of the Group's aggregates sites use water in their production process and 80% of these sites operate water recycling systems. Furthermore, 23.6 million m³ of water were recycled at Group level in 2015, which is equivalent to 74% of the total

water withdrawn. The total volume of recycled water in the cement plants' operations reached 17.4 million m³, which corresponds to about 215%, more than twice the amount of water withdrawn.

In an environment of emerging global concerns, increased awareness of local stakeholders with competing uses of water and the dependency of our business on this natural resource, we are focusing on sustainable water management throughout our operations, looking within and also outside our sites' perimeters. Efforts will continue to strengthen TITAN Group's water management system for all operations, establish reporting and assurance according to the WBCSD/CSI, and make systematic use of available tools for water risk assessment at global and local (site) level, such as the customized Global Water Tool for the cement sector. Specific water studies will also be carried out where necessary, taking into account the needs and expectations of the local stakeholders.

Specific water consumption*
(lt/t_{Cement})



*Specific water consumption values are based on 2009 equity

Recycling waste

Whenever possible, TITAN recycles the waste materials produced by our activities as we strive to be part of the circular economy. The reduction, re-use and recycling of raw materials, energy and waste are key elements of the Group's Environmental Policy. We recover raw materials and by-products of the production process with specialized equipment. These are then processed and re-used. Where we cannot do this internally, we outsource it through a collective management system or licensed subcontractors.

TITAN continues to support waste management initiatives, contributing to the goal of a resource-efficient "circular economy." For example, concrete and materials derived from the demolition of buildings are used as alternative raw materials for the production of cement. Waste treatment by-products, such as agricultural residues, used car tires and wastewater treatment sludge, are used as secondary fuel.

We also provide alternative fuel and waste management services through Green Alternative Energy Assets (GAEA) EAD, our dedicated alternative energy company in Bulgaria. And, at the end of 2015, GAEA SAE was launched as a new joint venture company in Egypt, providing solutions for waste management, environmental protection, waste utilization and alternative fuel production.

Externally recycled waste material

294,000 metric tons

(2014: 353,600 metric tons)

Biodiversity and land management

We appreciate that the extraction of raw materials for the production of cement and aggregates can have an impact on local biodiversity and ecosystems, and TITAN has been co-chairing the Biodiversity and Land Stewardship Task Force of the WBCSD/CSI.

The environmental impact assessment at our quarry sites is essential for our operations to address our local impacts, and we are developing and implementing rehabilitation plans to mitigate the adverse impacts or even to have a positive effect on biodiversity where possible.

Since 2005, the number of Group quarry sites where Quarry Rehabilitation Plans (QRPs) have been implemented has increased by more than 25%, including new sites acquired during this period. In 2015, QRPs are in place at 82% of the Group's quarries and efforts will continue to develop plans for the remaining sites.

We are also focusing on the assessment and management of biodiversity at our quarry sites, with the aim of developing specific plans for the preservation and the

enhancement of local biodiversity. Eight quarries (or 16%) of our Group sites have been recognized as areas of high biodiversity value. Six of these eight quarry sites (or 75% of them) operate under a Biodiversity Management Plan (BMP), in line with the WBCSD/CSI Biodiversity Management Plan (BMP) Guidance. This number has increased compared to last year, following the completion of biodiversity studies and the development of BMPs for three additional quarries in Greece in 2015.

With respect to the environmental performance targets of our Group quarries, on a 2009 equity basis, 100% of our wholly owned active quarries have been certified with ISO 14001 or equivalent systems. Based on actual 2015 status, including new acquisitions and new operating quarry sites, 96% of the total are certified with ISO 14001 or equivalent systems.

Quarries screened for their biodiversity value using the Integrated Biodiversity Assessment Tool (IBAT)

100%

Number of active quarries within, containing or adjacent to areas of high biodiversity value

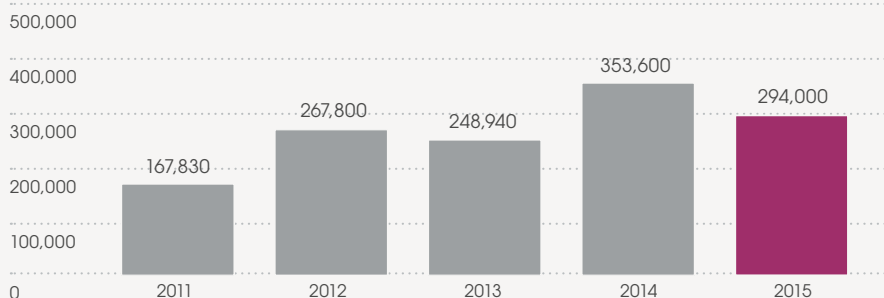
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Percentage of quarries with high biodiversity value where biodiversity management plans are actively implemented

75%

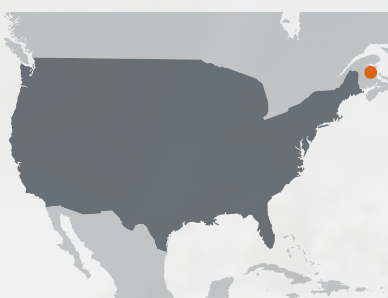
Recycled (externally) waste material

metric tons



REGIONAL PERFORMANCE

USA

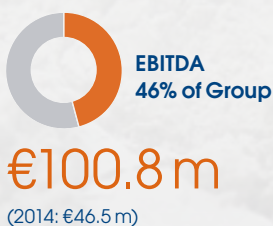


Growth momentum in the USA continued, supported by an intense CAPEX program

With a strong performance in an improving construction environment, the US market led the Group's growth in turnover and profitability in 2015.

2015 PERFORMANCE HIGHLIGHTS

FINANCIAL



NON-FINANCIAL

SOCIAL

Lost time injuries frequency rate (LTIFR) for employees in 2015 (per 1,000,000 man-hours)

2.05
(2014: 2.06)

Our operations meet country-specific regulations for Health and Safety*

Engagement rate (Employee opinion survey 2014-2015)

85%

ENVIRONMENTAL

We use relevant voluntary management systems, such as LEED (Leadership in Energy and Environmental Design), Environmental Protection Agency (EPA), Energy Star and the National Ready Mixed Concrete Association (NRMCA) Green Star certifications, which are "unit-focused".

PRINCIPAL PRODUCTS/ACTIVITIES

- Cement
- Ready-mix concrete
- Aggregates
- Building blocks
- Fly ash

KEY FACTS

| | | |
|------------------------------|----------------------------|--------------------------------|
| 2 Cement plants | 6 Quarries | 84 Ready-mix plants |
| 15 Distribution terminals | 9 Concrete block plants | 9 Fly ash processing plants |

* In particular, we meet MSHA standards (Mine Safety & Health Administration) and OSHA standards (Occupation Health and Safety Administration). There are internal management monitoring systems, but not certified systems.

Management review

Market overview

With growth in the construction sector continuing for a fourth successive year, the US market is the Group's growth engine. Cement consumption across the USA as a whole grew by 3.7% in 2015 to 92 million metric tons. The South Atlantic States (including Virginia, the Carolinas and Florida), where TITAN's US plants are located, posted particularly strong growth of 7.1% in 2015, well ahead of the national average, with the recovery of the residential housing market fueling the demand for building materials.

Regional performance

TITAN has a strong CAPEX program underway in the USA with investments in 2015 exceeding €90 million, based on a very promising outlook for future growth. In 2015, our sales increased across the whole range of building materials we produce (excluding fly ash), driven more by the strong growth in Florida and Metro New York. Combined with improved pricing in all regions and across all materials, this led to an accelerated improvement in financial performance, with turnover up 45% (19% in US dollar terms) and EBITDA at more than double the 2014 level reaching €100.8 million.

While supply was constrained for our fly ash product, ProAsh®, in 2015, our Group subsidiary ST Equipment & Technology LLC continued to focus on growth, with new facilities under assessment.

TITAN Virginia Ready-Mix plants in Port Norfolk, Leesburg, Petersburg and Stafford were all awarded Certificates of Conformance for Concrete Facilities following audits, and their Environmental Management Systems were also reviewed by a Green-Star auditor for conformance with the requirements of the NRMCA Green-Star program.

USA material issues

- Management of environmental impacts
- Natural resources, biodiversity, water and waste management
- Energy efficiency
- Create new opportunities for growth
- Local health and safety priorities
- Attracting, developing and retaining talent
- Employee engagement
- Diversity
- Youth employment and education
- Increasing regulatory complexity
- Lobbying

APPLYING THE BEST AVAILABLE TECHNOLOGIES

Our Roanoke plant has a well-established reputation for maintaining best practice in environmental management performance, which is underlined by our commitment to using the Best Available Technologies. We continue to seek improvement, and in 2015, we made an investment of 18.7 million euros that offers even greater benefits for the local environment. Roanoke Cement updated its existing filters with the latest large bag filters to reduce dust emissions from the air stream leaving its facility. Not only have we further reduced the particulate dust emissions through this project, but the collected particulates can also be returned to the production process.



Energy efficiency is one of our priorities in the USA and we are improving our environmental impacts by changing the profile of the fuel we use from traditional fossil fuel to renewable energy sources and increasing the use of secondary fuels. This is a key focus for our ongoing investments in the market.

It is noted that TITAN decided to suspend the development activities for the construction of a cement plant in Castle Hayne, North Carolina, deeming that project financials no longer supported the construction of a new cement plant. As a result, in 2015 the Group recorded an impairment charge of €12.4 million related to the suspended investment.

Key areas of operation

Florida

According to the US Geological Survey, cement consumption in Florida increased by 8.0% to 6.3 million metric tons in 2015. Demand was also strong for fly ash, construction aggregates, ready-mix and concrete block. Increased capacity from plant upgrades and mobile fleet additions enabled our ready-mix and concrete block operations to achieve significant growth in volumes and profitability when compared to 2014. Our capital investments at the Pennsuco Aggregates facility have improved the cost structure of the site and will enhance our competitiveness in 2016 and beyond.

Mid-Atlantic

Cement consumption in Virginia increased by a modest 0.7% to 1.7 million metric tons according to the US Geological Survey, while demand in North Carolina declined by 2.3% to 2.2 million metric tons. Ready-mix demand in the areas served by TITAN's Mid-Atlantic business grew at a less robust rate than experienced in the Florida region. Fly ash demand remained strong but supply constraints limited opportunities for further growth. Capital investments in the Mid-Atlantic region included upgrades at the Roanoke Cement plant required to meet more stringent US environmental standards, some modest expenditures on our mobile fleet in the ready-mix business, and productivity and reliability investments made in anticipation of upcoming growth opportunities.

New York/Metro

According to the US Geological Survey, cement consumption in the New York Metropolitan area was 1.7 million metric tons in 2015, an increase of 15.9% over 2014. The US region's import terminal at Port Newark benefited from this strong growth, with profitability improving to the highest level in nearly a decade.

Looking ahead

The recovery of the construction industry should continue, driven by the residential and commercial segments and, to a lesser extent, public works. The Portland Cement Association (PCA) forecasts growth in cement consumption of approximately 5% per year between 2016 and 2020. Even higher growth rates are expected in the South Atlantic states and Metro New York where the largest share of our operations are located. Based on the growth of the market and its positive outlook, the Group intends to carry out further investments in the USA in 2016, aiming at strengthening the Group's position and further improving its competitiveness.

GREECE AND WESTERN EUROPE

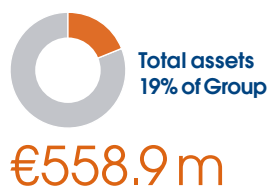
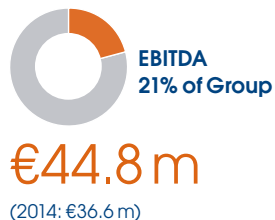
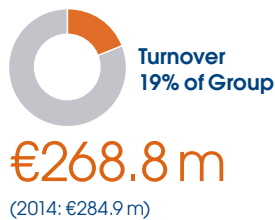


Improvements at all levels in a demanding trading environment

The construction sector in the domestic Greek market remains subdued, but we are focused on taking advantage of our strong export business and on maintaining and further improving the cost competitive advantage of our plants.

2015 PERFORMANCE HIGHLIGHTS

FINANCIAL



NON-FINANCIAL

SOCIAL

Lost time injuries frequency rate (LTIFR) for employees in 2015 (per 1,000,000 man-hours)

1.87
(2014: 1.43)

All plants and installations are certified against OHSAS 18001.

Engagement rate (Employee opinion survey 2014-2015)

88%

ENVIRONMENTAL

All cement plants and most of the installations related to our other activities are certified against ISO 14001

ISO 14001

PRINCIPAL PRODUCTS/ACTIVITIES



Cement



Ready-mix concrete



Aggregates



Dry mortars

KEY FACTS

3

Cement plants

1

Grinding plants

26

Quarries

29

Ready-mix plants

7

Distribution terminals

1

Dry mortar plants

Management review

Market overview

The construction sector in Greece remains in a deep and protracted recession. Any improvement in the first half of 2015 abruptly reversed from the summer onward, with the onset of capital controls leading to the contraction of building activity. This resulted in minimal demand for private housing construction, while subdued activity in public works only slightly mitigated this negative trend.

It is estimated that cement demand in Greece for 2015 stood at 1962 levels, around 65% lower than the average demand levels of the last 50 years and about 80% less than the peak in 2006. Data from Eurostat confirms the dire state of the Greek construction industry, showing a curtailment of housing investments from 10.8% of GDP in 2007 to 0.8% in 2015, while the corresponding contraction in the Eurozone is much milder.

Regional performance

However, the export market is strong and the Group has demonstrated it can succeed even in the most demanding economic circumstances. We have dynamically turned to exports in recent years and, despite aggressive competition, have managed to achieve high export sales volumes, owing to the efficiency of our manufacturing plants. Domestic cement sales in Greece represented little more than 6% of the total volumes sold by the Group in 2015.

Total turnover for the region was 5.6% lower than 2014, but EBITDA was up 22% partly aided by a change in the accounting treatment of head office corporate overheads.

In 2015, investments in our Greek plants were focused on improvements in health and safety conditions and on reductions of emissions. More than 428,000 metric tons of alternative raw materials and more than 63,000 metric tons of alternative fuels were used, substituting primary raw materials and fossil fuels respectively.

Greece and Western Europe material issues

- Management of environmental impacts
- Natural resources, biodiversity, water and waste management
- Energy efficiency
- Expand opportunities for waste management
- Local health and safety priorities
- Employment opportunities
- Employee engagement
- Local sustainable development
- Youth employment and education
- Social contribution

IMPROVING THE VIEW AT OUR THESSALONIKI CEMENT PLANT

Responding to the local stakeholders' expectations, in 2015, we implemented a big graffiti project at our Thessaloniki cement plant.

