

2007
Corporate Social Responsibility
and Sustainability Report

Reading the Report

Welcome to our 2007 Corporate Social Responsibility and Sustainability Report (“CSR & S Report” or “the Report”) summarizing our CSR policies, challenges and performance. The Report covers calendar year 2007 and records efforts and achievements to enhance sustainable growth through CSR as defined in our governing objective.

This CSR and S Report is published by TITAN Group and stands as a supplement to the Group’s 2007 Annual Report and Annual Bulletin and direct references to it are marked in the present document with the  symbol. The online version of this Report contains additional information and all direct links to our website as well as to other relevant sites are indicated with the  symbol.

In compiling this Report, we have applied relevant best practice standards and international guidelines, including the Global Reporting Initiative’s (GRI) G3 Guidelines and Communication on Progress as defined by the United Nations’ Global Compact Office .

As a member of WBCSD and the Cement Sustainability Initiative (WBCSD/CSI) we have specified key performance indicators in respect to occupational health and safety and environmental protection according to WBCSD/CSI standards (p.16).

In our 2007 CSR & S Report, as well as the Annual Report and Bulletin we present trees from Greece and South East Mediterranean region, growing in our nurseries since 1970s for reforestation, true to our commitment to care for the environment and respect biodiversity.

TITAN GROUP STRUCTURE (December 31, 2007)

Group main companies	Location	Percentage of TITAN ownership
TITAN Cement S.A.	Athens, GR	100
Interbeton Construction Materials S.A.	Athens, GR	100
Gournon Quarries S.A.	Heraklion, GR	100
TITAN Cement International Trading Co S.A.	Athens, GR	100
NafTITAN S.A.	Athens, GR	100
TITAN America LLC	Delaware, U.S.A.	100
InterTITAN S.A. Trading International S.A.	Athens, GR	100
TITAN Cement U.K. LTD	Hull, U.K.	100
FinTITAN SRL	Venice, Italy	100
Cementara Kosjeric A.D.	Kosjeric, Serbia	74.28
Usje Cementarnica A.D.	Skopje, FYROM	94.84
Zlatna Panega Cement A.D.	Zlatna, BU	99.99
Zlatna Panega Beton EOOD	Zlatna, BU	99.99
Antea Cement SHA	Tirana, AL	100
Joint Ventures	Location	Percentage of TITAN ownership
Beni Suef Cement Co. SAE	Cairo, Egypt	49.92
Alexandria Port. Cem. Co. SAE	Alexandria, Egypt	48.41

For more information see Annual Report .

Abbreviations / Terms	Stand for:
Agenda for Action	Cement Sustainability Initiative 5-year action plan, launched in 2002
CSI	Cement Sustainability Initiative (sectoral initiative under the auspices of the WBCSD)
Code of Conduct	“Corporate Values and Code of Conduct TITAN Group”
CoP	Communication on Progress defined by the U.N. Global Compact guidelines in reference to the publication of CSR & Sustainability Reports
CSR Europe	European Network for Corporate Social Responsibility
CSR and S Report/the Report	TITAN’s Corporate Social Responsibility and Sustainability Report
DNV	Det Norske Veritas, independent foundation
Global Compact (G.C.)	A U.N. initiative for the implementation of international conventions referring to human and labor rights, environmental conservation and the fight against corruption
GRI	Global Reporting Initiative
Group or TITAN Group	All companies controlled by TITAN Group as a whole
HNCSR	Hellenic Network for Corporate Social Responsibility
ILO	International Labor Organization
KPMG	KPMG Sustainability B.V., member of KPMG International a Swiss cooperative
NGO	Non Governmental Organization
Stakeholders	All parties directly or indirectly affected by TITAN’s business activities
ST	Separation Technologies
TITAN Cement S.A.	TITAN Group’s parent company
UNEP	United Nations’ Environmental Program
WBCSD	World Business Council for Sustainable Development

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LENTISK

Evergreen bush or small tree with a height of 1 – 5 metres and aromatic composite leaves.

It grows throughout the Mediterranean and is resistant to dry and hot conditions.

Its fruits are edible and are used for decoration and in pharmaceuticals (lentisk oil), while they are also excellent food for domestic animals.

Introduction

Report boundary and principles

This Report covers the whole TITAN Group with its main subsidiaries, which in 2007 directly employed approximately 6,000 people in eleven countries on three continents . This Report covers all cement plants, quarries and ready mix activities of the TITAN Group, as well as TITAN terminals and Separation Technologies .

The CSR and S Report is our main tool for communicating our efforts, performance and future commitments to our key stakeholders (p. 43). Our continuous endeavor is to provide them with information about TITAN which is meaningful and relevant to their interests through a reliable and well-documented Report.

In order to permit comparability with previous years, the 2007 CSR and S Report follows a similar structure to the previous one. Moreover, since 2004, we have focused on integrating progressively WBCSD/CSI guidelines in our reporting system and particularly performance indicators for safety at work and for the environment.

Accordingly, all relevant indicators in this Report are presented in line with our WBCSD/CSI commitments (p. 16). The results of an independent assessment and verification process which was undertaken by KPMG for these indicators, are presented on page 57.

In addition, an effort was made to integrate G3 Sustainability Reporting Guidelines  (GRI), in this Report, following an independent assurance process undertaken by DNV based on the following principles:

- **Balance**
- **Comparability**
- **Accuracy**
- **Timeliness**
- **Clarity**
- **Reliability**

The results of this process are presented on pages 55 - 56 and in the GRI Table of Disclosure and Indicators in Annex 2 (p. 60 - 67).

We are confident that we meet application level A+ of the GRI guidelines. The application level has been independently verified by DNV (p. 55-56).

To enhance auditability and accuracy of our reporting, a new online system has been developed and was used for recording CSR data in all our plants and business units.



This system is still being developed with a view to also covering indicators that are currently either partially disclosed or not yet available as defined by GRI.

We are committed to completing this process by 2010, as explained in our CSR Roadmap on page 17 and in Annex 2.

The data in this Report have been computed as follows:

All direct employment figures are based on full-time direct employees as per annum average.

Health and safety performance indicators include part-time and temporary employees as full time equivalents (in accordance with the WBCSD/CSI guidelines .

All environmental data are computed on an equity basis for joint ventures. Accordingly, total and specific CO₂ emissions for 2003 and 2004 (which are presented in table on page 29) have been recalculated accordingly to the WBCSD/CSI protocol which was officially published in 2005.

Health and safety data as well as social indicators have been computed since 2003 with joint ventures included as a whole. Following the WBCSD/CSI protocol, the table on page 16 presents health and safety data excluding joint ventures. However, so as to allow comparability with previous years, the page 23 health and safety data are presented in two different columns, one with the joint ventures data included as in previous years and the other as defined by the WBCSD/CSI protocol. The page 16 Table refers only to cement plants (one fatality recorded among contractors' personnel in 2007) while the table on page 23 refers to all Group operations (two fatalities recorded among contractors personnel, one in Greece and one in Bulgaria).

For clarity's sake, we have extensively linked Report contents to our website. Moreover, we have included further detailed social and environmental sections into the current Annual Report. Furthermore, a concise CSR and S Report has been distributed to our workforce and to local stakeholders ever since 2005.

Your feedback is a catalyst in our endeavor for improvement. Please send your comments, opinions and views to csr@titan.gr .





Thessaloniki plant, Greece



Message from the Managing Director

In pursuing its business goals, TITAN has embedded Corporate Social Responsibility and Sustainability principles into its operations, based on the deep rooted belief that it is not only an ethical responsibility, but also good business practice.

This philosophy is translated into a number of initiatives, which can be found throughout this report. However, the nature of our business is such that two issues dominate: environmental sustainability and safety at work.

One of the most important challenges of our times is undoubtedly global warming and climate change. As a cement manufacturer, and thus a significant emitter of carbon dioxide (CO₂), TITAN has chosen early action. In 2003, in the context of our participation in the WBCSD/CSI, we voluntarily committed to curbing our CO₂ specific emissions per ton cement by at least 15% by 2010, compared to 1990 levels. Through our various mitigation actions, we are well on track towards achieving this goal. Last year, for the first time, in line with our pledges and commitments, our progress report has been verified by two independent auditors. Their recommendations are being progressively adopted and disclosed starting from this report.

Our overall performance in occupational safety improved in 2007 and compares favorably with published cement industry benchmarks. Nevertheless, the loss of lives of two employees of our contractors has served as a reminder that we need to improve further. We reaffirmed our commitment to put occupational safety as a top business priority and intensified our efforts to reinforce our safety culture. Our vision is to have a healthy working environment free of incidents and accidents. Action plans and specific projects are in place aimed at reaching our goal to be in the top quartile of the safety performance among our peers by 2010.

At TITAN, we are fully aware that we should constantly improve our Corporate Social Responsibility management systems, review the effectiveness of our programs and practices, anticipating more effectively to stakeholders' concerns and offering our support to people and communities affected by natural disasters.

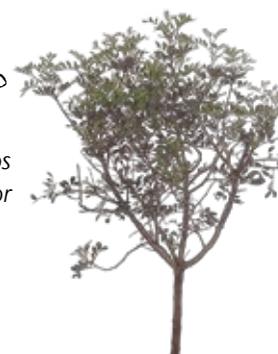
In this context, we responded immediately with funds and with the donation of building materials, as well as with one million trees for reforestation of the areas ravaged by the two Group 2007 forest fires in Greece. This contribution was one of extraordinary emergency but, in essence, an expression of longterm commitment to caring for nature. For this reason the trees that decorate the 2007 Reports are meant to emphasize the importance to us of the natural environment and the significance of tree-planting and reforestation.

Our new greenfield cement plant investment in Albania and the structured Environmental and Social Impact Assessment carried out in line with international best practices and WBCSD/CSI principles have enriched our knowledge and added valuable experience in stakeholder and community engagement.

There is more to be done in our effort to enhance sustainable growth through corporate social responsibility which is meeting our governing objective while doing less harm and more good.

All countries and societies in which the Group operates, cannot progress on all fronts at the same pace. Established attitudes, old habits and traditions can either help or hinder our progress. Yet, only self-improvement, coupled with transparency and openness, can convince society at large and lead to our common goal: A world where corporate responsibility is an integral part of the decision-making process and fully incorporated in our way of thinking both for the present and the future, as well as in the way we anticipate our business and social challenges.

Dimitri Papalexopoulos
Managing Director



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Group Overview



BAY LAUREL

Evergreen tree. It reaches a height of 9 to 10 metres and has aromatic leaves that are used in cooking.

It self-sows in ravines throughout continental Greece. Relatively demanding with respect to soil moisture, resistant to low temperatures and shade.

2007 TITAN Group Overview

TITAN is a vertically integrated group of companies with operations in several different cement-related segments, such as ready-mix, aggregates, dry mortars, building blocks and fly ash.

In 2007 the TITAN Group produced across all its sites:

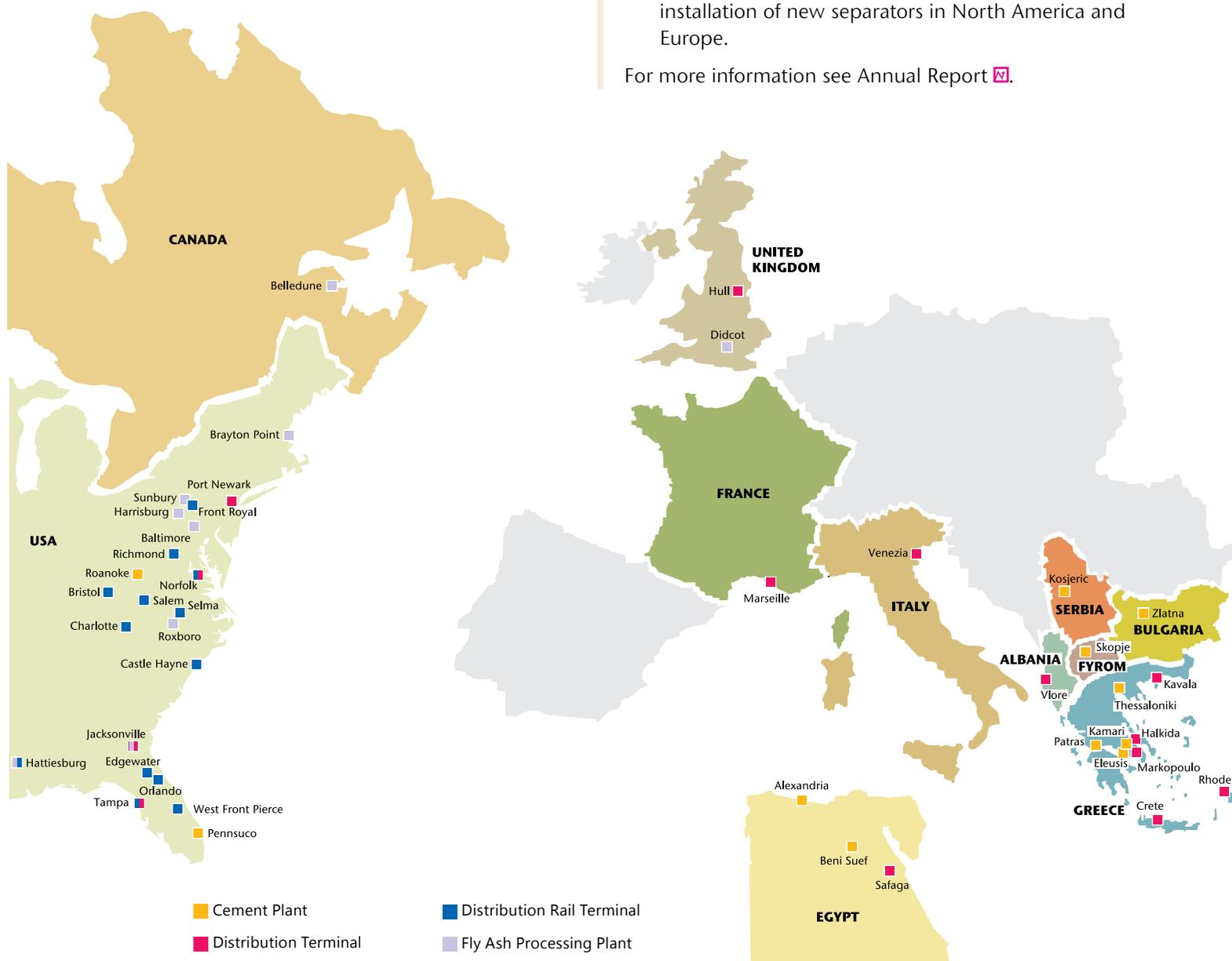
- Over 15 million tons of cement
- Nearly 6 million m³ of ready-mix concrete
- 39 million tons of aggregates and
- Almost 900,000 tons of Proash 

Recent developments

New acquisitions and plans for expanding our geographical presence in our core cement business and associated sectors during 2007, included:

- S&W Ready Mix Concrete Company, with 26 facilities in the U.S.A.
- Cumberland Quarry in Salem, Kentucky, which has over 1 billion tons of limestone reserves
- A €170 million investment in a greenfield cement plant in Albania's Kruje region and
- Completion of modernization program of the Zlatna Panega cement plant in Bulgaria.
- Expansion of Separation Technologies with the installation of new separators in North America and Europe.

For more information see Annual Report .



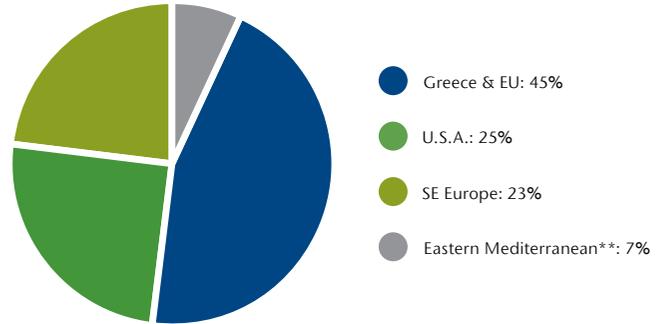
Group performance

FINANCIAL RESULTS IN 2007

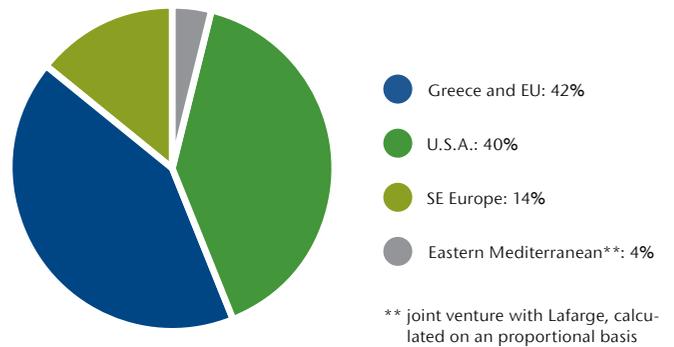
€ millions	
Turnover	1,497
Operating EBITDA	426
Net profit before taxes	300
Net Profit*	240

