

Global Compact

2002 – 2008:
A brief presentation
of a long-term
voluntary commitment

page 8

TITAN CEMENT was among the first 500 companies worldwide, in 2002, to enter the UN Global Compact and sign the pledge.

Building a new cement plant in Albania

page 12

The construction of the new cement production facility in Albania is one of the toughest and most challenging projects undertaken by TITAN Group during the last decades while it is also one of the largest industrial green-field investments in Albania.



Stakeholders' Forum

page 14

Engaging with key stakeholders through open and interactive communication is a long-term practice followed by the TITAN Group, aiming at enhancing transparency, building mutual trust and understanding and continuously improving its CSR and sustainability strategy and practices.

Safety at work

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Despite strong dedication and increased efforts, 2008 showed bad results within both our Group and CSI. The highest fatality risks concerned contractors and drivers - hence our new main target.

Sustainable development

A global sectoral approach

page 30

2008 marks the fifth anniversary of TITAN's endorsement of and commitment to the goals of the Cement Sustainability Initiative (CSI).

2008

Corporate Social Responsibility and Sustainability Report





Reading the Report:

Direct references to our 2008 Annual Report and Financial Results are marked in the text with the symbol .

References and "links" to our website (www.titan.gr) are also marked in the text with the symbol .

Please note that these links are only active in the electronic version of the Report.

Our 2008 Report

In response to valuable feedback received from our stakeholders and aiming at continuous improvement, this year's Corporate Social Responsibility & Sustainability Report (CSR & S Report or the Report) has a new structure and focus. **The Managing Director's Message** presents the material issues we faced and the innovative initiatives we took, in order to meet both the real challenges and the social and environmental targets we had set.

Corporate social responsibility (CSR) is embedded in TITAN's strategy, as explained in the first section, including the **Business Case for CSR**; engaging with our Stakeholders' and distribution of our 2008 income. A detailed presentation of the TITAN Group activities and financial performance is presented in our Annual Report while our strategy is illustrated with selected case studies. .

We introduced new means of dialogue and engagement with the **"Stakeholders' Forum"**, the first ever to be held in Greece, a new and innovative initiative undertaken by TITAN last year following the first independent assessment and verification of its report in 2007.

TITAN's endeavour to comply not only with the letter but also with the spirit of **UN Global Compact** led to new action in those geographical areas where the Group operates and can influence, spreading the message and helping set up national Global Compact networks. An outstanding example of our long-term voluntary commitment to Corporate Social Responsibility and Sustainable Development in all operations, including construction of a new cement plant, is described with the case of **TITAN in Albania**.

Our people and Society at large benefit from our activities that can have multiple positive effects through business practices. In the **Social Footprint** section we present a more detailed analysis of our performance in response to our stakeholders and particularly to our employees, suppliers, customers, shareholders and investors, communities, local authorities and other parties.

Our commitment to the environment is described in the **Environmental Footprint** section where we present the performance achieved the last year and new targets set to improve future performance at Group level.

Indicative examples of practice with respect to sustainability issues are also included in this section, yet a new tool, "CSR in Action" is developed on our web site providing updated information about the TITAN Group practices by country.

Recognition of our efforts encourages us to be more focused but also to be ever more open and transparent. The worldwide awards received last year by TITAN are covered in this section.

We further explain how this Report was developed by integrating feedback received from various stakeholders, in line with international reporting standards. **Reports from independent auditors** are also included in this section.

An overview of **Targets and Achievements** with respect to TITAN's voluntary commitments is presented in line with our action plan for 2010. The TITAN Group grew again in 2008 (new investments and acquisitions). To be more specific TITAN acquired 100% of the former TITAN - LAFARGE joint venture in Egypt  and 50% of the Adocim Cimento Beton Sanayi ve Ticaret A.S. in Turkey . Social and environmental impacts of Group activities are presented in the context of the current size of the Group. Wherever performance against targets is reported, this is presented in relation to the equity share held by TITAN at the time the targets were set.

The **Cement Sustainability Initiative** launched by the WBCSD is at the core of our efforts to meet industry challenges with respect to safety at work, climate change, reporting and assessment. Accordingly progress review in this section is presented and verified as defined by the CSI Charter and approved protocols.

A full presentation of GRI indicators relevant to TITAN business and material for its stakeholders is presented in the last section of the Report and linked to the ten Global Compact principles. In addition, a statement on TITAN's Report achievement of level A+ according to GRI is provided in the section **"Report Assessment and Verification"**.

Your feedback is important for continuous improvement. Throughout this Report you will find space and margins to make your own notes and remarks. You can also e-mail your remarks and suggestions through the note pads in the electronic version of the Report to csr@titan.gr.

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Message from the Managing Director



In the year 2008 an unprecedented crisis swept through the global financial system – a crisis whose impact on the real economy will be felt even more acutely during the current year and which will have painful consequences for those in employment but also for the increasing numbers of unemployed.

However, these difficult circumstances will in no way alter TITAN's deep-rooted belief that implementation of the principles of corporate social responsibility and sustainable growth is not just a moral requirement but also good business practice.

Titan's significant participation in initiatives to expand the UN Global Compact through national networks of active business members both in Greece and in south-eastern Europe provides firm evidence that the Group remains faithful to its principles, its pledges and the commitments it has undertaken.

In difficult times like these, it is natural that greater emphasis should be laid on cooperation, collective action and responsibility – on the level of both the Company and the Group. In a world presenting such enormous challenges and opportunities, solid business achievement and sustainable growth require two-way communication, reciprocal understanding and collaboration not just with employees but with all stakeholders.

To further this objective TITAN organized last October a new and original initiative - the first national Stakeholders Forum in Greece.

Two main recommendations emerged from the discussions at the Forum, both of them very positively received: first, that "TITAN should do more good in those areas where, unavoidably, it does most harm", and second, that the company should 'provide a fuller account of its environmental and social footprint'.

In the aftermath of the Forum we treated both these recommendations as priorities and they will serve as a compass guiding us in our future plans and activities.

In tandem with the above initiatives, TITAN has also sustained its energetic commitment to its activities as

a member of the Cement Sustainability Initiative. In the nature of things, the cement sector will always be focusing its attention on two main problems: how to reduce or eliminate accidents in the workplace, and how to limit atmospheric emissions and more general damage to the natural environment.

In the first area, safety at work, 2008 was for TITAN and the sector as a whole a year of failures and enormous disappointment.

The year's five fatalities (three employees of contractors, one Titan employee and one road accident victim) have been a painful reminder that no effort in the area of safety can ever be deemed too great, and that all our work crews must remain alert and vigilant at all times if we are to achieve our objective of eliminating accidents.

In the second area of major significance, the protection of the environment and promotion of sustainable growth, there have been substantial successes, both in the sector and in our own Group.

The nuisance-reduction targets we had set for the five-year period 2006-2010 were all achieved early, by 2008. We have therefore decided to set new, even more ambitious targets (p. 30-39), as we firmly believe that there is always room for further improvement and the total Group production capacity has changed with new equities last year.

We should point out that the work done as part of the Cement Sustainability Initiative is assessed by independent, external verifiers and the results published internationally.

In the 107 years since the company was founded, TITAN has lived through a number of serious economic crises and survived adverse conditions of various kinds. But, thanks to its dedication to its core values and the support and ability of its employees, it has always managed to emerge from these trials and tribulations stronger and more efficient than before. Now again, despite the economic downturn, I am confident that we can overcome any difficulties – faithful to our values and trusting in the dedication and ability of our workforce.

When the recession ends, TITAN will be ready from the very beginning of the recovery to pursue its course of growth and expansion, more dynamic than ever, as a business more than ever committed to its role in the community.



Dimitri Papalexopoulos
Managing Director



Thessaloniki plant, Greece

Business Case for CSR

For TITAN, CSR is a step beyond compliance; it is a conscious and voluntary pledge to do better.

It is not only a matter of ethics or even social responsibility, but also good business practice that creates value. To best utilize it TITAN has adopted the "Branching Out and Adding Value" approach. 

Our genuine commitment to CSR, which affects our strategy and guides our everyday actions is recognized by those who are influenced by our activities –our stakeholders– thus enhancing our reputation, renewing our license to operate, mitigating risk and improving competitiveness.

We operate in a world of growing risks and opportunities, which are critical for business success and sustainable growth. Being able to better understand and be better understood by those to whom we matter and who matter for us –our staff and stakeholders, communities, society at large– is both a "must" and a "plus".

Besides, a fuller understanding of the impact of our activities enhances our endeavors for continuous improvement. There are no readily available recipes for this process. As our next step we have adopted the stakeholders' approach in order to better understand, perform and disclose.

Just as importantly, it is also a source of pride and motivation for our people and plays a significant role in attracting high-caliber talent that seeks enterprises with a worthy vision. This is something that may not be immediately perceived, but it does eventually show-up.

Group

Turnover: **€1,578 m**

EBITDA: **€380 m**

Net Profit: **€208 m**

Investments: **€587 m**

Environmental
Investments: **€27 m**



Study visit of the CSI Safety Working Group at Kamari plant, Greece

Engaging with our Stakeholders

Our stakeholders are the individuals or the entities who “have an interest in our business”, they may influence or be affected by our operations. Each group may see us in a different way depending on its own situation, perceptions and background. We continuously engage with all groups identified as key stakeholders due to our ability to influence the social and environmental aspects of our operations on them.

In relation to their position in our sphere of influence, key stakeholders for the TITAN Group are defined as follows:

- **Our people: employees and their families**

We engage with them in various ways including employee satisfaction surveys and other communication programs, open days vocational guidance and career development programs. We also provide additional health care programs, life-long learning, social support and services.

- **Our communities/neighbours**

We engage with the communities that are close to our operations, including local authorities and non-governmental organizations.

We strive to be a good neighbour, understanding their concerns and responding effectively in branching out and adding value created through our operations.

We host open days, site visits, promote community development programs and long-term local partnership programs.

- **Our business partners: shareholders, suppliers, contractors, customers, investors**

We keep our shareholders promptly and fully informed through our web site which is continuously updated, annual and quarterly reports, meetings, press releases and roadshows.

The majority of our suppliers is locally-based. We have established new initiatives to support our relationship with them (see p. 27).

We try to keep closely in touch with our customers listening and responding to their needs. We invest in research and development of new products, we continuously transfer know-how and experience, we develop and support their understanding of a better and safer use of our products.

- **Our Environment and Society at Large**

We affect the environment and we engage with society at large and with the future generation.

We partner with the academic community, NGO's and business stakeholders' networks to advocate our positions on regulatory and public policy issues either directly or through trade associations.

Distribution of 2008 Group income

(Total: €1,551.2 m)



Global Compact

2002 – 2008: A brief presentation of a long-term voluntary commitment

TITAN Cement S.A. was among the first 500 companies worldwide, in 2002, to enter the UN Global Compact and sign the pledge.

Clearly the first principles concerning human rights, labour and the environment and later the tenth principle, combating corruption – were already embedded in the TITAN Group values, policies and strategies. Posting on our website endeavours and achievements, but also our failures and the reasons thereof, was a logical extrapolation of our policy of disclosure.

However what was both new and inspiring, yet unusual and less easily achievable, was the Global Compact pledge to pass on these values, principles and best practices within our spheres of influence – i.e. to endeavour to reach outside the work-place, engage in public debate, share experiences, promote good practices, participate in partnership projects – or, to put it simply in TITAN jargon - to **“Branch out and Add Value”**.

As a result of this pledge, TITAN conceived the idea that was further developed in 2008, to help set-up national Global Compact networks. This was first applied in Greece where a TITAN's representative chairs the Board of the Hellenic Network, which already counts over seventy members. The announcement of the founding took place in Athens last May in presence of representatives of Global Compact networks from all over Europe.

Yet branching out into SE Europe, in those countries where our Group has production facilities, required greater preparatory work. The Global Compact itself was translated into four local languages but also brochures, leaflets and training material were produced in order to facilitate seminars with managers and employees. Relevant information letters were also sent to suppliers and contractors encouraging further communication and participation in the local Global Compact Networks. In this framework, TITAN also joined the newly established national Global Compact network in FYROM, November last year.



Two major workshops were organized at the TITAN Group offices in Athens for regional managers, while a third CSR workshop took place in FYROM, with a view to identifying priority issues and opportunities, at both local and regional levels. The participants were encouraged to perform not as an audience but as active players and initiators. The result of these workshops and the feedback received from internal stakeholders are incorporated in this Report, yet new local business plans are also currently being developed.

Moreover, an overall assessment of the level of implementation of the Global Compact principles was incorporated in the process of independent assessment and report verification, as indicated (pages 42-44).

The outcome however of this multi-sided approach to the Global Compact in SE Europe has been more than satisfactory for all concerned.

Furthermore in the light of the 60th anniversary of the **Universal Declaration of Human Rights**, the TITAN Group co-signed the message sent by 250 executives worldwide for the significance of the Declaration in our times and respect to human rights issues worldwide.

The TITAN Group's progress in response to the Compact's ten principles in 2008 is incorporated in this Report while references to the 10 principles are included in the GRI Disclosures section.



Caring for Climate: The Business Leadership Platform



Co-launched by the Global Compact, UNEP and the World Business Council for Sustainable Development in July 2007, Caring for Climate assists companies in the development of effective climate-change policies. It also provides a channel for the business community to contribute inputs and perspectives to key governmental deliberations. The climate initiative which has been endorsed by more than 300 companies from 65 countries has two main objectives:

- To mobilize business globally, especially in emerging markets, to take actions towards energy efficiency and a low-carbon economy through product and service strategies, supply chains and shaping accordingly consumer and public attitudes.
- To inform, through the example of good practices, current climate negotiations, in order to contribute to the successful outcome of the Conference of the Parties (COP 15) to the UN Framework Convention on Climate Change.

The global sectoral approach for enhancing sustainable development, as it has evolved in the case of WBCSD/CSI, has been identified by the "Caring for Climate" Initiative as a unique example of best practice worldwide, underlining the significance of proactive engagement at both corporate and sectoral levels.



Planting trees, FYROM

Networking and Partnership

The TITAN Group has always placed emphasis on joint efforts with other companies and stakeholders to anticipate and meet effectively social and environmental challenges. As a founding member of the Hellenic Network for CSR, it has taken a leading role in promoting cooperation and partnerships at all levels. In 2008, a number of projects undertaken by working groups established and operated by the Hellenic Network for CSR were completed providing new tools and significant results for embedding CSR in business strategy and practices at national level. Prominent among these projects were:

- A CSR Guide and an electronic platform to increase awareness among SMEs launched along with a special booklet with selected good examples of practice.
- The establishment of the National Global Compact Network in co-operation with UNDP and seventy more enterprises and stakeholders.
- The organization of the 2nd Greek CSR Marketplace in Thessaloniki with the participation of a significant number of enterprises, business associations and other interested parties.
- The development of a new self-assessment tool which encourages businesses to adopt innovative forms of work organization and offer equal opportunities to employees.
- The launching of a national campaign for the dissemination of the tools developed in the framework of the European Alliance for CSR and particularly the outcomes achieved through Laboratories working on: Responsible Supply Chain Management and Equal Opportunities.