The graffiti completes a series of projects aiming to reduce noise and improve the overall environmental performance. It was implemented by a team of artists and covered an area of more than 2,000 square meters of our external walls in paint. The painting illustrates the perpetual cycle of water and the scale of this work of graffiti is unprecedented for an active industrial site.



We have continued our efforts to support people and communities facing the ravaging effects of the ongoing financial crisis. Moreover, during 2015 we took action to support local communities facing challenges created by the growing refugee crisis

in the country. Through an organized corporate volunteering program in the islands of Leros and Kos, we have seen the value of providing shelter to those who have suffered most from conflicts and war in their country of origin.

Looking ahead

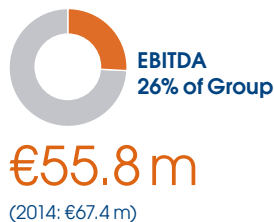
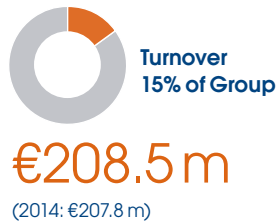
Demand in Greece, although remaining at extremely low levels, should improve slightly in 2016, owing to the reactivation of certain public works. Current conditions are unlikely to improve greatly in the short term, since any recovery in the construction sector is dependent on economic growth, increases in disposable income, the improvement in employment and the availability of bank funding. As demonstrated in 2015, the Group has undertaken a series of measures to ensure the uninterrupted efficient operation of its plants, and production in 2016 is expected to remain focused largely on exports.

SOUTHEASTERN EUROPE



2015 PERFORMANCE HIGHLIGHTS

FINANCIAL



NON-FINANCIAL

SOCIAL

Lost time injuries frequency rate (LTIFR) for employees in 2015 (per 1,000,000 man-hours)

3.42
(2014: 1.41)

All plants and installations are certified against OHSAS 18001.

Engagement rate
(Employee opinion survey 2014–2015)

90%

ENVIRONMENTAL

All cement plants and some of the installations related to our other activities are certified against ISO 14001

ISO 14001

Consistent financial and social performance

Southeastern Europe remains a reliable contributor to Group profitability. Signs of modest economic growth are not yet sufficient to reignite cement demand, which remains considerably below the Group plants' production capacity. We continue to invest in social engagement and innovation across the region.

PRINCIPAL PRODUCTS/ACTIVITIES

-  Cement
-  Ready-mix concrete
-  Aggregates
-  Waste management and alternative fuels

KEY FACTS

| | | |
|-----------------------------|---|-----------------------|
| 5 Cement plants | 17 Quarries | 7 Ready-mix plants |
| 1 Distribution terminals | 1 Processed engineered fuel facility | |

Management review

Market overview

Volumes, on average, were steady in our markets across Southeastern Europe. Local economies saw small increases in GDP – between 0.5% and 3% – but overall cement consumption remained subdued. There was no real improvement in construction activity, with demand remaining at relatively low levels due to the weak economic development of the wider region.

Regional performance

We intensified our efforts to preserve our leading position in our markets across the region, but profitability suffered due to pressure on prices. Turnover in 2015 increased marginally by 0.4%, while EBITDA declined by 17.3% due to intense competition.

Unemployment is a major challenge in the whole region and we are helping to mitigate this through our commitment to the European Pact for Youth and our efforts to build skills through internship. Across the region, we are leading by example with innovative social programs. For example, in Bulgaria, our “Teach for all” program brings new perspectives to the region.

Our LAB (“Laboratori për Aktivitete të Biznesit”) project in Kosovo helps to create new small and medium-sized enterprises with the goal of poverty and unemployment reduction. It is changing the local environment, as well as contributing to the economic development and wellbeing of local communities, by supporting education, youth employment, business creation and farming activities. Our company in Albania has set up a project to assist children who live in difficult socioeconomic conditions in the commune of Thumane. We help with their wellbeing and development, while supporting parents learning to protect their children and provide the necessary parental care.

Southeastern Europe material issues

- Management of environmental impacts
- Natural resources, biodiversity, water and waste management
- Energy efficiency
- Expand opportunities for waste management
- Local health and safety priorities
- Attracting, developing and retaining talent
- Employment opportunities
- Employee engagement
- Local sustainable development
- Youth employment and education
- Integration of international and European standards

INTERNSHIP PROGRAM IN F.Y.R. OF MACEDONIA

Cementarnica Usje TITAN celebrated 60 years of contribution to the development of the local economy and society in 2015. Determined to further improve its strong record of support for development through education, the company launched a program for students from technical high schools to develop their practical skills as young electrical and mechanical technicians. Through this project, we are building strong connections between the business sector and educators in the country. Students involved in the program are trained by internal trainers and experts at our production site, where they gain valuable technical skills and know-how in line with their curriculum and development needs.



Country profiles

Albania

Real GDP in Albania increased by an estimated rate of 2.8% in 2015*, while growth for 2016 is expected to be 3.0%. Public debt remained at the same level at approximately 71% of GDP. Liquidity remained low, despite decreases in interest rates.

Cement consumption is estimated to have decreased by about 5% compared to 2014, with imports close to 30% lower. The drop in consumption reflects the decrease in liquidity of the private sector, low public works spending and the continuing suspension of all construction permits by the government (with minor exemptions in 2015) while it revises all existing urban plans.

Bulgaria

The expected GDP growth rate showed a second consecutive increase: 3.0% in 2015 vs 1.5% in 2014 and 0.9% in 2013. GDP growth in 2016 is expected to be in the range of 2.0–3.0%, driven mainly by exports and EU funding of infrastructure projects.

Cement demand grew by around 10%, following four years of stable consumption in 2011–2014, and previous heavy drops in cement demand (35% in 2009 and 25% in 2010). This growth is mainly

due to the EU financing of public infrastructure projects, local elections held during the year and moderate growth in the housing sector. In 2015, imports remained stable, holding a market share of around 14%, the same as 2014.

F.Y.R. of Macedonia

GDP in the country grew by 3.5% in 2015, mainly due to the performance of the construction sector and an increase in the export of goods. The CPI-based inflation rate of -0.3% remained in line with 2014, while unemployment continued at very high levels.

In 2015, production volumes at our Usje plant increased. However, intense competitive pressures in the region led to lower cement prices and this, combined with the imposition of excise taxes on petroleum coke, had an impact on Usje's profitability.

Kosovo

In 2015, GDP in Kosovo continued to grow, by an estimated rate of 2.7%. Cement consumption grew by around 10% compared to 2014, mainly driven by the construction activities in infrastructure, remittances from the diaspora and overall good weather conditions during the winter months.

SharrCem achieved record sales and production, expanding its presence in the local market. Despite this increase and tightly managed costs, price declines due to intense competition in the market adversely affected the company's operating profitability.

Serbia

The Serbian economy showed signs of revival in 2015, recording 0.8% growth of GDP. The GDP growth is based on stronger exports and private investments, and it is estimated that this trend could continue over the next few years.

The cement market has also shown signs of recovery, with an estimated 2.5% increase in 2015. This was the second consecutive year of moderate growth in consumption, driven by projects related to infrastructure, primarily the Corridor X highway, and this growth is expected to continue for the next two to three years.

The market in Montenegro – the second most important market for TITAN Cementara Kosjeric – saw an estimated increase of around 7% in 2015. However, competitive pressures were also strong in the Serbian market, with an impact on pricing and profitability during the year.

Looking ahead

Construction activity in the countries of Southeastern Europe where the Group is present is expected to remain rather weak. The region continues to be affected by the economic slowdown of neighboring Eurozone countries – its main investment and trade partners – which are experiencing low GDP growth rates.

* Source: INSTAT

EASTERN MEDITERRANEAN

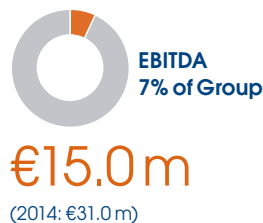
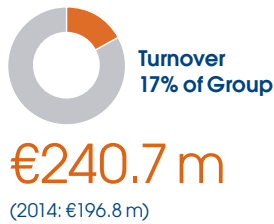


Investing for the future

Demand has been steadily increasing in both Egypt and Turkey. In Egypt, in view of positive market prospects, we are implementing a €100m two-year CAPEX plan, which primarily aims to ensure the plants' energy sufficiency and will significantly improve their production cost base.

2015 PERFORMANCE HIGHLIGHTS

FINANCIAL*



NON-FINANCIAL

SOCIAL

Lost time injuries frequency rate (LTIFR) for employees in 2015 (per 1,000,000 man-hours)

0.43
(2014: 1.43)

All plants and installations are certified against OHSAS 18001.

Engagement rate (Employee opinion survey 2014-2015)

74%

ENVIRONMENTAL

All cement plants and some of the installations related to our other activities are certified against ISO 14001

ISO 14001

PRINCIPAL PRODUCTS/ACTIVITIES



Cement



Ready-mix concrete



Aggregates



Waste management and alternative fuels

KEY FACTS

3

Cement plants

2

Grinding plants

17

Quarries

5

Ready-mix plants

2

Distribution terminals

1

Processed engineered fuel facility

*Turkey is not consolidated (50/50 JV)

Management review

Market overview

Cement consumption in Egypt reached 53.9 million metric tons in 2015, up by 5.1% from the previous year. This is the highest increase in three years and demand was mainly driven by national projects, including new roads, infrastructure and housing.

In 2015, Turkey achieved a 3.7% increase of GDP in 2015 and, fueled by the growing economy, domestic cement consumption increased by 1% year on year to 64 million metric tons.

Regional performance

The region has operations in two countries with diverse social and economic needs. In recent years, we have focused on supporting employees and their families during political and social unrest, addressed health issues and engaged in community outreach activities.

Production levels at the Group's plants in Egypt returned to normal levels, as one production line at the Beni Suef cement plant started using solid fuels ground on site, and we secured sufficient, albeit costly, fuel (pulverized pet coke) for the remaining production lines.

Nevertheless, the lower prices prevalent in the market in the second half of the year, combined with increased fuel costs, put a pressure on profitability. While turnover increased by 22.3% in 2015, EBITDA declined by 51.6%.

A second coal grinding mill went into operation at the Beni Suef cement plant in March 2016. This will allow us to reduce cost and meet increasing demand more competitively. Our new subsidiary in Egypt, GAEA, is also helping us introduce alternative fuels.

Eastern Mediterranean material issues

- Management of environmental impacts
- Natural resources, biodiversity, water and waste management
- Energy efficiency
- Expand opportunities for waste management
- Innovation
- Local health and safety priorities
- Employment opportunities
- Employee engagement
- Integration of international and European standards
- Supply chain
- Social and political instability

COMMUNITY DEVELOPMENT IN ALEXANDRIA

Although the Alexandria cement plant is located in an industrial area, it is adjacent to a large and crowded area. In 2014, we implemented a social impact assessment study in collaboration with a local specialized NGO and local stakeholders. The study was completed in early 2015 and resulted in proposals regarding youth education and women employment, as well as the collaboration with other public and private businesses aiming to improve the living conditions in the area.



Adocim, TITAN's 50% joint venture in Turkey, benefited from strong demand from both private housing and public works in infrastructure projects. In the context of favorable market conditions, Adocim posted improved results with a turnover growth of 6% to €87.6 million and EBITDA growth of 9% to €23.6 million.

EGYPT - ENERGY SECURITY AND COMMUNITY ENGAGEMENT

Safety at work remains a top priority both at industry and at corporate level, but in the last two years, climate change and the use of energy have been among the most controversial issues we have faced – particularly as the scarcity of natural gas in Egypt has forced TITAN and other companies in the country to shift from gas to coal.

This has been a significant challenge for TITAN, but the change was necessary following an environmental and social impact assessment used to calculate the overall impacts of each possible option. Significant new investments have been made to facilitate this shift, while the issuing of new

permits for the use of coal has raised concerns among local NGOs that this will increase the country's carbon footprint. We received one complaint from three local NGOs concerned with the impact of switching to coal on the community close to the Alexandria cement plant. These NGOs believe there is a need for more transparency and accountability around human rights impacts in the supply chain and environmental impacts, particularly from foreign companies like TITAN.

In response to these important stakeholder concerns, TITAN took a public position by becoming a member of the local UNGC network and publicly launched its first local

CSR report, following the UNGC guidelines for Communication on Progress. The Company also initiated a new collaborative effort with local stakeholders and NGOs in Alexandria, where meeting the needs of the community local to the plant has been identified as a significant condition of our future operations.

Looking ahead

In Egypt, demand for building materials is projected to grow at a moderate pace, leading to a more sustainable balance between cement supply and demand. The Suez Canal Zone development, the New Capital City and other large-scale construction projects will be major growth drivers for the sector.

Our investments into solid conventional and alternative fuels will continue. As a result, we expect that the Beni Suef and the Alexandria plants will run exclusively on solid fuels by the end of 2016.

Prospects for Turkey remain positive. Domestic demand is likely to continue growing, while opportunities may arise if neighboring countries stabilize politically. New housing and transportation projects are expected to drive sustainable growth for the sector.

CORPORATE GOVERNANCE

Good governance

Good corporate governance principles and robust risk management are critical to building effective external relationships and therefore to the Group's success.

REQUIREMENTS

We meet all governance requirements set by Greek legislation and the UK Corporate Governance Code (September 2012)



BOARD COMPOSITION

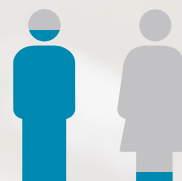
46.7% 53.3%



Executive Non executive

BOARD DIVERSITY

87% 13%



Male Female

2015 Board and Committee meetings - frequency and attendance

| Names | Board | Audit Committee | Nomination and Corporate Governance Committee | Remuneration Committee |
|--|--------------|-----------------|---|------------------------|
| | Ten meetings | Four meetings | One meeting | Two meetings |
| Chairman: Andreas Canellopoulos | 10/10 | | 1/1 | |
| Vice Chairman: Efstratios Georgios (Takis) Arapoglou | 9/10 | | | 2/2 |
| Managing Director: Dimitri Papalexopoulos | 10/10 | | | |
| Members (in alphabetical order): | | | | |
| Nellos Canellopoulos | 10/10 | | | |
| Takis-Panagiotis Canellopoulos | 10/10 | | | |
| Doros Constantinou | 10/10 | 4/4 | | |
| Vassilios Fourlis | 5/10 | 4/4 | | |
| Domna Mirasyesi-Bernitsa | 10/10 | | 1/1 | |
| Alexandra Papalexopoulou- Benopoulou | 10/10 | | | |
| Petros Sabatacakis | 3/10 | | | 2/2 |
| Ploutarchos Sakellaris | 9/10 | 2/4 | | |
| Michail Sigalas | 10/10 | | | |
| Eftichios Vasilakis | 7/10 | | 1/1 | 2/2 |
| Efthymios Vidalis | 10/10 | | | |
| Vassilios Zarkalis | 7/10 | | | |



More information on the role and competences of the Board of Directors and BoD Committees, can be found online, at integratedreport2015.titan.gr

Our corporate governance principles and organization

Good corporate governance principles have been an important part of the organization since TITAN was first listed in 1912. Along with our corporate values, they guide us through every aspect of our business.