*after taxes and minority interests

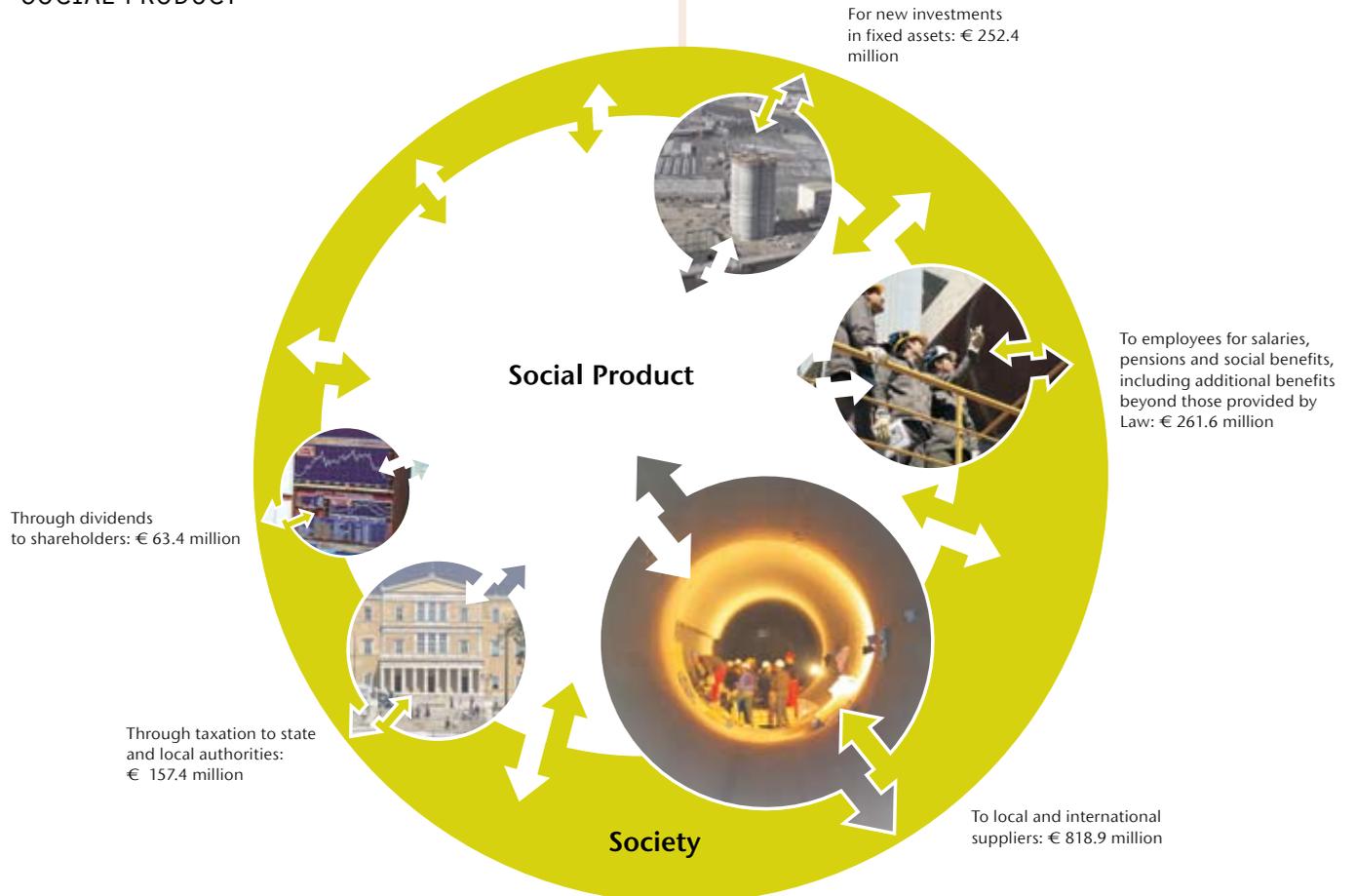
OPERATING EBITDA



TURNOVER 2007



SOCIAL PRODUCT



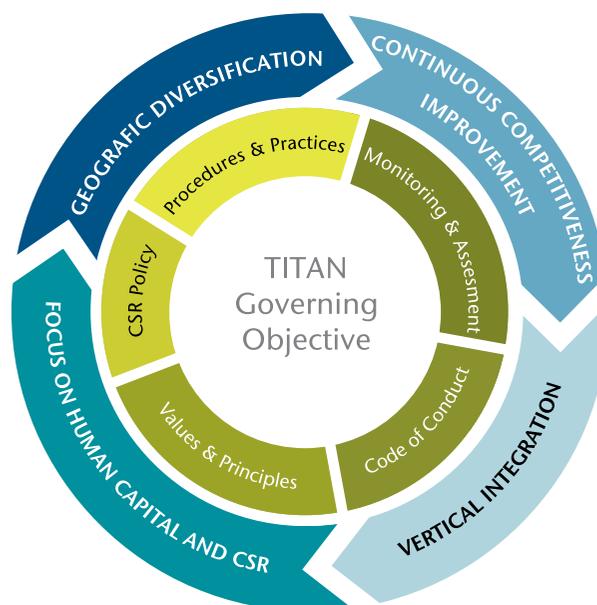
Meeting our commitments

TITAN values underpin its governing objective which is “to grow as a multi-regional, vertically integrated cement producer, combining an entrepreneurial spirit and operational excellence with respect for people, society and the environment”.

Group strategy is accordingly based on four main priorities (see graph at right). Corporate Values and Code of Conduct, as defined in 2003 (p.13), provide the main guidelines and standards for accomplishing the Group’s governing objective and priorities.

Pledges and commitments undertaken by TITAN Group in line with its values, Code of Conduct and priorities include:

- Global Compact (UN Declaration of Human Rights, ILO Conventions), www.unglobalcompact.org
- GRI (Reporting and assurance standards), www.globalreporting.org
- WBCSD/CSI (sectoral initiative), www.wbcsd.org
- E.U. Business Alliance for CSR (European initiative) www.csreurope.org
- ISO 14001, ISO 9000, OHSAS 18001 (norms and equivalent local standards).



Corporate Values

Integrity

Direct and open communication; transparency; credibility; ethical business practices.

Commitment to and delivery of results

Setting clear objectives; setting high standards; delivering on commitments to our stakeholders.

Know-How

Investing in knowledge; enlarging our knowledge base; taking initiatives to acquire and share knowledge.

Continuous improvement

Learning organization; avoiding complacency; seeking new ways of doing business; taking calculated risks.

Value to the customer

Anticipating and satisfying customers’ needs; providing high quality products and services; providing innovative solutions to create competitive advantage.

Corporate Social Responsibility

Putting safety at work first; caring for our employees; respecting and supporting local communities; being an active member of society; being committed to sustainable development.



Defining CSR priority areas

In 2007, we engaged in a wide-ranging independent assessment of our CSR performance starting from the Greek region. The main objectives were to evaluate our CSR management and reporting systems with respect to TITAN's values and commitments as well as stakeholders expectations.

The specific objectives were to:

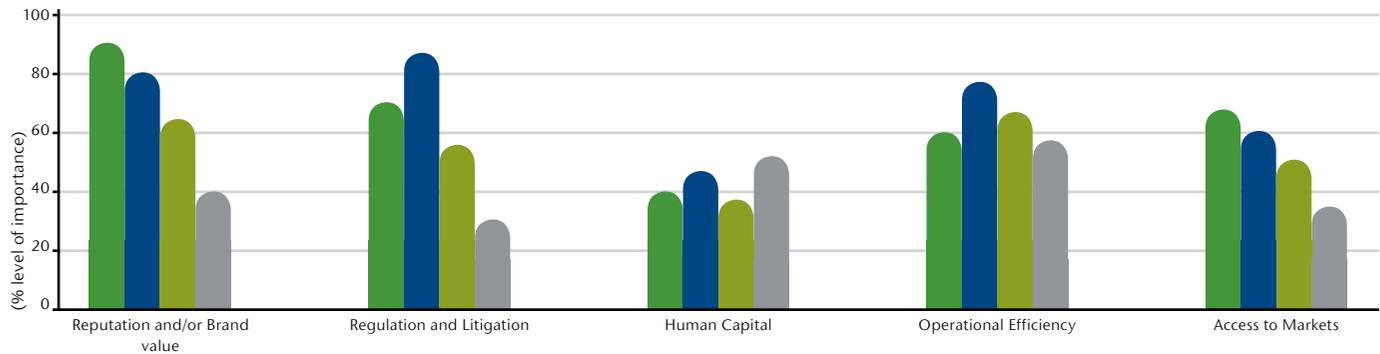
- Identify material and relevant CSR issues for TITAN Greece
- Identify opportunities and risks
- Link CSR issues with TITAN's value drivers

As part of this process, four workshops and a number of interviews were conducted with more than 40 people from 15 different departments and functions from TITAN's operations in Greece, as were audits at selected sites covering all activities.

These workshops assessed the relative importance placed on various CSR issues. All issues have been examined and ranked accordingly considering their relevance to TITAN's business. The outcomes are presented in the tables below. More information are also included in DNV's letter (p.55).



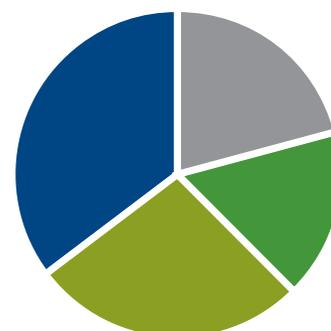
IMPACT OF CSR ON TITAN'S BUSINESS



- Governance
- Environment
- Society
- Employment

RANKING OF CSR PRIORITIES

Among selected TITAN Greece managers and employees



- Governance: 17%
- Environment: 35%
- Society: 27%
- Employment: 21%

TITAN's CSR strategy and main objectives

CSR provides a guiding framework for structuring all our management responsibilities incorporating industry

best practice standards in order to achieve our governing objective.

Four specific aspects of our business are especially influenced by our values, pledges and commitments:

OCCUPATIONAL HEALTH AND SAFETY	ENVIRONMENT	SOCIETY	CORPORATE GOVERNANCE AND BUSINESS ETHICS
<div style="text-align: center;"> <p>■ ENHANCE SUSTAINABLE GROWTH</p>  <p>■ PROMOTE DIALOGUE AND STAKEHOLDER ENGAGEMENT</p> <p>■ BRANCH OUT AND ADD VALUE</p> <p>■ STRIVE FOR CONTINUOUS IMPROVEMENT</p> </div>			
<p>CSR Management</p> <ul style="list-style-type: none"> ■ Set and communicate standards and commitments ■ Apply and assess policies and practices ■ Define areas for improvement and examples of good practice ■ Develop systems and monitor performance ■ Communicate and seek feedback from stakeholders ■ Review policies, practices and outcomes 	<p>Key Stakeholders</p> <ul style="list-style-type: none"> ■ Employees ■ Shareholders ■ Customers ■ Suppliers ■ Local communities ■ Public authorities 		

According to our Code of Conduct, published in 2003 and to be revised in 2008 [\[1\]](#), we are committed to operating in a responsible and ethical manner.

“CSR Management” is a responsibility shared among all TITAN managers and accordingly relates to all policies and programs that correspond to key stakeholders’ expectations from an enterprise beyond and above legal requirements.

The Group CSR Committee is responsible for supporting and counseling the Board of Directors in the implementation of Group CSR Strategy [\[2\]](#).

Group CSR Department is responsible for coordinating and supporting all departments and functions in meeting Group relevant standards and objectives.

“CSR Reporting and assessment” is a process for learning, changing and improving the measuring of the effectiveness of our activities while acknowledging as a rule that results may only show up in the longer term.

“Stakeholder dialogue and engagement” means a willingness to be open, to listen, discuss and take into consideration social and environmental impacts and to anticipate them with acceptable solutions to the extent possible.



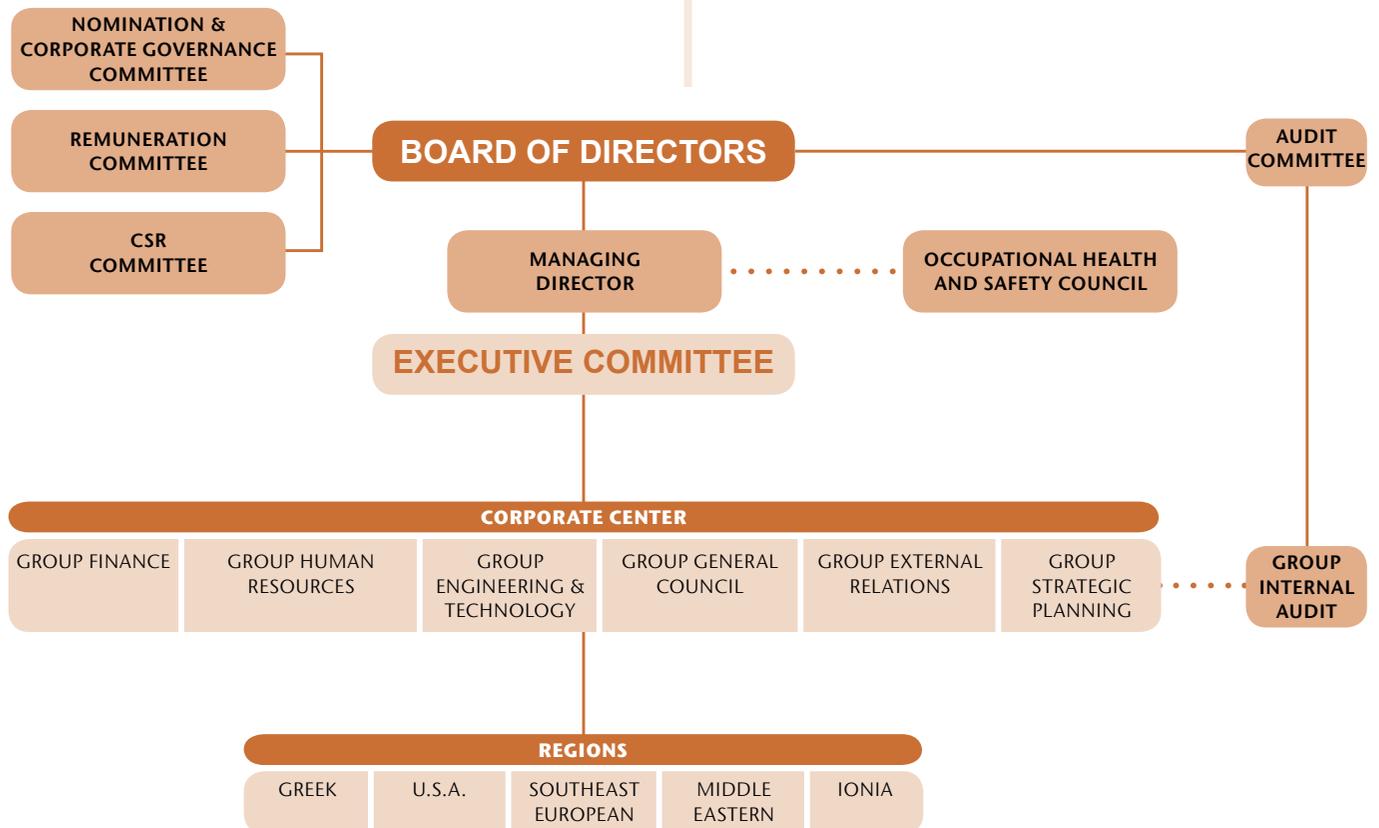
Corporate Governance and CSR

Our corporate governance policy and actions are presented in our Annual Report [1]. In this section of the Report we note only certain initiatives taken last year to further improve our systems and policies.

- Independent Board Members have increased to 8 out of 15 members.
- An Occupational Health and Safety Council chaired by TITAN's Managing Director has been added to the Group Bodies responsible for defining and coordinating the implementation of vision and strategy in respect to the well-being of our employees and local communities.
- A new Code of Conduct for Procurement [2] providing guidelines and explaining our policy and standards has been developed and distributed for comments and review. The final publication is expected to cover all TITAN activities in Greece, E.U. and Southeastern European countries by the end of 2008.

- A Direct Employee Communication Line for strengthening and expanding communication among employees and management has been launched as a first step in Greece encouraging more feedback regarding the overall implementation of corporate values and Code of Conduct issues. The information from this line is also received by one of the members of the CSR Committee who is also a current member of the Board of Directors.
- A new program for the promotion and voluntary commitment to Global Compact principles [3] was introduced to our suppliers and main stakeholders in Greece in 2007 p. 53 and will be expanded to all Southeast European operations by the end of 2008.
- In the framework of the E.U. Business Alliance for CSR [4], in which TITAN has undertaken a leading role for the implementation of the "CSR and Supply Chain Laboratory", a common action plan was approved to support the development of a European Portal for responsible supply chain management. (p. 47).

GROUP MANAGEMENT STRUCTURE



Code of Conduct and transparency

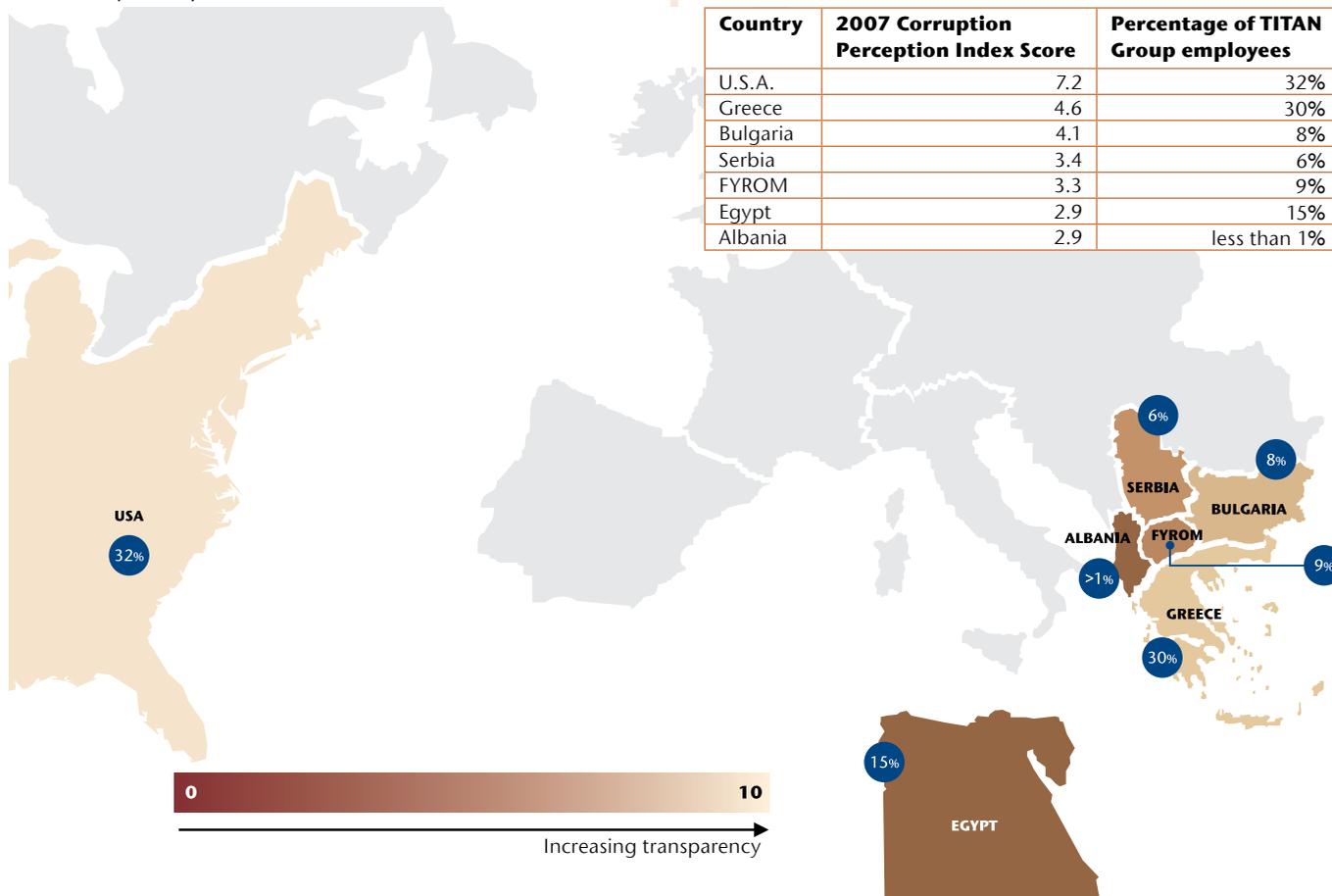
- A new training program for management focused on building leadership skills and competencies linked to our corporate values and our Code of Conduct was launched last year in the U.S.A. Based on preliminary feedback, we plan to expand it at Group level in order to cover all managers by 2010.
- An internal analysis of country risks in respect to bribery and corruption was carried out according to relevant ratings provided by Transparency International's annual Corruption Perceptions Index (TI's CPI).