With the support of CSR Europe, results and outcomes from the European Laboratory on Responsible Supply Chain Management were presented to key stakeholders in an open event that took place in Brussels. Press releases, press conferences, dissemination material and workshops with stakeholders were also developed to invite more feedback and interaction with related stakeholders, as well as enhance the future utilisation and development of the Laboratory outcomes.

Moreover, CSR Europe included the results and products developed throughout the first two years of action undertaken in the framework of the European Business Alliance for CSR in a special Tool-Box hosted at www.csreurope.org.

European Business Alliance for CSR

The communication of the new **Electronic Guide for Responsible Supply Chain Management**, the main product of a 2-year long partnership with Volkswagen, Hewlett Packard, L'Oreal and 30 other enterprises and stakeholders, has gained strong and expanding interest since it was officially presented in December 2008.

TITAN and other three business leaders have developed and agreed on a dissemination and communication action plan for 2009 and 2010. It includes joint initiatives at national and regional levels in which TITAN has taken the lead in cooperation with the CSR Networks and companies in Greece, Cyprus and other countries where TITAN operates. Moreover, in the framework of the "Learn and Support Global Compact" campaign for suppliers, last year all major suppliers representing mainly big multinationals in Greece were invited to share information with TITAN on their commitment towards the ten principles and the areas of their interests to take action. 



comments

csr@titan.gr

Enhancing sustainable development

The TITAN Group aims 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. 🔄

Its strategy is carried out through:

- **Geographical Diversification**
- **Continuous Competitiveness Improvement**
- **Vertical Integration**
- **Focus on Human Capital and CSR**

All TITAN activities are guided by its values embedded in Group Strategy:

- **Integrity**
Direct and open communication; transparency; credibility; ethical business practices
- **Continuous Improvement**
Learning organization; avoiding complacency; seeking new ways of doing business; taking calculated risks
- **Commitment to Results**
Setting clear objectives; setting high standards; delivering on commitments to stakeholders
- **Value to the Customer**
Anticipating and satisfying customer needs; providing high quality products and services; providing innovative solutions to create competitive advantage
- **Know-how**
Investing in knowledge; enlarging our reserve of knowledge; taking initiatives to acquire knowledge
- **Corporate Social Responsibility**
Putting safety at work first; caring for our employees; respecting and supporting local communities; being an active member of society; committed to sustainable development



Pledges and commitments undertaken by the 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 Guidelines) 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, SA 8000 (norms and equivalent local standards)

Building a new cement plant in Albania

The construction of the new cement production facility in Albania is one of the toughest and most challenging projects undertaken by TITAN Group during the last decades. It is also one of the largest industrial greenfield investments in Albania and an opportunity for “branching out and adding value” TITAN standards, know-how and best practices. The production of the plant is mainly intended for the Albanian market, although it may also serve other markets.

As reported in 2007, the project attracted the interest of the International Finance Corporation (IFC), the development branch of the World Bank and the European Bank for Reconstruction and Development (EBRD). In November 2008 the two Banks joined forces with TITAN Group and signed a contract for their participation with both equity and debt financing in ANTEA Cement SA the Group’s subsidiary in Albania.

The development of the project as a joint venture safeguards the sustainability of the project in a period strongly influenced by the economic crisis, while at the same time encouraging the application of international standards incorporated by the three shareholders in their strategies, values and practices.

From the very early stages of the ANTEA Project which is currently underway in Albania, TITAN appointed a high-level Steering Committee to co-ordinate and work together with main contractors, suppliers and critical stakeholders, so as to create the conditions for the implementation of the project in line with Group standards. Moreover, a safety concept that not only concerns the construction phase but also focuses on potential future operating risks, was agreed to be followed in co-operation with the international company that has undertaken the construction of the new cement plant.

Accordingly, TITAN management systems covering occupational health and safety, suppliers’ responsible management and environmental protection were introduced with the following:

- An integrated Environmental Management System in accordance with the ISO 14001 series of standards.
- An integrated Social Responsibility Management System in accordance with the SA8000 standard.
- An integrated OH&S Management System for the construction of the new plant and Road Safety.

Additionally, a three-year Social Community Plan was introduced with a view to guide the prevention, mitigation and control of impacts on the local communities, as well as seizing opportunities for enhancing social conditions in the vicinity of the plant.

Proactive stakeholder engagement was achieved through concerted communication efforts, including a new website dedicated to the ANTEA project, communication offices in the neighboring villages, a Local Liaison Committee comprising representatives of all interested parties and a Group Steering Committee appointed by TITAN to coordinate and monitor performances at all levels. www.anteacement.com





New cement plant, Albania



1st Stakeholders' Forum in Greece

Engaging with key stakeholders through open and interactive communication is a long-term practice followed by the TITAN Group, aiming at enhancing transparency, building mutual trust and understanding and continuously improving its CSR and sustainability strategy and practices.

Taking this effort and commitment a step further in 2008, a new and innovative effort was launched in Greece with the organization of a nation-wide Stakeholders' Forum in line with international standards and best practices. The Forum was organised by TITAN's CSR Committee in co-operation with the management team as a process for increasing awareness on specific issues among key stakeholders at national level.

After months of preparation, TITAN's 1st National Stakeholders' Forum was hosted at the Kamari cement plant on October 17, 2008. Participants included TITAN employees, company and industry union representatives, financial analysts, investors and shareholders, suppliers and contractors, customers, mayors of neighboring municipalities, academics, representatives of NGOs such as Transparency International, WWF, Green Peace, Praksis, media executives.

Company executives described and explained the strategy, commitments, standards and practices followed by TITAN with respect to social, environmental and governance issues, as well as voluntary commitments undertaken in the framework of international, sectoral and national initiatives. Each presentation was followed by a question and answer session during which participants exchanged views and opinions, expressed concerns and expectations, made comments, suggestions and proposals.

Discussions were focused on two main areas, closely interrelated: respect for human values and protection of the environment.

The Forum's conclusions and recommendations covered human resources development, safety at work, environmental protection and sustainable development, local communities, transparency and accountability, communication and sharing best practices. The main conclusions however indicated that TITAN is expected to do more good where it does more harm, as well as continue intensively to branch out and add value with good practices, so as to remain a leading example in Greece.

In addition, the Stakeholders' Forum agreed that TITAN can and must further improve its performance in such areas as saving raw materials, recycling and passing on best practices within its sphere of influence (subsidiaries abroad, associates and suppliers, clients and other stakeholders). It should also cooperate with stakeholders so as to help upgrade social attitudes and improve political decision-making on matters of corporate social responsibility and sustainable growth.

It was also pointed out that TITAN which has followed an "open door" policy of accountability and transparency has an obligation to remain in the vanguard among Greek companies, paving the way for new attitudes, practices and business standards at the national level.

The Forum suggestions and joint conclusions will be used as valuable guidelines for planning, developing and implementing TITAN's future Corporate Social Responsibility and Sustainable Growth strategy in Greece. For this reason TITAN has widely communicated through press releases and its web-site both the deliberations and the outcome of this event and its intention to integrate the Forum recommendations in future initiatives.



Stakeholders' Forum External Evaluation Report

“As part of its commitment to using international best practice wherever possible, TITAN asked for an evaluation of the Forum according to AA1000SES* principles of Materiality, Completeness and Responsiveness. Overall, the Forum design and implementation rated very well on these three principles as presented here. Considering that the Forum was a pioneering effort in the Greek market, and was the first time TITAN took such an initiative, the areas for improvement are modest but generally indicate a need to make the stakeholder engagement process even more interactive and systematic in the future.

*AccountAbility 1000 Stakeholders Engagement Standard

Degree of Forum's Achievement of AA 1000 SES Principles

“Materiality”: The agenda of the Forum addressed most major non-financial issues of interest to the stakeholders. The degree of satisfaction of this principle is considered high.

“Completeness”: Nearly all stakeholder groups were represented. The degree of satisfaction of this principle is considered medium.

“Responsiveness”: Participation of high-level management indicates a high level of responsiveness, e.g. the indication that the Forum results and consensus would be the company' “compass” in the coming years. The degree of satisfaction of this principle is considered high.

“Areas for improvement”: the agenda could be prepared on direct input provided by stakeholders. All stakeholders could be represented in the future.

Abstract from the Institute of Social Innovation Report



Stakeholders' Forum, Kamari, Greece

Summary of Conclusions

October 17, 2008

Human Resources

Corporate social responsibility is a principle which is embedded in the whole range of Titan activities. Current and retired employees support the Group strategy on CSR and Sustainable Development (SD). They might, nevertheless, play a more active role in enhancing, and broadly disseminating, the good practices currently implemented by the Group.

Safety in the workplace is the top Group priority. Ongoing safety training of the direct workforce is considered adequate, although some special cases such as lone-working need further attention. Yet greater emphasis as well as appropriate and continuous training are required for the contractors' workforce in order for the Group to achieve heightened awareness of accident prevention in all sectors and at all levels.

The current legal framework governing the employment of disadvantaged population groups and particularly the disabled, does little to promote respect for those who are different or to create equal opportunities for all. On the contrary, it puts obstacles in the way of equal treatment and decent working conditions. The Group objective, shared with organizations and agencies working in this area, is to develop suitable information and awareness building programmes for the business community. However progress is not yet satisfactory.

Environment – Sustainable Development

In its endeavour to protect the environment and promote sustainable development, Titan already ranks among the leaders in the global cement sector. It is the Group's intention to retain its leading role amongst the members of the Cement Sustainability Initiative.

The Group seeks to achieve a balance between sustainability, employment and business expansion. This objective requires investment, education of the workforce and of stakeholders, as well as maximum effectiveness in the company operations. There must also be further exploration of the implementation of new and innovative solutions, such as the use of alternative fuels to help combat climate change – which remains an issue of paramount concern.

Titan's approach – "do less harm and more good" – might be redefined more precisely as 'do more good in those areas where it inevitably does most harm'. To this end the Stakeholders' Forum recommended that Titan project a clearer picture both of its environmental footprint and of the various activities developed with a view to limiting its environmental impact.

Local Communities

Titan has always endeavoured to cultivate good relations and a spirit of cooperation with the communities where its plants and facilities are located. We have seen continuous improvement in these relations, which have proved productive. Inevitably, though, the nearby presence of heavy industry installations can become a nuisance to the local communities, if not actually generate friction. Titan needs to redouble its efforts to keep any nuisance to a minimum and to continue branching out and adding value at the local level.

Transparency and Accountability

Good communication and transparency require courage and consistency. The reports on various aspects of corporate social responsibility that Titan has been issuing since 1983, its commitment to open systematic communication with stakeholders and, last but not least, the Stakeholders' Forum organized this October, all demonstrate that the Group has adopted the principles of transparency and accountability as basic prerequisites for real social responsibility. Titan must remain committed to ever more thorough and comprehensive presentation of the Group non-financial results (i.e. its social and environmental activities and impact) to all stakeholders and particularly to business and financial organizations – in the hope that they will also be encouraged to adopt similar standards and practices.

Communication and dissemination of standards and best practices

Corporate social responsibility is a concept reflected in all Titan activities. Those of Titan's Stakeholders' that attended the Forum lent their support and commitment to helping Titan retain a leading role in Greece and in the global cement sector.

Conclusion

In brief, the Stakeholders' Forum agrees that Titan can and must further improve its performance in such areas as saving raw materials, recycling and passing on best practices within its sphere of influence (subsidiaries abroad, associates and suppliers, clients and other stakeholders). It should also cooperate with stakeholders with a view to helping upgrade social attitudes and improve political decision-making on matters of corporate social responsibility and sustainable growth.

The Forum proved constructive and helpful for all those who attended. We agree, by way of conclusion, that corporate social responsibility is of importance to all interested citizens and to all businesses wishing to achieve profitability and long-term sustainability. We live in an age which requires more effective action than ever before, and this can best be achieved by reaching a consensus with all those parts of the community that share the same concerns and priorities.

Titan has followed an 'open door' policy of accountability and transparency. It has an obligation to remain in the vanguard among Greek businesses, paving the way for the shaping of new attitudes, practices and business standards at all levels.

Social Footprint

Measuring our footprint

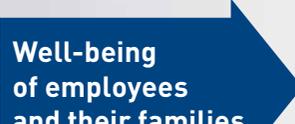
Giving a clearer and more complete picture of our social and environmental footprint in our Report, as also indicated at the Stakeholders' Forum last October, is important to provide a better description of the impacts arising from our activities, as well as our endeavors, eventual short-comings and overall performance.

The selection and integration of meaningful performance indicators to facilitate better understanding and monitoring of progress achieved in respect to social impacts is an on-going process for the TITAN Group since 2003.

Each group of stakeholders that is either directly or indirectly influenced by TITAN activities has a different position in TITAN's sphere of influence. Our employees and their families are at the core of this sphere, accordingly more issues related to their concerns, needs and expectations are more influenced by TITAN. The second layer includes suppliers and communities while in the third layer of this sphere customers and other business partners are placed. The fourth layer includes Society at Large, represented by governmental authorities and NGOs, academics, international and regional organizations, the media and future generations.



"Plant your own tree" program, Greece

Social impacts	Focus Areas & Indicators	Stakeholders
 Health and Safety at Work	<ul style="list-style-type: none"> • Serious accidents, fatalities • Frequency accident rate • Severity accident rate • Absenteeism due to accidents and diseases • Number of reported as potential occupational diseases / claims and open cases <i>new</i> • Training hours for contractor employees <i>new</i> 	<p>Our employees and their families</p> <p>Our business partners</p>
 Training and development	<ul style="list-style-type: none"> • Total training expenditure <i>new</i> • Average hours of training per year per employee • Percentage of employees receiving regular performance and career development reviews 	<p>Our employees and their families</p>
 Labor Rights	<ul style="list-style-type: none"> • Percentage of employees covered by collective bargaining agreements • Number of employees covered by, and who participate in, employee opinion surveys • Number of lost days due to stops or strikes 	<p>Our employees and their families</p>
 Well-being of employees and their families	<ul style="list-style-type: none"> • Long-term employee benefits • Short-term employee benefits  	<p>Our employees and their families</p>

Social impacts	Focus Areas & Indicators	Stakeholders
 Well-being of communities	<ul style="list-style-type: none"> • Percentage of local engagement plans • Community development programs  • Local partnership programs  • Donations per country 	<p>Our communities</p>

Social impacts	Focus Areas & Indicators	Stakeholders
 Sustainable development	<ul style="list-style-type: none"> • Employee turnover <i>new</i> • New investments  • Purchasing  • Co-operation with the Academic community • Co-operation with NGOs • Participation to National networks and initiatives • Engaging with investors and business partners  • Governments and legal authorities 	<p>Society at large</p>

Safety at work

The TITAN Group safety performance seriously deteriorated in 2008. With deep regret we report the occurrence of five fatalities, all of them in Greece.