For us, good corporate governance is synonymous with ethical business practices, transparency, open communication, accountability and sustainable development.

We believe that good corporate governance creates long-term value for our shareholders, customers, employees and suppliers. Our aim is that all stakeholders benefit from the way we do business.

Fair competition

We are committed to ensuring that TITAN Group activities are carried out within a framework of fair competition and in strict compliance with all applicable laws and regulations in the various countries where we operate.

Infringement of competition legislation exposes Group companies to serious financial penalties and reputational harm, while an employee who is responsible for such violation may be subject to civil and criminal liability, as well as to termination of their employment in the Group.

Ensuring we meet regulatory requirements regarding competition is essential to our license to operate. Our Group Code of Conduct clearly spells out our position on anti-competitive behavior. Our Board oversees the implementation of our Code of Conduct and our Group Internal Audit Department ensures that we uphold our standards.

Where there is any doubt regarding the lawfulness of any communication, contract, commercial practice or activity, all employees are encouraged to consult the local or Group Legal Department.

Board structure and committees

An overview of our governance and management structure is detailed below. Along with our Board Committees (Audit, Remuneration, and Nomination and Corporate Governance), we have established management committees, among which are the Executive Committee and a Corporate Social Responsibility (CSR) Committee, both chaired by our Chief Executive Officer.

AUDIT COMMITTEE

Purpose

Monitor the integrity of the financial statements of the Company and the financial reporting procedures implemented by the Company.

Monitor and review the effectiveness of the Company's internal audit function and risk management systems, as well as the external auditor's independence.

Ensure the compliance of the Company with the legal and regulatory framework and the Code of Conduct.

Key activities and decisions in 2015

In 2015, the Audit Committee held four meetings (13 March, 05 May, 29 July, 03 November) to address (among other matters): the monitoring of the integrity of the Company's financial statements; the monitoring of the Company and Group's risk management systems; and the monitoring and evaluation of the work of the Internal Audit Division.

The Audit Committee also made a recommendation for the appointment of the external auditor to undertake the audit of the Company for the financial year 2015.

NOMINATION AND CORPORATE GOVERNANCE COMMITTEE

Purpose

Make recommendations for the appointment of new directors to the Board and ensure plans are in place for orderly succession or appointments to the Board and to the Company's senior management.

Advise the Board on the proper implementation of the Corporate Governance Principles considering applicable law, best practices worldwide and the Code of Corporate Governance adopted by the Company.

Key activities and decisions in 2015

In 2015, the Nomination and Corporate Governance Committee met once (27 February) to review the contents of the Corporate Governance Statement in the Annual Corporate Governance Report for 2014 and considered the search and selection process of Board candidates.

The Committee also recognized the importance of promoting diversity on the Board, in particular in relation to gender and individuals from different backgrounds, and encouraged the participation of more women and people from different backgrounds.

REMUNERATION COMMITTEE

Purpose

Recommend the level and structure of remuneration for all executive directors and senior management, in line with market conditions, and to attract, retain and motivate directors and employees of the quality required to run the Company successfully.

Key activities and decisions in 2015

In 2015, the Remuneration Committee held two meetings (14 April and 29 September) to discuss remuneration policy, bonuses and stock option rights for the executive members of the Board of Directors and the other senior officers of the Company for the year.

The Remuneration Committee also approved the remuneration package for new recruits as senior officers and the amount of compensation that should be paid to the retiring executive director.

EXECUTIVE COMMITTEE

Purpose

The overview and coordination of the activities and operations of the Company's departments.

Key activities and decisions in 2015

The Executive Committee discussed all key business issues and management decisions.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Purpose

Provide advice and support to the management of the Company on CSR matters.

Adopt CSR and sustainable development principles and integrate them into the Group's activities and operations.

Constantly improve the performance of the Company and its subsidiaries in the core fields of health and safety at work, and environmental protection.

Key activities and decisions in 2015

In 2015, the CSR Committee met three times (in March, July and December) to discuss changes to our sustainability strategy, focusing on the "triple bottom line" – taking into account economic, social and environment goals – and benchmarking our performance externally.

The CSR Committee also decided to utilize the United Nations' Sustainable Development Goals (SDGs) to define our future sustainability priorities and areas for further improvement.

A balanced Board

The Board comprises a team of highly experienced professionals who bring a wealth of knowledge to the Group. We aim to ensure that we have an appropriate balance of skills, experience and knowledge among our Board members, while promoting diversity of age, gender and cultural and professional backgrounds.

Half the members of our Board, not including the Chairman who is a non-executive Director, are independent non-executive Directors. Independent non-executive members of the Board of Directors have no employment or other relationship with the Group and meet all independence requirements set by Greek legislation and the UK Corporate Governance Code (September 2014), as well as the additional independence criteria set by the Company.

Independent non-executive members are not involved in the Group's daily management; their role is to contribute through their participation in the Board and its Committees in developing the Group's strategy, monitoring the effectiveness of the internal audit and risk management systems, determining the remuneration of the executive members of the Board, and securing the existence of succession plans for the Chairman, the CEO and the top management.

Board change

Michael Colakides was appointed by the Board of Directors on 12 January 2016, replacing the retiring executive director Michael Sigalas until the expiry of the latter's term of office, i.e. the Annual General Meeting in 2016.

| Our Board members | |
|---|--|
| Andreas Canellopoulos | Chairman (b) |
| Efstratios Georgios (Takis) Arapoglou | Vice Chairman and Senior Independent Director (c)* |
| Dimitri Papalexopoulos | Chief Executive Officer (d)*(e)* |
| Nellos Canellopoulos | External Relations Director (d)(e)** |
| Takis-Panagiotis Canellopoulos | Investor Relations Director |
| Michael Colakides Joined the Board 12 January 2016 | TITAN Group Chief Financial Officer and Senior Strategic Advisor |
| Doros Constantinou | Independent Non-executive Director (a)* |
| Vassilios Fourlis | Independent Non-executive Director (a) |
| Domna Mirasyesi-Bernitsa | Independent Non-executive Director (b)* |
| Alexandra Papalexopoulou-Benopoulou | Group Strategic Planning Director (d) |
| Petros Sabatacakis | Independent Non-executive Director (c) |
| Ploutarchos Sakellaris | Independent Non-executive Director (a) |
| Michael Sigalas Retired from the Board 12 January 2016 | Southeastern Europe and Eastern Mediterranean Regions Director and International Trade Director (d)(e) |
| Efichios Vassilakis | Independent Non-executive Director (b)(c) |
| Efthymios Vidalis | Group Advisor on Strategy and Sustainable Development (d)(e) |
| Vassilios Zarkalis | US Region Director (d)(e) |
| Company Secretary: Eleni Papapanou, Head Counsel | |

Board Committee memberships (* = Committee Chair)

(a) Audit Committee

(b) Nomination and Corporate Governance Committee

(c) Remuneration Committee

Other Committee memberships (* = Committee Chair; ** = Vice Chair)

(d) Executive Committee

(e) CSR Committee

Board members' detailed profiles can be found online at www.titan-cement.com, in the TITAN Group/Corporate governance section.

More details can also be found online in our GRI Index at integratedreport2015.titan.gr/gri

Managing risks

Effective risk management throughout our value chain is critical to meeting our strategic aims and achieving long-term sustainable development. In this section, we list our principal risks and the activities we have in place to mitigate them.

Our approach to risk management

The Board is accountable for ensuring that risk is effectively managed across the Group, while the Audit Committee reviews the effectiveness of our processes, ensuring that we have systems in place to monitor and anticipate potential material risks.

We manage our risks proactively, allowing the Group to respond and adapt to new dynamics in our business environment.

Having expanded the scope of our risk assessment processes in recent years, we have a stronger understanding of the concerns and expectations of our key stakeholders, along with the risks we face and the opportunities that may arise.

Each of our businesses is responsible for identifying, assessing and managing the risks in its respective operations and territories. These risks are measured against a defined set of criteria, taking into account likelihood and the potential impact on the Group. This information is combined to form a consolidated view of our financial and non-financial risks.

The top risks (based on likelihood and impact) are reported to the Executive Committee for review and challenge, ahead of being submitted to the Group Board for final review and approval. The ongoing status and progress of action plans against each risk is monitored by the Executive Committee and risk remains an important consideration in all of our strategic decision making.

Assessing our risks

Our risks are assessed by mapping the likelihood of their occurring to their potential impact on the Group. This enables us to identify the principal risks in terms of our financial performance, our operating environment and our people and resources.

A list of our principal risks highlighted by this process and the activities we have in place to mitigate them can be found on the following pages.

TITAN operations exposure per country according to 2015 Transparency International Index

| Country | 2015 Total (average) | Corruption Perceptions Index 2015 score | Corruption Perceptions Index 2015 rank | Change in rank | % of TITAN Group employees 2015 |
|--------------|----------------------|---|--|----------------|---------------------------------|
| USA | 1,929 | 76 | 16 | ↓ | 34.55% |
| Greece* | 1,189 | 46 | 58 | ↓ | 21.29% |
| FYROM | 307 | 42 | 66 | ↑ | 5.50% |
| Turkey | 265 | 42 | 66 | ↑ | 4.75% |
| Bulgaria | 286 | 41 | 69 | - | 5.12% |
| Serbia | 235 | 40 | 71 | ↓ | 4.21% |
| Egypt | 769 | 36 | 88 | ↓ | 13.77% |
| Albania | 199 | 36 | 88 | ↓ | 3.56% |
| Kosovo | 405 | 33 | 103 | ↓ | 7.25% |
| Total | 5,584 | | | | 100.00% |

*"Greece" includes the regional operations as well as the Group corporate center

Overview of risks

| FINANCIAL PERFORMANCE | | OPERATING ENVIRONMENT | | PEOPLE AND RESOURCES | |
|----------------------------------|--|--------------------------------------|---|--------------------------|---|
| Risk | Mitigating activities | Risk | Mitigating activities | Risk | Mitigating activities |
| Liquidity | <ul style="list-style-type: none"> – Keep sufficient cash and other liquid assets, and extensive credit lines – Make efficient use of international financial markets for financing purposes – Group Treasury controls Group funding and manages liquid assets | Climate and natural disasters | <ul style="list-style-type: none"> – Use stricter designing standards than stipulated in local legislation – Have emergency plans in place to safeguard our industrial infrastructure and protect the lives of our employees | Health and safety | <ul style="list-style-type: none"> – Have strict safety systems and processes – Man production units with sufficient safety officers – Conduct systematic training and education of employees – Hold annual Safety Awards |
| Foreign currency exchange | <ul style="list-style-type: none"> – Use natural hedges, FX derivatives/swaps and FX forwards – Borrowings usually denominated in the same currency as assets being financed | Macro-economic factors | <ul style="list-style-type: none"> – Run regular business valuation exercises – Estimate the macroeconomic risk the Group is exposed to in each country to guide decisions when considering new investments and allocating assets in existing markets | Water | <ul style="list-style-type: none"> – Implement best practices for efficient water management – Install and maintain water management systems (in line with ISO14001) – Recycle and re-use water to minimize our environmental impacts |
| Interest rates | <ul style="list-style-type: none"> – Manage the ratio of fixed to floating rates – Use interest rate derivatives to minimize the relevant risk and balance the mix of borrowing rates | Political climate | <ul style="list-style-type: none"> – Local management teams report issues requiring regional or Group consideration – Protect our people, business partners and communities, and safeguard TITAN's local investments | Climate change | <ul style="list-style-type: none"> – Remain an active member of the WBCSD/CSI – Aim to achieve a total reduction of 22% in our carbon footprint compared to 1990 – Invest in the Best Available Technologies for the protection of the environment |
| Credit risk | <ul style="list-style-type: none"> – Pre-set limits on exposure to each individual financial institution – Hold majority of financial assets and derivative financial instruments with investment-grade financial institutions – Constantly monitor customers' financial status | Ethical conduct | <ul style="list-style-type: none"> – Encourage awareness and transparency – Conduct anti-corruption compliance reviews and training programs – Fight against corruption through the UN Global Compact initiative | | |
| | | Production costs | <ul style="list-style-type: none"> – Lessen our dependence on natural raw materials – Invest in low energy-requirement equipment – Secure access to the required quality and quantity of raw materials – Set quantifiable targets for alternative raw materials use | | |

Our risks and mitigating activities are described in detail in our full report online at integratedreport2015.titan.gr

Additional risk factors and considerations

Interest rate sensitivity

The Group's interest rate sensitivity analysis has been determined based on the interest rate exposure relating to floating rate liabilities.

At 31 December 2015, a ± 1 percentage point shift in interest rates, with all other variables held constant, would result in approximately €4.7 million (2014: €3.8 million) of annual additional/lower financial expenses before tax. The Group's sensitivity to interest rates is greater than last year mainly due to higher floating debt in absolute amount.

Foreign currency sensitivity

The Group's sensitivity analysis has been determined based on the Group's exposure that arises on financial assets and liabilities that are denominated in a foreign currency other than the Group's functional currency. The Group's net foreign currency transaction risk mainly arises from USD, EGP, RSD, LEK, GBP and TRY.

At 31 December 2015, a ± 5 percentage point shift in foreign currencies, with all other variables held constant, would result in approximately €0.5 million (2014: €1.5 million) of additional/lower net foreign exchange gains/losses.

Risks arising from the enforcement of capital controls in Greece

The Legislative Act dated 28 June 2015 declared a bank holiday in Greece while capital controls were imposed. Banks resumed their operations on 20 July 2015, while capital controls still remain in force.

These developments had a negative impact on the overall economic activity in Greece and resulted in a slowdown in construction as well. However, risks stemming from the Group's exposure in Greece are mitigated.

In terms of liquidity, the Group maintains adequate cash reserves (€122 million at 31 December 2015), deposited with international banks outside Greece. The Group has also successfully diversified its funding sources, with more than

85% of its debt being raised in the international capital and bank markets.

The Group's geographical diversification, achieved through investments of over €3 billion since 2000, has extended the business and strengthened TITAN, effectively de-linking the Group from Greek sovereign risk. It is noted that on 29 June 2015, Standard & Poor's confirmed Titan's credit rating as "BB" and improved its outlook from "stable" to "positive." The Group continuously evaluates the economic environment in Greece to assess the risks related to its business and timely take the necessary mitigating actions.