Results are presented in the graph below where lighter colored countries are those assessed by TI's index to be more transparent. The graph also indicates the percentage of our total Group employees in each country. We follow up developments in all countries of operation presenting to be less transparent and we are committed to joint national or other programs focused on eliminating bribery and corruption incidents.

Living up to our values: employee direct line

The "Employee Direct Communication Line" is an additional tool for all employees to report infractions of the Code of Conduct, especially those related to health and safety, protection of the environment, bribery and corruption, human rights and equal opportunities. Reporting possible violations in a discrete manner is intended to facilitate, encourage and expand the dialogue between management and employees on issues that are related to our values commitments. We consider our employees as the most important ambassadors of our values, endeavors and principles and we expect the Direct Communication Line to increase employee participation and uphold corporate values.

COUNTRY EXPOSURE TO BRIBERY AND CORRUPTION
2007 Transparency International Index



Progress and future objectives

WBCSD/CSI pledge

TITAN was the first member of the World Business Council for Sustainability in Greece. Among the WBCSD's activities are a number of sectoral initiatives, including that for cement. The WBCSD/CSI, adopted by a group of cement producers around the world representing 50% of global cement production (excluding China), is an action plan with a 20-year time horizon, divided into five-year cycles. The WBCSD/CSI Agenda for Action [\[2\]](#) is defined in a Charter [\[2\]](#), signed by all core members and represents a commitment to a series of joint projects and individual actions with full transparency and in-depth independent external verification (p. 55-57).

TITAN Progress today

The following table is a status report on our advancement toward goals set in our previous Reports in line with WBCSD/CSI Charter. Our priority for the next three years is to ensure that Group companies and new acquisitions embrace existing measures. New targets have been added in the areas of occupational health and safety, embedding CSR in corporate culture, stakeholder engagement, as well as strengthening the implementation of a more "precautionary approach" to climate change and environmental stewardship.

CEMENT PLANTS PERFORMANCE

WBCSD/CSI	Description	2006	2007
Climate Change			
	Total Direct CO ₂ emissions (gross), metric tonnes	9.3 million	9.3 million
	Direct CO ₂ emissions kg/tonne of product (gross)	690	689
Alternative fuel and material			
	Energy efficiency, kcal/kg clinker	836	855
	% fuel substitution for virgin fuels	Approx. 1%	1.37%
	% Biomass in kiln fuel	0.6%	0.6%
	% Alternative materials (clinker & cement)	7.3%	7.1%
	Clinker: cement ratio	0.81	0.80
Health & Safety*			
	Employee fatalities	0	0
	Employee fatality rate	0	0
	Contractor fatalities	2	1
	Third-party fatalities	0	0
	Employee lost time incidents	28	20
	Employee lost time incident Frequency Rate	4.75	3.67
	Employee lost working days	1,275	919
	Employee lost time incident Severity Rate	324	168
	Contractor lost time incidents	21	7
Emissions			
	Dust, Particulates, specific g/tonne clinker	86.0	85.0
	Dust, Particulates, total (tonnes per year)	934	928
	NO _x , specific g/tonne clinker	2,016	1,752
	NO _x , total (tonnes per year)	20,535	19,106
	SO _x , specific g/tonne clinker	301	299
	SO _x , total (tonnes per year)	3,068	3,263
	% Clinker produced with monitoring of major and minor emissions	100%	100%
Local Impacts			
	number of sites with biodiversity issues addressed	-	3 out of 29
	% sites with community engagement plans	-	all
	% sites with quarry rehabilitation plans	75%	79%

Note: All environmental data are calculated on an equity basis for joint ventures. All Health & Safety data are calculated without joint ventures being included as according to WBCSD/CSI Protocol [\[2\]](#).

CSR ROADMAP

Area	Target	Way forward (2010)
CSR in corporate culture	<ul style="list-style-type: none"> - Integrate corporate social responsibility aspects in business plans - Improve management systems and Group policies - Increase employee involvement and ownership 	<ul style="list-style-type: none"> - All management personnel fully trained and evaluated in applying corporate values, standards and Code of Conduct - Expand independent assesment process to cover all Group activities
Environmental sustainability	<ul style="list-style-type: none"> - Implement Group Climate Mitigation strategy - Increase awareness and efficiency with respect to biodiversity issues - Improve water management - Review and improve Group environmental management and reporting systems 	<ul style="list-style-type: none"> - Increase awareness at local level and the number of cement plants that are capable of using alternative fuels by three fold vs. 2007 - Implement ESIA study in new greenfield plant in Albania - Develop and apply an integrated water management system to all cement and ready-mix plants by 2012 - Conduct bi-annual environmental performance studies for all cement plants
Occupational Health & Safety	<ul style="list-style-type: none"> - Ensure that OH&S management systems applied by all locations and activities comply with Group standards - Develop and implement OHSAS 18001 systems in all cement plants 	<ul style="list-style-type: none"> - Zero fatalities - Zero serious accidents - Embed and maintain a safety culture among direct and indirect employees - In terms of Lost Time Frequency Rate (LTIFR) to reach upper performance quartile of the WBCSD/CSI members
Stakeholder engagement	<ul style="list-style-type: none"> - Anticipate stakeholder concerns and learn from open dialogue with key stakeholder groups - Promote Group standards within the sphere of influence in the framework of UN Global Compact and WBCSD/CSI 	<ul style="list-style-type: none"> - Expand communication and partnership efforts with stakeholders and develop an action plan in 2008 - Diversify and focus initiatives at local level - Develop local action plans at all plants and for all activities



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■ Training and human resources development_p.21 ■
Occupational Health and Safety_p.23 ■ Human rights
and equal opportunities_p.24 ■ Employee feedback
and communication_p.25

Commitment to our people



CAROB TREE

Evergreen tree with dark green composite leaves.

Affords very good shade, has limited nutritional requirements.

Develops well in dry and hot environments in the olive zone.

Prefers lime-rich soils. Its fruit is edible.

Employment: structure and management

The average number of full-time people directly employed by TITAN Group in 2007 was approximately 6,000 and as many indirect employees employed by contractors whether part –or full– time. Direct employees with temporary contracts were 114.

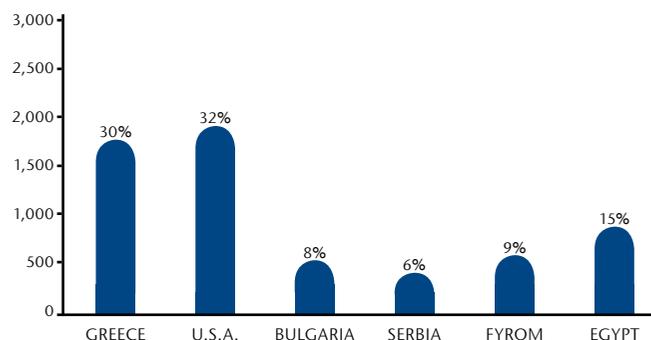
We encourage local hiring at all levels and we focus on attracting, developing and retaining the best people to support our business strategies and ensure continuous success.

In the different countries in which we operate we face diverse conditions. Career development and succession planning, developing multi-disciplinary skills and competencies at different hierarchical levels, performance appraisal and training, as well as transferring know-how and experience to indirect personnel are considered common objectives throughout the Group.

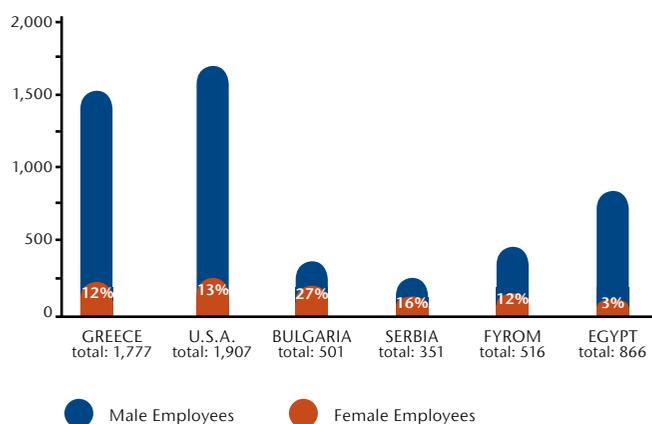
To attract and retain the best talent, we continuously strengthen a culture of performance and accordingly align pay with performance. Remuneration packages and additional benefits provided to our employees are evaluated regularly through local market surveys. Moreover, for specific employee groups variable pay is linked to individual and business unit results including safety and environmental performance targets. Various profit sharing schemes and productivity bonuses based on overall performance are included in our human resources policy while collective bargaining with union representatives is a common practice.

Representatives of employees have the right to meet line management as provided by national law at any time and through it all issues of major importance whenever needed are reported directly to the Managing Director and accordingly to the Board of Directors.

DIRECT EMPLOYMENT: 5,918

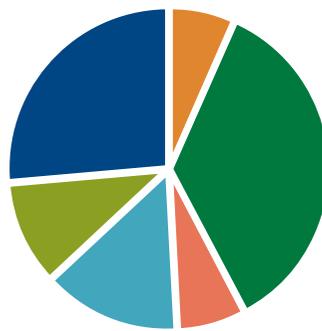


DIRECT EMPLOYMENT MALE-FEMALE: 5,918





EMPLOYEES TRAINED: 4,835



- GREECE: 73% of employees
- U.S.A.: 91% of employees
- BULGARIA: 66% of employees
- SERBIA: 94% of employees
- FYROM: 100% of employees
- EGYPT: 71% of employees

Training and human resources development

All managerial and professional personnel (20% of total employees) receive regular performance and developing planning reviews.

More than 65% of all non management direct employees receive performance reviews on an annual basis. A new Training Guide has been published in Greece to enhance life-long learning and career development.

In 2007 more than 170,000 training hours were provided throughout the Group for a total of 4,835 direct employees. The average number of training manhours per employee was 29, while more than 80% of direct employees participated in various training programs. Our target is to extend these programs to cover all direct employees.

TITAN Group spent more than € 5.8 million for training, last year. Long-term training programs like "Career Preheater" and "Mentor"  have continued to support building and developing core competencies for our management staff. Occupational Health and Safety was again the main subject representing almost 40% of the total hours of training at Group level in 2007.

More than 150 managers and professionals different business units, functions and hierarchical levels participated in training programs and workshops last year for a total of approximately 2.500 training manhours on values, CSR and the Code of Conduct.

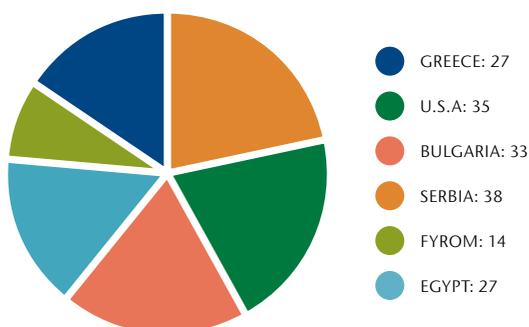
In this context, a new program titled "TITAN Leadership Program" was launched in the U.S.A. last year as an additional effort to enhance a culture of values and performance in accordance with Group priorities and standards. This program is planned to expand so as to cover all Group managers by 2010.

TITAN mBA

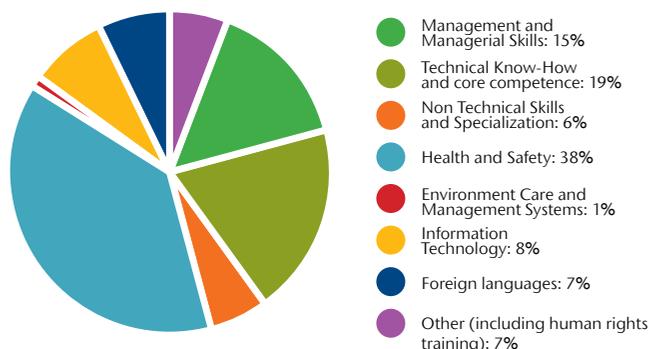
As a preferred employer TITAN strives to give all its employees the opportunity to achieve their professional goals. In this context, a new program was launched in 2007 in cooperation with ALBA (Athens Laboratory of Business Administration) tailored to give participants the opportunity to combine the academic knowledge of a MBA with the business expertise required of TITAN managers.

The program is implemented during week-ends and has a two-year duration. It is currently attended by 11 new managers from Athens. The positive feedback received from the first year of the implementation of the program has led to the decision to design a similar program in Thessaloniki to accommodate attendance from TITAN management personnel of the area .

AVERAGE TRAINING HOURS PER EMPLOYEE



TRAINING HOURS BY SUBJECT





Safeguarding the health and safety of our direct and indirect employees, as well as promoting a broader culture of health and safety in local communities in which we operate, is one of our main responsibilities.

Occupational Health and Safety

Our continuous efforts at building and enhancing a safety culture throughout the Group were continued in 2007. Group targets and objectives towards 2010 have been defined as striving for a healthy work environment free of incidents, injuries and accidents. Our goal is to have zero fatality or serious accident. Group lost-time frequency index is benchmarked within the global heavy building materials sector and focuses on reaching the top quartile of the WBCSD/CSI members' safety performance by the end of 2010.

In 2007 an overall assessment of OH&S management systems has led us to revise our OH&S policy and develop a Group-level Strategic Framework to be followed as a minimum by all regions in the structure and implementation of local action plans. The coordination and continuous improvement of the application of the OH&S Group framework is among the responsibilities of the Group OH&S Council chaired by the Managing Director, with the regional business unit directors among its members.

Given that the continuous enhancement and consolidation of a safety culture is a Group priority, we have continued our efforts in U.S.A. and Egypt, as presented in our previous CSR and S Reports, and have engaged one of the worldwide leaders in OH&S as an external consultant to help us improve our overall performance.

A fundamental prerequisite for a top safety performance is a visible leadership commitment. Thus for 2008 we have planned a series of OH&S leadership and management workshops for our operations in Greece, and a similar program will be launched at our South East European operations in 2008-9.

Health and Safety performance, furthermore, has been included as one of the main elements of managerial performance assessment in an effort to emphasize the responsibility of all managers in meeting business priorities and responsible corporate citizenship at all levels.

The safety performance of our contractors and their employees remains a major challenge. Two fatalities in 2007, both involving indirect employees, is a very stark reminder that we still have much to do to improve the safety awareness and performance of our contractors.

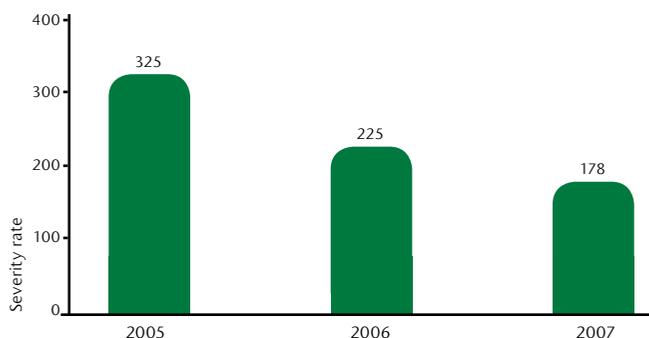
GROUP PERFORMANCE INDICATORS ACCORDING TO WBCSD/CSI

	2007	2007*
Total directly employed	6,006	5,198
Employee fatalities	0	0
Employee fatality rate	0	0
Contractor fatalities	2	2
Third-party fatalities	0	0
Employee lost-time injuries**	37	37
Lost-time injuries: (Frequency Rate: per million man hrs)	3.15	3.63
Employee lost working days	2,097	2,052
Employee severity rate	178	201
Contractors' lost-time injuries**	8	8

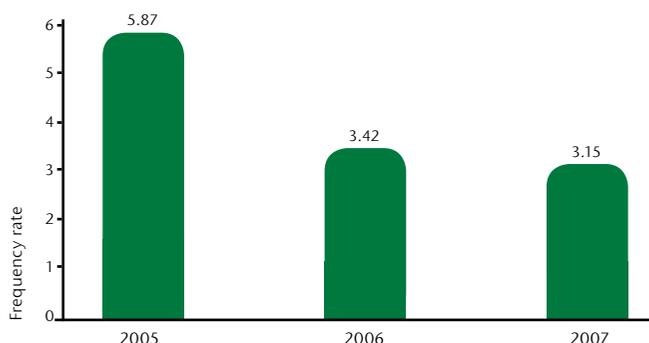
* Does not include our joint venture in Egypt where TITAN does not have operational control.

** Lost-time injuries is estimated in calendar days.

TITAN GROUP SEVERITY RATE



TITAN GROUP LOST TIME INJURY FREQUENCY RATE



Human rights and equal opportunities

TITAN is a signatory of the U.N. Global Compact since 2002. All Global Compact principles are clearly stated in the "TITAN Group Corporate Values and Code of Conduct" which was issued in 2003 and has been translated and distributed to Group employees in local languages. Overall responsibility to ensure compliance with Corporate Values and the Code of Conduct lies with the Internal Audit Division, which includes relevant references in its annual Report to the Internal Audit Committee and, in accordance with TITAN Group's Corporate Governance principles, is supervised directly by the Board of Directors.

Moreover, since 2005 all new employees receive a copy of the Code upon their hiring and sign a relevant statement declaring that they understand it and are committed to implementing.

In each country of TITAN Group operations, the local legal framework defines more specifically the implementation of international treaties and conventions, including international declarations and conventions as defined by UNHCHR and ILO.