Three of these fatalities involved contractor employees and were related to our cement activities. One of the fatalities involved a company employee and occurred at our quarrying operations in a "lone-working" job and one fatality was the result of a road accident involving a third party. All accidents were fully investigated, lessons learned and corrective actions taken to prevent re-occurrence.

We consider that all our procedures need to and can be improved. Although delegation of authority is needed, it must never result in the shedding of one's own responsibilities.

Introducing policies and issuing instructions are also necessary, but meaningful monitoring and systematic reporting are just as important. And improvement possibilities are never exhausted.

Currently our severest challenge concerns contractors' personnel. Hundreds of public drivers who are out of reach most of the time, of service suppliers who are with us part-time, of rented-machine operators who alternate on the job (all are now given awareness) and safety-training, but not yet as effectively as it should be. Clearly we need to persevere and insist on changing attitudes in accident prevention.

Lost Time Injury Frequency Rate (LTIFR) for 2008 for our own staff in all Group activities also increased to 3.42 in 2008, compared to 3.15 in 2007. At the same time it is encouraging to note that the Group Severity Rate, the number of Lost Working Days per million hours, showed a 43% reduction in 2008, from 178 days in 2007 to 101. Moreover, a total of 4 million hours with zero lost time injuries were completed in our two major construction projects in Albania and Egypt.

Safety performance, however, varies significantly across the regions where we operate, proving that local cultures, traditions and attitudes play a significant role in meeting Group targets and objectives on all critical issues. Egypt and USA had the best class safety performance in 2008, with a LTIFR of 0.64 and 1.97 respectively, whereas, LTIFR of our operations in South Eastern Europe ranged from 3.32 to 9.83.

An increase in fatalities in comparison with 2007 regrettably is also reported by the 18 Cement Sustainability Initiative members. Analysis confirms that contractor fatalities are one of the key areas that urgently need to be addressed. At its last meeting hosted in Athens (October 2008) the WBCSD/CSI Safety Task Force adopted as a first priority the issuing of new guidelines with best practice examples related to contractors' crew safety management and road safety.

Occupational health and safety training covered all hierarchical levels in 2008, amounting to a total of 58,406 training manhours or 10.17 training man hours per employee, compared to 42,724 hours or 7.1 hours per employee in 2007. Training hours for contractors' personnel was over 30,000 manhours at Group level, in 2008.

The human factor is unpredictable and permanent alertness is a status that we need to reach for preventing and minimising risks at work. We are working in a global environment and only global standards are acceptable. For this reason we have increased our efforts to train and create a "leading-by-example" system in applying Group health and safety standards. We are fully aware that this is a very demanding challenge but we are confident that we will be able to meet it successfully.

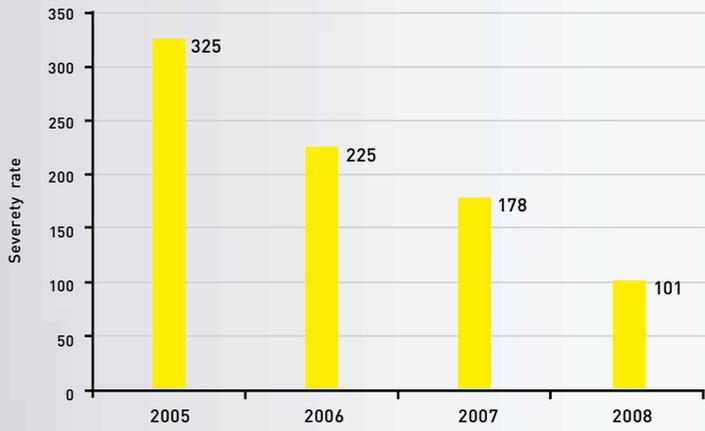
The Group Health and Safety Council chaired by the TITAN Group Managing Director meets quarterly to coordinate operations and ensure that the Group policy and the strategic framework on OH&S are properly and fully implemented.

In addition, all top managers are engaged in an extensive safety leadership and management training program delivered by world class safety experts. The program already underway in Greece is expected to cover all Group activities in Eastern Europe by 2010.

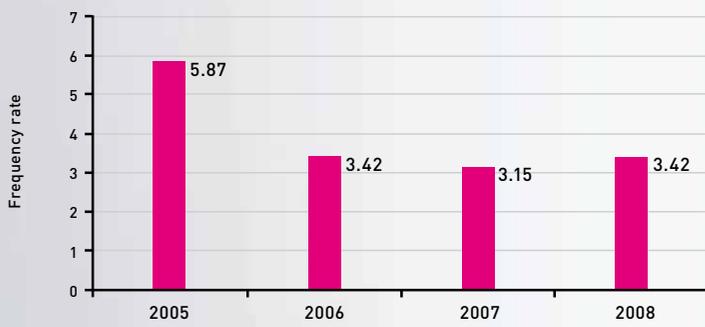
Although our safety performance compared with the WBCSD/CSI regressed in 2008 , we are still targeting our performance to be among CSI's top quartile by the end of 2010.



GROUP LOST TIME INJURY SEVERITY RATE



GROUP LOST TIME INJURY FREQUENCY RATE



Employment

In 2008 direct Group employment was increased due to the new acquisitions and expansion in other countries by 7% compared to 2007. Total number of direct employees was 6,504 at Group level. Yet comparing employment figures between 2007 and 2008 in countries where TITAN was operating in both years, a decrease of 4% is recorded. This decline is limited in relation to the impact of the economic downturn in our operations in most of these countries.

The TITAN Group provides opportunities for indirect employment to a large number of people in functions like quarrying, transportation, cleaning and maintenance, catering as well as new construction projects. In 2008 the total number of people employed by the Group through contractors with long-term contracts was approximately 4,500. In addition, an average of 1,000 people were employed for TITAN's new construction projects in Albania and Egypt.

Facing the market downturn the TITAN Group has considered the necessity of employment restructuring. In order to keep to a minimum the impact on our people, the main policy followed in all TITAN operations is, first, to stop new hirings and replacements of retiring employees. Wherever job losses are unavoidable they are strictly limited and dealt with careful and early communication and support provided to the employees to ensure as smooth a transition as possible to their new lives.

Employee turnover and absenteeism

Turnover of employees and absenteeism as key performance indicators are presented for the first time in TITAN's Report. As there are no verified data to benchmark these indicators, currently we plan to include this analysis in our social footprint measurement. As 2008 is a year of instability and negative financial results, the Group employee turnover rate reached 12.1% including retirements and 9.7% excluding retirements.

With regard to absenteeism, the majority of working lost days in 2008 was due to accidents. The total rate of employees' absenteeism reached at Group level 2% of the scheduled working days. No day was lost due to stops or strikes last year.

DIRECT EMPLOYMENT ¹			
	2007	2008	change (%)
Greece	1,841	1,767	-4.02
USA	2,388	2,260	-5.36
Bulgaria	500	472	-5.60
Serbia	386	383	-0.78
FYROM	519	509	-1.93
Egypt ²	400	807	
Albania ³	-	45	
Turkey ⁴	-	261	
Total⁵	6,034	6,504	

¹ Calculated as end of year

² Change of equity

³ New investment

⁴ New acquisition

⁵ In 2008 employees with temporary contracts were 65 and those with part time contracts were 11.

Employee compensation and welfare programs

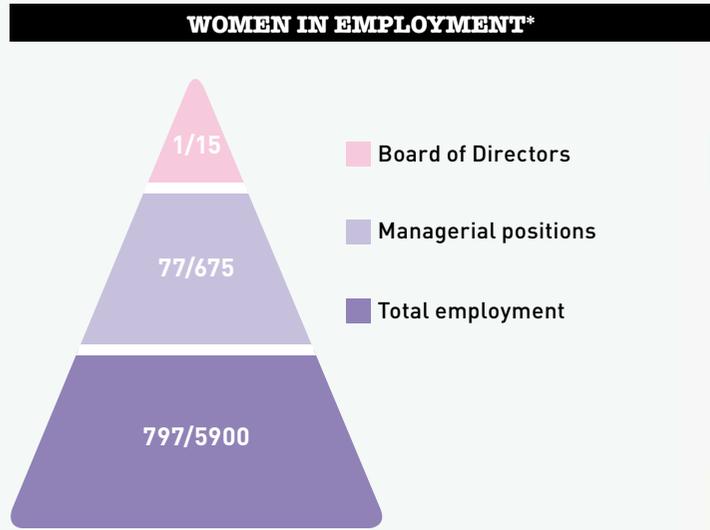
In all countries where the TITAN Group operates, wages and employee welfare programs meet as a minimum the provisions of labor law and collective agreements. Employee compensation beyond legal provisions is based on individual performance and potential which are monitored through annual assessments. Additional short- and long-term benefits beyond legal provisions are also foreseen for Group employees.

Cultural and gender diversity

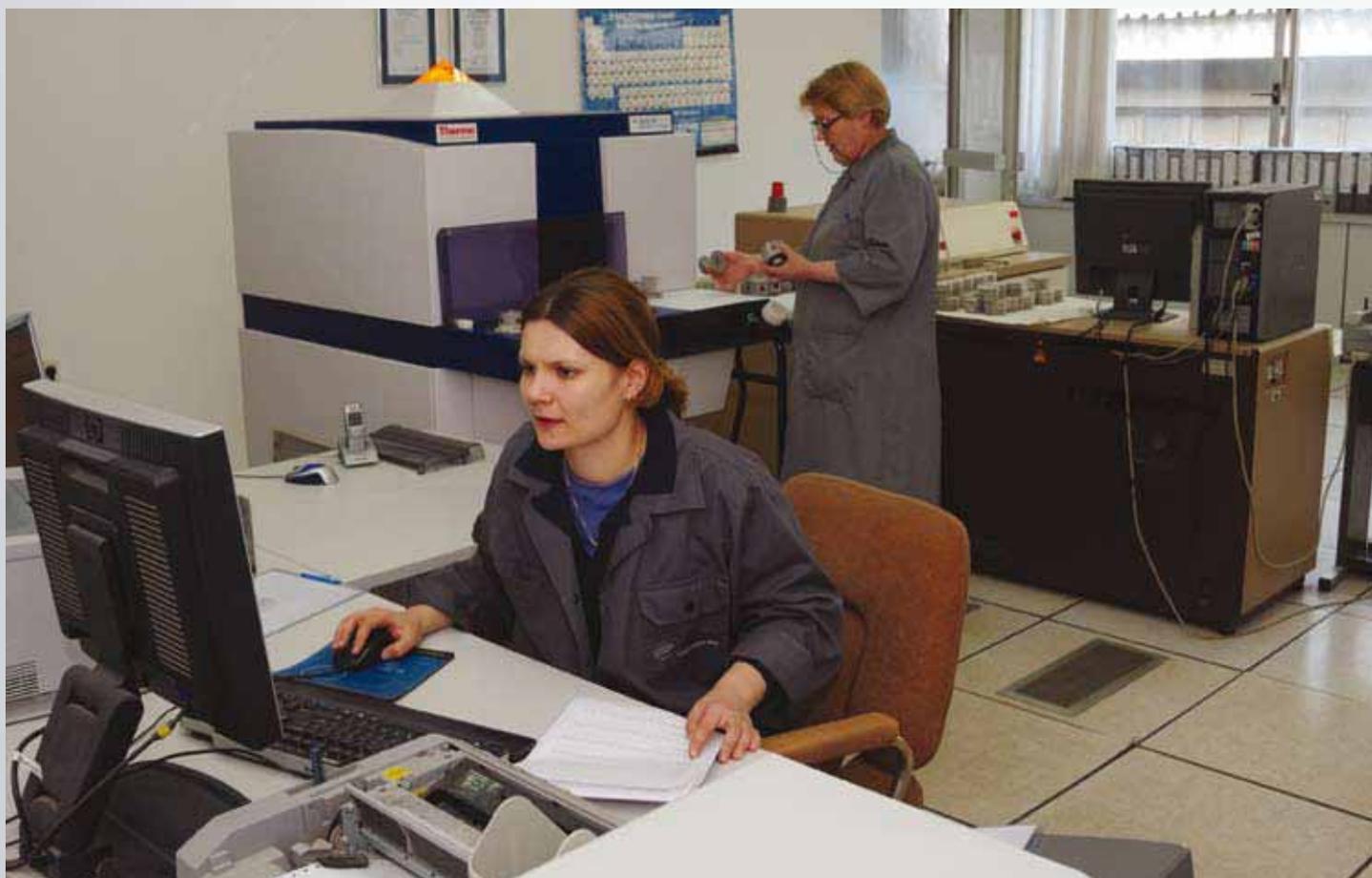
We believe that being a multiregional and multicultural enterprise is a source of strength, and that local leadership is best placed to run successfully the local businesses. As such 98% of the management teams of our businesses are comprised of managers from the respective region.

However the TITAN Group follows industry practices and social practices and respects diversity in all countries and communities it operates.

As diversity is considered to be a critical element of our human resources development objectives, we continue our efforts to further develop in this field. In 2008, we made joint efforts with other Greek companies under the auspices of the Hellenic Network for CSR to develop and integrate into business practices a new tool for self-assessment and promotion of best practices in respect to innovative work organization and diversity.



*Calculated as average number of 2008 employment



Usje plant, FYROM

Training and human resources development

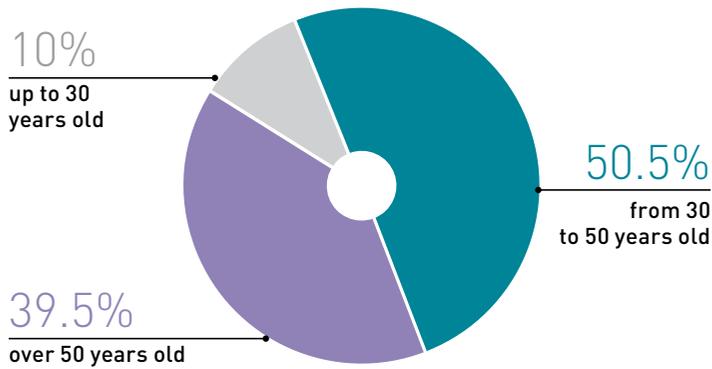
The TITAN Group provides vocational training, guidance and opportunities for employees studying MBA degrees or technical programs to support them in facing effectively both present and future challenges in their professional and personal life.