Human rights and labor risks

While these are not detailed in the table of principal risks, TITAN recognizes the significance of safeguarding the fundamental rights of people and employees, especially where the legal and socio-political environment may not meet international standards.

TITAN policies and procedures by country

| Policies and procedures | Albania | Bulgaria | Egypt | F.Y.R. of Macedonia | Greece | Kosovo | Serbia | Turkey | USA |
|--|---------|----------|-------|---------------------|--------|--------|--------|--------|-----|
| Human rights issues | ✗ | ✗ | ✗ | - | - | - | - | - | ✗ |
| Labor rights and freedom of association | ✗ | ✗ | - | - | ✗ | - | - | - | ✗ |
| Equal opportunities | ✗ | - | ✗ | - | ✗ | - | - | - | ✗ |
| Sponsorship, donations and community involvement | - | - | ✗ | - | ✗ | ✗ | - | - | ✗ |
| Supply chain/procurement | - | ✗ | ✗ | ✗ | ✗ | ✗ | ✗ | ✗ | ✗ |
| Preference to locally based suppliers | - | ✗ | ✗ | - | ✗ | ✗ | ✗ | - | ✗ |
| Preference to local residents, when hiring | - | ✗ | - | - | - | ✗ | ✗ | - | - |
| Hiring local contractors/subcontractors | - | ✗ | - | - | ✗ | ✗ | ✗ | - | - |
| Conflict of Interest Policy | ✗ | | | | | | | | |

Management systems in place by country

| Policies and procedures | Albania | Bulgaria | Egypt | F.Y.R. of Macedonia | Greece | Kosovo | Serbia | Turkey | USA |
|-------------------------|---------|----------|-------|---------------------|--------|--------|--------|--------|-----|
| ISO 9000 | X | X | X | X | X | X | X | X | * |
| ISO 14000 | X | X | X | X | X | X | X | X | * |
| SA 8000 | X | | | | | X | | | * |
| OHSAS | X | X | X | X | X | X | X | X | * |

* We use relevant voluntary management systems, such as LEED (Leadership in Energy and Environmental Design), Environmental Protection Agency (EPA), Energy Star and the National Ready Mixed Concrete Association (NRMCA) Green Star certifications, which are "unit-focused." Our operations meet country-specific regulations for health and safety in the USA, in particular MSHA standards (Mine Safety and Health Administration) and OSHA standards (Occupation Health and Safety Administration). There are internal management monitoring systems, but not certified ones.

APPENDICES

REPORTING STATEMENTS

Report development and methodology

Independent certified auditor's accountant's report

Independent certified auditor's assurance statement

SUMMARY FINANCIAL STATEMENTS

Income statement

Statement of financial position

Cash flow statement

NON-FINANCIAL STATEMENTS

WBCSD/CSI Environmental progress review

Awards and recognitions

Memberships and cooperations

UN Global Compact criteria

Glossary, acronyms and abbreviations

2015 Annual Report of the Board of Directors and financial results

To view or download our full Annual Financial Statements for the year ended 31 December 2015, please go online to integratedreport2015.financial.titan.gr

2015 GRI Index

To view or download our full GRI Index for the year ended 31 December 2015, please go online to integratedreport2015.titan.gr/gri

Report development and methodology

Background

This is the fourth Report developed by TITAN Group following the International Integrated Reporting framework and guidelines (www.theiirc.org/international-irframework/), the United Nations Global Compact Communication on Progress and the World Business Council for Sustainable Development Cement Sustainability Initiative (WBCSD/CSI) Guidelines. We also reflect G4 in accordance with Core, focusing our report on the most material issues for the Group and our key stakeholders.

TITAN Group has fully incorporated the above international and industry standards, as well as AA1000 SES, to safeguard that this Report will respond to the needs and expectations of key stakeholders and provide all information to continue and further expand our dialogue and engagement.

This full 2015 TITAN Group Report is available online at integratedreport2015.titan.gr

A summary version of the full Report is provided in printed format to all shareholders attending the Annual General Meeting of Shareholders and on request from Maria Alexiou (Group CSR Senior Manager) or Afroditi Sylla (Investor Relations Officer).

Defining Report content

In 2015, we reassessed our material issues with respect to their impact on the Group and its main stakeholders. Following desk-based research and analysis of stakeholder feedback, issues were prioritized on a high, medium and low scale. This input has been used to develop and define report contents focusing primarily on material issues for our business and for our stakeholders. We have identified the boundaries of our reporting for each material issue in our GRI G4 Index available at integratedreport2015.titan.gr/gri

Independent assurance

TITAN is committed to raising its level of transparency and improving reporting to stakeholders, and the Board seeks independent assurance for the Report each year. Since 2007, independent assessment and report verification have been a core part of TITAN's procedure for continuous improvement. Following commission by the Board, the 2015 Report has been independently verified by DNV GL and the detailed verification statement is included in this section of the Report.

Scope of the 2015 Report

Performance data from all TITAN Group subsidiaries form the basis of this Report. The Report covers the full range of economic, social and environmental impacts and performance of TITAN Group operations. No changes have been recorded during the reporting period in the equity base of TITAN Group. TITAN Group operates as a joint venture only in Turkey.

Data aggregations and relevant indicators are calculated according to the definitions provided by the Cement Sustainability Initiative Guidelines for air and CO₂ emissions, water withdrawal and consumption, and energy consumption and safety. All other environmental and social indicators are calculated in accordance with GRI definitions.

The Report covers key indicators of the Group's environmental performance, consolidated data from cement production and cement grinding plants and their attached quarries – as well as for three quarries which, although not attached to a specific cement plant, provide raw materials only to cement plants.

For consistency reasons, all indicators used to measure performance achieved with respect to Group targets set for specific emissions of CO₂, dust, NO_x, SO_x, specific water consumption and alternative fuel substitution are calculated based on the equity held by TITAN Group in 2009, the year our five-year-long targets were disclosed.

In line with the Kyoto Protocol, 1990 was selected as the base year for CO₂ emissions. For all other environmental performance indicators, the selected base year is 2003, the year in which our first report on Corporate Social Responsibility and Sustainability was published at Group level.

To calculate indicators referring to "direct employment from the local community" and "local suppliers or contractors," estimates have been made using the following definition of local:

"Local" refers to the administrative region within which lies a cement plant, RM unit, a quarry, a terminal, company offices or other premises that belong to the Group or one of its subsidiaries. Locally based suppliers are the providers of materials, products, and services that are based in the same geographic market as the reporting organization (i.e. no transnational payments to the supplier are made).

However, the geographic definition of "local supplier/contractor" in F.Y.R. of Macedonia, Greece and the USA varies because all national suppliers are considered local as well.

All other reported data is calculated based on the equity held by TITAN Group in each specific year. This includes data related to raw materials, energy and water consumption, as well as waste production.

Changes in the Report structure

The structure of this Report continues to evolve. Our objective is to give all stakeholders a clearer, complete view of TITAN's strategy and business model along with relevant information and data for the performance achieved each year. Future outlook and priorities addressed for further improvement are also incorporated in each section of the Report.

Materiality and data accuracy

The WBCSD/CSI included water in its guidelines for the scope of the assessment in 2014. Therefore, TITAN has adopted the WBCSD/CSI definitions and KPIs for water, and these cover the full range of the Group's quarry operations – regardless of raw material types and end usage.

Reporting and feedback expected from stakeholders

This Report is directed to key stakeholders, namely shareholders, employees, customers, suppliers, government and regulatory authorities, local communities and NGOs. It is also directed to potential investors, analysts and any other interested party. We welcome feedback at the following email address: csr@titan.gr

For more information, please visit our website: www.titan-cement.com or contact: Maria Alexiou, TITAN Group CSR Manager, Secretary of the TITAN Group CSR Committee, at csr@titan.gr, or at Halkidos Street, 111 43 Athens, Greece.

GRI and UN Global Compact

TITAN declares that this Report and information provided in the GRI Index fulfills GRI G4 guidelines and is in accordance with Core. This Report has been externally verified against the GRI principles, but DNV GL has not verified that the GRI Index is in accordance with Core.

TITAN has followed GRI Reporting Guidelines since 2003 when the first Group CSR and Sustainability Report was issued. Following the GRI Guidelines has supported overall improvements in both internal and external communications, measuring long-term performance and expanding the scope of engagement with stakeholders. In 2014, the Group took a further step by following the GRI's G4 Sustainability Reporting Guidelines. In 2015, the robustness of the GRI G4 Index disclosure was improved based on stakeholder feedback and continuous learning.

We continue to meet the "Advanced" level criteria for the UN Global Compact Communication on Progress, and to uphold our commitment to continuous improvement on the WBCSD/CSI Charter and this data and criteria are independently verified by DNV GL.

Please refer to the scope of assurance work undertaken in DNV GL's assurance statement for more detail on the boundaries and limitations of the 2015 assurance undertaken.



Translation from the original text in Greek

Independent Auditor's Report

To the Shareholders of "Titan Cement Company S.A."

Report on the Audit of the Separate and Consolidated Financial Statements

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

Management's Responsibility for the Separate and Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these separate and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate and consolidated financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the separate and consolidated financial statements present fairly, in all material respects, the financial position of the "Titan Cement Company S.A." and its



subsidiaries as at December 31, 2015, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

- a) Included in the Board of Directors' Report is the corporate governance statement that contains the information that is required by paragraph 3d of article 43a of Codified Law 2190/1920.
- b) We verified the conformity and consistency of the information given in the Board of Directors' report with the accompanying separate and consolidated financial statements in accordance with the requirements of articles 43a (par.3a), 108 and 37 of Codified Law 2190/1920.

Kifissias Av. 268,
153 32 Halandri
SOEL Reg. 113

Athens, 10 March 2016
The Certified Auditor Accountant

Marios Psaltis
SOEL Reg. No 38081



TITAN Group - Integrated Report 2015 Independent Assurance Statement

Introduction

DNV GL Business Assurance Italia S.r.l. ('DNV GL') was commissioned by the management of Titan Cement Company S.A. ('TITAN') to carry out an assurance engagement on the company's 'Integrated Report 2015' ('the Report') with respect to the AccountAbility 1000 Assurance Standard 2008 ('AA1000 AS 2008').

We developed an assurance engagement of the on line version of the 'Integrated Report 2015'. Please refer to the specific section of the Report concerning the composition of the TITAN Group and the boundary of the Report.

TITAN is responsible for the collection, analysis, aggregation and presentation of information contained in the Report. The assurance engagement is based on the assumption that the data and information provided in good faith by the organization are complete, sufficient and authentic.

Our responsibility in performing the work commissioned, in accordance with the terms of reference agreed on with the Organization, is solely towards the Management of TITAN.

This Independent Assurance Statement is intended solely for the information and use of the stakeholders of TITAN, and is not intended to be and should not be used by anyone other than these specified parties.

Scope of Assurance

The scope of work agreed on with TITAN includes the following aspects:

- Review of sustainability performance data and activities related to the period between January and December 2015. While our assurance statement relates solely to the 'Integrated Report 2015', during our activity Titan made available for our evaluation information that is reported in the 'GRI Index document'.
- Evaluation of the Accountability Principles - inclusivity, materiality and responsiveness - and Performance Information with a Moderate level of assurance, according to AA 1000 Accountability Principles Standard 2008 and AA1000 AS 2008 (Type 2).
- Evaluation of the specific sustainability performance information:
 - Report's alignment with the WBCSD-CSI CO2 and Energy Accounting and Reporting Standard for the Cement Industry, (v3.0 May 2011) and the CSI Guidelines for Emissions Monitoring and Reporting in the Cement Industry, (v2 March 2012) for SOx, NOx and dust.
 - Report's alignment with WBCSD CSI 'Safety in the Cement Industry: Guidelines for Measuring and Reporting (v4 May 2013)'.
 - Report's alignment with WBCSD CSI 'Protocol for Water Reporting (2014)'.
- Evaluation of the Report against the UN Global Compact criteria relating to an "Advanced Level" Communication on Progress.

We understand that the reported financial data and information are based on data from the Financial Report which are subject to a separate audit process. The review of financial data from the Annual Report and Accounts was not within the scope of our work.

Economic performance based on the financial data was crosschecked with internal documents and the audited financial statements. The aggregation of economic performance data was reviewed and tested as part of the assurance process.

Verification methodology

Our assurance engagement was planned and carried out in accordance with the DNV GL protocol for verification 'Verisustain', which is based on our professional experience and international assurance best practice (among which the International Standard on Assurance Engagements - ISAE 3000). These documents require, inter alia, that the assurance team possess the specific knowledge, skills and professional competencies needed for an assurance engagement regarding sustainability information, and that the team comply with ethical requirements to ensure its independence.

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Our work was designed to gather evidence with the objective of providing a moderate level assurance as defined in AA1000AS 2008.

Our assurance was carried out between February and June 2015. As part of this engagement we visited:

- TITAN's Headquarters, Athens, Greece
- the Kosjeric plant, Serbia
- the Zlatna Panega plant, Bulgaria

Our assurance process comprised the following:

- Review of the current CR&S issues that could affect TITAN and are of interest to stakeholders as well as a review of TITAN's approach to stakeholder engagement and recent outputs.
- Interviews with selected data providers and 44 managers responsible for management of CR&S issues and review of selected evidence to support issues discussed. Our review processes were prioritised according to materiality.
- Site visits to cement plants including interviews with the local management.
- Review of the processes for gathering and consolidating the specified CR&S performance information.
- Evaluation of Report's alignment with the WBCSD-CSI CO2 and Energy Accounting and Reporting Standard for the Cement Industry, (v3 May 2011) and the Guidelines for Emissions Monitoring and Reporting in the Cement Industry, (v2 March 2012) for SOx, NOx and dust emissions.
- Evaluation of Report's alignment with WBCSD CSI 'Safety in the Cement Industry: Guidelines for Measuring and Reporting (v4 May 2013)'.
- Evaluation of Report's alignment with WBCSD CSI 'Protocol for Water Reporting (2014)'.
- Stakeholder interviews with four selected stakeholders.

Conclusions

It is the opinion of DNV GL that the 'Integrated Report 2015' is an accurate and impartial representation of the Organization's sustainability-related strategies, management systems and performance.

- **Materiality**

TITAN undertakes extensive and systematic efforts to recognise and define the issues it should assume responsibility for, through engagement with internal functions and key stakeholders at group and local level.

TITAN maintains a range of internal processes which are effective in identifying sustainability issues of relevance and importance to the business and stakeholders, including a number of knowledge-sharing and best practice workshops with group functions as well as at regional level. Through these processes the company is able to continue to identify and address material sustainability issues and is able to stay informed on trends in sustainability issues over time.