In Greece, where the Group has its head office, the above-mentioned conventions, as well as relevant European Union treaties and directives, constitute part of the whole legal system with references both to the Constitution and to labor law. The two ILO Conventions concerning labor rights in particular adopted in 1948 and 1949 (respectively concerning the protection of freedom

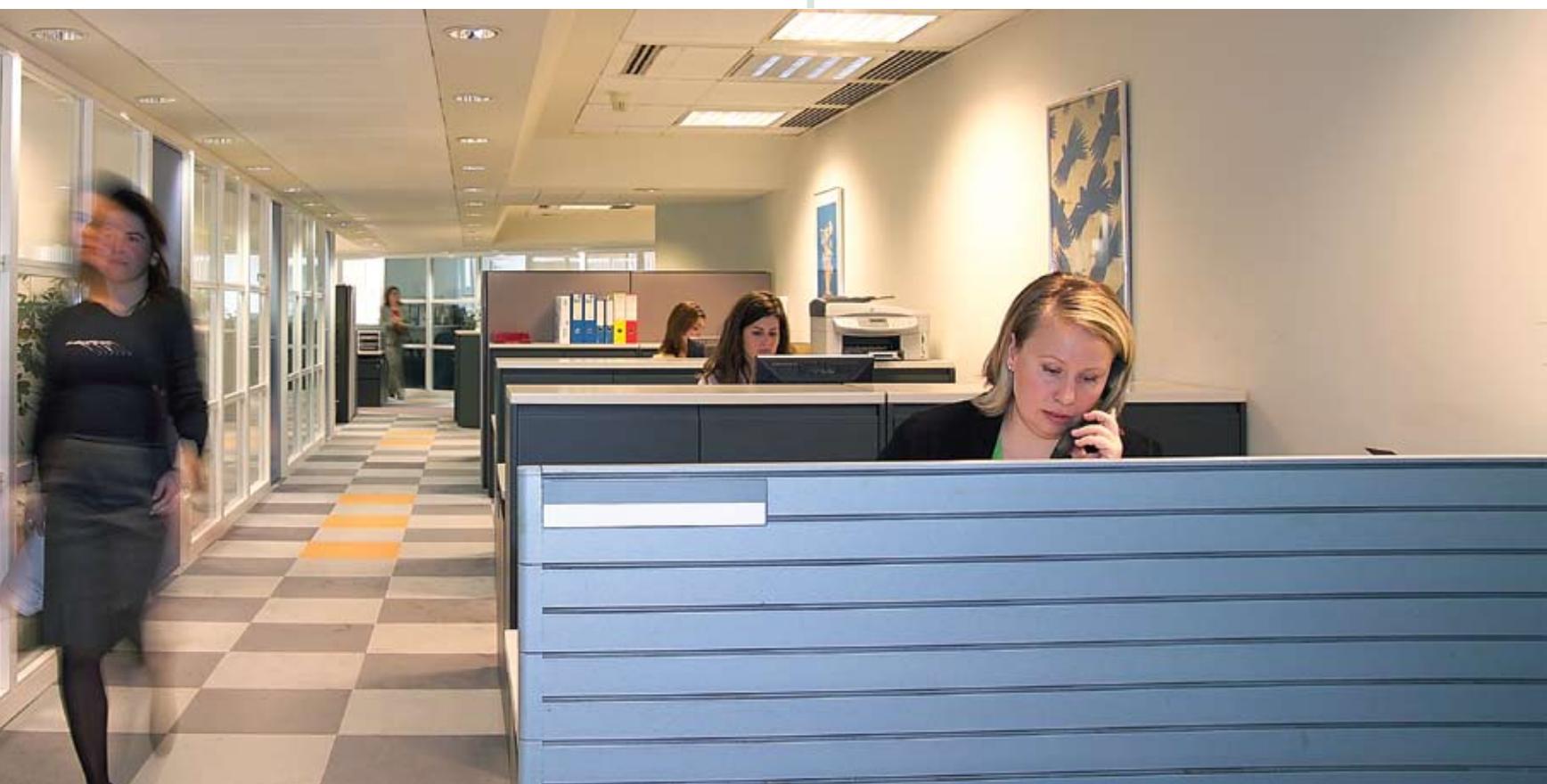
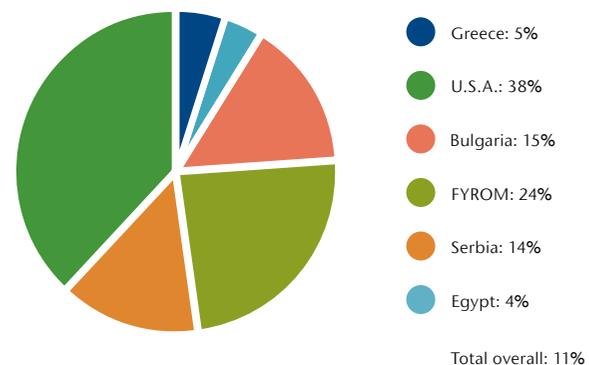
of association and the right to collective bargaining) were ratified by the Greek Parliament in 1962 and have since been law.

In line with our practice of promoting local hiring in all regions, more than 97% of all Group managers are of local origin.

Participation of women in employment is 12% at Group level, while one of the fifteen members of TITAN's Board of Directors is female.

In 2007 six cases of alleged discrimination were referred to the Equal Opportunities Commission in the U.S.A. and one of them has been rejected while the rest are still pending.

WOMEN IN MANAGERIAL POSITIONS



Employee feedback and communication

We regularly conduct surveys among our employees to assess their views on various issues. This can take the form of pen-and-paper surveys, focus groups or interactive sessions during dedicated communication days.

In 2007, employee focus groups were organized to address key issues emerging from employee surveys in Greece and Egypt. Furthermore, meetings with employees are conducted regularly, in order to inform them about all major business issues, challenges and operational changes. For significant operational changes all concerned employees and their representatives are notified in accordance with local legislation. TITAN's common practice is to give at least one month's notice before any action is undertaken.

Three new initiatives were launched in 2007 to improve and expand communication with all our employees:

- The "Employee Direct Communication Line" (p.15) was developed as one more tool to facilitate employee feedback.
- Within the context of our materiality assessment, a series of focus groups meetings was conducted among employees and managers in Greece.
- Finally, as part of our commitment to disseminate information, as well as branching out and adding value from know-how and best practices developed in respect to the application of Global Compact principles, a series of leaflets was distributed in Greece and translated in the local languages for further dissemination in South East European countries where TITAN operates.

In 2008, we plan to further expand these efforts in keeping with our Group value of continuous improvement in our employee communication endeavors.

Employee survey

Communicating with our employees is one of the most important elements of our stakeholder engagement process.

In 2007 two employee surveys were completed, one in Greece and one in Egypt. The surveys aimed at assessing TITAN's performance in a variety of areas, including strategic direction, safety and working conditions, CSR, employee engagement, career advancement and development etc.

In both countries, employees gave high marks to corporate strategic direction. In Egypt, high ratings also went to employee engagement. In Greece, corporate social responsibility received the highest positive answers most likely because employees have been exposed to and have absorbed these concepts at the parent company founded in Elefsina more than a century ago.

Survey areas with room for improvement include effective implementation of people management and career development programs, as well as improvement of teamwork at both cross-functional and cross-regional levels.

Survey results were subsequently discussed between management and employees in all centers and focus groups were organized to develop proposals for areas that need improvement.



Environmental impacts and performance_p.27 ■ Climate Change_p.29 ■ Air emissions_p.29 ■ Reduce – Reuse – Recycle_p.39 ■ Quarry rehabilitation and biodiversity_p.40

Commitment to the environment



TEREBINTH

Deciduous tree with composite leaves that turn red before falling in autumn.

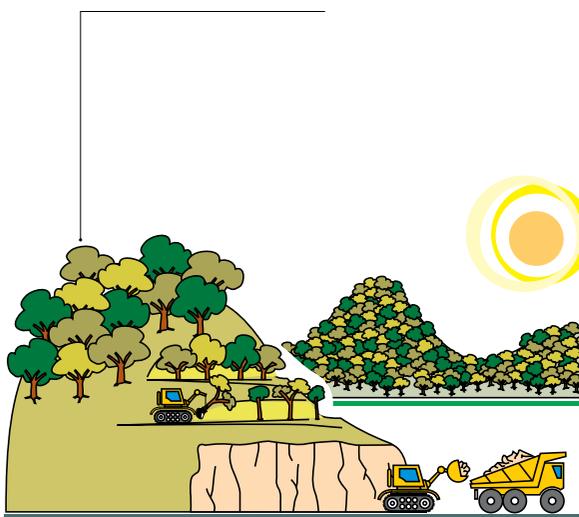
Very resistant species that is found in semi-mountainous and mountainous areas up to 800 metres.

It is used as rootstock for the pistachio tree of Aegina.

Environmental impacts and performance

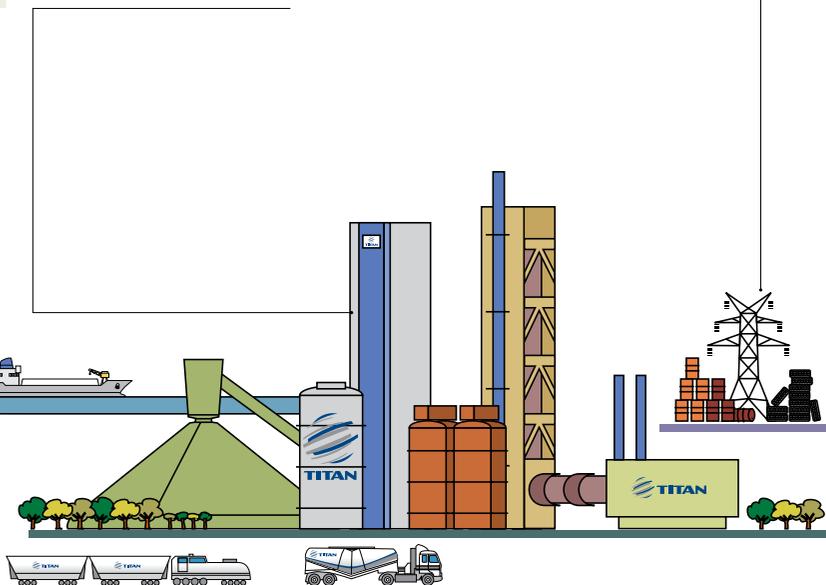
Main impacts of quarries:

- noise
- vibrations
- dust
- alteration of landscape
- potential effects on biodiversity
- energy consumption



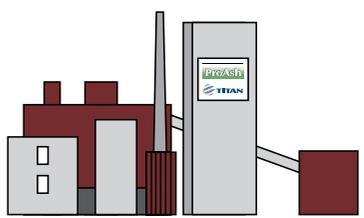
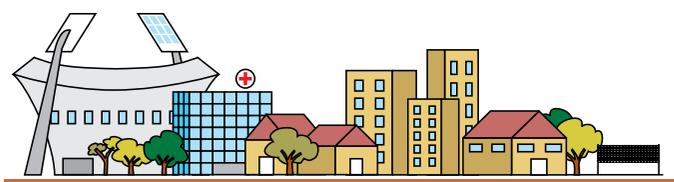
Main impacts of cement plants:

- CO₂ emissions
- energy consumption
- other emissions (dust, NO_x, SO_x)
- noise



Indirect impacts:

- CO₂ emissions
- other gas emissions
- use of raw materials



Main benefits from Separation Technologies:

More than 1.2 million tons of recyclable processed fly ash



Main impacts of ready-mix concrete:

- use of raw materials
- consumption of water
- dust emissions
- noise

Environmental impacts and performance

In 2007 TITAN Group produced 15 million tons of cement. The following table summarizes Group environmental performance in cement plants.

TITAN GROUP – CEMENT PLANTS 2007

Total heat consumption	39,088 TJ
Total alternative fuels	25,500 tons
Total electrical energy consumption	1,509 GWh
Total CO ₂ emissions (direct)	9.3 million tons
Total CO ₂ emissions (indirect)	1.3 million tons
Total dust emissions	928 tons
Total NO _x emissions	19,106 tons
Total SO _x emissions	3,263 tons
Total consumption of water	3.7 million m ³
Total raw materials consumption	19.5 million tons
Total alternative raw materials consumption	1.4 million tons

CURRENT ENVIRONMENTAL PERFORMANCE

		1990	2003	2007	2010 ⁽²⁾		
ISO14001 or equivalent certification of cement plants ⁽¹⁾ .	%			89	100		↑
ISO14001 or equivalent certification of active quarries ⁽¹⁾ .	%			42	100		↑
ISO14001 or equivalent certification of dry mortar production facilities ⁽¹⁾ .	%			100	100		⊙
Preparation of environmental impact assessments and implementation of rehabilitation plans for all active quarries ⁽¹⁾ .	%			87	100		↑
15% reduction of direct CO ₂ per ton of product ⁽³⁾ compared to 1990 corresponding emissions levels.	kg/tProduct	805		689	685	-15%	↑
70% reduction of dust emissions per ton of clinker compared to 2003 corresponding emissions levels ⁽⁴⁾ .	g/t Clinker		272	85	75	-70%	↑
40% reduction of SO _x emissions per ton of clinker compared to 2003 corresponding emissions levels.	g/t Clinker		494	299	295	-40%	↑
35% reduction of NO _x emissions per ton of clinker compared to 2003 corresponding emissions levels.	g/t Clinker		3,034	1,752	1,980	-35%	⊙



Target achieved



Action underway

(1) Refers to plants wholly owned by TITAN Group in 2006

(2) This column indicates the percentage change of the reported value compared to reference year.

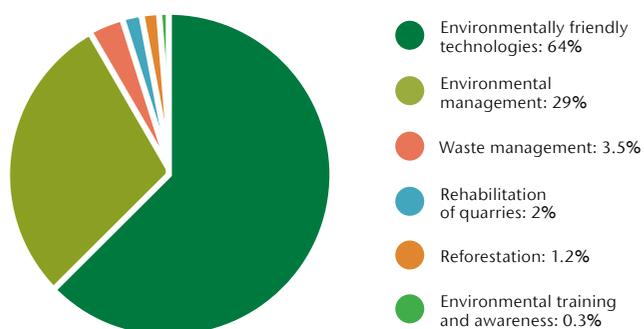
(3) Product equals cementitious production as defined by WBCSD/CSI.

(4) Dust emissions target was revised to take into consideration the new production lines that will be in operation by year 2010. The initial target was 110g/tClinker.

Environmental investments and expenditures

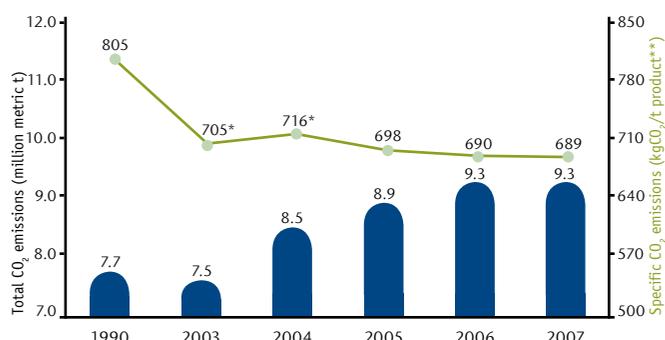
In 2007 total expenditures related to the implementation of the Group's environmental policy came to € 30.8 m. This includes environmental investments of € 19.7 m, representing about 65% of our investment program. The objective of these investments was to fully utilize environmentally friendly technologies.

ANALYSIS OF ENVIRONMENTAL COSTS 2007



Investments with an indirect environmental impact (e.g., switching from wet to dry production process) are not included

CEMENT PLANTS Total and specific CO₂ emissions



* Recalculated according to WBCSD/CSI

** Product equals cementitious as defined by WBCSD/CSI

Climate change

Climate change is the biggest environmental challenge facing the world today. The rise of CO₂ emissions mainly due to the use of fossil fuels and global warming are interrelated. A major challenge faced by the cement industry is to develop processes and practices that will reduce CO₂ emissions per ton of product produced while meeting the constantly increasing demand for housing and infrastructure.

Our Climate Mitigation Strategy [\[link\]](#) focuses on the following areas:

Measuring our CO₂ footprint

Cement plants contribute to the greenhouse effect and climate change due to carbon dioxide (CO₂) emissions generated in the production process.

Direct CO₂ emissions from the production of cement itself are attributed to:

- Decarbonization, the process of transforming raw materials (mainly limestone) into clinker, the main component of cement.
- Fuel consumption, since most fuels burned in the kilns (coal, oil and petcoke) produce CO₂ as a result of the chemical reaction between carbon (C) and oxygen (O₂).

Indirect emissions of carbon dioxide are released during the production of electricity required for the production of clinker and cement, as well as during the transportation of raw materials, fuel and final products.

In 2007 TITAN's total direct CO₂ emissions were 9.3 million tons, remaining at the same level as in the previous year. This is attributed mainly to the fact that clinker production did not change.

Specific CO₂ emissions were 689kg CO₂/t product, approximately at the same level as in 2006.





Efficient use of thermal and electrical energy

Cement production consumes both raw materials as well as thermal and electric energy. Systematic monitoring and recording is required to ensure that environmental impacts are adequately appraised. TITAN Group gives a high priority to the systematic application and continuous improvement of its monitoring mechanisms.

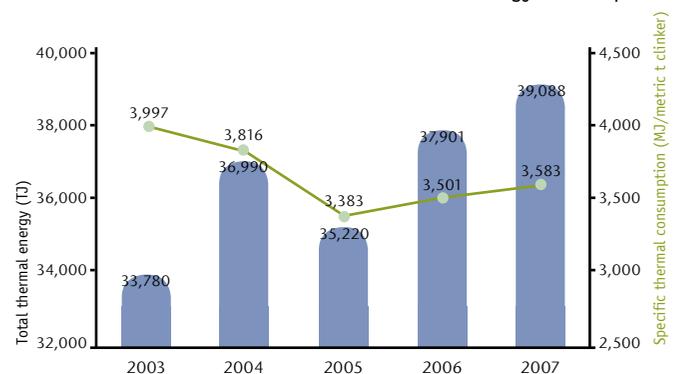
Thermal energy

In 2007 TITAN Group consumed 39,088TJ in its clinker and cement production processes. The average consumption was 3,583MJ/ton clinker, slightly higher (2.3%) compared to 2006.

The largest source of thermal energy (98.6% calorific basis) came from conventional energy sources such as coal, pet coke, fuel oil and natural gas. Alternative fuels made up the remainder.

In 2007, continuing the trend from previous years, the use of alternative fuels increased, coming to approximately 1.4% on heat basis. While this percentage remains modest in absolute terms, the calorific participation of alternative fuels increased by 40% compared to 2006.

CEMENT PLANTS AND THEIR QUARRIES
Thermal energy consumption



Improved energy efficiency through world-class technology: upgrading of kiln cooler at Pennsuco plant

At a cement plant the kiln cooler is an important operational element. Its proper functioning ensures the quality of clinker as well as the recovery of a significant portion of the thermal energy used in the production of clinker.

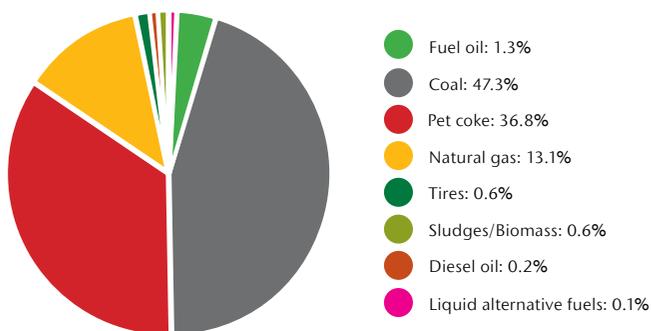
In March 2007, in cooperation with the equipment manufacturer FLSmidth, the Pennsuco plant upgraded its existing kiln cooler. Change was made to the Clinker Impact Section (CIS), the entrance to the cooler, with the newest technology (Air Blaster Control Section – ABC). It should be noted that this installation is only the second of its kind worldwide.