In 2008, the average number of training hours per employee decreased to 23.5 compared to 29.0 in 2007, while expenditures for training* reached €4.5 million (€692 per employee) at Group level.

Development of management skills and technical competencies, as well as OH&S absorbed the majority of hours spent on training with both managerial and non-managerial staff. Focused training courses for managers and personnel related to social and environmental issues, as well as the practices followed by the TITAN Group with respect to voluntary commitments undertaken in the framework of U.N. Global Compact Initiative and WBCSD/CSI, were attended by 30% of our employees world wide.

** This figure includes only expenditure to third parties for the provision of training services*

PERCENTAGE OF EMPLOYEES TRAINED; BY AGE 2008



PERCENTAGE OF EMPLOYEES TRAINED ; PER COUNTRY; 2008

Greece	67%
U.S.A	27%
Bulgaria	85%
Serbia	35%
FYROM	100%
Egypt	47.5%
TOTAL	51%



Employee feedback and communication

Communicating with our employees in a structured and proactive manner is one of the most important elements of TITAN's stakeholder engagement process. Employee feedback is requested at every event and training course, as well as through "digi-voting", questionnaires or informal meetings for special issues.

Particular emphasis is given to cover all employees with satisfaction surveys. During the last two years more than 75% of Group direct employees had the opportunity to provide us with feedback on our policies, strategy, strengths and weaknesses.

Following the completion of the analysis and the communication of the survey results to our employees (as reported in our 2007 Report), the development of specific action plans was organised with the active participation of employees in focus groups.

In the USA, priority was given to improving internal and external communications. Accordingly, new programs and tools were adopted to meet this goal through the organisation of thematically focused communication events, newsletters, new intranet and internet applications.

In Egypt the action plan was focused on improving human resource development systems and career advancement plans. The implementation of this action plan was rescheduled for 2009, due to the change of equity share that took place last year.

In Greece the outcome of the employee opinion surveys led to a new two-year long leadership development program, addressed to middle managers that was launched in 2008, including:

- Full assessment of management skills and competencies according to the 360 feedback process combined with "Work climate" and "Leadership style" diagnostic exercises for all middle managers.
- Consultation in groups and in person with external specialists to support individual development plans and career pathways in line with business perspectives.

Moreover, new training programs were introduced through full-day sessions focused on issues that were identified as important for a better work-life balance, including "stress management", "time management" and "balancing professional and personal tasks and expectations" for employees in headquarters and cement plants in Greece.

Employee voluntarism and social solidarity

Employee voluntarism and social solidarity are expressed in various ways and practices. Activities are focused mainly on local priorities and are driven by cultural and social backgrounds. In all countries we have volunteers who donate blood, participate in reforestation programs and join disaster relief teams or other initiatives of social support. Our managers and staff participate voluntarily as trainers or tutors for practical training necessary for undergraduate or post-graduate students. In our cement plant at Kosjeric alone (Serbia) 900 man-hours of volunteer tutoring were offered to students last year, while the total number of student internships at Group level reached 241.

Relay for Life

TITAN'S Relay for Life team, "Remember the Titans", continued to do intensive fund-raising for the Norfolk Relay in 2008. TITAN's team managed to come in 5th in the 2008 Relay having organized 16 fund-raising events (raffles, etc.) in just one single year.

The support, creativity and generosity of all TITAN people involved has been an encouraging example of commitment to social solidarity and voluntarism.



Working with communities

Aiming to be responsible corporate citizens, we are engaged in sharing our know-how, expertise and best practices, enhancing added value and benefits for all key stakeholders. To this end, we also focus on minimizing potential negative impacts or disturbances caused by our activities.

We devote time and donate cement, other building materials, equipment and money to support community projects in all regions in which we operate. Our programs are long-term and address local challenges. We invest mainly in raising awareness through education and training, and support initiatives related to environmental protection, tree planting and reforestation.

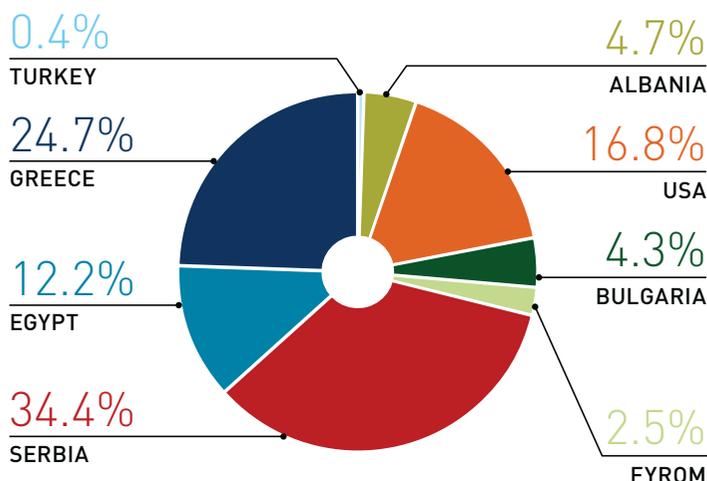
Our community investments also focus mainly on areas related to our business – occupational safety and accident prevention, skill and competence building for employees, environmental stewardship. We share our know-how, experience and best practices, participate in collective efforts and form partnerships that generate multiplier effects and create added value for stakeholders at all levels.

Community relations have been identified as a key issue in all countries where TITAN operates. Branching out and adding value from best practices applied at local levels as well as continuous efforts to motivate exchanges with other enterprises and key stakeholders directs all communication efforts undertaken by TITAN, as for example with TITAN's UN Global Compact campaign.

In our recently updated web page we have introduced a new tool titled "CSR in Action"  where we host all practices and initiatives undertaken by TITAN, filed in different categories by stakeholder group, region and country, scope and year.

In 2008 we focused on the continuation of all our programs for community development and cooperation with emphasis on our long-term endeavours. Group donations amounted to €1,736 million.

GROUP DONATIONS BY COUNTRY



Vocational Training Program to combat youth unemployment

In 1990 TITAN launched a Vocational Training Program aimed to combat youth unemployment in the Patras area where a Group plant operates. Following its initial success this program has been repeated every two or three years in that Greek region.

In 2005 this pioneering training initiative was replicated by TITAN in Usje, FYROM where youth unemployment is high. Its implementation in collaboration with Skopje's Kisela Voda Municipality has been as successful there as in Patras.

In 2008, we completed the second stage of this program in the region with 15 participants completing both theoretical and practical training successfully.

Open-plant Days

After completion of the modernization project at our plant in Zlatna Panega (Bulgaria), an open plant day was organized in November 2008, hosting more than 150 people from surrounding communities, local authorities, customers, suppliers and other stakeholders. Visitors toured the facility and had the opportunity to see the recent improvements that place the plant among the top facilities in the industry.

Open-plant days have been organized for different stakeholder groups at most of our cement plants. Also two special open-plant events were held in TITAN's Thessaloniki and Patras facilities in cooperation with Cembureau.

notes

csr@titan.gr

Restoration of fire-stricken areas

One of our top priorities last year was to provide support to fire-stricken areas. In keeping with our commitment, €1 million was given to the national fund created for the restoration of the areas affected by fires in 2007. Moreover in 2008, TITAN continued the implementation of an action plan that included:

- The provision of more than 100,000 saplings in Greece as part of our reforestation program.
- The implementation of the program titled “The Day After”, undertaken by the Hellenic Network for CSR in collaboration with the NGO Praksis in Ilia and Evia.
- The donation of trees and the participation with more than 300 volunteers in the restoration of fire-stricken areas in FYROM.
- The collaboration with the Municipality of Oleni for the construction of a 5x5 football field with donations from Group employees and matching funds from TITAN.

Additionally, TITAN provided hydroseeding equipment and personnel for the greening of the area surrounding ancient Olympia (mount Cronion).

Last but not least, TITAN provided technical equipment and trucks to help fire-fighting in the Rhodes island last year.



Hydroseeding in Ancient Olympia, Greece

Engaging with suppliers

For TITAN, building positive relations with suppliers and promoting corporate social responsibility and sustainability principles and practices throughout its supply chain, is a long-term commitment that has inspired a number of initiatives (see p. 9).

In 2008, the TITAN Group developed further initiatives concerning responsible supply chain management, in line with the new Group Code for Procurement  that was presented to all main suppliers.

Focused on increasing awareness and engaging in a joint effort to support developments throughout the supply chain and particularly SMEs, TITAN adopted a three-year long supply chain initiative which can be summarized as follows:

- Identify key priorities and concerns with respect to the application of the 10 Global Compact principles.
- Communicate practices developed and followed to address key issues and priorities.
- Declare willingness and commitment to company-level or collective CSR initiatives.
- Participate in B2B workshops and other joint efforts or programs to develop know-how and expertise to facilitate the integration of corporate social responsibility and sustainability endeavours in their decision-making and operations.

The response of suppliers invited by TITAN to participate in this initiative has been partially satisfactory. However it is considered necessary to continue with bilateral meetings and focused workshops, in order to reach a better level of understanding in this field. The TITAN Group has elaborated a three-year long skills development action plan which is expected to cover the majority of suppliers and meet expectations for strengthening collaboration and joint efforts, at least within the sphere of TITAN's influence. 

Environmental Footprint

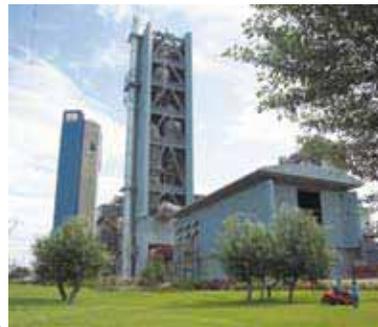
In 2008:



1.

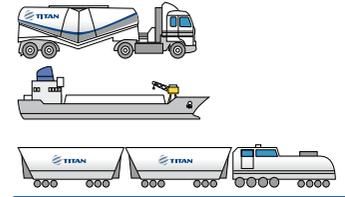


- **36.6** million tonnes of raw materials (wet basis) extracted from **47** “active quarries”
- **90.6** million m² is the total area of “active quarries”, out of which **18.3** million m² are “affected”
- **12.6** million m² have been rehabilitated or restored to date (cumulative) and **59.7** million m² are still “green” or untouched



2.

- **21.7** million tonnes of raw materials (dry basis) used for cement production.
- **10.2** million tonnes of gross direct CO₂ emissions



3.

Total emissions:

- Dust particulates **1,268** metric tonnes
- NO_x **20,979** metric tonnes
- SO_x **3,356** metric tonnes

- Total alternative fuels consumption: **21,163** metric tonnes

- Total thermal energy consumption: **42,924TJ** and
- total electrical energy consumption: **6,305TJ** or **1,751GWh**



4.

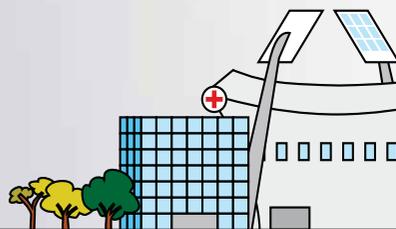


- More than **1,235,000** trees planted by TITAN or donated to third parties for planting since 1975
- More than **550,000** m² rehabilitated by hydroseeding, a method applied since 1998 mainly in quarries in Greece

- **16.9** million tonnes of raw materials (wet basis) used as aggregates in ready-mix concrete operations



5.



- More than **550,000** metric tonnes of waste were reused or recycled

In 2008 the TITAN Group produced:

- Over **17.2 million tonnes** of cement and cementitious materials in 12 plants
- **5.4 million m³** of ready mix concrete in 141 RMC facilities
- **16.9 million tonnes** of aggregates

It also operated:

- **9 concrete block plants**
- **8 fly-ash processing units**
- **1 dry mortar plant**
- **Cement distribution terminals** in Greece, USA, Italy, France, UK, Albania and Egypt

Measuring our environmental footprint

Building materials are considered the backbone of modern socio-economic development. They serve fundamental needs of people, communities and society at large.

The more the world population grows, the greater the demand for new or renovated houses, schools, hospitals, roads, bridges and other urban and rural infrastructure projects.

For further information on Group activities and products www.titan.gr.

Reducing the negative impacts created during the production and transportation of our products means minimizing our environmental footprint and any inconvenience that may be caused to our neighboring communities. It is an opportunity not only to do more good where we do more harm, but also to develop new products, save local communities from excessive landfilling of waste and contribute to address climate change through the adoption of a global sectoral approach and intensive reforestation and rehabilitation of old quarries or devastated areas.

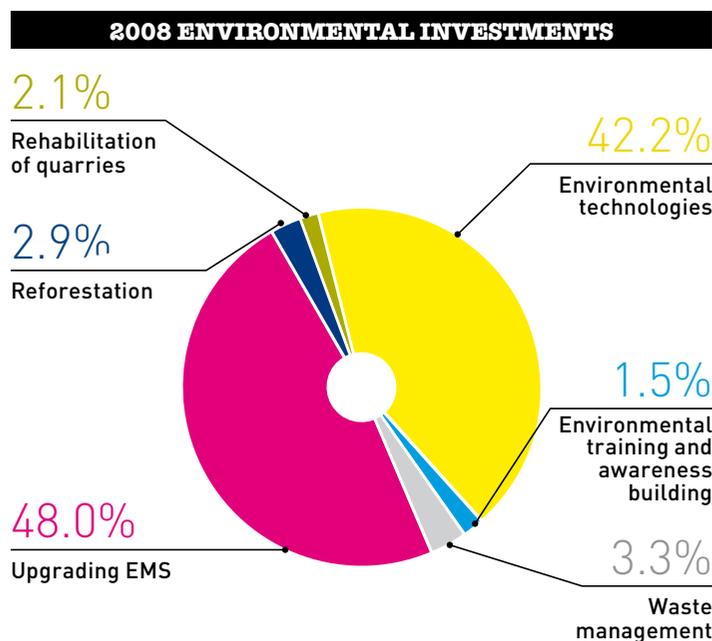
The most significant sustainability issues and relevant practices followed by the TITAN Group are included in this section.

A global sectoral approach for sustainable development

2008 marks the fifth anniversary of TITAN's endorsement of and commitment to the goals of the Cement Sustainability Initiative (CSI). This global program launched under the auspices of the World Business Council for Sustainable Development by leading cement companies is focused on the most challenging issues of our times: climate change, health and safety at work, biodiversity and land use impacts, environmental performance and community relations.

As a core member of CSI, Titan has participated in the development of policies and practices aimed at mitigating CO₂ and other emissions. A common measuring and reporting protocol has led to the creation of a global database of cement plant specific energy and emission performance. Key performance indicators and improvement targets set at company level are publicly available and verified through external assurance.