TITAN's sustainability-oriented strategy reflects the company's approach in being proactive in responding to stakeholders' expectations and considering sustainable development as a source of competitive advantage.

We observed that TITAN is committed launching and facilitating the implementation of the Group Sustainability 2020 Strategy. TITAN should continue to seek and track feedback on the finalized strategy and goals from internal functions and external stakeholder groups.

Disclosing within the Report the process that has been undertaken and the main outcomes would also be of benefit with regard to accountability and materiality principles.

We recommend that the Report provides information on the way in which the reasonable expectations and interests of stakeholders are a key reference point for many decisions in the preparation of the Report. In particular we encourage TITAN to present challenges in balancing the specific interests and expectations of stakeholders who can reasonably be expected to use the Report with broader expectations of accountability to all stakeholders.

- **Inclusivity**

The Report reflects TITAN's commitment to continually extending its dedication to stakeholder dialogue and engagement, as well as the range of channels used to ensure inclusion of the stakeholders' interest.

TITAN's approach to stakeholder engagement is embedded within the company and aimed at helping to deliver strategic objectives. We recommend that the Report provide information on how the engagement has influenced the organization's sustainability activities and the Report content.

While recognizing the work TITAN has conducted to facilitate stakeholder dialogue at Group and local level and achieve a more co-ordinated approach across the business, for further improvement we encourage TITAN to implement, in particular at local level, a more strategic approach to stakeholder engagement, with better cost/benefit analysis in the engagement planning process and clear metrics.

TITAN should consider disclosing more detail on how Group level engagement influences sustainability practices at a local level and, conversely, how local engagement influences what is identified as material at Group level.

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- **Completeness**

The Report allows stakeholders to evaluate TITAN's economic, social and environmental performances during the reporting year, as well as understanding its medium-long sustainability strategies and objectives.

The Report includes all entities that meet the criteria of being subject to control or significant influence of the reporting organisation, and does not omit relevant information that, at a consolidated Group level, would influence the stakeholders' decisions or that reflect economic, social and environmental related issues of significance.

We recommend that TITAN continues to broaden its reporting on procurement practices, including further information and figures on processes used to assess significant sustainability impacts in the supply chain, actions taken to address such impacts and approach to suppliers monitoring and engagement.

TITAN contributes with both financial and non-financial resources toward local development through a range of programs and activities. We encourage TITAN to continue in their effort by measuring the social value creation and disclose on progress in the future.

- **Responsiveness**

The Report presents a good overview of how TITAN has consulted with a wide range of key stakeholders and shows how the company has engaged and responded to sustainability issues. TITAN should consider disclosing more detail on how stakeholders are regularly involved in setting strategies, plans and actions.

We observed evidence of strong commitment and investment of considerable resources for implementing engagement activities in a systematic way. TITAN continues to develop the model with which they engage and respond to stakeholders, and this has been reinforced through internal training across the organisation.

TITAN should consider developing a centrally-managed process and a specific tool for tracking all relevant information within the Group around stakeholder engagement actions and outcomes. This should assist in a more tactical and consistent approach to engaging with the stakeholders and responding to them in a timely manner.

Tracking all relevant information around stakeholder engagement actions and outcomes across the business on an on-going basis would also be of benefit with regard to embedding sustainability in the strategic objectives as well reporting practice and quality.

- **Sustainability context**

The report describes how sustainability topics relate to long-term organizational strategy, risks, and opportunities and reflects where the company is on the material issues that affect the industry.

We encourage TITAN to continue in the effort to find effective ways to report on topics that drive global impacts and those that have more regional or local impacts.

With respect to socio-economic and the sustainable development goals objectives TITAN should consider disclosing more detail on its performance in a manner that presents the magnitude of its impact and contribution in the different local contexts.

Principle of report quality

- **Neutrality**

The Report is a full and impartial description of TITAN's sustainability impacts. The document reflects the Organization's will to represent the activities and results for the reporting year in a balanced and consistent way.

- **Accuracy**

Based on our data analysis and on the business processes that generate them, the data reported in the Report appear as the result of stable and repeatable activities. The information contained in the Report is therefore accurate.

Findings in relation to specific sustainability performance information, with a moderate level of assurance

- **Reliability**

The data included in the Report subjected to our verification, were found to be identifiable and traceable; the personnel responsible was able to demonstrate reliably the origin and interpretation of the data.

During our work, we found a limited number of non-material errors and these were corrected prior to inclusion in the Report.

The use of an online system which provides additional guidance to sites continues to reduce the need for data manipulation at Group level, resulting in a higher level of data reliability.

We assessed at Country and Site levels – Kosjeric plant, Serbia and Zlatna Panega plant, Bulgaria – the adequacy and effectiveness of the processes being implemented to monitor, calculate, aggregate, analyse and report CO₂, emissions, dust, NO_x and SO_x emissions, Health & Safety and Water management data.

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It is our opinion that the information and data communicated in the Report are reliable.

Regarding the alignment of reported information with the WBCSD-CSI guidelines, DNV GL also concludes that:

- CO2 emissions reported; emissions (dust, NOx, SOx) reported – Boundary setting (at Group and site levels) meets the mandatory requirements of the relevant performance measurement and reporting guidelines. Testing of the reporting systems currently in place demonstrated a robust and well managed process for collection, management and reporting of CO2 performance data at Group level and in the sites visited.
- H&S - Corporate guidelines for H&S data collection, management and reporting exist at Group level. These are aligned with the principles and fulfil the requirements of relevant measurement and reporting guidelines. Corporate procedures and guidelines are generally implemented in the countries and sites visited. There was good evidence of an improved process for internal verification and revision of reported data.
- Water - Corporate guidelines for water data collection, management and reporting exist at Group level. These meet requirements of the relevant performance measurement and reporting guidelines (WBCSD CSI Protocol for Water Reporting).

Based on the findings of this assurance engagement, the following recommendations are made to encourage continual improvement, not affecting the conclusions above:

- Data gathering processes shall be continuously shared across the Titan Areas in order to avoid risk arising from a different approach.

The Report meets the criteria for a Communication on Progress of 'Advanced Level'.

Opportunities for improvement

The following is a summary of the observations and prospects reported back to the Management of TITAN. These do not, however, affect our conclusions regarding the Report, and they are indeed consistent with the management objectives already in place.

- We recommend that TITAN continues to embed sustainability within all the phases of the procurement process and continues to drive changes in business culture across the Group and outside the company. Furthermore, TITAN should continue to enlarge the sustainability issues which are part of the commitment to responsible practices and the categories of suppliers involved.
- We consider important that TITAN reinforces the ongoing programs to increase health and safety performances of direct employees and contractors, with particular reference to the behaviour-based initiatives which aim to avoid procedure violations and to encourage prevention of accidents, as well as to strengthen a systematic approach in addressing the major health risks and the prevention of work-related illnesses
- Where available we recommend using information provided by the supplier to calculate emission factor(s) above default values.

DNV GL's Competence and Independence

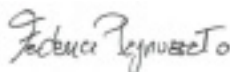
DNV GL is a leading provider of sustainability services, including the verification of sustainability reports. Our environmental and social assurance specialists operate in over 100 countries.

DNV GL was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV GL maintains complete impartiality toward stakeholders interviewed during the verification process.

DNV GL expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement.

For DNV GL Business Assurance Italia S.r.l.

Federica Pagnuzzato
Lead Verifier



Zeno Beltrami
Reviewer



Vimercate (MB), 2016-06-14

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Financial statements

Summary financial statements

INCOME STATEMENT

| (all amounts in euro thousands) | Group | | Company | |
|--|------------------------|----------------|------------------------|---------------|
| | Year ended 31 December | | Year ended 31 December | |
| | 2015 | 2014 | 2015 | 2014 |
| Turnover | 1,397,818 | 1,158,414 | 273,193 | 263,969 |
| Cost of sales | -1,039,425 | -863,906 | -202,442 | -208,026 |
| Gross profit before depreciation, amortization and impairment | 358,393 | 294,508 | 70,751 | 55,943 |
| Other income | 9,508 | 15,237 | 16,651 | 10,463 |
| Administrative expenses | -114,169 | -100,927 | -37,048 | -35,372 |
| Selling and marketing expenses | -21,236 | -18,466 | -128 | -133 |
| Other expenses | -16,074 | -8,761 | -6,458 | -284 |
| Profit before interest, taxes, depreciation, amortization and impairment | 216,422 | 181,591 | 43,768 | 30,617 |
| Depreciation and amortization related to cost of sales | -107,442 | -98,681 | -12,285 | -12,161 |
| Depreciation and amortization related to administrative and selling expenses | -6,208 | -6,768 | -1,256 | -1,296 |
| (Impairment)/reversal of impairment of tangible and intangible assets related to cost of sales | -17,045 | 414 | - | 753 |
| Profit before interest and taxes | 85,727 | 76,556 | 30,227 | 17,913 |
| Income from participations and investments | 1,565 | - | 55,246 | 112,000 |
| Losses from participations and investments | -2,805 | -1,609 | - | -5,211 |
| Finance income | 1,767 | 2,148 | 52 | 110 |
| Finance expense | -67,360 | -66,275 | -23,383 | -43,365 |
| Gain from foreign exchange differences | 17,435 | 31,056 | 1,477 | 1,679 |
| Share of profit of associates and joint ventures | 5,815 | 4,945 | - | - |
| Profit before taxes | 42,144 | 46,821 | 63,619 | 83,126 |
| Less: Income tax | -6,848 | -11,104 | -3,477 | 8,598 |
| Profit after taxes | 35,296 | 35,717 | 60,142 | 91,724 |
| Attributable to: | | | | |
| Equity holders of the parent | 33,754 | 30,947 | | |
| Non-controlling interests | 1,542 | 4,770 | | |
| | 35,296 | 35,717 | | |
| Basic earnings per share (in €) | 0.4126 | 0.3790 | | |
| Diluted earnings per share (in €) | 0.4103 | 0.3767 | | |



To view or download our full Annual Financial Statements for the year ended 31 December 2015, please go online to integratedreport2015.financial.titan.gr

STATEMENT OF FINANCIAL POSITION

| | Group | | Company | |
|--|------------------------|------------------|------------------------|------------------|
| | Year ended 31 December | | Year ended 31 December | |
| (all amounts in euro thousands) | 2015 | 2014 | 2015 | 2014 |
| Assets | | | | |
| Property, plant and equipment | 1,807,709 | 1,677,282 | 239,413 | 236,468 |
| Investment property | 9,548 | 9,267 | 9,461 | 9,908 |
| Intangible assets and goodwill | 454,584 | 441,808 | 1,854 | 1,973 |
| Investments in subsidiaries | - | - | 844,762 | 845,807 |
| Investments in associates and joint ventures | 82,508 | 86,533 | - | - |
| Available-for-sale financial assets | 1,209 | 1,406 | 172 | 111 |
| Other non-current assets | 14,830 | 16,204 | 3,063 | 2,960 |
| Deferred income tax asset | 806 | 2,517 | - | - |
| Non-current assets | 2,371,194 | 2,235,017 | 1,098,725 | 1,097,227 |
| Inventories | 286,793 | 275,774 | 70,682 | 72,830 |
| Receivables and prepayments | 167,645 | 157,449 | 68,884 | 53,169 |
| Available-for-sale financial assets | 2,110 | 63 | 2,109 | 61 |
| Cash and cash equivalents | 121,733 | 142,946 | 8,626 | 16,971 |
| Current assets | 578,281 | 576,232 | 150,301 | 143,031 |
| Total assets | 2,949,475 | 2,811,249 | 1,249,026 | 1,240,258 |
| Equity and liabilities | | | | |
| Share capital (84,632,528 shares of €4.00) | 338,530 | 338,530 | 338,530 | 338,530 |
| Share premium | 22,826 | 22,826 | 22,826 | 22,826 |
| Share options | 1,807 | 1,620 | 1,807 | 1,620 |
| Treasury shares | -79,077 | -83,633 | -79,077 | -83,633 |
| Other reserves | 1,017,304 | 939,525 | 519,750 | 496,236 |
| Retained earnings | 285,504 | 288,137 | 56,708 | 47,722 |
| Equity attributable to equity holders of the parent | 1,586,894 | 1,507,005 | 860,544 | 823,301 |
| Non-controlling interests | 118,391 | 120,590 | - | - |
| Total equity (a) | 1,705,285 | 1,627,595 | 860,544 | 823,301 |
| Long-term borrowings | 716,766 | 634,195 | 300,712 | 336,694 |
| Derivative financial instruments | 924 | 2,438 | - | - |
| Deferred income tax liability | 163,786 | 184,085 | 7,518 | 3,365 |
| Retirement benefit obligations | 31,018 | 31,727 | 13,087 | 14,029 |
| Provisions | 21,481 | 15,922 | 2,221 | 2,293 |
| Other non-current liabilities | 6,803 | 30,053 | 4,236 | 4,446 |
| Non-current liabilities | 940,778 | 898,420 | 327,774 | 360,827 |
| Short-term borrowings | 26,313 | 49,522 | 9,324 | 95 |
| Trade and other payables | 265,805 | 220,462 | 45,701 | 52,425 |
| Derivative financial instruments | - | 127 | - | - |
| Income tax payable | 4,959 | 10,987 | - | - |
| Provisions | 6,335 | 4,136 | 5,683 | 3,610 |
| Current liabilities | 303,412 | 285,234 | 60,708 | 56,130 |
| Total liabilities (b) | 1,244,190 | 1,183,654 | 388,482 | 416,957 |
| Total equity and liabilities (a+b) | 2,949,475 | 2,811,249 | 1,249,026 | 1,240,258 |