Electrical energy

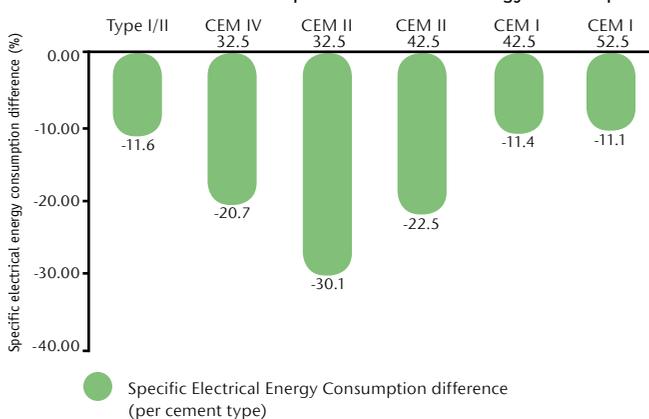
In 2007 the Group's cement plants consumed a total of 1,509GWh (5,431TJ), almost much as in the previous year. Average consumption was 117kWh/ton cement - an increase of 3.8% compared to 2006, as a result of slightly increased clinker production and the significant decrease in the quantity of cement produced. Electric energy consumed for cement production is considered as the primary source of indirect energy consumption.

Our investments in the latest technologies and particularly in the use of vertical grinding mills for cement, has resulted in a significant reduction of electrical energy consumption compared to that used to operate a ball mill. This decrease is of the order of 10-40% depending on the type of cement produced.

CEMENT PLANTS' FUEL TYPES (% of total consumption by heat value)



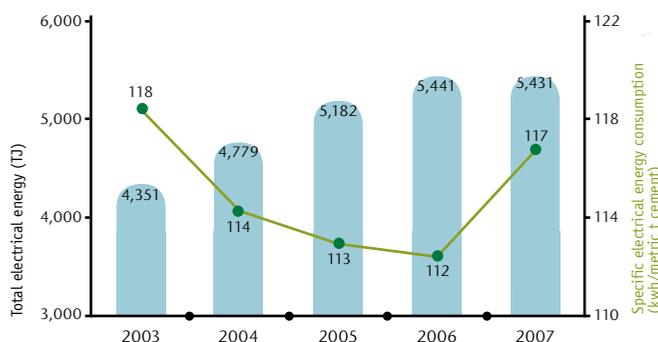
VERTICAL vs. BALL MILL Specific Electrical Energy Consumption



Recognition by the Environmental Protection Agency: Roanoke Cement among the top performers in the U.S.A.

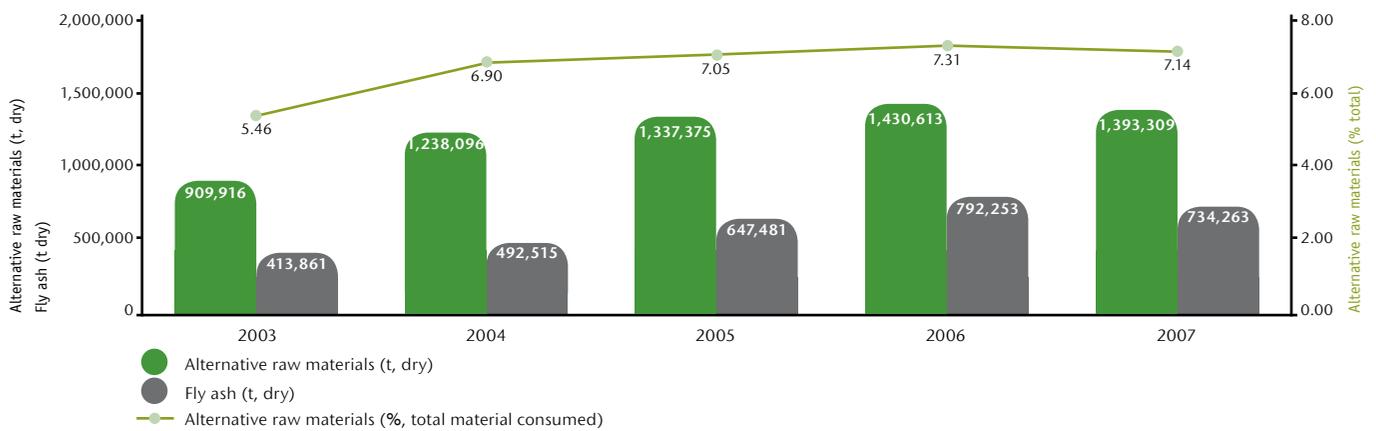
Energy Star, a joint program of the Environmental Protection Agency and the Department of Energy, awarded to TITAN's Roanoke Cement plant the 2007 Energy Star for superior energy efficiency within the cement industry. The only active cement plant in Virginia, Roanoke Cement is one of only 10 plants (out of 118 in the United States) which made EPA's list of "Top Performing Plants" in the country. The Roanoke plant is now recognized as one of the most energy-efficient cement plants in the U.S.A.

CEMENT PLANTS AND ATTACHED QUARRIES Electrical energy consumption for clinker and cement production





CEMENT PLANTS Alternative Raw Materials



Use of alternative materials and fuels

Raw materials

In 2007 we used 19.5 million tons (dry basis) of raw materials for our total cement production. Most of these (18.1 million tons) were natural materials from mining and quarrying activities. The remaining 1.4 million tons (7.1%) were alternative raw materials.

Alternative raw materials

For many years, it has been common practice for TITAN to recover and use by-products from other industries, as well as from our own plants, for the production of both the intermediary product (clinker) and the final product. In 2007 Group plants consumed 1.4 million tons of alternative raw materials, namely by-products and wastes from other industries such as fly ash, pyrite ash, blast furnace slag and industrial gypsum, for the production of cement, correspondingly reducing the quantities of natural materials used. In the period 2003-2007, the use of alternative raw materials has grown by 50%, from approximately 0.9 m tons to 1.4 million tons. In total 6.3 million tons of alternative raw materials have been used for cement production. Especially notable is a 75% increase in the use of fly ash.

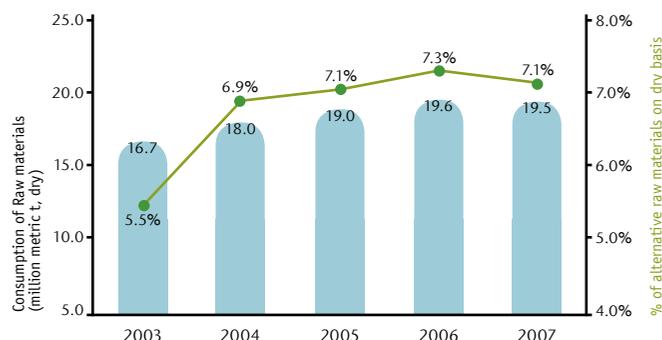
Alternative fuels

During the conversion process of limestone and other raw materials into clinker, alternative fuels such as household, agricultural and industrial waste, as well as by-products from waste treatment can replace traditional fuels such as coal, pet coke and heavy fuel oil. The use of alternative fuels is considered as a sound solution to environmentally friendly waste management and to reducing indirect environmental impacts related to the mining, production and transportation of fossil fuels. In 2007 the use of 25,500 tons of alternative fuels reduced conventional fuels by 18,200 tons in clinker production. During the period 2003-2007, the use of alternative fuels nearly tripled.

In the two plants, Kamari and Thessaloniki, in Greece where we currently use alternative fuels, along with national legislation the WBCSD/CSI protocol is fully applied while dialogue has been successful in meeting expected consensus with our employees and local communities.

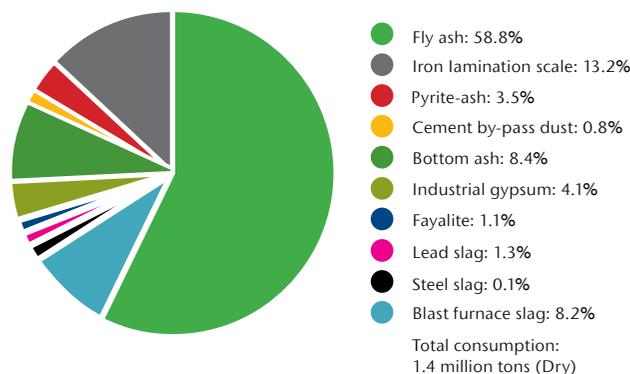
CEMENT PLANTS

Consumption of raw materials and percentage of alternative raw materials in production of clinker and cement



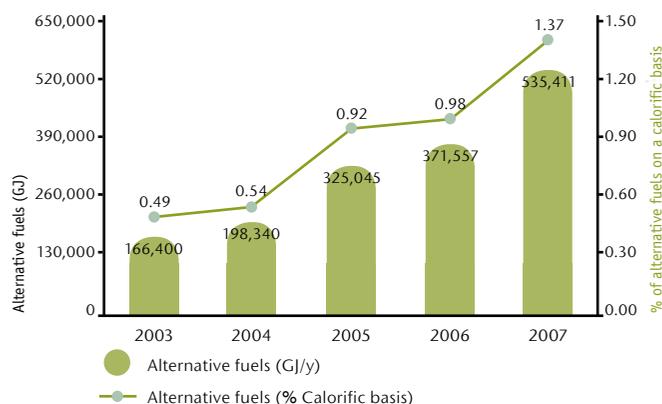
CEMENT PLANTS

Materials Consumed - Industrial Waste (% dry)



CEMENT PLANTS

Alternative Fuels





Reducing carbon dioxide emissions with blended cements

Blended cements are made by co-grinding clinker, gypsum, and various natural and other substances such as pozzolana, limestone, blast furnace slag, fly ash and others.

The use of blended cements, in addition to whatever superior technical characteristics they have, such as a lower requirement for water and more durability over time, is the most appropriate, technically-sound solution to help conserve natural resources and to lower CO₂ emissions. This is a significant incentive to expand the use of blended cements in markets in which legislation permits it.

Over the past years, the Group has followed a strategy aimed at increasing the production of blended cements and, at the same time, reducing the use of clinker in Greece and South-eastern Europe. The percentage of clinker used in grey cement was reduced from 76.6% during 2003-2006 to 74.9% in 2007 while for the Group as a whole it was 80%. Reduction of 106,000 tons of clinker resulted in emission savings of 92,000 tons CO₂.

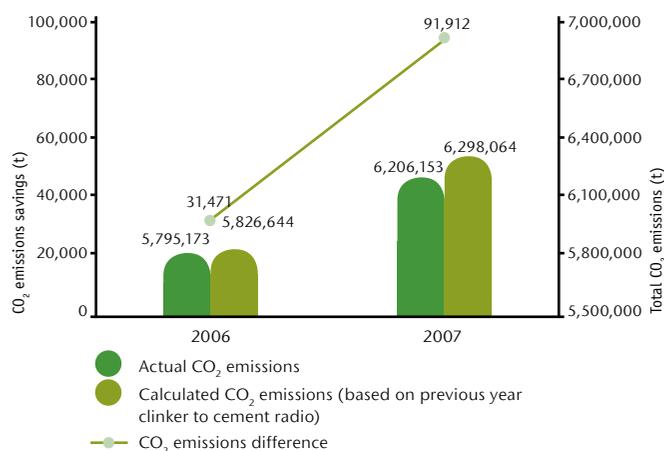
Water consumption

Total consumption of water¹ at the Group's cement plants came to 3.7 million m³ in 2007. Approximately 354lt/ton of cement were used.

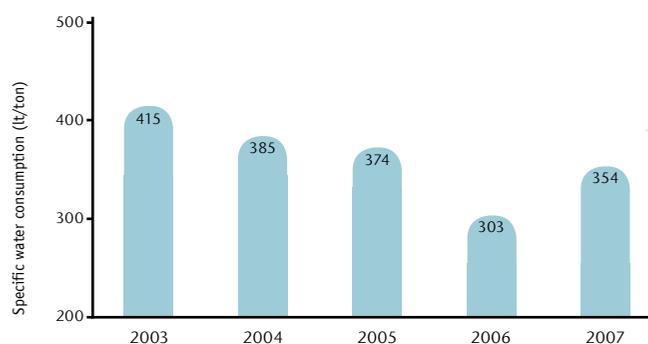
As part of our environmental strategy, a new initiative is under way for developing and applying by 2010 an integrated water management system at all cement plants wholly owned by TITAN.

¹ Total water consumption does not include water consumption for the Zlatna cement plant due to unreliable data caused by leakage issues (actions already taken), while data for Pennsuco plant is not included.

CEMENT PLANTS - Greece & S.E. Europe
CO₂ emissions savings due to blended cement production



CEMENT PLANTS
Specific water consumption





Air emissions

Dust

At cement plants, major dust emission sources are kilnstacks and open surfaces creating fugitive dust from the transportation of materials.

All TITAN Group's plants have been equipped with dust monitoring and recording systems for continuous measurements in accordance with existing environmental legislation and our WBCSD/CSI commitments.

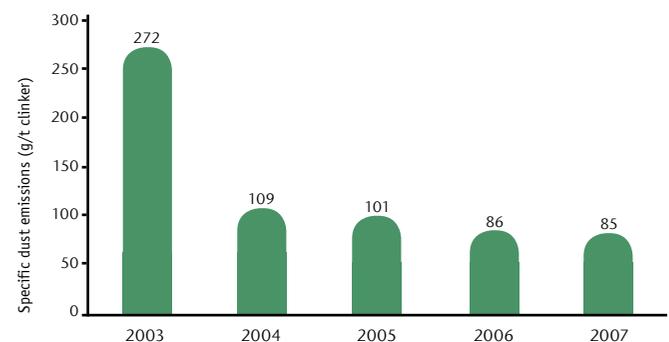
The Group implements a program of periodic measurements of fugitive dust emissions in order to safeguard the health of its employees as well as to reduce the impact on neighboring communities and areas.

Further care is taken to ensure the proper maintenance and optimal functioning of machinery and equipment and the rigorous application of rules covering the transportation of materials both within the plant site as well as outside.

In 2007 specific emissions of dust were 85g/ton clinker at the same level as the previous year. This is equivalent to approximately 928 tons per year.

It should be noted that dust emissions in most of our plants are two to three times below the limits set by the environmental terms and conditions of legal requirements.

CEMENT PLANTS
Specific dust emissions



SO_x

The presence of sulphur (S) in raw materials is the primary cause of SO_x emissions which are linked to the appearance of acid rain. It is thus vital to keep these emissions as low as possible.

In 2007 our activities resulted in specific emissions of approximately 299 g/ton clinker, or a total of 3,263 tons, almost at the same level as 2006. In most Group plants SO_x emissions were negligible, while in all plants they were far below legal requirements.

NO_x

Combustion at high temperatures leads to NO_x emission. Scientific studies have indicated that NO_x emissions may contribute to acid rain and smog.

In 2007 TITAN's total NO_x emissions were 19,106 tons or 1,752 g/ton clinker, 13% lower compared to 2006. Specific NO_x emissions correspondingly decreased as well. This is the result of the continuous and systematic efforts to ensure the optimal performance of the pyro process units.

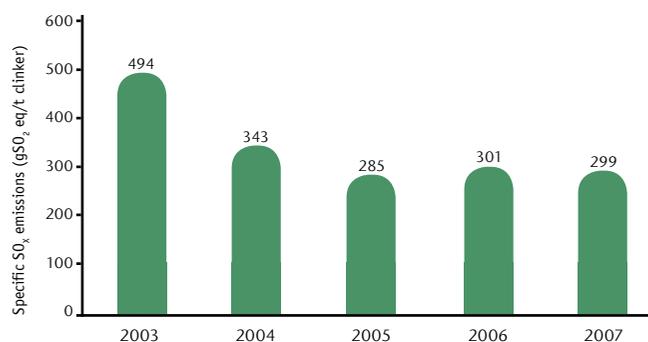
NO_x emissions in 2007 were lower than our target as set in relation to 2003 emissions. The overall NO_x emissions were within the limits set by legislation.

Persistent Organic Pollutants

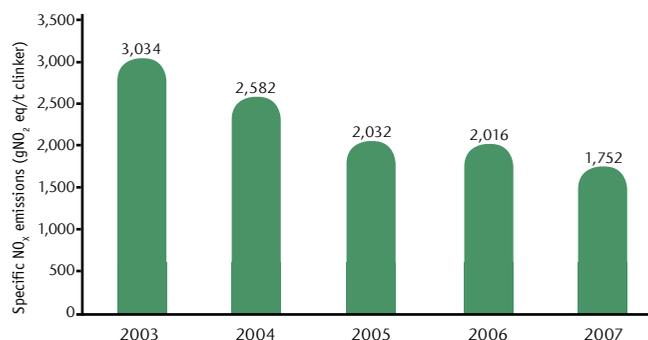
Fuels and raw materials used may include heavy metals as well as elements leading to the creation of persistent organic pollutants (POPs) such as dioxins and furans.

The cement industry, as shown by scientific studies, has negligible persistent POP. During the last several years, TITAN has measured POP emissions at most of its rotating kilns. These emissions were also below limits set by legislation.

CEMENT PLANTS
Specific SO_x (as SO₂) emissions



CEMENT PLANT
Specific NO_x (as NO₂ eq) emissions





Liquid spills and solid materials

Last year we had no significant spills of liquid or solid materials.

There was, however, an incident in Alexandria, Egypt caused by dust which was emitted from our plant and spread into the surrounding Wady El-Kamar neighborhood. In cooperation with local people and authorities, plant management arranged for the area to be cleaned up within a week.

Transportation

We recognize that our overall footprint on the environment is not caused only by our quarrying and manufacturing operations. The transportation of raw materials and products, and even our personnel also affects the environment through carbon dioxide and other emissions generated by fossil fuels.

Measuring this kind of emissions requires a cross-sectoral approach. Cooperation with various automobile industries in the framework of the E.U. Alliance for CSR (p. 53) will further support our efforts to improve our know-how in this field and estimate indirect impacts related to transportation of our products, raw materials, fuel, personnel and any other.

Noise

Noise is a by-product of industrial activity. TITAN has been taking appropriate measures at plants and quarries to minimize disturbance of neighboring communities, including, if necessary, the rescheduling of our activities. Noise abatement procedures ensure that noise stays below maximum permitted levels.



Reduce – Reuse – Recycle

In today's environmentally conscious global community, the reduction, reuse and recycling of materials, energy and waste is the cornerstone of any industrial activity. The requirements of sustainable development in a world with constantly growing demands have led all sectors of industry, and the cement industry in particular, to act immediately and in many cases effectively.