For the last two years, WBCSD/CSI has been exploring the sectoral concept in meeting **climate change challenges for the cement sector**. The development and adoption of a global sectoral approach on climate change has been achieved with sector-based analysis of the problem, emphasis on a practical way forward to enhance better organization, as well as reporting and assessment of climate mitigation actions at both Group and sectoral levels. The sectoral approach is not a one-size-fits all recipe, but a blend of policies and actions organized around the location of each production facility and each sector's and region's unique characteristics.



The climate change challenge

Climate change is the most important environmental challenge of our time. The nature of the cement industry is such that it produces and emits carbon dioxide (CO₂), thus contributing to the greenhouse effect and climate change.

The cement industry produces about 5% of global, man-made CO₂; half of this comes from the chemical process of clinker production and 40% from burning fuel. The remaining 10% is split between electricity use and transportation (www.wbcscement.org). Nevertheless, concrete reabsorbs a great deal if not most of the CO₂ emitted by calcination during the time it serves its useful life. (For further information refer also to Nordic Innovation Center, www.nordicinnovation.net).

Addressing the challenge of climate change is a top priority for the TITAN Group. We have chosen to take early action in 2003 and in the context of our participation in the WBCSD/CSI we voluntarily committed to curbing our CO₂ specific emissions by 15% by 2010 compared to 1990 levels.

In 2008 we had almost achieved the target we had set in 2006 with a 14.8% reduction of CO₂ specific emissions per tonne of product. Moreover, progress was recorded in new targets incorporated in the TITAN Group CSR Roadmap (2007) and particularly on the following:

- Adoption and dissemination of a Group Climate Mitigation Strategy.
- Setting-up of new targets in relation to the use of alternative fuels and alternative raw materials.

Managing and monitoring performance

The TITAN Group Climate Mitigation Strategy is a valuable management tool towards setting direction, aligning and focussing our efforts to curb CO₂ emissions.

Further improvement of our performance with respect to climate change can be achieved through:

- optimization of products and processes
- use of alternative fuels and raw materials

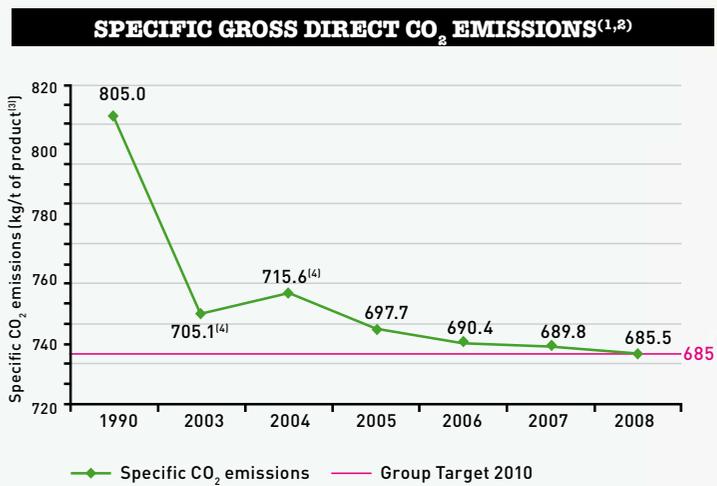
We have managed to almost meet our target of 15% less specific CO₂ emissions for 2010 vs 1990 levels, two years ahead of time, mainly by optimizing our processes and products.

In 2008 special emphasis was given to new areas for improvement of energy efficiency through the use of alternative fuels and new product development.

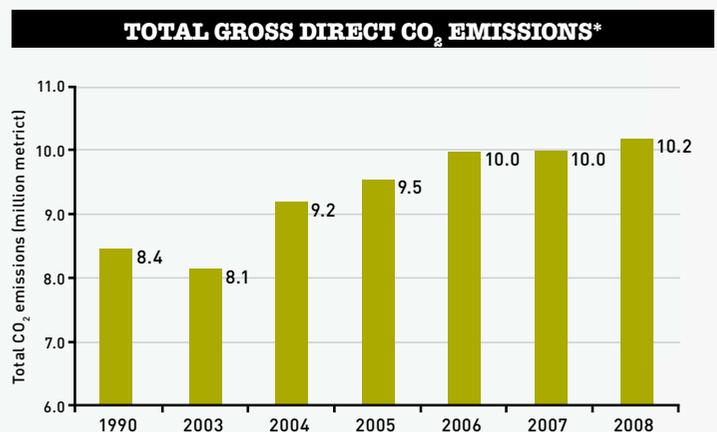
2008 was a year of considerable growth for the TITAN Group. New facilities were added to the existing ones, through acquisitions and partnerships. In addition, the Group equity in existing facilities also changed drastically.

As a result, the volume of our production increased causing a proportional increase not only in the raw materials and energy consumed but also in our emissions. This is reflected in the reported absolute figures.

For a better understanding of our efforts, the tables presenting our performance cover the total Group CO₂ emissions based on the equity held by TITAN in 2008, yet specific CO₂ emissions (kg/t of product) are based on the equity held by TITAN in 2006, the year the target was set, for comparison reasons.



⁽¹⁾ Calculation of specific emissions based on the equity held by TITAN Group in year 2006.
⁽²⁾ CO₂ emissions do not include emissions related to vehicles and mobile equipment.
⁽³⁾ Product equals cementitious product as defined by WBCSD/CSI.
⁽⁴⁾ Recalculated on a cementitious product base, according to WBCSD/CSI.



* Total emissions for years 1990-2007 were recalculated in year 2008, according to WBCSD/CSI, to reflect new partnerships (Turkey) and change in equity held by TITAN (Egypt).

Sustainable use of cement products

The building materials the TITAN Group provides are not a finished product. They are components for the construction industry. Undoubtedly the full life cycle analysis of TITAN products engages a variety of actors including customers, designers, architects, civil engineers, as well as construction and demolition companies. We closely follow developments in our sector and have embarked on a new effort to meet our aims in this field, so as to facilitate the adoption of best practices leading to sustainable construction.

Three main areas of focus have been defined as priorities at Group level:

- Cement qualities and properties affecting concrete
- Durability and life-cycle of concrete
- Environmentally friendly types of cement and concrete

Our advantage of being a producer of both cement and concrete, may help us bridge the knowledge gap between the two areas. Furthermore, TITAN is seeking to engage with customers and other stakeholders who have a critical role in the accomplishment of such a task.

Indicative projects that the Group Research and Development Department implements include:

Blended cements: The most efficient way to reduce CO₂ emissions produced by the cement industry is possibly the replacement of clinker with other substitutes. Blended cements have a long history in Greece, having been used widely for decades. Extensive research is currently undertaken by R&D on new blended cements in order to further reduce their clinker content.

In countries with little or no tradition in blended cements, it is sometimes necessary to change the industry's perception that high clinker content means high quality cement. Still, we have managed to produce blended cements in FYROM with a 50% clinker replacement rate and slag cement in Egypt, although generally the markets are still oriented towards traditional types of cement. For road construction TITAN offers a hydraulic binder with a clinker content of only 25%.

Greenhouse Gas Assessment

TITAN America has been engaged in the ENERGY STAR Program (U.S.A.) which aims at reducing the energy use through systematic monitoring and assessment of processes, equipment and practices. Fossil fuel replacements are being studied and tested for use in kilns.

TITAN America has expanded its energy efficiency measuring and monitoring program in all functions, including ready-mix, terminals and separation technologies. The program is based on thorough analysis of emissions evolving from different processes and facilitates categorization by unit and state, determination of impacts and opportunities for each case.

TITAN America already follows international and EPA voluntary standards in reporting its performance and is ready to respond proactively to potential changes in relevant regulations for other kinds of obligations.

New concrete products: Our research aims to provide more sophisticated concrete products designed to meet the exact needs of our clients, reducing the use of non-renewable resources and minimizing the environmental impact of construction projects. There are numerous examples of this approach such as the successful use of pervious concrete and self-compacting concrete in the RMX plants of TITAN America, which produce concrete with increased water permeability and concrete that reduces labor requirements and eliminates the need for vibration. In the Greek Ready Mix plants lightweight screeds with high air content are used in place of denser mortars that require a larger quantity of raw materials. Other research projects aiming to replace aggregates from quarries with by-products of other industrial processes are also under way.

Pro Ash and EcoTherm: Differentiating product capacity and branching out best practices

Manufactured from the fly-ash by-product of burning coal, **ProAsh** is a highly sought-after concrete additive that enhances the characteristics of concrete and reduces the amount of Portland cement required in the production of concrete. One of the primary ingredients in concrete, Portland cement, causes one tonne of CO₂ emissions for every ton of Portland cement produced. The United States consumes over 100 million tonnes of Portland cement annually. Separation Technologies' Big Bend location is capable of producing up to 250,000 tonnes of ProAsh per year, which will create an equal amount of CO₂ offsets through the displacement of Portland cement in concrete mixtures.

Separation Technologies' ProAsh production facility has won preliminary approval from the Chicago Cli-

mate Exchange Offsets Committee for carbon dioxide emission offsets at Teco Energy's Big Bend Power Station. The Chicago Climate Exchange (CCX) has determined that producing ProAsh through Separation Technologies' patented electrostatic separation process results in the reduction of CO₂ output and qualifies for offsets under CCX guidelines.

In addition to ProAsh, Separation Technologies produces **Ecotherm**, a carbon-rich material that can be used as a substitute for coal and is regarded as a valuable commodity in light of the rising cost of fuel and the need to develop sources of energy while minimizing CO₂ footprint.



Separation Technologies, USA

Thermal energy

In 2008 our largest source of thermal energy (98.9% calorific basis) was conventional: coal, pet coke, fuel oil and natural gas. Alternative fuels made up the remainder. The percentage contribution of alternative fuels (thermal basis) was reduced from 1.37% in 2007 to 1.07% in 2008 mainly due to:

- Limited availability of alternative fuels in Greece.
- Increase of production volume in countries with limited opportunities to replace traditional fuels with alternatives (Egypt, Turkey).

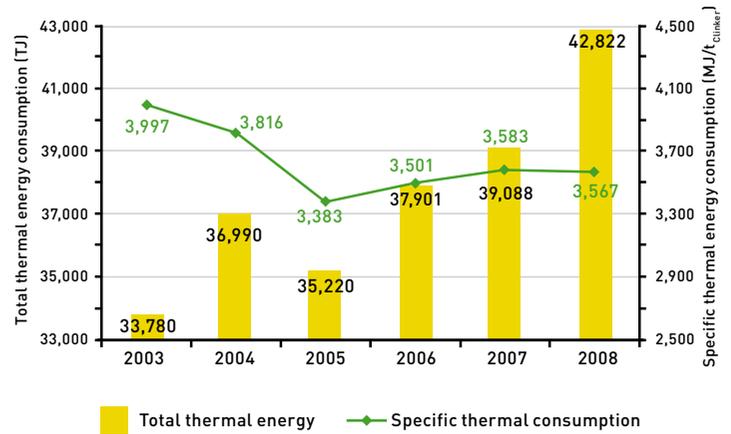
In line with the Group policy of continuous improvement, our efforts have been strengthened to raise awareness among stakeholders at the local level and a new target has been adopted for 2015 so as to **increase substitution of conventional fuels up to 4% (calorific basis) at Group level by 2015.**



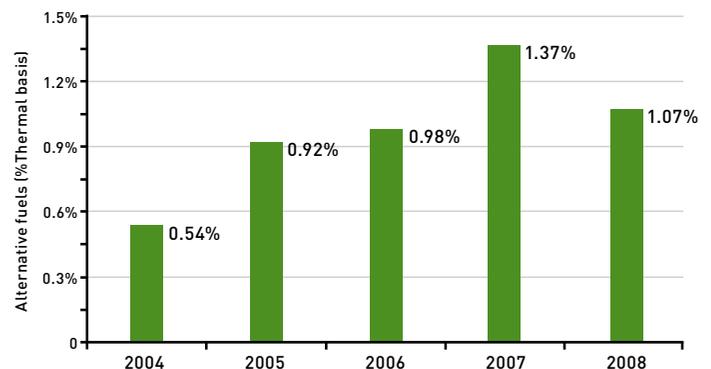
Electrical energy

In 2008 the total electrical energy consumption of our cement plants was 1,655GWh (5,958TJ). As in the case of thermal energy consumption, the observed increase of almost 10% compared to 2007 was the result of the increase in the volume of our production due to Group growth through new partnerships and equity changes. However, average specific consumption was 115kWh/ton cement, **a decrease of 1.5% compared to the previous year.**

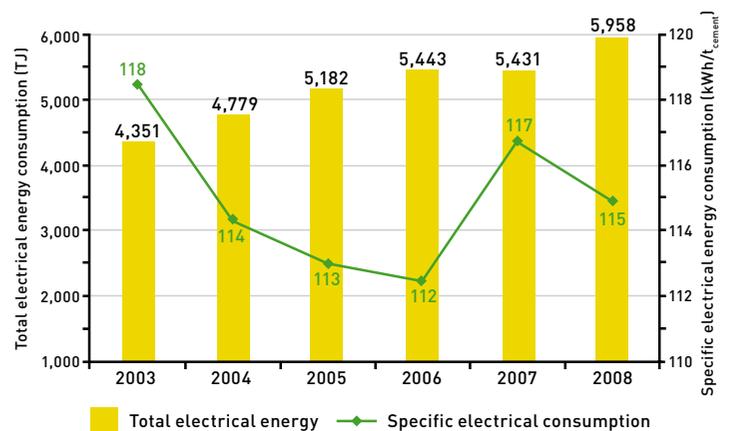
THERMAL ENERGY CONSUMPTION FOR TITAN GROUP CEMENT PLANTS, CEMENT GRINDING PLANTS AND ASSOCIATED QUARRIES



PERCENTAGE OF ALTERNATIVE FUELS USED IN CLINKER AND CEMENT PRODUCTION (thermal basis)



ELECTRICAL ENERGY CONSUMPTION FOR TITAN GROUP CEMENT PLANTS, CEMENT GRINDING PLANTS AND ASSOCIATED QUARRIES



Recycling

Waste management is one of the most challenging issues in the countries in which the TITAN Group operates. Disposal of waste is not controlled nor are adequate methods supported by systems to collect, re-use and recycle. There are some success stories, though proving that there is an opportunity to turn a problem into a great opportunity with the active involvement of all critical stakeholders and by engaging in long-term progress.

At TITAN we recycle waste from other industries but we have also developed methods and systems to recover and recycle raw materials and intermediary products which leak out of our own production process.

Acknowledging the concerns related particularly to the efficient use of alternative fuels, the TITAN Group has incorporated all requirements and regulations at both national and international levels as well as the relevant Protocol developed by WBCSD/CSI in its internal management systems and procedures (TITAN Group Alternative Fuels Policy ).