CASH FLOW STATEMENT

| (all amounts in euro thousands) | Group | | Company | |
|--|------------------------|-----------------|----------------|-----------------|
| | Year ended 31 December | | | |
| | 2015 | 2014 | 2015 | 2014 |
| Cash flows from operating activities | | | | |
| Cash generated from operations | 237,641 | 174,278 | 29,357 | 27,494 |
| Income tax paid | -18,128 | -20,946 | -798 | -180 |
| Net cash generated from operating activities (a) | 219,513 | 153,332 | 28,559 | 27,314 |
| Cash flows from investing activities | | | | |
| Purchase of property, plant and equipment | -172,588 | -81,536 | -16,543 | -13,472 |
| Purchase of intangible assets | -888 | -566 | -101 | -335 |
| Proceeds from sale of property, plant and equipment and investment property | 1,305 | 181 | 356 | 183 |
| Proceeds from dividends | 2,218 | 1,404 | 55,012 | 112,000 |
| Acquisition of subsidiaries, net of cash acquired | - | -2,741 | - | - |
| Investment in associate | -400 | -71 | - | - |
| Share capital decrease in subsidiaries | - | - | 1,180 | 392,950 |
| Net payments from the acquisition of available-for-sale financial assets | -1,836 | - | -1,836 | - |
| Interest received | 1,767 | 2,148 | 52 | 110 |
| Net cash flows (used in)/from investing activities (b) | -170,422 | -81,181 | 38,120 | 491,436 |
| Net cash flows after investing activities (a)+(b) | 49,091 | 72,151 | 66,679 | 518,750 |
| Cash flows from financing activities | | | | |
| Proceeds from non-controlling interest's participation in subsidiary's establishment | 35 | - | - | - |
| Proceeds from sale of treasury shares | 638 | 566 | 638 | 566 |
| Proceeds from government grants | 227 | 891 | - | - |
| Interest paid | -56,318 | -58,732 | -22,441 | -44,135 |
| Dividends written-off and paid to the Greek State | -36 | -67 | -36 | -67 |
| Dividends and reserves paid to shareholders | -25,316 | -8,438 | -25,316 | -8,438 |
| Dividends paid to non-controlling interests | -5,635 | -11,267 | - | - |
| Acquisition of non-controlling interests | -10,591 | - | - | - |
| Proceeds from borrowings | 396,812 | 1,057,652 | 93,421 | 177,900 |
| Payments of borrowings | -370,366 | -1,098,747 | -121,862 | -636,327 |
| Net cash flows used in financing activities (c) | -70,550 | -118,142 | -75,596 | -510,501 |
| Net (decrease)/increase in cash and cash equivalents (a)+(b)+(c) | -21,459 | -45,991 | -8,917 | 8,249 |
| Cash and cash equivalents at beginning of the year | 142,946 | 184,257 | 16,971 | 8,780 |
| Effects of exchange rate changes | 246 | 4,680 | 572 | -58 |
| Cash and cash equivalents at end of the year | 121,733 | 142,946 | 8,626 | 16,971 |

Non-financial statements

WBCSD/CSI ENVIRONMENTAL PROGRESS REVIEW¹

TITAN Group – Cement plants, attached and related quarries performance

| WBCSD/CSI | | 2011 | 2012 | 2013 | 2014 | 2015 |
|--|---|---------|---------|---------|---------|----------------|
| Climate change | Total gross direct CO₂ emissions, million metric tons | | | | | |
| | based on specific year equity | 8.6 | 9.6 | 10.2 | 9.5 | 10.5 |
| | based on 2009 equity | 8.2 | 9.4 | 9.9 | 9.2 | 10.2 |
| | Specific gross direct CO₂ emissions, kg/t_{Product} | | | | | |
| | based on specific year equity | 623.8 | 658.7 | 664.3 | 674.4 | 706.1 |
| | based on 2009 equity | 625.4 | 662.7 | 666.9 | 676.3 | 711.4 |
| | Total indirect⁽²⁾ CO₂ emissions, million metric tons | | | | | |
| | based on specific year equity | 0.9 | 1.0 | 1.1 | 1.1 | 1.1 |
| | based on 2009 equity | 0.9 | 1.0 | 1.1 | 1.0 | 1.0 |
| Alternative fuels and materials | Alternative fuel substitution rate, %_{HB} | | | | | |
| | based on specific year equity | 1.50 | 2.98 | 4.30 | 6.65 | 6.75 |
| | based on 2009 equity | 1.56 | 3.03 | 4.43 | 6.90 | 6.96 |
| | Biomass in fuel mix, %_{HB} | | | | | |
| | based on specific year equity | 1.13 | 1.86 | 1.63 | 2.22 | 1.57 |
| | based on 2009 equity | 1.17 | 1.89 | 1.68 | 2.31 | 1.62 |
| | Alternative raw materials (clinker & cement), % _{DRY} | 6.6 | 6.0 | 6.1 | 7.0 | 5.5 |
| | Clinker to cement ratio | 0.83 | 0.85 | 0.84 | 0.83 | 0.85 |
| Emissions | Overall coverage rate, % | - | - | - | 61.8 | 75.1 |
| | Coverage rate continuous measurement, % | - | - | - | 80.9 | 53.5 |
| | Total dust particulates, metric tons | | | | | |
| | based on specific year equity | 1,693 | 972 | 524 | 416 | 438 |
| | based on 2009 equity | 1,601 | 963 | 518 | 405 | 435 |
| | Specific dust particulates, g/t_{Clinker} | | | | | |
| | based on specific year equity | 162.6 | 83.5 | 42.2 | 37.0 | 35.7 |
| | based on 2009 equity | 159.2 | 83.9 | 42.9 | 37.3 | 36.5 |
| | Coverage rate, % | - | - | - | 100.0 | 92.9 |
| | Total NO_x, metric tons | | | | | |
| | based on specific year equity | 17,523 | 21,361 | 22,785 | 18,088 | 20,927 |
| | based on 2009 equity | 17,152 | 21,079 | 22,094 | 17,508 | 20,308 |
| | Specific NO_x, g/t_{Clinker} | | | | | |
| | based on specific year equity | 1,683.0 | 1,835.0 | 1,832.5 | 1,610.4 | 1,705.8 |
| | based on 2009 equity | 1,705.9 | 1,836.4 | 1,827.7 | 1,612.1 | 1,705.0 |
| | Coverage rate, % | - | - | - | 100.0 | 100.0 |
| | Total SO_x, metric tons | | | | | |
| | based on specific year equity | 2,468 | 2,277 | 2,351 | 2,969 | 2,527 |
| | based on 2009 equity | 2,433 | 2,266 | 2,341 | 2,974 | 2,515 |

WBCSD/CSI ENVIRONMENTAL PROGRESS REVIEW¹

TITAN Group – Cement plants, attached and related quarries performance continued

| WBCSD/CSI | 2011 | 2012 | 2013 | 2014 | 2015 |
|--|-------|-------|-------|-------|--------------|
| Emissions | | | | | |
| Specific SO_x, g/t_{Clinker} | | | | | |
| based on specific year equity | 237.1 | 195.6 | 189.1 | 264.3 | 206.0 |
| based on 2009 equity | 241.9 | 197.4 | 193.6 | 273.8 | 211.2 |
| Coverage rate, % | - | - | - | 88.9 | 100.0 |
| Total TOC, metric tons | | | | | |
| based on specific year equity | - | - | - | 325 | 394 |
| Specific TOC, g/t_{Clinker} | | | | | |
| based on specific year equity | - | - | - | 29.0 | 32.1 |
| Coverage rate, % | - | - | - | 89.0 | 98.7 |
| Total PCDD/F, mg | | | | | |
| based on specific year equity | - | - | - | 366 | 253 |
| Specific PCDD/F, ng/t_{Clinker} | | | | | |
| based on specific year equity | - | - | - | 32.6 | 20.6 |
| Coverage rate, % | - | - | - | 81.6 | 96.7 |
| Total Hg, kg | | | | | |
| based on specific year equity | - | - | - | 514 | 522 |
| Specific Hg, mg/t_{Clinker} | | | | | |
| based on specific year equity | - | - | - | 45.7 | 42.6 |
| Coverage rate, % | - | - | - | 91.9 | 100.0 |
| Total (Cd and Tl), kg | | | | | |
| based on specific year equity | - | - | - | 190 | 208 |
| Specific (Cd and Tl), mg/t_{Clinker} | | | | | |
| based on specific year equity | - | - | - | 16.9 | 16.8 |
| Coverage rate, % | - | - | - | 72.2 | 78.5 |
| Total (Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V), kg | | | | | |
| based on specific year equity | - | - | - | 2,485 | 5,378 |
| Specific (Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V), mg/t_{Clinker} | | | | | |
| based on specific year equity | - | - | - | 221.3 | 439.2 |
| Coverage rate, % | - | - | - | 72.2 | 78.5 |

WBCSD/CSI ENVIRONMENTAL PROGRESS REVIEW¹

TITAN Group – Cement plants, attached and related quarries performance continued

| WBCSD/CSI | 2011 | 2012 | 2013 | 2014 | 2015 | |
|------------------------------------|---|--------|--------|--------|-------------|----------------|
| Impact on natural resources | Total thermal energy consumption, TJ | | | | | |
| | Cement and grinding plants and attached quarries | 36,559 | 40,765 | 43,497 | 39,506 | 43,965 |
| | Cement and grinding plants, attached and related quarries | 36,562 | 40,771 | 43,504 | 39,512 | 43,970 |
| | Energy efficiency, kcal/kg _{Clinker} | 839.0 | 836.1 | 835.5 | 840.1 | 856.0 |
| | Total alternative fuels, metric tons | 30,630 | 68,050 | 89,170 | 122,790 | 127,665 |
| | Total electrical energy consumption, GWh | | | | | |
| | Cement plants and attached quarries | 1,437 | 1,536 | 1,581 | 1,481 | 1,600 |
| | Cement plants, attached and related quarries | 1,437 | 1,536 | 1,581 | 1,481 | 1,600 |
| | Total water consumption, million m ³ | 4.4 | 3.9 | 4.3 | 3.8 | 3.9 |
| | Specific water consumption, lt/t_{Cement} | | | | | |
| | based on specific year equity | 340.1 | 300.0 | 315.5 | 305.4 | 287.1 |
| | based on 2009 equity | 347.7 | 298.4 | 320.6 | 311.1 | 294.2 |
| | Materials consumption, million metric tons | | | | | |
| Total extracted raw materials | 17.4 | 19.0 | 20.2 | 18.2 | 20.0 | |
| Total alternative raw materials | 1.2 | 1.2 | 1.3 | 1.4 | 1.2 | |
| Health and safety | Employee fatalities | 0 | 1 | 0 | 0 | 1 |
| | Employee fatality rate | 0 | 2.69 | 0 | 0 | 2.68 |
| | Contractors fatalities | 1 | 0 | 1 | 1 | 1 |
| | Third-party fatalities | 0 | 0 | 1 | 1 | 0 |
| | Employee Lost Time Injuries (LTIs) | 11 | 8 | 2 | 8 | 13 |
| | Employee Lost Time Injuries Frequency Rate (LTIFR) | 1.54 | 1.13 | 0.28 | 1.10 | 1.75 |
| | Employee lost working days | 850 | 905 | 110 | 494 | 936 |
| | Employee Lost Time Injuries Severity Rate | 119.3 | 127.7 | 15.3 | 67.6 | 126.0 |
| | Contractors Lost Time Injuries (LTIs) | 8 | 12 | 6 | 8 | 7 |

Notes

¹ All performance figures are calculated based on the equity held by TITAN Group during each reporting period, unless stated otherwise.

² Indirect CO₂ emissions are related to emissions released for the production of the electrical energy consumed at our facilities. For their calculation we use emission factors provided by the supplier of the electrical energy or other publicly available data. If no such data are available, the most recent data provided by CSI are used.

WBCSD/CSI ENVIRONMENTAL PROGRESS REVIEW¹

TITAN Group - All activities performance

| WBCSD/CSI | | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|-------------|-------------|-------------|----------------|---------------|
| Impact on natural resources | Raw material extracted | 24.3 | 28.0 | 29.2 | 29.5 | 30.3 |
| | for cement production, million metric tons (wet) | 16.0 | 18.5 | 20.5 | 18.2 | 19.0 |
| | for aggregates, million metric tons (wet) ² | 8.3 | 9.5 | 8.7 | 11.3 | 11.3 |
| | Raw material consumed | | | | | |
| | for cement production, million metric tons (dry) | 17.4 | 19.0 | 20.2 | 18.2 | 20.0 |
| | for ready-mix, dry mortar and block production, million metric tons (wet) | 6.6 | 6.0 | 6.0 | 6.9 | 8.0 |
| | Total heat consumption, TJ | 36,828 | 41,152 | 43,907 | 40,093 | 44,333 |
| | Total electrical energy consumption, TJ | 5,511 | 5,848 | 6,113 | 5,698 | 6,101 |
| | Total water consumption, million m ³ | 9.9 | 11.1 | 9.4 | 8.4 | 9.2 |
| Recycled (externally) waste material, metric tons | 167,830 | 267,800 | 248,940 | 353,600 | 294,000 | |
| Health and Safety | Employee fatalities | 0 | 1 | 0 | 0 | 1 |
| | Employee fatality rate | 0 | 1.92 | 0 | 0 | 1.80 |
| | Contractors fatalities | 1 | 0 | 1 | 1 | 1 |
| | Third-party fatalities | 0 | 0 | 1 | 1 | 0 |
| | Employee Lost Time Injuries (LTIs) | 16 | 14 | 5 | 18 | 23 |
| | Employee Lost Time Injuries Frequency Rate (LTIFR) | 1.49 | 1.38 | 0.47 | 1.65 | 2.00 |
| | Employee lost working days | 1,256 | 1,117 | 191 | 1,481 | 1,624 |
| | Employee Lost Time Injuries Severity Rate | 117.1 | 110.3 | 17.8 | 135.6 | 141.4 |
| | Contractors Lost Time Injuries (LTIs) | 12 | 16 | 7 | 8 | 11 |
| Water withdrawal by source million m ³ | Ground water | 24.2 | 27.7 | 26.0 | 27.0 | 28.0 |
| | Municipal water ³ | 1.1 | 1.0 | 0.9 | 0.9 | 1.0 |
| | Rain water | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| | Surface water | 1.5 | 1.6 | 1.7 | 1.0 | 1.2 |
| | Quarry water used (from quarry dewatering) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | Ocean or sea water | 1.1 | 1.7 | 1.1 | 1.3 | 1.3 |
| | Waste water | 2.4 | 0.0 | 0.0 | 0.0 | 0.1 |
| | Total | 30.5 | 32.2 | 29.9 | 30.4 | 31.8 |
| Water discharge by destination million m ³ | Surface (river, lake) | 19.4 | 19.2 | 19.3 | 20.6 | 21.3 |
| | Ocean or sea | 1.2 | 1.8 | 1.1 | 1.3 | 1.3 |
| | Off-site treatment | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| | Total | 20.7 | 21.1 | 20.5 | 22.0 | 22.7 |
| Local impact | Active quarry sites with biodiversity issues ^{4,6} | 8 | 8 | 8 | 8 | 8 |
| | Active quarry sites with biodiversity management plans ^{5,6} | 3 | 3 | 3 | 3 | 6 |
| | Active quarry sites with biodiversity management plans ^{5,6} , % | 37.5 | 37.5 | 37.5 | 37.5 | 75.0 |
| | Sites with community engagement plans, % | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | Sites with quarry rehabilitation plans ⁶ , % | 63.0 | 65.0 | 79.0 | 80.0 | 82.0 |
| | Active quarry sites (wholly owned) certified with ISO14001 or equivalent, % | | 88.0 | 94.0 | 94.0 | 96.0 |

Notes

1 All performance figures are calculated based on the equity held by TITAN Group during each reporting period, unless stated otherwise.