The reduction, reuse and recycling of raw materials, energy and waste constitute a primary element in the implementation of the Group's environmental policy.

Recycling

Raw materials and intermediary products which leak out of the production process are recovered with special equipment and, after being processed to remove foreign particles, reintroduced into the production line and subsequently reused.

The recycling of raw materials (as well as cement bag packaging materials) is a key element of the 3R concept and is utilized in the entire range of Group operations through collection and recycling programs.

TITAN is a founding member of the Hellenic Recovery and Recycling Corporation  (HERRCO).

Materials

Wherever possible, materials are recycled onsite at Group plants. In the U.S.A. returned concrete is used to produce cement blocks or is ground and used for paving or as a construction material. Last year, 300,000 tons were recycled in this manner, representing about 80% of materials recycled by the entire Group. In addition, 100% of packaging materials used for bagged cement is reclaimed while all pallets used for transportation of these products are recycled and reused.

In cases in which collected materials cannot be recycled internally, they are treated externally through a collective management system or licensed subcontractors. Among the materials thus collected are iron and aluminum scrap metals, batteries, used lubricants, used tires, electronic and electric equipment, paper, cardboard, and toner used in printers and photocopiers.

Recycling of concrete waste at Ready Mix plants in Attica through our Kamari facilities

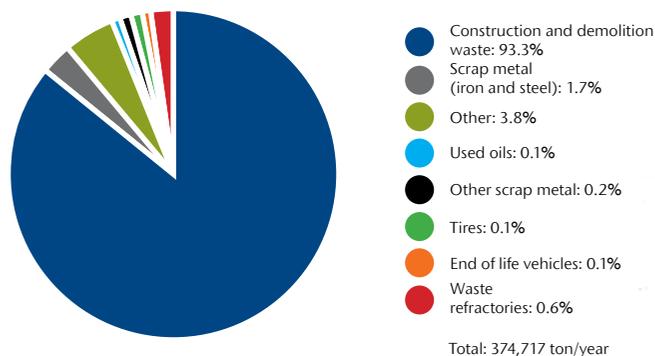
In June 2007 three ready mix plants in Attica (Metamorfofi, Votanikos, and Mandra) launched a recycling initiative. Waste collected on their sites was transported to the Kamari plant where it was fed into the clinker production line through the limestone crusher.

The entire process is rigorously monitored through the weighing of the materials returned and the issue of delivery invoices for the transportation of the materials back to the ready mix plant and onwards to the Kamari plant. A major benefit from this process is the avoidance of such materials being land-filled.

In 2007 the total quantity of such waste transferred and processed at the Kamari plant for reuse amounted to approximately 10,500 tons with transportation costs of approximately € 24,400.

Such recycling initiatives aim at minimizing our environmental impacts in all our activities.

RECYCLED WASTE



A worker wearing a green hard hat is using a hydroseeding hose to spray a mixture of water and seeds onto a dark, rocky quarry slope. The background shows a clear blue sky and the rugged terrain of the quarry.

Quarry rehabilitation and biodiversity

TITAN operations are heavily dependent on the use of natural resources. Comprehensive environmental impact assessments and rehabilitation plans, cover all aspects of development, operation as well as decommissioning of quarries. Traditional methods such as reforestation, and modern methods such as hydro-seeding, are employed for quarry rehabilitation. Special measures, furthermore, are taken to protect biodiversity.

The number of our active quarry sites that are inside or adjacent to protected areas of high biodiversity value are 4 out of a total of 41, located in the U.S.A. (2), Bulgaria (1) and Greece (1).

- The Pennsuco limestone quarry (Florida, U.S.A.) is located inside a wide area of the Miami-Dade County, known as the “Lake Belt”. Biodiversity issues include natural cover types and wetlands, habitat units, endangered wood storks, hydrology and water quality.
- Center Sand aggregates quarry (Florida, U.S.A.) is adjacent to a state preservation site. A conservation area for the endangered species of sand skinks and gopher tortoise has been created.
- Part of Zlatna Panega limestone and marl quarry (Bulgaria) stands inside a NATURA 2000 area and the Zlatna Panega cement plant is close to the same protection zone.
- The total area of Xilokeratia pozzolana quarry (Milos Island, Greece) is inside a NATURA 2000 area and also the coastal area next to the quarry is protected by NATURA. Two endangered species are recognized in this area: “vipera schweizeri” snake and “monachus monachus” seal. Special environmental care is taken by TITAN during quarry operations and transportation of raw materials and products, in order to safeguard the necessary conditions for the survival of these species.

Wetlands areas in the U.S.A.

Group operations in Pennsuco, Florida, U.S.A., which consist of an aggregates quarry and a cement plant, are close to an area known as wetlands¹ (Pennsuco Wetlands) . This is the common term used in the U.S.A. to describe watery areas of environmental significance.

Various methods are used to define an area as wetlands, which primarily have to do with:

- the flora in the area and if it is made up of plants known as indigenous flora
- the type of soil (i.e. hydric soil based on official soil-classification indicators)
- the hydrology of the area (presence of indicators of wetland hydrology)

Land activities that disturb wetlands, such as changes in the morphology caused by dredging or filling of wetland areas, require Environmental Permits from relevant authorities. The Environmental Impact Assessment conducted by the U.S.A. Army Corps of Engineers (which was issued in 2000 and for which a supplemental study was requested in 2007 and is expected in 2008 ) concerns the impact of quarrying activities (including TITAN Group operations) in the wider Miami-Dade County area, known as Lake Belt. This assesment included, inter alia, an evaluation of the impact of quarrying activities on the Pennsuco Wetlands and how they can be mitigated.

TITAN Group operates through TITAN America in this area since 2001. Currently awaiting the results of the supplemental study, it remains confident that it will be able to carry on its operations while continuing to respect the area's unique biodiversity as it has done consistently over the past years.

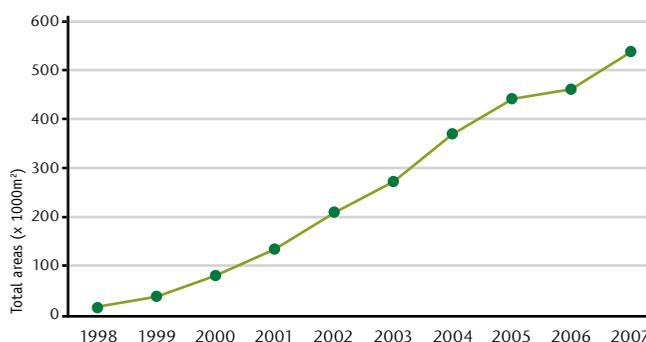
¹ According to the State of Florida, the definition of the term "wetlands" is: Areas of land that are saturated by water often enough that the typical plants growing in them are adapted to grow in wet conditions. Wetlands also have soils that have characteristics of being frequently inundated with water.

Hot off the press: Lakebelt Appeals Decision

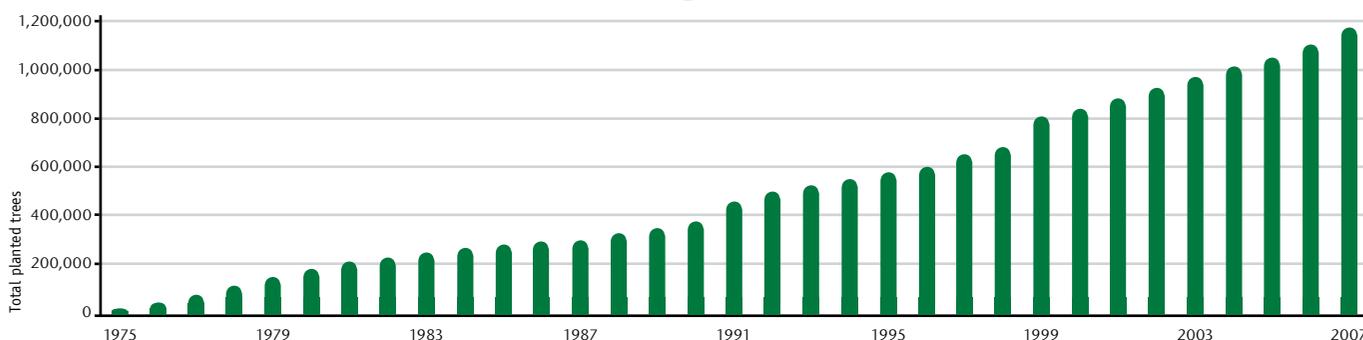
On Friday May 9th, 2008 the US Circuit Court of Appeals in Atlanta issued a decision overruling the ban on mining in the Miami Lake Belt imposed by a South Florida District Court in July 2007. The Appeals Court further reversed the Court's May 2006 decision finding that the mining permits issued in 2001 by US Army Corps of Engineers were improperly issued.

The Appeals Court sent the case back to the District Court, instructing that the case be judged, not based on the District Judge's predetermined personal opinions and analyses, but by showing due deference to the expert analyses and recommendations of the responsible government agencies and authorities. These agencies and authorities have repeatedly stated that mining consistent with permitted conditions does not pose a threat to the environment or local communities.

QUARRY REHABILITATION WITH HYDRO-SEEDING (Total areas)



TOTAL NUMBER OF TREES planted or given to third parties by TITAN



Commitment to society



ITALIAN BUCKTHORN

Evergreen bush
or small tree.

Resistant to dry and hot
conditions, very com-
mon in Greek scrublands,
along with lentisks, wild
olive trees and holly.

It has ornamental value.

Stakeholder engagement

Enhancing sustainable growth means more than being a responsible corporate citizen. It means actively engaging with society to help develop common solutions to problems which affect us all.

Living up to our commitments means that we continually strive to do more good wherever possible despite the challenges posed by conflicting interests, differing priorities among these interests, resource constraints and other limitations.

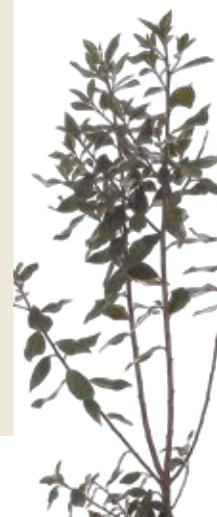
Our policy to branch out and add value is focused on sharing our experiences and know-how as well as best practices with our business partners and key stakeholders @.

In this context we implemented a number of new initiatives during 2007 as summarized in the table below, while new targets are set for 2008. A specific example in this field is our commitment to be among the three European companies that will lead and implement the CSR and Supply Chain Laboratory in the framework of the European Union Business Alliance for CSR (p. 53).

This section includes references to relations with our major stakeholder groups and developments regarding to our activities last year. More detailed information can be found on our website including our process and policy of stakeholder engagement. In 2008, we will also present examples of stakeholder feedback in a more comprehensive manner on our site.

KEY STAKEHOLDER ENGAGEMENT ACTIVITIES AND TARGETS

Stakeholder Groups	Activities in 2007	Targets for 2008
Investors	In addition to the distribution of the CSR and S Report to all shareholders at the annual meeting, a summary of social and environmental performance has been included in the 2007 Annual Report and Annual Bulletin.	Continue to increase awareness on CSR issues among investors. Receive and incorporate feedback through one-on-one meetings, participation in roadshows and materiality assessment process.
Employees and their representatives	CEO briefings, performance and development reviews, employee surveys, trade union meetings, internal publications, magazines and focus groups.	On-going process, continuous improvement. Expand materiality assessment process.
Governments	Direct contacts as well as contacts through industry and business associations. Communication in the framework of the EU Business Alliance for CSR and Global Compact.	On-going process. Promote outcomes and deliverables of CSR and Supply Chain Laboratory at national level.
International Organizations	Membership in UN Global Compact, WBCSD/CSI, European Alliance for CSR, CSR Europe. Participation in Supply Chain Laboratories in the framework of the EU Business Alliance for CSR.	On going process. Relate and exchange information on developments and outcomes at sectoral level, like WBCSD/CSI with global (G.C.), European (E.U.) and national (HNCSR) initiatives.
Communities	Consultation with local authorities. Launching of Environmental and Social Impact Assessment in Albania.	Organize plant open days. Expand materiality assessment process.
Contractors and Suppliers	Suppliers survey, CSR and Supply Chain Laboratory, cooperation and exchange of information, safety meetings and information days.	Mentoring program for contractors and local suppliers; Global Compact campaign.
Customers	Satisfaction surveys, focus groups and cooperation on issues of common interest.	On-going process.
NGOs	One-on-one meetings, exchange of opinions on relevant issues, collaboration in response to fires in Greece.	On-going process. Expand materiality assessment process.





Shareholders/investors

Responsible corporate citizenship is an important driver used to define strategic corporate priorities. One especially useful measure of CSR effectiveness is recognition with independent, comparative assessments which benchmark our performance in relation to our peers.

In 2007 we were pleased to see our CSR performance acknowledged twice by independent assessors. One was recognition as the “Leading Company / Greece” for two consecutive years (both 2006 and 2007), according to a survey carried out by the Hay Group among 260 companies. The other one we describe in detail below.

Stakeholder Responsiveness and Accountability: A comparative assessment

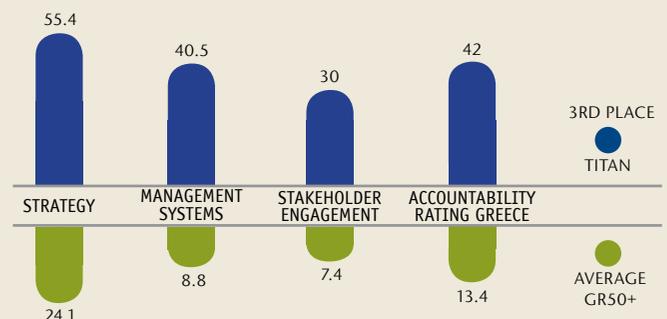
The “Accountability Rating”  published by FORTUNE magazine each year, measures the extent to which companies have built responsible social and environmental practices into the way they do business and looks at how well they account for the impact of their actions on their stakeholders.

Companies earn a score in each of six main categories: Corporate Governance, Strategy, Management Systems, Reporting, Assessment and Verification. Each year, FORTUNE magazine publishes a list of companies assessed according to their social and environmental accountability.

In 2007 the ranking for the first time included Greece whose 50 largest companies (by turnover) were evaluated across a range of criteria related to abovementioned categories.

On the Accountability / Rating list for Greece, TITAN was placed 3rd in overall rating and 1st in the industrial and cement sectors.

ACCOUNTABILITY RATING



Customers and products

TITAN Group has a very wide and fragmented customer base due to its product and geographical diversity.

In 2007 Group turnover amounted to approximately € 1.5 billion . As part of ISO 9000 continuous improvement process, a customer satisfaction survey is conducted bi-annually. In 2007 the customer satisfaction survey in Greece has included integrity and CSR issues which have been identified as significant parameters of TITAN's brand value.

Product quality and safety

The products delivered by TITAN companies, properly used, present negligible health risks. They are accompanied by Material Safety Data Sheets advising users on optimal application procedures. The Group R&D Department and occupational health and safety specialists liaise with the relevant industry associations and regulatory bodies to ensure that all Group companies are aware of and comply with their obligations in this area.

Throughout the Group, special emphasis is placed on product quality and safety. In this context our Group R&D Department is fully equipped to implement specialized projects such as the development of special cement types for different construction needs.

By enhancing durability of cementitious and quarry products we lengthen their life-cycle and at the same time minimize our CO₂ footprint by using fewer energy resources. Product innovation which improves quality, safety and environmental impact is viewed as a business opportunity as well as a chance to "do more good" for our customers and society. Although in most of the cases, our customers are not the end users of our products, it is the Group's policy to ensure that all products provided to the market will meet and if possible exceed legal specifications as well as expectations of the end users.

Regardless of the size of a project, be it a small residential or a technically demanding, complicated infrastructure work, the Group takes it as a challenge to provide differentiated products, coupled with services, that ensure their safe and most efficient use.

In this context, TITAN in U.S.A. has joined efforts with other members of the Portland Cement Association in an industry-wide program titled "Concrete Thinking". It is particularly designed to educate customers, suppliers, friends and families about the benefits of concrete for sustainable development.

It is the Group's intention to promote the use of innovative and durable building materials. Engineers and contractors are thus assisted to design and build projects in a manner that ensures their extended economic life and reduces waste of natural resources and energy for repairs or early replacement of the structures.

Further information on our products and product quality initiatives can be found on our website .

Engaging academic community through Research and Development

Our commitment to the health and safety of our employees, to product quality and to the use of the latest environmental technologies demands continuous investments in research and development. In this context, in 2007 we launched a series of R&D projects engaging the academic community in the U.K. These projects related to the building materials sector are designed to achieve several objectives: to help us to continuously improve our processes and technical solutions in the most environmentally-sound manner; to encourage technical specialization particularly on sector-specific issues; and to promote a knowledge interchange between TITAN's field-based technical staff and cutting-edge academic research communities. These R&D initiatives have already enjoyed positive preliminary feedback, as they respond both to our business needs and the interests of the academic research community.

Our 2008 CSR & S Report will provide further information on these projects with reference to any initial results.





Suppliers and responsible supply chain management

In the context of its centennial celebrations in 2002, TITAN decided to share its understanding and commitment of CSR with its stakeholders. Among the groups wishing to learn more about CSR were our suppliers. Since then we have engaged in a series of initiatives designed to branch out our philosophy and policies of responsible corporate citizenship. They range from discussions and presentations to written materials and workshops aimed at facilitating knowledge exchange and sharing of best practices.

Biannual surveys conducted among our suppliers give us valuable feedback and help us to improve our policies, programs and procedures. The latest 2007 supplier survey revealed that occupational health and safety and care for the environment are considered as the most important CSR issues. About 30% of the suppliers surveyed have expressed themselves in favor of joint efforts at either sectoral or business-to-business levels concerning environmental and social responsibility endeavors.

Responsible supply chain management: Beyond compliance

Undoubtedly responsible supply-chain management starts from the principle that our first priority must be responsibility regarding the impact of our own operations. We also have however a degree of influence on our suppliers. They fall into three main categories: First-tier suppliers (those who supply us with goods and services directly and are often dependent on their relationship with TITAN for a significant portion of their turnover and profits) second tier suppliers (those who supply our suppliers and are not directly dependent on us) and monopolistic suppliers, such as public utilities or suppliers of proprietary technology, over whom we have very little leverage.