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

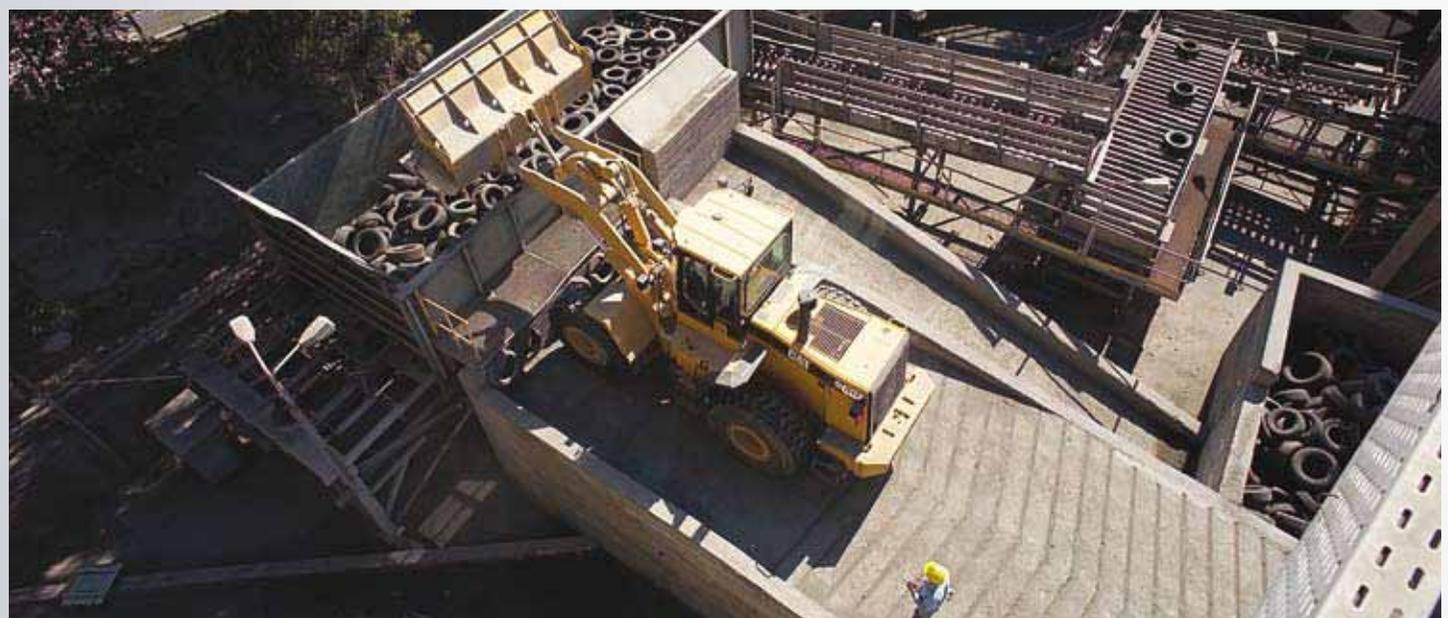
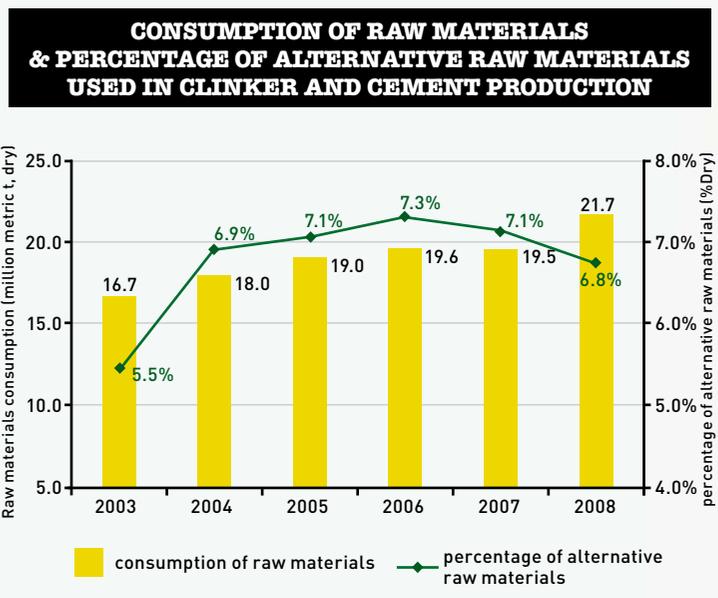
Licensed subcontractors are handling materials that are not recycled in Group facilities.

An indicative example in the way that waste from TITAN production is handled refers to practices developed in the U.S.A. where this type of waste is used for the production of cement blocks, pavings or other construction materials.

A policy for systematic waste management and treatment of recyclable materials is followed by TITAN in all offices and plants where different types of waste are collected separately and sent for treatment and reuse.

Raw materials

In 2008, we used 21.7 million tons (dry basis) of raw materials for cement production. Approximately 6.8% of all raw materials (about 1.5 million tons - dry basis) were alternative raw materials, namely by-products and waste disposal from other industries such as pyrite ash, blast furnace slag and industrial gypsum. Compared to 2007, consumption of alternative raw materials, as a total quantity, did not change. The remaining 20.2 million tons (dry basis) were natural materials from mining and quarrying activities.



Recycling of used tyres at Kamari plant, Greece

Air emissions

Dust

Kilnstacks, quarrying and transportation of products are the main sources of dust emission in the cement sector. All cement plants have been equipped with dust monitoring and recording systems, while fugitive dust is also measured and controlled through internal management systems and procedures. Proper maintenance, optimal functioning and appropriate storage facilities are means used to control fugitive dust.

Installing new filters and upgrading existing ones, making use of the latest technology available as well as optimizing processes and machinery are the main practices followed to ensure that we meet high standards.

In 2008 total dust emissions amounted to 1,268 tonnes, while specific emissions to 109 gr/tonne clinker, based on equity held in 2008. Dust emissions at most of our facilities were well below the limits set by the environmental terms and conditions of their operating permits.

Recalculated on the basis of the equity held by the TITAN Group in 2006, the year that the Group target was set, specific emissions were 83 gr/tonne clinker, a reduction of 2.3% compared to 2007, thus making another step forward towards the set target of 75 gr/tonne clinker.

NO_x

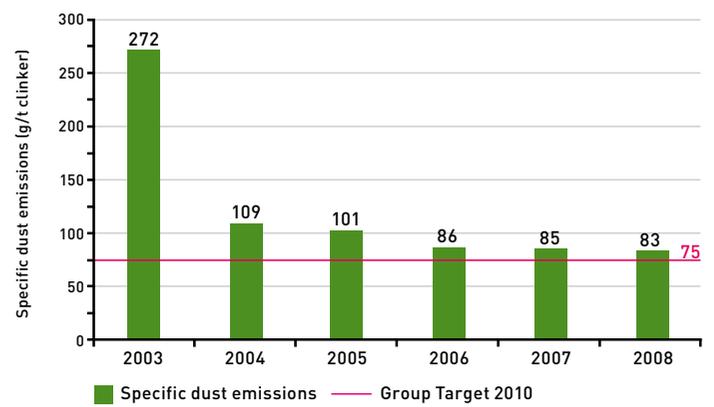
Emissions of NO_x in the air are scientifically linked to the creation of acid rain and smog. Combustion at high temperatures necessary for cement production is a source of NO_x emissions.

Group performance in 2008 with respect to NO_x emissions was 20,979 tonnes and specific emissions were 1,799g/ton clinker (calculations based on equity held in 2008). The level of emissions is in accordance with the limits stipulated by operating permits.

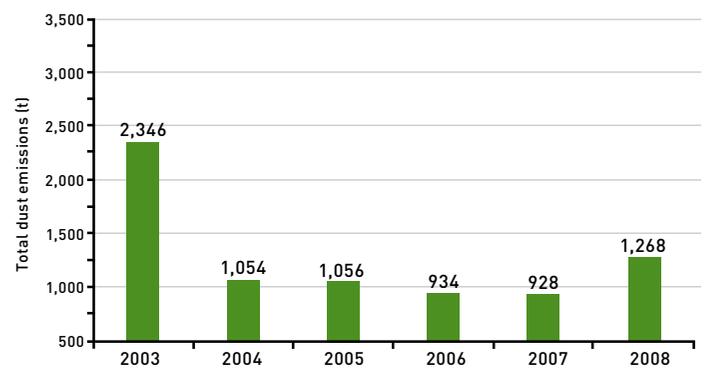
Recalculated on the basis of the equity held by the TITAN Group in 2006, the year that the Group target was set, specific emissions were 1,851g/ton clinker below the current target of 1,980g/ton clinker.

A revised target of 1,670g/ton clinker for NO_x emissions, or a 45% reduction compared to 2003, was set last year for 2015.

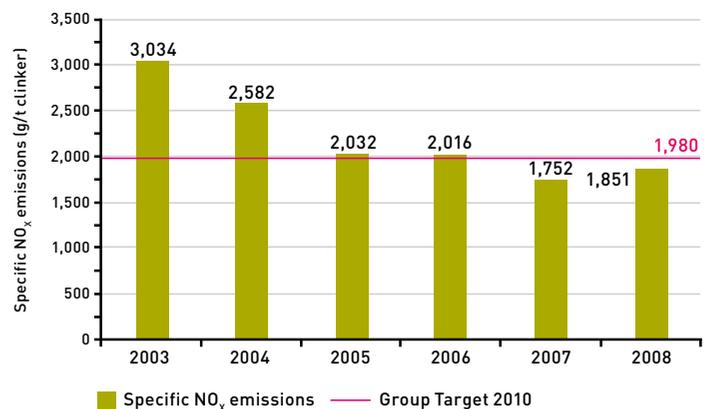
SPECIFIC DUST EMISSIONS



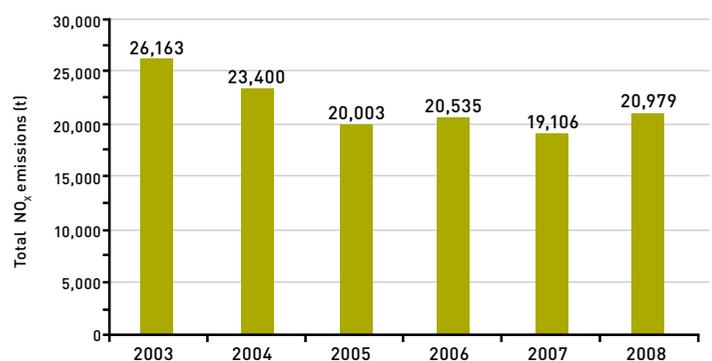
TOTAL DUST EMISSIONS



SPECIFIC NO_x (as NO₂ eq) EMISSIONS



TOTAL NO_x (as NO₂ eq) EMISSIONS



Water Management

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 rainfalls. Therefore, keeping these emissions as low as possible is significant for minimizing the environmental footprint of cement plants.

In 2008, the total SO_x emissions amounted to 3,356 tons corresponding to specific emissions of 288g/ton clinker. In most Group plants, SO_x emissions were negligible while in all cases they were well below than the levels permitted.

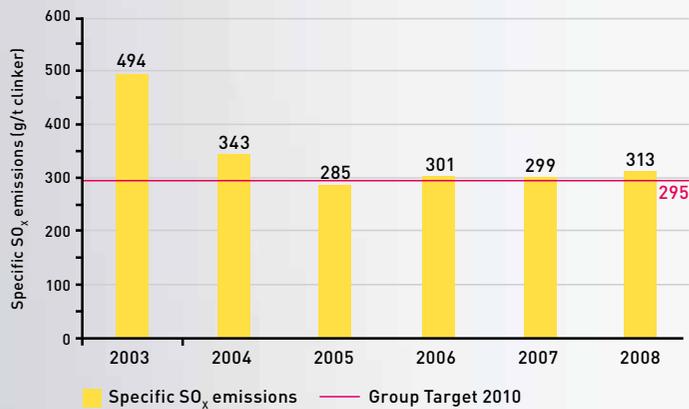
Recalculated on the basis of the equity held by the TITAN Group in 2006, the year that the Group target was set, specific emissions were 313 g/ton clinker.

Cement production requires water in various parts of the production process, for cooling heavy equipment, conditioning exhaust gases, etc. Water discharged from the production process is emitted as process effluent and can be affected by the presence of solids, altered pH or high temperatures. The installation of closed-loop water systems or settling ponds helps to reduce consumption, while monitoring through water-meters facilitates a more efficient use at all levels.

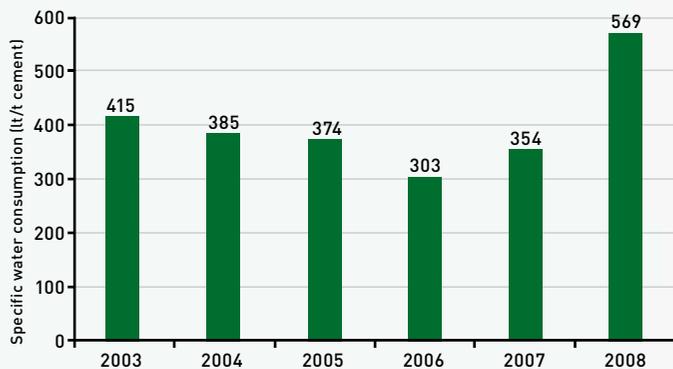
In 2008 water consumption at Group cement plants was approximately 569lt/tonne of cement. The % increase vs 2007 is due to the inclusion of measurements of the water consumptions of the Zlatna Panega plant in Bulgaria and of the Pennsco plant in the USA which were not included in the 2007 reported values.

The development and application of an integrated water management system at all our cement plants is a **target set in 2007 and planned to be achieved by 2012.**

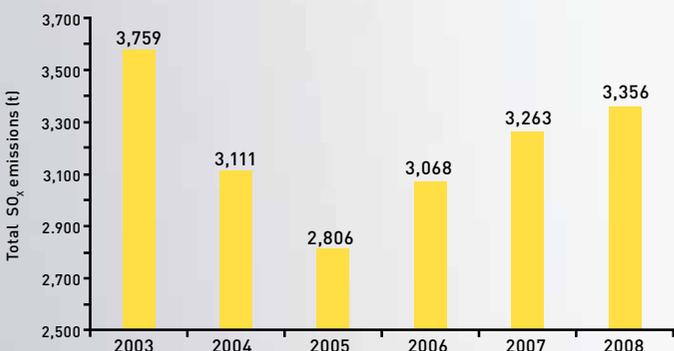
SPECIFIC SO_x (as SO₂ eq) EMISSIONS



WATER CONSUMPTION



TOTAL SO_x (as SO₂ eq) EMISSIONS



Usje

The TITAN cement plant at Usje in FYROM lies on the outskirts of the city and is adjacent to the water channel of the municipality. A new initiative was undertaken by TITAN in 2007, aiming at a more efficient water management system according to international standards. Accordingly, a full analysis and recording of the actual quantity and quality of water used and discharged by the plant was followed by investments for the creation and maintenance of a purification pond for ground water, a separated discharge of waste water and the replacement of the pipe line for the drinking water. Through the first steps of this effort, improvements were already achieved and a 30% reduction of drinking water consumption was **reached at plant level. Additionally, in a joint effort with local authorities, the quality of the water discharged undergoes a very strict quality monitoring, at specific location points where analysis is performed by the Central Laboratory of the Ministry of Environment and Physical Planning.**



Quarry management and biodiversity

Cement and aggregate operations depend heavily on the use of natural resources and could have an impact on the biodiversity of flora and fauna habitats. Beyond the conventional environmental impact assessment and rehabilitation plans to reduce or mitigate quarry impacts and the respective monitoring of reclamation projects, TITAN also focuses on site-specific cases, related to endangered species and habitats, and applies specific biodiversity management plans, aimed at preservation and enhancement.