2 Figures for years before 2015 were revised to reflect only natural material consumed.

3 Municipal water includes also bottled water bought.

4 Active quarries within, containing or adjacent to areas designated for their high biodiversity value.

5 Sites with high biodiversity value where biodiversity management plans are actively implemented.

6 Since 2011, coverage of wholly owned active quarries has expanded, to include both quarries attached to our cement plants and quarries for aggregates production.

Awards and recognitions

| Country | Awards and recognitions 2015 |
|----------------------------|--|
| Albania | ANTEA Cement recognized by the Ministry of Finance as a good example for respecting laws and regulations and properly paying and declaring taxes. |
| | ANTEA Cement recognized by the Ministry of Energy and Industry and the National Agency of Natural Resource as a best example regarding mining activities in quarries. |
| Bulgaria | TITAN Bulgaria awarded a statuette and diploma for being the biggest investor in Safety from the Foundation Centre for Health and Safety. |
| | TITAN Bulgaria awarded the "Prometheus" prize for humanization of the working environment and healthcare by the Federation of Independent Syndicates in Bulgaria. |
| Egypt | Municipal solid waste management awareness campaign for schools and universities recognized at Awards Ceremony - 22 February 2015. |
| | "Safety for All" Day - Certification Award from Higher Institute for Public Health in Alexandria University - 28 April 2015. |
| | Safe Day Certification Award from Ministry of Labour for the Alexandria cement plant - 22 April 2015, held in Alexandria Petrochemicals Company. |
| | Safe Day Certification Award and Appreciation Shield from the Ministry of Labour for both Alexandria and Beni Suef cement plants - 23 April 2015, held in Faculty of Nursing, Alexandria University. |
| | Certification Award and Shield for our participation for the second year in the "Job Fair 15" in the Faculty of Engineering Alexandria University - 16 May 2015. |
| | Certification Award from the Faculty of Science, BeniSuef University, regarding the adoption of the Faculty through the "National Authority of Quality of Education" as the first accredited faculty in BeniSuef University - 04 June 2015. |
| | Appreciation Certificate and Shield from the Institute of Graduate Studies and Research Alexandria University regarding the Alexandria cement plant's sponsorship of furnishing the main studies and discussion hall, and sponsoring the World Environment Day celebration - 08 June 2015. |
| | Shield from the Ministry of Environment for effective contributions in the 2015 World Environment Day for activities in the North Coast Marina - 13 June 2015. |
| | Shield from the Alexandria Northern Military regarding the Alexandria cement plant's Cement Donation to Project Gheit ElEnab, led by the Alexandria Northern Military Region - 18 June 2015. |
| | Certificate from the Higher Institute of Public Health during the celebration of World Environment Day - 17 June 2015. |
| | Certificate and Shield from the Arab Academy and United Nations Environment Program (UNEP) during the celebration of World Environment Day - 16 June 2015. |
| F.Y.R. of Macedonia | National CSR Award in the category of Environment for the project NOx Reduction by the National CSR Coordinative Body. |
| | Accolade for successful cooperation from the Municipality of Kisela Voda on the occasion of its 60-year anniversary. |
| | Three Certificates of gratitude from primary schools in Kisela Voda for support within the project "Partnering with Schools." |
| | Certificate of Appreciation from the Red Cross for successful collaboration. |
| | Certificate of Appreciation from the Dama-El NGO for our contribution and support of children with special needs. |
| | Certificate of Appreciation from SOS Children Village for humanity and support. |
| | Certificate of Appreciation from Image PR for successful collaboration. |
| | Certificate of Appreciation from BigMak for 25 years of successful collaboration. |

Country

Awards and recognitions 2015

Greece

Active Business Awards 2015 (12 March 2015): TITAN recognized as one of the leading exporters in the industrial sector.

"True Leaders Awards" – ICAP Group (27 October 2015). TITAN was recognized among the True Leaders of the Greek economy for its overall performance in 2014, based on the following criteria (published results):

- One of the 500 most profitable Companies, or the 200 most profitable Groups based on EBITDA, for 2014.
- One of the 500 companies or 200 Groups that also increased the number of employees.
- Ranked among the top positions in the specific industry (based on Revenues).
- High ICAP Score (for the Group).

In the HRIMA Business Awards – Georgios Ouzounis 2015 (2 December 2015), TITAN received an award in the 'Best Company' category (FTSE LARGE CAP), in recognition of the Company's financial performance and the stability of this performance, market share growth, stock performance and relationship with the investor community, outreach to global markets, innovation and emphasis on investment.

The Protagonists of the Greek Economy (4 December 2015): TITAN recognized as one of the "healthy" Greek businesses that stood out in the period 2010–2014 for not only weathering the crisis, but also recording profits and growth.

Kosovo

Sharrcem received a gratitude/award, handed out by Mr. Rufki Suma, Mayor of the Municipality of Hani i Elezit, recognizing its sustainability initiatives in the community related to the Hani i Elezit community development projects.

Sharrcem received a gratitude/award from Sharrcem Trade Union, recognizing general cooperation, especially relating to the early retirement program.

The HANDIKOS (Association of Paraplegics and Paralysed of Kosova) of Hani i Elezit issued a gratitude/award to Sharrcem for its contribution and support for people with special needs from the Municipality of Hani i Elezit.

The HANDIKOS in Kacanik issued a gratitude/award to Sharrcem for its contribution and support for the people with special needs from the Municipality of Kacanik.

Sharrcem received a gratitude/award from University Clinique Center of Kosovo for the contribution made to the initiative for blood donation, recognizing Sharrcem employees who contribute regularly to this humanitarian initiative.

Serbia

Best New Initiative and Continuous Improvement Award for 2014 from the TITAN Group.

Recognition for contribution to non-financial reporting in Serbia and introduction of international methodology for Sustainable Development reporting (GRI) by the Responsible Business Forum.

USA

ENERGY STAR Award: Pennsuco Cement plant received ENERGY STAR certification for the seventh consecutive year: ENERGY STAR is a U.S. Environmental Protection Agency (EPA) voluntary program that helps businesses and individuals save money and protect our climate through superior energy efficiency.

Cement Industry Honors Titan America Cement Plant for Land Stewardship and Outreach: The Portland Cement Association (PCA) acknowledged the Titan America LLC/Florida Cement and Aggregates cement plant in Medley, Florida, as part of the 2015 Cement Industry Energy & Environmental Awards, which honor sustainable manufacturing practices.

54th Annual Roger H. Corbetta Awards for Quality Concrete: Separation Technologies and Essex Cement received the Project of the Year award on November 4, 2015, from the Concrete Industry Board (CIB) New York Chapter. The Annual Award was presented to both companies on behalf of their involvement in the construction of 432 Park Avenue, New York, New York. Separation Technologies & Essex also received the Award of Merit for the Encore Project at 175 West 60th Street, New York, NY.

Roanoke Cement Winston-Salem and Castle Hayne Terminals were both recognized again this year by North Carolina Department of Labor (NCDOL). These locations received the GOLD Award for the sixth consecutive year and they also continue to participate in the NCDOL SHARP (safety, health and recognition program). The awards were presented by Cherie K. Berry, N.C. Commissioner of Labor.

Memberships and cooperations

| Country | Name/Title | Website | |
|--|---|--|--|
| Albania | American Chamber of Commerce | www.amcham.com.al | |
| | Albanian CSR Network | www.albaniancsrnetwork.org | |
| | Embassy of the Netherlands | albania.nlembassy.org | |
| | Foreign Investment Association | www.fiaalbania.al | |
| | Hellenic Business Association of Albania | www.hbaa.al | |
| | GIZ Albania | www.giz.de | |
| | Ministry of Economic Development, Tourism, Trade and Entrepreneurship | www.ekonomia.gov.al | |
| | Ministry of Environment | www.mjedisi.gov.al | |
| | Ministry of Social Welfare and Youth | www.sociale.gov.al | |
| | High School in Borizana | - | |
| | Polytechnic University of Tirana | www.upt.al | |
| | United Nations Development Programme (UNDP) | www.al.undp.org | |
| | University of Agriculture | www.ubf.edu.al | |
| | SOS Children's Village | www.soskd.org.al | |
| | Albanian Association of Consulting Engineers | www.aace.al | |
| | Albanian Banks Association | www.aab.al | |
| | High School in Thumana | - | |
| | Junior Achievement Albania | www.junior-albania.org | |
| | Regional Environmental Agency | www.albania.rec.org | |
| | Aarhus Center | aic-vlore.org | |
| | Albanian Institute for Corporate Governance | www.cgi-albania.org | |
| | Ministry of Energy and Industry | www.energjia.gov.al | |
| | Institute of Calibration | www.dpm.gov.al | |
| | National Agency of Natural Resources | www.akbn.gov.al | |
| | Faculty of Geology | www.fgjm.edu.al | |
| | Labor Inspectorate | www.inspektoriatipunes.gov.al | |
| | Bulgaria | American Chamber of Commerce and Industry (since 2010) | www.amcham.bg |
| | | Bulgarian Association of Aggregates Producers (since 2009) | www.bapim.org |
| | | Bulgarian Association of Cement Industry (since 2007) | www.bacibg.org |
| | | Bulgarian Federation of Industrial Energy Consumers (since 2013) | www.bfec.org |
| Hellenic Business Council in Bulgaria (since 2010) | | www.hbcbg.com | |
| Bulgarian Chamber of Mining and Geology (since 2015) | | www.bmgk-bg.org | |
| Egypt | Egyptian Financial Supervisory Authority (EFSA) | www.efsa.gov.eg | |
| | The Egyptian Exchange (EGX) | www.egx.com.eg | |
| | Real Estate Publicity District and Documentation | - | |
| | General Authority for Investment and Free Zones (GAFI) | www.gafi.gov.eg | |
| | Egyptian Bar Association | www.baegypt.org | |
| | Central Agency for Public Mobilization and Statistics (CAPMAS) | www.capmas.gov.eg | |
| | Beni Suef Governorate | www.benisuef.gov.eg | |

| Country | Name/Title | Website |
|----------------------------|--|-----------------------------|
| Egypt continued | Cement Association – Egyptian Chamber of Building Materials Industries – Federation of Egyptian Industries | www.fei.org.eg |
| | Energy Committee – Federation of Egyptian Industries | www.fei.org.eg |
| | Tabbin Institute for Metallurgical Studies | www.tims.gov.eg |
| | National Research Institute of Astronomy and Geophysics | www.nriag.sci.eg |
| | Faculty of Science Analysis Unit | www.bsu.edu.eg |
| | UN Global Compact Local Network (UNGC) | www.gcnetworkegypt.com |
| | Sustainability Center for Development (SCD) | - |
| | Alexandria Portland Cement Company | - |
| | Egyptian Businessmen’s Association (EBA) | www.eba.org.eg |
| | Egyptian Junior Business Association (EJBA) | www.ejb.org.eg |
| | Egyptian-Greek Business Council | - |
| | Egyptian Environment Affairs Agency | www.eeaa.gov.eg |
| F.Y.R. of Macedonia | Cementarnica USJE AD Skopje | www.usje.com.mk |
| | Chamber of Commerce | www.mchamber.org.mk |
| | American Chamber of Commerce (AmCham) | www.amcham.com.mk |
| | Organization of Employers of Macedonia | www.orm.org.mk |
| | UN Global Compact | www.unglobalcompact.org |
| | UN Global Compact Local Network | www.konekt.org.mk/web |
| | Macedonian Occupational Health & Safety Association (MOSHA) | www.mzzpr.org.mk |
| | Foreign Investors Council | www.mchamber.org.mk |
| Greece | Macedonian HR Association | www.mhra.mk |
| | Association of SAs and LTDs | www.sae-epe.gr |
| | Alliance for Greece | www.symmaxiagiatinellada.gr |
| | American-Hellenic Chamber of Commerce (AMCHAM) | www.amcham.gr |
| | Arab-Hellenic Chamber of Commerce | www.arabhellenicchamber.gr |
| | Athens Chamber of Commerce and Industry (ACCI) | www.acci.gr |
| | British Safety Council | www.britsafe.org |
| | Chambre de Commerce et d’Industrie Franco-Hellénique (CCIFH) | www.ccifhel.org.gr |
| | Deutsch-Griechische Industrie und Handelskammer | griechenland.ahk.de/gr |
| | DIAZOMA | www.diazoma.gr |
| | Federation of Industries of Northern Greece (FING) | www.sbbe.gr |
| | Federation of Recycling and Energy Recovery Industries and Enterprises (SEPAN) | www.sepan.gr |
| | Foundation for Economic & Industrial Research (IOBE) | iobe.gr |
| | Greece-Serbia Business Council | - |
| | Greek Mining Enterprises Association | www.sme.gr |
| | Greek-Turkish Chamber of Northern Greece | www.grtrchamber.org |
| | Hellenic Cement Industry Association | www.hcia.gr |
| | Hellenic Federation of Enterprises (SEV) | www.sev.org.gr |
| | Hellenic Federation of Enterprises of the Peloponnese and Western Greece | www.sevpde.gr |
| | Hellenic Foundation for European and Foreign Policy (ELIAMEP) | www.eliamep.gr |
| | Hellenic Management Association (EEDE) | www.eede.gr |

| Country | Name/Title | Website |
|------------------|--|--|
| Greece continued | Hellenic Network for Corporate Social Responsibility | www.csrhellas.org |
| | Hellenic Ornithological Society | www.ornithologiki.gr |
| | Hellenic Recovery-Recycling Corporation SA (HERRCo) | www.herrco.gr |
| | Hellenic Society for the Protection of Nature | www.eepf.gr |
| | Hellenic Solid Waste Management Association | www.eedsa.gr |
| | Hellenic Union of Industrial Consumers of Energy (UNICEN) | www.unicen.gr |
| | Heraklion Chamber of Commerce and Industry | www.ebeh.gr |
| | I.V.EP.E - Vocational Training Center: Industrial & Business Education & Training Institute - SEV (Hellenic Federation of Enterprises) | www.ivepe.gr |
| | Junior Achievement Greece (JA Greece) | www.senja.gr |
| | Panhellenic Exporters Association (PEA) | www.pse.gr |
| | Piraeus Chamber of Commerce & Industry | www.pcci.gr |
| | Professional Chamber of Piraeus | eep.gov.gr |
| | SEV Council for Sustainable Development | www.sevbcسد.org.gr |
| | Sustainable Greece 2020 | www.sustainablegreece2020.com |
| | Thessaloniki Chamber of Commerce and Industry (TCCI) | www.ebeth.gr |
| | Union of Listed Companies | www.eneiset.gr |
| Group | CSR Europe | www.csreurope.org |
| | The European Cement Association (CEMBUREAU) | www.cembureau.be |
| | European Round Table of Industrialists (ERT) | www.ert.eu |
| | Marine Traffic | www.marinetraffic.com/gr |
| | World Business Council for Sustainable Development (WBCSD) | www.wbcdsд.org |
| | World Economic Forum | www.weforum.org |
| | Young Presidents' Organisation (YPO) | www.ypo.org |
| Kosovo | EIC - (European Investors Council) | www.eic-ks.eu |
| | German-Kosovo Chamber of Commerce | www.kdwv.eu |
| | Kosova Chamber of Commerce | www.oek-kcc.org |
| | Kosovo CSR Network | www.csrkosovo.org |
| Serbia | AmCham Serbia | www.amcham.rs |
| | Association of the Cement Industry of Serbia | www.cis.org.rs/en |
| | Foreign Investors Council | www.fic.org.rs |
| | Hellenic Business Association of Serbia | www.en.hba.rs |
| | National Alliance for Local Economic Development | www.naled-serbia.org/en |
| | Responsible Business Forum | www.odgovornoposlovanje.rs |
| | UN Global Compact in Serbia | www.ungc.rs |