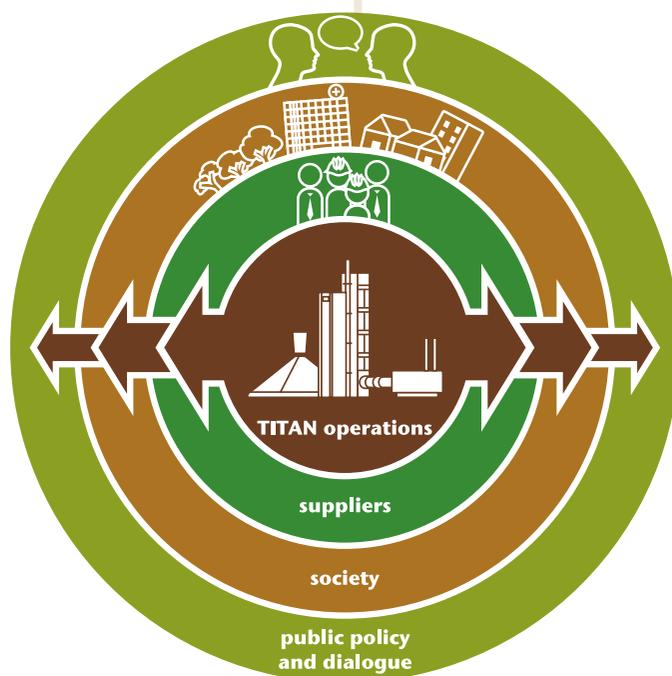
Focusing on compliance and monitoring performance among suppliers is one way to ensure conformity with environmental and other specifications.

Still, the majority of suppliers, as in the case of TITAN in Greece (with more than 6,000 suppliers in total) are small and medium-size enterprises operating at a local or national level. Increasing awareness and capacity building among

these suppliers, in order to understand and engage themselves in a process of continuous improvement, in the area of social and environmental responsibility, is in line with TITAN's consensual approach to stakeholder relations and CSR commitments (p. 17). Through our efforts directed to our supply chain we also seek to strengthen our engagement with local suppliers in order to enhance our climate change mitigation strategy as well as our policy to promote local development.

Accordingly, TITAN Procurement Code of Conduct [\[6\]](#), specifies our policy and details our approach to dealing with suppliers, emphasizing their fair and equal treatment, fair competition and strict anti-bribery and anti-corruption policies.

A new program titled "Mentoring Suppliers" is following the distributions of the new Code of Procurement to support suppliers and particularly main contractors and SMEs to develop their own CSR programs and initiatives in response to their key priorities.



A company's sphere of influence can be visualized as a set of circles with common center. The core center is the Company with its people both direct and indirect employees and their families. The first and smallest circle includes the company's main activities in its area of operations and the market. Here a company has the largest influence on behavior with respect to the environment, society and corporate governance. The next circle includes the supply chain. Here the possibil-

ity of exercising influence is significantly diminished, although in some cases (especially first-tier suppliers) it may be considerable. The third circle includes a company's interactive relationship with society, social investments and charitable activities. A fourth circle of influence includes a company's participation in the discussion of relevant public policy issues and activities designed to support specific positions or choices.





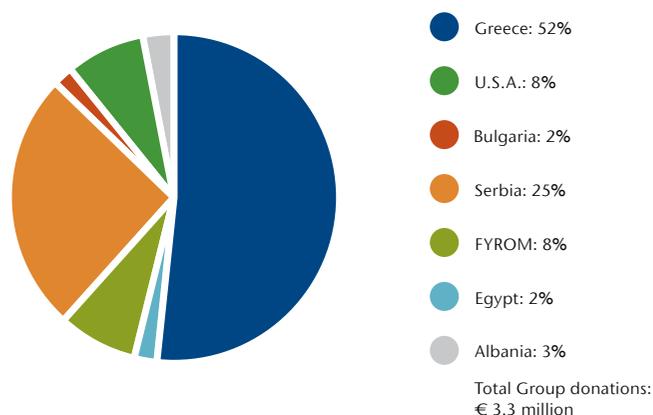
Local communities

Engagement with local communities is a long-held Group tradition beginning over a century ago when TITAN Cement Company was founded. This engagement is a continuously evolving endeavor which takes a variety of forms, all of which involve a commitment to listening to stakeholder groups, understanding and responding to their concerns through a process of dialogue and cooperation wherever possible.

Last year our most important area of engagement with society was our immediate, multi-pronged response to the forest fires which raged in Greece (p. 51). Because of their tremendous widespread impact on both society and the environment, a special section of the Report is devoted to our response to this calamity. Our website includes more information on our on-going activities related to such community initiatives as the FAOS program (for the prevention of accidents in schools) [@](#), "Play it Safe!" (designed to enhance accident awareness among parents, children and teachers under the auspices of UNICEF Hellas) [@](#), the Postgraduate Students' Forum [@](#) and others.

In 2007 we continued to allocate most of our donations to supporting endeavors related to education and training; health, safety and the environment; local community engagement and social solidarity. Total Group-level donations came to approximately € 3.3 million in 2007.

GROUP DONATIONS BY COUNTRY - 2007



Greenfield investment in Albania

Albania is one of the poorest countries in Europe. However, since the beginning of the transition period in the early 1990s it has experienced impressively high rates of economic growth. Balancing the requirements of sustainable economic development with those of environmental protection and social cohesion is a major challenge facing the country.

Last year TITAN announced its intention to build a €170 million cement plant between Bret and Pizrage, about 30 kilometers from the capital Tirana. While the plant's primary purpose is to serve the rapidly growing domestic market for housing and infrastructure crucial to this country's development -such as schools, hospitals and roads- the project has other objectives as well. As a greenfield project, the plant will be built and operated using the best available technologies and the most environmentally sound equipment and processes. It is hoped that this world-class facility, due for completion in December 2009, will have positive spillover effects onto the rest of the local economy in such areas as social responsibility and environmental protection.

Active engagement with the local community and the preparation and implementation of a detailed Environmental and Social Impact Assessment Study will be decisive factors in the successful pursuit of its multiple objectives.

In recognition of the importance of the balancing act in the quest for sustainable development, TITAN has taken its plans for its Albanian facility one step further. It has invited as participants in the venture two international institutions which are committed to enhancing sustainable growth and alleviating poverty, and know well the unique challenges facing the transition economies of Central and Eastern Europe. Thus the International Finance Corporation (IFC), the World Bank's private sector arm, and the European Bank for Reconstruction and Development (EBRD) will participate in the project with equity shares.

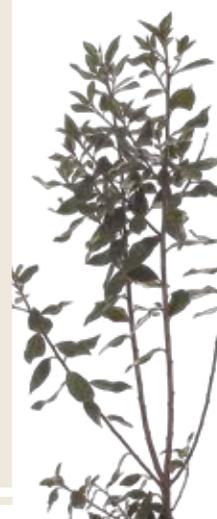


Branching out and adding value: Educating children in Green Thinking

Separation Technologies, a TITAN Group subsidiary in U.S.A., launched a new initiative designed to educate elementary school children about the environment and the use of concrete. This innovative initiative uses an interactive robot named R.A.L.F. (Robotic Artificial Life Form) to educate children on the importance of environmentally friendly "green building and green thinking". Originally designed for NASA, R.A.L.F. has been adopted by Separation Technologies to travel around U.S.A. making presentations in schools and auditoriums.

Separation Technologies was founded in 1989 to develop commercial applications for a proprietary electrostatic separation process invented by a company founder. By 1994, it was focused on implementing the separation technology to process fly ash for use in commercial applications rather than being disposed of in landfills. Since 1995, Separation Technologies has operated successful fly ash separation for such applications. It has been part of the TITAN Group since 2002.

More information and fun interactive experience with games, pictures, fun facts, and news about R.A.L.F., at R.A.L.F.'s website at www.visitralf.com





TITAN plant nursery in Elefsina, Greece

Response to fires: dealing with a national disaster in the context of sustainable growth

In the summer of 2007 Greece experienced some of the worst fires in the country's modern history. Thousands of hectares of rural and semi-rural land were burned including some of the most beautiful forests and sites such as development in Ancient Olympia, on Mount Parnes and on Mount Taygetos. Regardless of the direct cause of the fires, global warming is considered as a contributor to the extent, severity and duration of forest fires, as in other cases both in Mediterranean countries and other regions.

Response of the global community to the plight of thousands of fire stricken people was immediate and generous.

TITAN Group

Immediate support with heavy vehicles and water-tankers was offered for fire-fighting in most of the cases and particularly in the locations where TITAN has operations.

A three-fold package of assistance was offered by TITAN to reach out to people, society and the environment. One million euros were donated to the National Disaster Relief Fund to assist victims. Building materials worth one million euros were made available to prefectural and municipal authorities and other competent agencies for flood prevention projects and the reconstruction or repair of infrastructure (municipal and other public facilities, for example). Finally, it pledged to grow and donate one million trees to be planted in areas to be designated by the authorities.

TITAN employees

An outpouring of heartfelt compassion was expressed by TITAN employees throughout the Group as well. Beginning in the U.S.A. and later in Greece and elsewhere, employees took the initiative to install donation boxes at offices and plants. Employees made cash contributions which TITAN matched for a total amount of more than € 80,000. An employee Committee was formed that decided to offer this amount to one of the communities in the region of Peloponnese which was hard hit by the fires, in order to build in cooperation with local authorities a 5x5 football playground for the young people living in this area.

TITAN partnerships

Working through partnerships and networks has been one of TITAN's preferred strategies for many years. In the case of last year's fires in Greece, action was taken through the Hellenic Network for CSR as an expression of solidarity with the local business community. In cooperation with the NGO Praxis, two initiatives were developed to reach out to communities damaged by the fires in the Evia and Iliia regions. The first initiative was designed to provide immediate medical care and social support services to hard-hit regions through a network of experts. This project will continue as a community development initiative for the next few years. The second initiative encouraged employees of Network members, including TITAN, to volunteer their services and to help plant trees in damaged areas.



Engagement with local communities

All TITAN plants carry out a variety of activities intended to strengthen the social bonds within the Group and with the communities in which it operates. The nature of TITAN operation are such that there are resulting positive and negative impacts at the local level. On the positive side TITAN contributes to the well-being of local communities through employment and various community development initiatives [@](#). The negative impacts on the local communities are mainly disturbance to the landscape, dust, noise and traffic issues created by transportation of products and raw materials. In addition, sites where cement plants were built on relatively empty spaces, now are within ever encroaching urban areas and thus can be a source of friction with local communities.

The three neighboring communities of the Patras (Gr) cement plant have occasionally raised issues of accidental dust emissions.

The Elefsina cement plant (Gr) is adjacent to the archaeological site and is a visual disturbance to the landscape. In Thessaloniki, the neighboring communities have raised concerns about the noise level and traffic build-

up due to transportation. These real or perceived issues, although they cannot be considered as significant, are of relevance and need attention.

However, we are committed to engaging continuously in a meaningful dialogue with the local communities, in order to listen, better understand and wherever possible address their concerns.

In 2008 we will expand initiatives aiming at improving stakeholder dialogue and engagement process. Open days are planned for our cement plants in Patras and Thessaloniki, Greece, as well as a nationwide Stakeholder Forum. In 2009 we plan to organize, at every cement plant in Greece, a local stakeholder meeting. The experience to be gained from these efforts will enable us to expand further stakeholder dialogue and engagement process to our operations in South Eastern European countries.



Day nursery in Lagyna, Thessaloniki - Greece

Participation in joint initiatives - networks

1. Global Compact

TITAN became a signatory to the U.N. Global Compact in 2002, with respect to its own operations and as well as for the purpose of encouraging other companies to sign up and adopt its principles of responsible corporate citizenship. In 2007 we focused our efforts on the preparation of a new campaign in Southeastern Europe and Greece aimed at the promotion of the Global Compact principles within our sphere of influence.

In this context, leaflets in local languages were developed and presented at the 1st CSR Marketplace in Greece organised by the Hellenic Network for CSR, while a program with different events directed to both internal and external stakeholders has been developed for 2008. A table summarizing our Communication on Progress can be found in the annexes of this Report while a full report for 2007 is hosted in our web site.

2. WBCSD/CSI

TITAN Group is a core member of the World Business Council for Sustainability since 2003. In 2007 we welcomed a joint effort undertaken by WBCSD, Global Compact and UNEP in respect to climate change . "Caring for Climate: The Business Leadership Platform" was presented as a Declaration  in Geneva last year and is a strong environmental call from world business leaders.

3. CSR Europe

As a core member of CSR Europe, TITAN last year was particularly focused on the implementation of the E.U. Business Alliance for CSR and the "CSR and Supply Chain Laboratory" (see case on this page).

Moreover, Separation Technologies, a TITAN Group subsidiary, was selected to be presented as an example of good practice in the field of innovative and environmentally friendly business solutions by CSR Europe's Committee in the framework of the 2nd European CSR Marketplace, that took place in Brussels last November attracting the interest of more than 600 business and stakeholder representatives.

Supply Chain Laboratories: "Values in Action"

"CSR Laboratories" are business-driven and action-oriented projects addressing topical CSR issues by bringing together business practitioners, stakeholders and representatives of the European Union. The Laboratories allow participants to share experience and explore joint operational projects. Since 2006, 18 Laboratories have been set up under the umbrella of the European Alliance for CSR, in which TITAN participates through its membership in CSR Europe. Together, they involve around 150 businesses and more than 40 stakeholders.

TITAN, HP and Volkswagen, have undertaken the responsibility to lead the "CSR and Supply Chain Laboratory" in an effort to provide particularly small and medium size enterprises with the appropriate tools, know how and experiences and support them to develop skills and competencies required to anticipate effectively to social and environmental concerns and standards.

The purpose of TITAN's engagement in the CSR Laboratory on Responsible Supply Chain Management is to learn from our partners in our effort to stimulate a cascade of responsible management down the supply chain. Encouraging and helping suppliers to develop their own proactive CSR policies, and engage on this with their own suppliers is the main focus of the action plan developed in September 2007 at a meeting organized and hosted at our Kamari plant near Athens, which was attended by corporate representatives from all over Europe.

An especially encouraging development took place when CSR Europe's Stakeholder Committee recognized the Laboratory and its corporate leaders with an award of distinction presented at the Second European Marketplace for CSR held in Brussels .

4. Hellenic Network for CSR

As a founding member, TITAN continued to actively support the Hellenic Network for CSR. In 2007 our efforts were focused on three areas:

- a) participation in a study to support the sharing of responsible and feasible CSR practices with SMEs, one of the most challenging areas related to responsible business practices and leveraging the outcomes of CSR and Supply Chain Laboratory at national level.
- b) joint actions in response to the devastating summer fires in Greece (p. 51).
- c) support the organisation and presentation of TITAN practices in the 1st Greek CSR Marketplace which attracted more than 400 business and stakeholder representatives.



Assurance Report by DNV_p.55 ■ Assurance Report by KPMG_p.57 ■ Global Compact Communication on Progress_p.59 ■ GRI disclosures and indicators_p.60

Report of the Auditors and Annexes



**JUNIPERUS
MACROCARPA**

Species endemic to the coasts and islands of the Mediterranean.

It has an attractive orbicular blue-green canopy and reaches 7 – 8 metres in height.

It also grows on sandy beaches close to the sea.

It is highly resistant to sea breezes.

Assurance Report by DNV

Det Norske Veritas (hereafter “DNV”) has been commissioned by the management of TITAN Cement Company S.A (hereafter “TITAN”) to carry out an independent verification of TITAN Corporate Social Responsibility (CSR) and Sustainability Report 2007 (English version only) (hereafter “the Report”).

This is a summarised version of the assurance statement. A full version of the assurance statement including details on DNV’s scope, approach and specific recommendations is available online. Please go to: www.titan-cement.com

Scope

TITAN requested that a staged approach to verification be adopted, focusing initially on its operations in Greece and expanding the coverage to Eastern Europe and the US in future years. As a result, DNV’s verification was limited to activities in Greece only. Statements regarding TITAN’s activities outside Greece were not verified. The accuracy of selected quantitative information was verified, namely donations and employee training data. Our verification did not include verification of the accuracy of CO2 emissions and H&S data, verified by another third party.

DNV was not involved in the preparation of any information, or collection data included in the Report.

Approach

DNV, headquartered in Oslo, is one of the leading providers of sustainability solutions, including verification of sustainability reports.

The verification was carried out between June 2007 and May 2008, by suitably qualified and experienced professionals, in accordance with the DNV Protocol for Verification of Sustainability Reports, which is based both on the GRI G3 and the AA1000AS.

Conclusions

In our opinion, TITAN’s CSR Report 2007 meets most of the WBCSD/CSI, Global Compact, GRI G3 and AA1000AS reporting requirements. Our review revealed that TITAN’s Board commitment to sustainability and CSR is high. TITAN has sought to identify and adopt good CSR practices and this is reflected in the high level of investment on CSR management across the company. Environmental, community and H&S responsibilities have been allocated across the company. However, levels of awareness, capability and implementation vary across Divisions and Regions and Business Units, e.g. policies and systems are more effectively implemented in cement divisions than aggregates or ready-mix.

Our review confirms that TITAN has consistently maintained a good dialogue with local community and has responded well to their concerns. However, a more structured approach to stakeholder engagement at Group level is needed.

Regarding the content of the report, the following conclusions are made:

Materiality

- For the first time, TITAN has been involved in a materiality assessment whose results have informed the preparation of the Report;
- At Group level, TITAN has engaged with SRI rating agencies, WBCSD/CSI and best practice groups, with a view to identifying and better understanding the CSR / sustainability issues which are most material to the sector.

Completeness

- The Report includes all entities that meet the criteria of being subject to control or significant influence of the Reporting organisation;
- It is our understanding that the Report provides a fair and balanced representation of TITAN’s vision, performance and challenges during 2007;



- Assessment of data gathering processes reveal that the completeness of quantitative data reported needs further improvement.

Accuracy

- The data measurement techniques and bases for calculations have been adequately described to DNV. Although no systematic errors have been detected, we have identified some manual errors which have subsequently been corrected. However, TITAN is committed to continually improving the quality of data and is in the process of adopting a more structured data management system and process for environmental data;
- Some data flows are complex and involve a large number of people and tools. TITAN is currently reviewing its data management processes with a view to streamlining of data flows and the improving data quality control systems.

Neutrality

- TITAN's 2007 materiality assessment has been used as a basis for the production of to the report and identifying the issues on which emphasis should be placed and ensuring that statements on the various topics are proportionate to their relative materiality.

Comparability

- In comparison with the 2006 Report, the current report presents information in a format that better allows users to see positive and negative trends in performance on a year-to-year basis;
- TITAN's internal database system coupled with other on-going improvements in data management processes, are expected to enable better comparability of data in future years .

Responsiveness

- This year's report has been prepared taking into consideration the findings of a structured Stakeholder consultation exercise aimed at clarifying stakeholder opinions regarding the Report.
- The stakeholder engagement should be extended to a wider range of stakeholders in 2008.