Center Sand quarry: Protection of endangered species

The Center Sand aggregates quarry of Tarmac America, a TITAN affiliate located in Clermont, Lake County of Florida, U.S.A., is adjacent to a state preservation site. The endangered species is the Gopher Tortoise (*Gopherus polyphemus*) burrowing turtle that cohabits with other burrowing creatures, such as the Sand Skink. The tortoises have been recently upgraded to that of threatened species and Florida State planning and conservation efforts are geared to eliminating tortoise mortalities during any development program. Under the Center Sand mining plan, since operations would encroach on their burrows, the quarry had to plan and implement the relocation of Gopher Tortoises in a nearby and safe “no-mining” preservation area.

In 2008, having studied the issue in cooperation with specialists and the State of Florida Fish and Wildlife Conservation Commission (FFWCC), TITAN took action. Equipped with all necessary permits for the intervention and for capturing, handling and relocating the species, the Center Sand then followed scientific guiding principles and standard methodology, including special training, in compliance with the FFWCC Gopher Tortoise permitting system. Guidelines were designed by the State to encourage relocation of animals to protected recipient sites where the tortoises would have a better chance of propagating the species. These guidelines also provide incentives for landowners who qualify for having their land certified as “Recipient Sites” for displaced gopher tortoises, the overall goal being to prolong the survival of the species. In Center Sand, site surveys were conducted to determine locations and identify the type of burrows (“active” and “inactive”) and number of inhabited burrows on the property. A 35-acre (some 142,000m²) nature preserve habitat was created adjacent to the mining property in order to safeguard the Gopher Tortoises’ existence.

The contribution of experts in the field and a specialized scientific crew were crucial in this project. “Hog fencing”, acting as an “eco-friendly barrier”, was created in the ground to protect and contain the tortoises. Pine trees were thinned and/or removed from within the preservation area and the land was reseeded with foraging plants suitable for the turtles. Finally 56 turtles (22 males, 24 females, 10 immature ones) were manually removed from the mining area and placed into their new protected habitat. The safe-zone area will be maintained on a regular basis, with careful consideration for the animals.





On-going rehabilitation of Drimos quarry at Thessaloniki, Greece



Recognition and Awards

Accountability Rating

In 2008, the Accountability Rating in Greece ranked TITAN first with an overall score of 60.5 among 65 of the largest Greek enterprises. The “Accountability Rating”  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 are ranked according to their performance in six main categories: Corporate Governance, Strategy, Management Systems, Reporting, Assessment and Verification.



EPA Energy Star

Our continuous efforts to reach top performance in energy efficiency were recognized with the prestigious Energy Star Award presented by EPA to TITAN America's cement plants in Roanoke and Pennsco, in 2008. Recipients of this award are recognized for applying energy efficient solutions that save money while protecting the environment and reducing greenhouse gas emissions. It is the second consecutive year that TITAN's Roanoke Cement plant received this award in the framework of the Energy Star Program which designates industries to set the pace for energy efficiency initiatives.



2008 Virginia Governor's Award for Environmental Excellence for Land Conservation

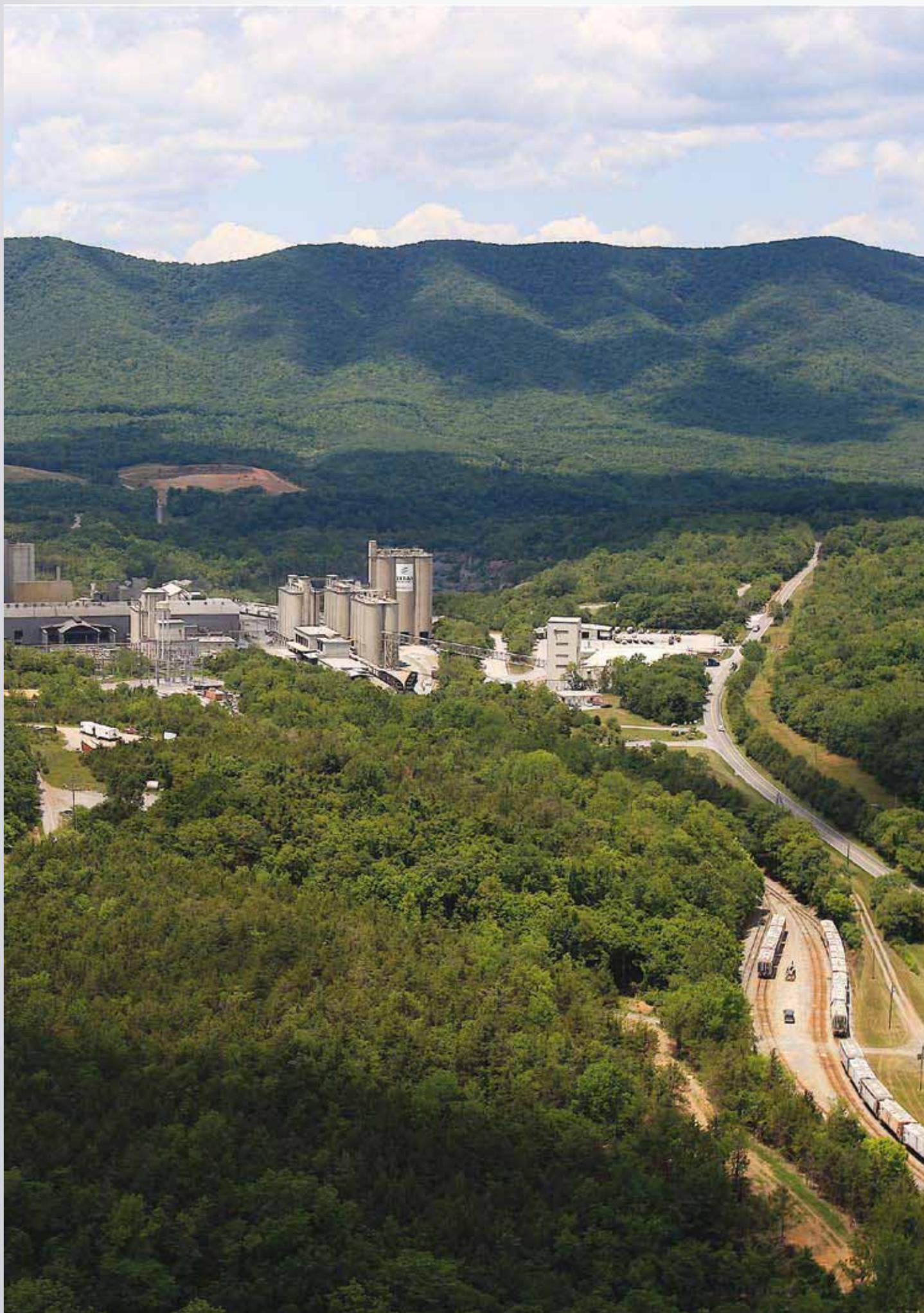
Roanoke Cement Company was honored with the Governor's Award for Environmental Excellence for Land Conservation, an award given to leaders in the Commonwealth who have made an outstanding contribution toward protecting and conserving the environment and whose actions have benefited the health and welfare of Virginia's communities and the state as a whole. The award is a significant recognition of TITAN America's commitment and constant efforts to preserve and protect the environment in the area of the Andy Layne Memorial Trail, a part of the Appalachian Trail and the Roanoke Cement Company's consistent endeavors towards environmental stewardship and biodiversity.

Center Sand Wins Environmental Award for Gopher Tortoise Habitat

Tarmac America LLC's Center Sand Mine, located in Clermont, Florida, recently received a First Place "Proud of Mine" Award from the Florida Limerock & Aggregate Industry in recognition of the Company's recently-completed Gopher Tortoise Relocation Project.

2008 Grand IR Award in Greece

In 2008, TITAN was awarded by Capital Link, the Grand IR Award, 1st Prize for Corporate Governance and several other distinctions. The awards were based on nominations and voting carried out by a committee comprised by members of securities firms, mutual fund management companies, international institutional investors and financial media representatives.



Roanoke cement plant, Virginia, USA

Report Assessment and Verification

Methodology

This Report covers the whole TITAN Group with its main subsidiaries and operations. To prepare this Report we have followed WBCSD/CSI Guidelines and Protocols. For the environmental data particularly all performance indicators measuring emissions from cement plants are calculated in line with the CSI reporting principles, that is 100% emissions from cement plants for which TITAN has the majority share and the emissions of joint ventures or partnerships according to equity basis. For the safety data TITAN reports 100% for all activities it has operational control, excluding Turkey. The results of an independent assessment and verification process which was undertaken by KPMG for these indicators, are presented on this section.

All other environmental and social performance indicators have been defined and calculated in accordance to the GRI G3 Sustainability Reporting Guidelines and the U.N. Global Compact Communication on Progress requirements.

In reference to GRI principles an independent assessment and verification of this Report has been undertaken by DNV. The results of this process are also included in this section. A combined GRI and CoP Matrix summarizes all data and information regarding Group and country level performance achieved in 2008.

One of the main principles of CSR and SD is that of materiality. Regarding this principle, the GRI states: "The information in a report should cover topics and indicators that reflect the organization's significant economic, environmental, and social impacts, or that would substantively influence the assessments and decisions of stakeholders".

TITAN has engaged Det Norske Veritas (DNV) to undertake a verification of TITAN's assessment and perceptions of materiality. This involved stakeholder interviews and internal workshops in Greece in 2007. In 2008, the process of materiality verification was expanded in South East Europe, in the form of interview and workshops with internal stakeholders. This is not only provided a robust basis for the verification by DNV, but also enabled TITAN to challenge its own perceptions of what issues are material, learn, improve and engage stakeholders.

In 2008, a process of more intensive dialogue with key stakeholders started, while expanding assessment of material issues.

Prioritization of issues has been based on their significance to TITAN's business. Estimates were justified by analysis of potential impacts on five intangible value drivers: human capital; operational efficiency; regulation and litigation; reputation and brand value; and access to markets. The outcomes of these efforts have been subject to independent assessment and verification, as part of the verification of the 2008 CSR and S Report.

The table below summarizes the results from 2008 CSR Workshops and Independent Assessment Verification in Southeastern European operations in parallel with the outcomes from the same process in Greece in 2007.

TITAN declares that this Report meets application level A+ of the GRI (2006).

Key Issues and Priorities	Greece	Bulgaria	Serbia	FYROM	Region	Industry
Community Relations	Medium	Medium	Medium	High	High	High
Emissions	Medium	Medium	High	High	High	High
Working Conditions	Medium	High	High	Medium	High	High
Use of Natural Resources	High	Medium	Medium	Medium	Medium	High
Bribery and corruption	High	High	High	High	High	Medium
Product Safety	High	Medium	High	High	Medium	Medium
Business Ethics	Medium	Medium	Medium	Medium	Medium	Medium
Marketplace	Medium	Medium	Medium	Medium	Medium	Medium
Climate Change	High	High	Medium	Medium	Medium	Medium
Recruitment and Retention	High	Medium	Medium	High	High	Medium
Diversity	Medium	High	Medium	Medium	Medium	Medium
Ecosystem and Biodiversity	Medium	High	Medium	Medium	Medium	Medium
Human Rights	Medium	Medium	Medium	Medium	Medium	Medium

Level of significance and relevance for TITAN business and/or stakeholders



DNV Assurance Statement Summary

TITAN Annual Report 2008

Det Norske Veritas (hereafter 'DNV') has been commissioned by the management of TITAN Cement Company S.A (hereafter 'TITAN') to provide assurance services in connection with the English version of Titan's Corporate Social Responsibility (CSR) and Sustainability Report 2008 (hereafter 'the Report').

The management of TITAN is responsible for all assertions and information provided in the Report, as well as the processes for collecting, analysing and reporting that information. DNV's responsibility regarding this assurance engagement is to the management of TITAN only, in accordance with the scope of work commissioned. DNV disclaims any liability or responsibility to a third party for decisions, whether investment or otherwise, based on this Assurance Statement summary or the full version provided at <http://www.titan-cement.com>.

Scope

The scope of DNV's assurance engagement included the verification of:

- CSR and Sustainability policies, objectives, initiatives, practices and achievements in 2008, described in the Report. These were verified at Group, Division and Department levels and within the following countries: Bulgaria; Greece; FYROM and Serbia;
- The extent to which Group, Division and Department policies, practices and procedures are known, understood and being adopted at the following sites: Usje (FYROM); Kamari (Greece); and Zlatna Panega (Bulgaria);
- Process for defining the boundaries, focus and content of the Report;
- Processes and tools for collecting, analysing, aggregating and reporting quantitative and qualitative data in the Report;
- The extent to which the principles of Materiality, Inclusivity and Responsiveness are adopted, in line with the requirements of AA1000AS (2008);
- The extent to which the principles set out in the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (2006) are adopted, as well as the application level declared by TITAN;
- Adherence to WBCSD Cement Sustainability Initiative (CSI) reporting requirements; and
- Compliance with UN Global Compact Communication of Progress requirements.

The reliability of selected quantitative information was verified, namely: recycling; raw materials; dust; NO_x; SO_x and water consumption. DNV's assurance engagement did not include verification of the reliability of CO₂ emission-related information or Health and Safety information, verified by another third party.

Statement of Independence

DNV states its independence and impartiality with regards to this assurance engagement. In 2008, DNV did not work with Titan or any of its stakeholders on any engagements which could compromise the independence or impartiality of our findings, conclusions or recommendations. Moreover, DNV was not involved in the preparation of any text or data provided in the Report, in addition to this Assurance Statement.

Approach

This assurance engagement was carried out between February and June 2009, by a multi-disciplinary team of suitably qualified and experienced professionals, in accordance with the DNV Protocol for Verification of Sustainability Reports, which is based on the Global Reporting Initiative (GRI) Guidelines for Sustainability Reporting (2006) and AA1000AS (2008).