| Country | Name/Title | Website |
|---------|---|--|
| Turkey | Antalya Chamber of Commerce and Industry | www.atso.org.tr |
| | Cement Industry Employers' Association | www.ceis.org.tr |
| | Istanbul Chamber of Commerce | www.ito.org.tr |
| | Samsun Chamber of Commerce and Industry | www.samsuntso.org.tr |
| | Sivas Chamber of Commerce and Industry | www.sivastso.org |
| | Central Anatolian Exporters Association | www.oaib.org.tr/en |
| | Tokat Chamber of Commerce and Industry | www.tokattso.org.tr |
| | Turkish Cement Manufacturers' Association | www.fcma.org.tr |
| | Turkish Ready-Mix Concrete Association | www.thbb.org |
| | Zile Chamber of Commerce and Industry | www.ziletso.org.tr |
| USA | Portland Cement Association | www.cement.org |
| | NRMCA (National Ready Mixed Concrete Association) | www.nrmca.org |
| | AIA (The American Institute of Architects) | www.aia.org |
| | Wildlife Habitat Council | www.wildlifehc.org |
| | FLA (Florida Limerock & Aggregate Institute) | www.myflai.org |
| | Florida Home Builders Association | www.fhba.com |
| | Home Builders Association of Virginia | www.hbav.com |
| | National Sand, Stone & Gravel Association | www.nssga.org |

United Nations Global Compact criteria

Implementing the Ten Principles into strategies and operations

| | | |
|--------------------|---|---|
| Criterion 1 | The COP describes mainstreaming into corporate functions and business units | TITAN commitments a. TITAN Group CSR Policy Pages: 1-3, 6-7, 10-15, 19-20, 21-26, 29, 52-55, 57-58; GRI Index pages: 3-4, 42-43 |
| Criterion 2 | The COP describes value chain implementation | TITAN commitments a. TITAN Group CSR Policy b. TITAN Group Code of Conduct c. TITAN Group Code of Conduct for Procurement Pages: 2-3, 6, 8-9, 29, 57-58 |

Robust Human Rights Management policies and procedures

| | | |
|--------------------|--|--|
| Criterion 3 | The COP describes robust commitments, strategies or policies in the area of human rights | TITAN commitments a. TITAN Corporate Values b. TITAN Group Code of Conduct c. TITAN Group CSR Policy d. TITAN Group Code of Conduct for Procurement e. TITAN People Management Framework f. TITAN Occupational Health and Safety Vision and Policy g. Charter of the TITAN Occupational Health and Safety Council Pages: 24, 26, 52-55 |
| Criterion 4 | The COP describes effective management systems to integrate the human rights principles | TITAN commitments a. TITAN Group CSR Policy b. TITAN People Management Framework c. TITAN Group Code of Conduct d. TITAN Group Code of Conduct for Procurement Pages: 2-3, 10-12, 14, 20, 23-24; GRI Index pages: 24, 28-29 |
| Criterion 5 | The COP describes effective monitoring and evaluation mechanisms of human rights integration | TITAN commitments a. TITAN Group CSR Policy b. TITAN Group Code of Conduct c. TITAN Group Code of Conduct for Procurement Pages: 2-3, 20, 21-22, 24-26, 29, 49-50, 52-55; GRI Index pages: 31-33 |

Robust labor management policies and procedures

| | | |
|--------------------|--|--|
| Criterion 6 | The COP describes robust commitments, strategies or policies in the area of labor | TITAN commitments a. TITAN Group CSR Policy b. TITAN Corporate Values c. TITAN Group Code of Conduct d. TITAN Group Code of Conduct for Procurement e. TITAN People Management Framework f. TITAN Occupational Health and Safety Vision and Policy g. Charter of the TITAN Occupational Health and Safety Council Pages: 7, 21-26, 29, 53-55; GRI Index pages: 23-29 |
| Criterion 7 | The COP describes effective management systems to integrate the labor principles | TITAN commitments a. TITAN Group Code of Conduct b. TITAN Group Code of Conduct for Procurement c. TITAN People Management Framework d. TITAN Occupational Health and Safety Vision and Policy e. TITAN Occupational Health and Safety Framework Pages: 4-9, 19-26, 29, 52-55; GRI Index pages: 23-29 |
| Criterion 8 | The COP describes effective monitoring and evaluation mechanisms of labor principles | TITAN commitments a. TITAN Group CSR Policy b. TITAN Group Code of Conduct c. TITAN People Management Framework d. Charter of the TITAN Occupational Health and Safety Council e. The Company Charter of the Cement Sustainability Initiative Pages: 6-9, 10-12, 19-26, 29, 52-55; GRI Index pages: 6, 23-29, 42-43 |

Robust environmental management policies and procedures

| | | |
|---------------------|---|---|
| Criterion 9 | The COP describes robust commitments, strategies or policies in the area of environmental stewardship | TITAN commitments, strategies or policies a. TITAN Corporate Values b. TITAN Group CSR Policy c. TITAN Group Code of Conduct d. The Company Charter of the Cement Sustainability Initiative e. TITAN Group Environmental Policy f. TITAN Climate Change Mitigation Strategy Pages: 3, 6-9, 15, 30-36, 52-53, 55, 57-58; GRI Index pages: 14-22 |
| Criterion 10 | The COP describes effective management systems to integrate the environmental principles | TITAN commitments a. TITAN Group CSR Policy b. The Company Charter of the Cement Sustainability Initiative c. TITAN Group Environmental Policy d. TITAN Climate Change Mitigation Strategy Pages: 3, 6-9, 10-15, 30-37, 38-43, 45-47, 57-58, 68-71; GRI Index pages: 14-22 |
| Criterion 11 | The COP describes effective monitoring and evaluation mechanisms for environmental stewardship | TITAN commitments a. TITAN Climate Change Mitigation Strategy b. The Company Charter of the Cement Sustainability Initiative Pages: 3, 6-15, 30-36, 38, 41, 43-47, 55, 69-72; GRI Index pages: 45-47 |

Robust anti-corruption management policies and procedures

| | | |
|---------------------|---|--|
| Criterion 12 | The COP describes robust commitments, strategies, or policies in the area of anti-corruption stewardship | TITAN commitments a. TITAN Corporate Values b. TITAN Group CSR Policy c. TITAN Group Code of Conduct d. TITAN Group Code of Conduct for Procurement Pages: 7, 21, 29, 52-55; GRI Index pages: 34, 39-41 |
| Criterion 13 | The COP describes effective management systems to integrate the anti-corruption principle stewardship | TITAN commitments a. TITAN Group Code of Conduct b. TITAN Group Code of Conduct for Procurement Pages: 7, 21, 29, 52-55; GRI Index pages: 34, 39-41; Governance Report |
| Criterion 14 | The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption stewardship | TITAN commitments a. TITAN Group Code of Conduct b. TITAN Group Code of Conduct for Procurement Pages: 7, 21, 29, 52-55; GRI Index pages: 35-36, 39, 43 |

Taking action in support of broader UN goals and issues

| | | |
|---------------------|--|---|
| Criterion 15 | The COP describes core business contributions to UN goals and issues stewardship | TITAN commitments a. TITAN Corporate Values b. TITAN Group CSR Policy c. TITAN CSR pledges and commitments d. TITAN Group Code of Conduct e. TITAN Group Code of Conduct for Procurement Pages: 2-3, 10-15, 27-28, 57 |
| Criterion 16 | The COP describes strategic social investments and philanthropy stewardship | TITAN commitments a. TITAN Group CSR Policy Pages: 10-13, 15, 27-28, 61-64 |
| Criterion 17 | The COP describes advocacy and public policy engagement stewardship | TITAN commitments a. TITAN Group CSR Policy b. TITAN Group Code of Conduct Pages: 2-3, 10-12, 15, 29; GRI Index pages: 39-43 |
| Criterion 18 | The COP describes partnerships and collective action stewardship | TITAN commitments a. TITAN Group CSR Policy b. The Company Charter of the Cement Sustainability Initiative c. TITAN Climate Change Mitigation Strategy d. TITAN Occupational Health and Safety Framework Pages: 6-7, 10-14, 20, 29; GRI Index pages: 42-43 |

Corporate sustainability governance and leadership

| | | |
|---------------------|---|--|
| Criterion 19 | The COP describes CEO commitment and leadership stewardship | TITAN commitments a. TITAN Group CSR Policy b. The Company Charter of the Cement Sustainability Initiative c. TITAN Climate Change Mitigation Strategy d. TITAN Group Code of Conduct Pages: 1-4, 6-9, 48-55; Governance Report |
| Criterion 20 | The COP describes Board adoption and oversight stewardship | TITAN commitments a. TITAN Group CSR Policy b. TITAN Group Code of Conduct Pages: 1-4, 6-9, 48-55; GRI Index page: 44; Governance Report |
| Criterion 21 | The COP describes stakeholder engagement stewardship | TITAN commitments a. TITAN Group CSR Policy b. TITAN Group Code of Conduct c. TITAN People Management Framework Pages: 2-3, 6-9, 10-15, 21-24, 43, 46, 61-64, 74-77; GRI Index pages: 42-43 |

Business and peace

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| Criterion 22 | The COP describes policies and practices related to the Company's core business operations in high-risk conflict-affected areas stewardship | TITAN commitments a. TITAN Group CSR Policy b. TITAN Group Code of Conduct c. TITAN Group Code of Conduct for Procurement Pages: 2-3, 8-13, 24-25, 52-55 |
| Criterion 23 | The COP describes policies and practices related to the Company's government relations in high-risk or conflict-affected areas stewardship | TITAN commitments a. TITAN Group CSR Policy b. TITAN Group Code of Conduct c. TITAN Group Code of Conduct for Procurement Pages: 10-14, 24-25, 52-55; GRI Index page: 36 |
| Criterion 24 | The COP describes local stakeholder engagement and strategic social investment activities of the Company in high-risk or conflict-affected areas stewardship | TITAN commitments a. TITAN Group CSR Policy b. TITAN Group Code of Conduct c. TITAN Group Code of Conduct for Procurement Pages: 6-14, 23-26, 27-30, 43, 46, 52-55; GRI Index pages: 34, 42-43 |

Glossary, acronyms and abbreviations

General glossary terms

| | |
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| Local | This refers to the administrative region within which lies a cement plant, RM unit, a quarry, a terminal, company offices or other premises that belong to the Group or one of its subsidiaries. |
| Locally based suppliers | Providers of materials, products, and services that are based in the same geographic market as the reporting organization (i.e. no transnational payments to the supplier are made). However, the geographic definition of "local supplier/contractor" in F.Y.R. of Macedonia, Greece and the USA varies because all national suppliers are considered local as well. |
| Significant agreements | Specified by local General Management. It is not a fixed definition and should be discussed with the local General Management every year. |
| Significant locations of operation | Locations with TITAN cement plants |

Acronyms and abbreviations

| | |
|----------------------------|---|
| AA 1000 SES | AA 1000 Stakeholder Engagement Standard, which is a generally applicable framework for assessing, designing, implementing and communicating stakeholder engagement. |
| AGM | Annual General Meeting |
| ATHEX | Athens Stock Exchange |
| ASE | Athens Stock Exchange |
| BMP | Biodiversity Management Plan |
| CAPEX | Capital expenditure |
| CE | Capital Employed |
| CIB | Concrete Industry Board |
| COP | Communication on Progress |
| CSR | Corporate Social Responsibility |
| EBITDA | Earnings Before Interest Taxes Depreciation and Amortization |
| EPA | Environmental Protection Agency |
| EU | European Union |
| FTSE | Financial Times and the London Stock Exchange |
| F.Y.R. of Macedonia | Former Yugoslav Republic of Macedonia |
| GAEA | Green Alternative Energy Assets |
| GDP | Gross Domestic Product |
| GHG emissions | Greenhouse Gas emissions |
| GRI | Global Reporting Initiative |
| IBAT | Integrated Biodiversity Assessment Tool |
| ILO | International Labor Organization |
| ISO | International Organization for Standardization |
| KPI | Key Performance Indicator |
| LAB | Laboratori për Aktivitete të Biznesit |
| LCTPi | The WBCSD's Low Carbon Technology Partnerships initiative |
| LEED | Leadership in Energy and Environmental Design |
| LTI | Lost Time Injury |

Acronyms and abbreviations

| | |
|------------------|---|
| LTIFR | Lost Time Injuries Frequency Rate |
| MSHA | Mine Safety and Health Administration |
| MSCI | Morgan Stanley Capital International |
| NCDOL | North Carolina Department of Labor |
| NGO | Non-Governmental Organization |
| NPAT | Net profit after minority interests and the provision for taxes |
| NRMCA | National Ready Mixed Concrete Association |
| OHS | Occupational Health and Safety |
| OHSAS | Occupational Health and Safety Assessment Series |
| PCA | Portland Cement Association |
| PFO | Potentially Fatal Occurrences |
| QRP | Quarry Rehabilitation Plan |
| REC | Regional Environmental Center |
| R&D | Research and development |
| SDGs | UN Sustainable Development Goals |
| SES | Stakeholder Engagement Standard |
| ST | Separation Technology |
| UN | United Nations |
| UNDHR | Universal Declaration of Human Rights |
| UNEP | United Nations Environment Program |
| UNGC | United Nations Global Compact |
| US, USA | United States, United States of America |
| WBCSD | World Business Council for Sustainable Development |
| WBCSD/CSI | The WBCSD's Cement Sustainability Initiative |

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