In DNV's opinion, TITAN's CSR Report 2007 generally meets the content and quality requirements of the GRI G3. Among the different levels defined by the GRI, both TITAN and DNV confirm that the GRI "A+ application level" has been met. DNV has adopted a rigorous approach in conducting the GRI application level check, including the use of related GRI protocols. DNV considers that a GRI indicator is partially met when just one of its elements is missing. DNV also checked references to the Annual Report. Weblinks were not checked because at the time of the verification they were not active. However, DNV states that the documents referenced to in the weblinks exist and are implemented in the organisation.

Signed



Esther Garcia
Head of CSR Services (UK&Ireland)
DNV



David Salmon
Country Manager (UK&Ireland)
DNV

Assurance Report by KPMG

To the readers of the 2007 Titan Group Corporate Social Responsibility and Sustainability Report.

Introduction

We have been engaged by Titan Group to provide assurance on the CO₂ emission data and the safety data in the 2007 Titan Group Corporate Social Responsibility and Sustainability Report (further referred to as The Report). The Report is the responsibility of the company's management. Our responsibility is to issue an assurance report on the CO₂ emission data and the safety data in The Report.

Context and scope

In The Report Titan Group describes its efforts and progress in relation to sustainability and reporting thereon. Our engagement was designed to provide the readers of The Report limited assurance on whether the 2007 CO₂ emission data presented on page 16 and page 29 in The Report and the 2007 safety data presented on page 16 and 23 in the Report are fairly stated. Procedures performed to obtain a limited level of assurance are aimed at determining the plausibility of data and are less extensive than those for a reasonable level of assurance.

Reporting criteria

There are no generally accepted standards for reporting sustainability performance. Titan Group applies its own internal sustainability performance reporting criteria, derived from the relevant publications of the Cement Sustainability Initiative (WBCSD/CSI) of the World Business Council for Sustainable Development (WBCSD). These publications are The Cement CO₂ Protocol and the WBCSD/CSI Guidelines for Measuring and Reporting Safety Data. It is important to view the performance data in the context of this explanatory information. We believe that these criteria are suitable in view of the purpose of our assurance engagement.

Standards

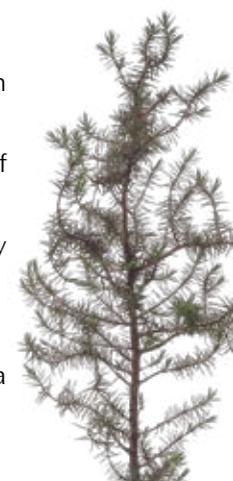
We conducted our engagement in accordance with the International Standard for Assurance Engagements (ISAE) 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. Amongst others, this standard requires that the assurance team members possess the specific

knowledge, skills and professional competencies needed to understand and review the information and that they comply with the requirements of the IFAC Code of Ethics for Professional Accountants to ensure their independence.

Work undertaken

With regard to the information in the Report we carried out the following activities:

- reviewing the systems and processes for data management, internal control and processing of the CO₂ emission data and the safety data;
- reviewing the CO₂ emission data and the safety data reported by the production sites under operational control of Titan Group;
- visiting two selected production sites to assess the data collection and reporting process and review the reliability of the reported data;
- reviewing data trends and discussions with management thereto;
- interviewing staff responsible for the analysis and reporting of the data and explanatory notes for CO₂ emission data and safety data.



Conclusion

Based on the work described above, the 2007 CO₂ emission data presented on page 16 and page 29 in The Report, referring to The Cement CO₂ Protocol, and the 2007 safety data presented on page 16 and 23 in The Report referring to the WBCSD/CSI Guidelines for Measuring and Reporting Safety Data do not appear to be unfairly stated.

Amstelveen, 22 April 2008



KPMG Sustainability B.V.

W.J. Bartels (director)



Annex 1

Global Compact Communication on Progress

The TITAN Cement Group has been a signatory of the Global Compact since 2002. As part of our commitment to responsible corporate citizenship, we have reported on corporate social responsibility and sustainability issues in Group-level Annual CSR &S Reports since 2003. These reports have also highlighted our commitment to Global Compact and provided relevant information in respect to the application of the ten principles.

Last year, the independent assessment and external verification process carried out by DNV also covered requirements of Global Compact Communication on Progress requirements [@](#) (p. 55-56) while a stand-alone, web-based Group-level Communication on Progress is available in our website [@](#).

Global Compact Principles	GRI reference	TITAN reference (sections in this Report)
Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights	HR1, HR2, HR3, HR4	Commitment to our people Commitment to Society
Principle 2 Make sure that they are not complicit in human rights abuses	HR2, HR3	Commitment to our people Commitment to Society
Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	HR5, LA3, LA4	Commitment to our people
Principle 4 The elimination of all forms of forced and compulsory labor	HR7	Commitment to our people Commitment to Society
Principle 5 The effective abolition of child labor	HR6	Commitment to our people Commitment to Society
Principle 6 The elimination of discrimination in respect of employment and occupation	HR4, LA10, LA11	Commitment to our people
Principle 7 Businesses should support a precautionary approach to environmental challenges	EN1 - EN30	Commitment to our people Commitment to Society
Principle 8 Undertake initiatives to promote greater environmental responsibility	EN1 - EN30	Commitment to our people Commitment to Society
Principle 9 Encourage the development and diffusion of environmentally friendly technologies	EN1 - EN30	Commitment to our people Commitment to Society
Principle 10 Businesses should work against all forms of corruption, including extortion and bribery	SO2, SO3	Commitment to our people Commitment to Society

¹ http://www.unglobalcompact.org/docs/communication_on_progress/COP_13_November_2007_commenting.pdf



Annex 2

GRI disclosures and indicators

Having accomplished successfully, as proved by independent assessment and verification reports provided by third parties, our priority to fully meet WBCSD/CSI commitments in respect to reporting and management of key social and environmental issues, we have focused our efforts in meeting all other performance indicators that are considered relevant and significant both for our business and for key stakeholders.

Accordingly this report adheres to Global Reporting Initiative (GRI) criteria , a comprehensive set of guidelines that helps us report on issues material to both TITAN Group and its stakeholders.

For gathering the 2007 data, we began using a Web-based service that helped centralize information, increase accountability and improve overall transparency of the data included. For the first time, we also used independent firms – Det Norske Veritas (DNV) and KPMG– to provide assurance verification of the information contained in the Report.

In the Table below we present our GRI disclosures and indicators as well as the TITAN Reference. We have marked indicators with the following symbols in addition to page numbers for all indicators found in this Report:

n/r: Not relevant to our business.

n/a: Data currently not available.

 Indicates core indicators.

 Indicates additional indicators.

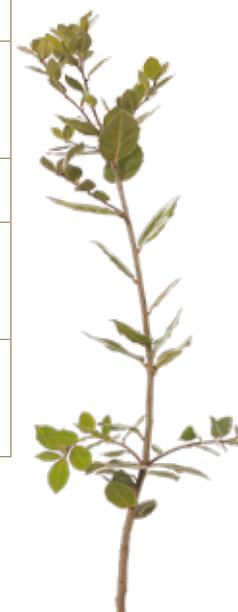
 Partially met for all indicators whose data currently cover only certain regions (i.e. Greece) or activities (i.e. cement).

 indicates additional information can be found on TITAN and other web sites.

 indicates additional information can be found in our 2007 Annual Report and Annual Bulletin.

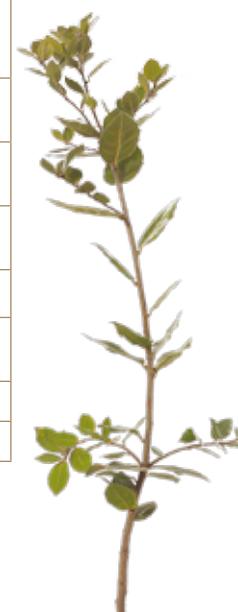
Profile	Description	TITAN reference	Notes
1.1	Statement from the most senior decision-maker of the organization.	p.7,  p. 8-11	
1.2	Description of key impacts, risks, and opportunities.	p. 27-28, 52  p. 21, 36-37	
2.1	Name of the organization.	p.2	
2.2	Primary brands, products, and/or services.	 ,  p. 14-15	
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	p.2,  p. 102-103	
2.4	Location of organization's headquarters.	p.2, 24	
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	p.2, 5	
2.6	Nature of ownership and legal form.	p.2,  p. 10,	
2.7	Markets served (including geographic breakdown, sectors served, and types of customers / beneficiaries).	 p. 40-55	
2.8	Scale of the reporting organization.	p.10,19,  p. 2, 6-7	
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	p. 9,  p. 8-13	
2.10	Awards received in the reporting period.	p. 31,  p. 6	
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	p.2	

Profile	Description	TITAN reference	Notes
3.2	Date of most recent previous report (if any).		May 2007
3.3	Reporting cycle (annual, biennial, etc.)	p.2	
3.4	Contact point for questions regarding the report or its contents.	p.5	
3.5	Process for defining report content.	p.5	
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	p.5	
3.7	State any specific limitations on the scope or boundary of the report.	p.5	
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	p. 5, [N] p. 124	
3.9	Data measurement techniques and the bases of calculations.	p. 5, 60	
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement.	p.5, 23, 29	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	[N], p.5	
3.12	Table identifying the location of the Standard Disclosures in the report.	p. 60-66	
3.13	Policy and current practice with regard to seeking external assurance for the report.	p.5, 7	
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	[N], p. 14	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	[N] p.56	
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	p. 14 [N] p. 60	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	p. 19, [N] p. 14	No other formal mechanisms apart from references included in relevant texts are currently employed for employee representation in governance bodies.
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives and the organization's performance (including social and environmental performance).	[N], p. 23	Overall performance in respect to TITAN values is one of the criteria for upper management during the annual performance appraisal process. Safety has been added as an additional element of the process.
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	[N] p. 60	Majority of independent Board Members safeguard avoidance of conflicts of interest.
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	[N], [G]	
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	[N], p. 11, 14	



Indicator	Description	TITAN reference	Notes
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	p. 14, 📄 p. 60-61	
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	📄, p. 60-61, 65 - 67 📄	
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	p. 11-13, 53, 59 📄	"Doing less harm and more good" adopted as core element of CSR Group strategy in line with commitment to Global Compact pledge and principles.
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	p. 2,11	
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations.	p. 43, 53	
4.14	List of stakeholder groups engaged by the organization.	p. 43	
4.15	Basis for identification and selection of stakeholders with whom to engage.	📄, p.43	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	p. 43	
4.17	Key topics and concerns that have been raised through stakeholder engagement.	📄, p.43	
DISCLOSURE ON MANAGEMENT APPROACH		📄, p.7, 10, 11	
EC1 🟡	Economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	p. 10, 48	
EC2 🟡	Financial implications and other risks and opportunities for the organization's activities due to climate change.	📄 8 - 11	
EC3 🟡	Coverage of the organization's defined benefit plan obligations.	📄 p. 89	
EC4 🟡	Significant financial assistance received from government.	📄 74-80	No significant assistance
EC6 🟡	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	p. 47	🟡 Data of proportion spending on locally-based suppliers not fully measured at Group level. The application of SAP system in south eastern operations by 2010 will facilitate the disclosure of this analysis.
EC7 🟡	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	p. 24	
EC8 🟡	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	p. 51	

Indicator	Description	TITAN reference	Notes
EC9	Understanding and describing significant indirect economic impacts	📄, p. 49	The full analysis of potential indirect impacts generated by new Greenfield investment in Albania is hosted in web site in the following document: "Environmental and Social Impact Assessment of ANTEA".
DISCLOSURE ON MANAGEMENT APPROACH		p. 7, 11, 26 - 28	
EN1	Materials used by weight or volume.	p. 28, 33, 39	
EN2	Percentage of materials used that are recycled input materials.	p. 33, 39	
EN3	Direct energy consumption by primary energy source.	p. 28, 30, 31	
EN4	Indirect energy consumption by primary source.	p. 31	
EN5	Energy saved due to conservation and efficiency improvements.	p. 31	
EN6	Initiatives to provide energy-efficient or renewable energy based products and services	p. 27, 35	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	p. 31	
EN8	Total water withdrawal by source.	p. 17, 28, 35	📌 An upgraded -following recent developments also in the framework of WBCSD- water management system will be developed and applied by 2010 as defined in our CSR Roadmap so as to provide more specific and accurate data regarding water consumption.
EN9	Water sources significantly affected by withdrawal of water	p. 17	(see note EN8)
EN10	Percentage and total volume of water recycled and reused		(see note EN8)
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	p. 40, 41	Approximately 20% of land.
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	p. 40, 41	
EN13	Habitats protected or restore.	p. 40, 41, 48, 49, 51	
EN14	Strategies, current actions and future plans for managing impacts on biodiversity.	p. 17, 40-41	📌 More information to be disclosed in following Reports after relevant assessments have been completed in all sites biodiversity issues have been addressed.
EN16	Total direct and indirect greenhouse gas emissions by weight.	p. 28	
EN17	Other relevant indirect greenhouse gas emissions by weight.	p. 38	📌
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	p. 35, 48, 51	
EN19	Emissions of ozone-depleting substances by weight.		n/r
EN20	NO _x , SO _x , and other significant air emissions by type and weight.	p. 16, 28, 36-37	
EN21	Total water discharge by quality and destination.	p. 17	📌 (see note EN8)
EN22	Total weight of waste by type and disposal method.	p. 17	📌 Data collection system currently being developed.



Indicator	Description	TITAN reference	Notes
EN23	Total number and volume of significant spills.	p. 38	
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	p. 27-41	
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	p. 39	100% of packaging material used for bagged cement is reclaimed.
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	p. 29	No significant sanctions at Group operations in 2007.
EN30	Total environmental protection expenditures and investments by type.	p. 29	
DISCLOSURE ON MANAGEMENT APPROACH		p. 11, 19	
LA1	Total workforce by employment type, employment contract, and region.	p. 19	
LA2	Total number and rate of employee turnover by age group, gender, and region.		● Analysis of turnover data at Group level to be completed in 2008.
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	p.18	All type of benefits defined either by law or by collective bargaining agreements are provided to all direct employees independently of their contract type (full-time, part-time or temporary). Additional benefits beyond law and collective agreements are provided only to direct full-time employees.
LA4	Percentage of employees covered by collective bargaining agreements.	p. 24	● 100% of employees are covered by collective bargaining agreements in countries where provided by national legislation. Disaggregation of relevant data to be disclosed in future reports.
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	p. 25	In accordance with E.U. standards and / or national legislation.
LA6	Percentage of total workforce represented in formal joint management work health and safety committees.	p. 23	More than 60% of our direct employees working in cement plants and related to them quarries are represented in joint management health and safety committees and forums that help monitor and advice on occupational health and safety programs.
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	p. 23	● Disaggregation of health and safety data by region has not been accomplished this year due to priority given on verification of these data at Group level according to our WBCSD/CSI commitments. Still, it remains a main task for 2008 to improve completeness and comparability of our performance with peers at national level. Absenteeism due to accidents equals to lost time injuries as it is estimated in calendar days.
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.		Not applicable as we do not have a presence in countries with such endemic diseases.
LA10	Average hours of training per year per employee by employee category.	p. 21	● Collected data not disclosed regarding employee categories as not yet fully verified
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	@, p. 21	
LA12	Percentage of employees receiving regular performance and career development reviews.	p. 21	

Indicator	Description	TITAN reference	Notes
LA13 	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	p. 19, 24  p. 56 -59	 Breakdown of employees by age group has not been completed at this stage as relevant data have not fully analysed and verified.
LA14 	Ratio of basic salary of men to women by employee category.		Same job same pay.
DISCLOSURE ON MANAGEMENT APPROACH		p. 24, 53, 59	
HR1 	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	 p. 49	The major and most significant investment agreement signed by TITAN in 2007 was for new investment in Albania which has fully incorporated Human Rights clauses.
HR2 	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	 p. 13, 14, 47	 All contractors are expected to agree to the terms of our Code of Conduct and Procurement Code of Conduct which include respect for human rights. A new effort to monitor compliance with TITAN's social and environmental standards is expected to follow the distribution and training of all our main contractors and suppliers in our Code of Procurement which include human rights clauses and direct references to all Global Compact principles starting in 2008.
HR4 	Total number of incidents of discrimination and actions taken.	p.25	Except for cases cited in the text, no other incidents have been reported throughout the Group.
HR5 	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	p. 24	TITAN monitors all sites for any allegation on freedom of association and collective bargaining.
HR6 	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.		No operations have been identified being at significant risk.  Relevant data currently not available as incidents such as child labour or forced and compulsory labour have never occurred in the history of TITAN Group in any site and location. However, as a process for screening and monitoring such issues is required both by GRI and Global Compact, it is a new task to be undertaken in the framework of implementing our CSR Roadmap by 2010 and the expansion of independent assessment process started in Greece in 2007.
HR7 	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.		 (see note HR6)
HR9 	Total number of incidents of violations involving rights of indigenous people and actions taken.		Not applicable - not in countries of concern.
DISCLOSURE ON MANAGEMENT APPROACH		p. 11, 48 - 49	
SO1 	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	p. 48, 52	
SO2 	Percentage and total number of business units analyzed for risks related to corruption.	p.15	100% of business units have been analyzed for risks related to corruption using TI CPI.
SO3 	Percentage of employees trained in organization's anti-corruption policies and procedures.		 All professional and managerial staff employed since 2004 have undergone training in anti-corruption policies according to TITAN Code of Conduct as part of their induction course.
SO4 	Actions taken in response to incidents of corruption.		No actions have been taken as no incidents have been brought to the attention of the Board either through internal audits or the recently established employee hotline.



Indica- tor	Description	TITAN reference	Notes
SO5 ☉	Public policy positions and participation in public policy development and lobbying.	p. 43	The business and sector association which we are members of participate in public policy development.
SO7 ☉	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.		None
SO8 ☉	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.		None
DISCLOSURE ON MANAGEMENT APPROACH			p. 45
PR1 ☉	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	p. 45	☉ Currently being developed. New target is to complete full life-cycle analysis.
PR2 ☉	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle by type of outcomes.		None
PR3 ☉	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.		Material Safety Data sheets (including all relevant information) are prepared for all our cementitious products.
PR4 ☉	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.		Not applicable for building products.
PR5 ☉	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	p. 45	☉ New efforts to be undertaken to meet full disclosure by 2010.
PR6 ☉	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.		Not applicable for building products.
PR7 ☉	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.		None
PR8 ☉	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.		None
PR9 ☉	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services. .		None

Acknowledgements

The contents and structure of this Report are the responsibility of the Board of Directors' Corporate Social Responsibility Committee. In addition, all Group Departments and numerous individuals made their own valuable contribution and we would like to thank them all.

We also like to thank our employees and stakeholders who send their feedback and help us to improve this Report. Finally, we would like to thank our auditors for their comments and suggestions that contributed to the improvement of this Report and help us new objectives for the future.