As part of this assurance engagement, the following tasks were carried out by DNV:

- Facilitated a 2-day workshop in FYROM, aimed at verifying Titan's perceptions of materiality in the South East Europe (SEE) region, focusing on Bulgaria, FYROM and Serbia. This workshop was attended by management representatives from Titan Group, the SEE region and each of the above mentioned countries;
- Interviewed over 25 management representatives at Group level, in the following functional areas: CSR and Sustainability; Corporate Governance; External Relations; Investor Relations; Finance; Human Resources; Environmental Management; Health and Safety Management; Social Services; Legal Affairs; Audit and Compliance; and Procurement. Interviewed the manager of the Cement Division in Greece and the manager of the Kamari Plant (Greece);
- Undertook a one-day visit to the Usje plant (FYROM) and a two-day visit to the Zlatna Panega plant (Bulgaria);
- Analysed corporate data management systems (for HR and Social, Health and Safety, and Environmental data), assessing the materiality, reliability and completeness of selected data reported by Titan;
- Challenged assertions and claims made in the Report and reviewed supporting information;

- Reviewed a selection of internal communications and external media reports relating to TITAN's CSR and Sustainability management and performance.

This engagement was carried out in line with the AA1000AS(2008) requirements for Type 2, moderate level of assurance.

Conclusions

Through this engagement, DNV was able to verify the progress made by Titan in relation to H&S management, which involved the implementation of a more harmonised and structured approach across the Group and initiatives to develop safety awareness and culture.

Regarding environmental management, DNV commends the efforts made by Titan with a view to improving the monitoring and reporting of environmental performance. At the SEE sites visited, DNV found commitment to adopting appropriate environmental management practices, often aiming to exceed legal requirements in those countries. However, due to changes in the composition/equity of the Group in 2008, challenges arose in terms of ensuring that the new Titan sites performed to the level and standards of the Group, which was reflected in the overall Group performance on some environmental aspects.

Regarding Human Resources, Titan faced important challenges in several countries, where reductions in employee numbers were made. DNV was able to verify Titan's commitment to adopting responsible employment practices and preventing or minimising the impact of restructuring initiatives by the company.

DNV commends Titan for the efforts to include stakeholders in the development of its CSR and Sustainability management approach and the definition of the content of its Report. The multi-stakeholder forum held in Greece, the internal workshops held by Titan in FYROM, and the extension of the scope of assurance to include stakeholders in SEE, demonstrate Titan's commitment to effective, constructive and transparent stakeholder engagement.

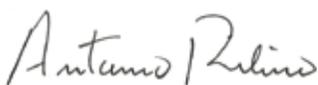
Specifically on the content of the Report, DNV believes that it generally meets the content and quality requirements of CSI, Global Compact, GRI (2006) and AA1000AS (2008). DNV also endorses the GRI application level of A+ declared by Titan. Detailed information on DNV's scope of work, approach, conclusions and recommendations regarding the Report's adherence to the reporting and assurance requirements established in those standards and guidelines is provided in the full version of the Assurance Statement, available at www.titan-cement.com

Recommendations

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

- Continue to expand materiality assessment and stakeholder engagement initiatives to further countries/regions;
- Develop awareness and a structured approach to stakeholder engagement at local level;
- Develop KPIs and targets which are enduring, to ensure comparability and facilitate the assessment of performance as the composition/equity of Titan, production levels and the characteristics of its products change over time;
- Develop a structured approach to assessing socio-economic impacts;
- Investigate the level of interest in the CSR and Sustainability Report by various stakeholder groups in the countries where Titan operates. This should also consider the role of the Report as part of a suite of channels and strategies for communication on CSR and Sustainability.

Antonio Ribeiro
Lead Verifier



Karen Dodds
Manager
Business Assurance and Sustainability, UK



Det Norske Veritas, London, 18 June 2009

ASSURANCE REPORT

To the readers of the 2008 Titan Group Corporate Social Responsibility and Sustainable Development Report

Introduction

We have been engaged by Titan Group to provide assurance on the CO₂ emission data and the safety performance data in the 2008 Titan Group Corporate Social Responsibility and Sustainable Development Report (further referred to as The Report). The Report is the responsibility of the company's management. Our responsibility is to issue an opinion on the CO₂ emission data and the safety performance 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 2008 CO₂ emission data presented on page 31 and page 48 in The Report and the 2008 safety performance data presented on page 20-21 (fatalities, lost time injury severity rate and lost time injury frequency rate) and page 48 (Health & Safety) 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 (CSI) of the World Business Council for Sustainable Development (WBCSD). These publications are The Cement CO₂ Protocol and the 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 performance data;
- reviewing the CO₂ emission data and the safety performance 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 performance data.

Conclusion

Based on the work described above:

- The 2008 CO₂ emission data presented on page 31 and page 48, referring to The Cement CO₂ Protocol, and
 - the 2008 safety performance data presented on page 20-21 and 48 as specified under Context and scope above referring to the CSI Guidelines for Measuring and Reporting Safety Data,
- do not appear to be unfairly stated.

Amstelveen, 15 June 2009

KPMG Sustainability

W.J. Bartels RA



Targets and Achievements

CSR and SD Review 2008

Area	Objectives 2010	Key Performance Indicator - Progress 2008		Targets 2009
CSR in corporate culture	<ul style="list-style-type: none"> All management personnel fully trained and evaluated in applying corporate values, standards and Code of Conduct. Expand independent assessment process to cover all Group activities. 	<ul style="list-style-type: none"> % of managers and personnel trained % of plants and activities covered by independent assessment process 	<p>○</p> <p>○</p>	<ul style="list-style-type: none"> 100% of Group managers trained 10/12 cement plants covered by independent assessment of CSR and SD policies and systems
	<ul style="list-style-type: none"> Implement Group climate Mitigation Strategy and report annually environmental performance 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"> % of alternative fuels used at Group level % of plants using alternative fuels % of sites and operations covered by EMS (through biannual environmental performance studies) Progress achieved through the implementation of ESIA in new greenfield plant in Albania. 	<p>∧</p> <p>∧</p> <p>✓✓</p> <p>✓✓</p>	<ul style="list-style-type: none"> Increase the use of alternative fuels Continue investments to expand the capacity to use alternative fuels Support initiatives enhancing co-operation with key stakeholders Incorporate new management systems for monitoring water consumption
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 or equivalent 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) reach upper performance quartile of WBCSD/CSI members. 	<p>×</p> <p>○</p> <p>○</p> <p>∧</p>	<ul style="list-style-type: none"> Increase awareness and improve training systems for safety at work internally and throughout the supply chain Promote the adoption of best practices in managing and training contractors' personnel Support actively WBCSD/CSI in developing new tools and guidelines for safety at work
	<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. 	<p>✓✓</p> <p>○</p> <p>○</p>	<ul style="list-style-type: none"> Integrate feedback received from key stakeholders in local action plans Continue awareness building and branching out of good practices related to the ten Global Compact principles and the Agenda for Action defined by WBCSD/CSI Participate in further dissemination of the global sectoral approach in respect to climate change

 Target achieved
  Target exceeded
  Target not achieved
  On-going
  New target

Stakeholders' Review 2008

Stakeholder Groups	Activities in 2008	Feedback received	Objectives for 2009
Investors	<ul style="list-style-type: none"> • More than 200 one-to-one meetings and roadshows with investors, including representatives of socially responsible funds have been organized • Enrichment of Annual Reports and web site presentations with social and environmental issues and achievements 	<ul style="list-style-type: none"> • Continue to inform investors • Branch out of good practices and concrete outcomes of relevant performance in the business community 	<ul style="list-style-type: none"> • Increase awareness on non-financial performance and long-term outcomes among investors and shareholders • Invite feedback through questionnaires and bilateral meetings
	Participation in Stakeholders' Forum; CEO briefings, performance and development reviews, trade union meetings, internal publications, new induction courses, CSR workshops, focus groups, web site and intranet site updates, magazines and newsletters	<ul style="list-style-type: none"> • Increase participation of employees in relevant initiatives • Disseminate internally good practices and employee voluntary initiatives 	<ul style="list-style-type: none"> • Develop and adopt new initiatives and tools to support and recognise employee participation in meeting social and environmental goals • Continue awareness building, specialization and communication through focused workshops, seminars, open events and the web
Employees and their representatives	Direct contacts as well as contacts through industry and business associations. Communication in the framework of the EU Business Alliance for CSR and the U.N. Global Compact Initiative	Support dissemination activities and partnership building efforts at national and regional levels	Implement the "Learn and Supporting Global Compact campaign", the "Responsible Supply Chain Management" dissemination plan and other joint activities undertaken in co-operation with CSR networks
	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Increase awareness and voluntary engagement within the sphere of TITAN'S influence • Branch out of good practices in reporting and stakeholders' engagement efforts 	<ul style="list-style-type: none"> • Communicate progress at both Group and national levels. • Explore opportunities to join or establish new nation-wide initiatives. • Follow-up developments achieved in respect to the E.U. Business Alliance for CSR
Governments	Representation in stakeholders' forum, consultation with local authorities, open plant days, establishment of local liaison committee in Albania	Continue the "open door policy", improve understanding and benefits from social and environmental achievements	<ul style="list-style-type: none"> • Organise study visits and open days. • Utilise the outcomes and experience gained from 1st Stakeholders' Forum to further develop dialogue with local stakeholders
International Organizations	Learning about and supporting the Global Compact campaign, one-to-one meetings, participation in stakeholders' forum, dissemination of outcomes from CSR and Supply Chain Laboratory, presentation through internet of the new E-Guide on responsible supply chain management, safety meetings and workshops.	<ul style="list-style-type: none"> • Facilitate the development of necessary skills and competencies • Continue to branch out and create add value throughout the supply chain 	<ul style="list-style-type: none"> • Organise thematic workshops, bilateral meetings and communication days • Support networking and partnership programs to address common priorities in respect to social and environmental issues and share good practices
	Participation in stakeholders' forum, one-to-one meetings, plant study visits, exchange of information, know-how and experiences.	<ul style="list-style-type: none"> • Remain among leaders in CSR and SD at national and sectoral level • Increase efforts to create synergies and joint initiatives 	Invite customers to participate in open days and events focused on sharing know-how, experience and good practices
Contractors and Suppliers	One-on-one meetings, exchange of opinions on relevant issues, collaboration in response to fires in Greece.	<ul style="list-style-type: none"> • Provide a clearer picture of social and environmental footprint • Continue to focus on doing more good where TITAN does more harm 	<ul style="list-style-type: none"> • Continue to communicate and integrate feedback received • Explore opportunities for co-operation
Communities			
Customers			
NGOs			

WBCSD/CSI Progress Review

Group cement plants

DESCRIPTION	2006	2007	2008
Climate Change Management			
Facilities using the WBCSD CO ₂ Protocol Guidelines for emissions inventory, %	100	100	100
Total Direct CO ₂ emissions ⁽¹⁾ (gross), metric tonnes ⁽²⁾	10 million	10 million	10.2 million
Total Direct CO ₂ emissions ⁽¹⁾ (net), metric tonnes ⁽²⁾	10 million	10 million	10.2 million
Direct CO ₂ emissions ⁽¹⁾ (gross) kg/metric tonne of product	690.4	689.8	685.5
Direct CO ₂ emissions ⁽¹⁾ (net) kg/metric tonne of product	690.4	689.8	685.5
Use the tools set out in the CO ₂ Protocol to define and make public the baseline emissions	yes	yes	yes
Develop a climate change mitigation strategy and publish targets and progress by 2006	CO ₂ abatement strategy: 1. Investing in fuel efficiency 2. Reducing clinker to cement ratio 3. Reduce electricity consumption	CO ₂ abatement strategy: 1. Investing in fuel efficiency 2. Reducing clinker to cement ratio 3. Reduce electricity consumption	CO ₂ abatement strategy: 1. Investing in fuel efficiency 2. Reducing clinker to cement ratio 3. Reduce electricity consumption
Report annually on CO ₂ emissions in line with the protocol	yes	yes	yes
Fuels and materials use			
Energy efficiency, MJ/t clinker	3,501	3,582	3,567
Alternative fuel substitution for conventional fuels (heat basis), %	0.98	1.37	1.07
Biomass in kiln fuel, %	0.6	0.6	0.4
Alternative materials (clinker & cement), %	7.3	7.1	6.8
Clinker to cement factor, %	80.8	80	80.2
Apply the guidelines developed for fuel and raw material use	yes	yes	yes
Emissions monitoring and reporting			
Total dust, particulates, metric tonnes	934	928	1,268
Dust, particulates, g/tonne of clinker	86	85	109
Total NO _x , metric tonnes	20,535	19,106	20,979
NO _x , g/tonne of clinker	2,016	1,752	1,799
Total SO _x , metric tonnes	3,068	3,263	3,356
SO _x , g/tonne of clinker	301	299	288
Clinker produced with monitoring of major and minor emissions, %	100	100	100
Apply the protocol for measurement, monitoring and reporting of emissions	yes	yes	yes
Make emissions data publicly available and accessible to stakeholders	yes	yes	yes
Set emissions targets on relevant materials and report publicly on progress	yes	yes	yes
Health & Safety			
Employee fatalities	0	0	0
Employee fatality rate	0	0	0
Contractor fatalities	2	1	3
Third-party fatalities	0	0	1
Employee lost time injuries	28	20	22
Employee lost time injuries Frequency Rate	4.75	3.67	3.26
Employee lost working days	1,275	919	718
Employee lost time injuries Severity Rate	324	168	106
Contractor lost time injuries	21	7	8
Local impacts			
Active sites where biodiversity issues are addressed	number	3	3
	%	10.3	10.3
Sites with community engagement plans, %	-	all	all
Active sites with quarry rehabilitation plans, %	number	15	15
	%	75	79
Apply the ESIA Guidelines and develop tools to integrate them into decision making processes	yes	yes	yes
Draw up rehabilitation plans for operating quarries and plant sites and communicate them to local stakeholders	yes	yes	yes

(1). CO₂ emissions do not include emissions related to vehicle and mobile equipment

(2). Total emissions for the period 1990-2007 were recalculated in 2008, according to WBCSD/CSI, to reflect a new partnership (Turkey) and changes in equity held by TITAN Group (Egypt).



WBCSD/CSI priorities for 2009:

- Guidelines and best practices dissemination for contractors' crew safety management and road safety.
- Utilization of unique data bank with externally verified measurements on CO₂ emissions from 600 cement kilns representing 50% of total global cement production.

GRI Disclosures and Indicators

 see www.titan.gr (CSR section, Investor relations section)

 see TITAN 2008 Annual Report and Financial Results

 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), or related to cases that reliable quantitative data is not available yet (i.e. water)

G.C.: Global Compact

Profile/ Global Compact Reference	G3 Disclosure	Description	Notes, comments and additional information
STRATEGY & PROFILE			
	1.1	Statement from the most senior decision-maker of the Organization	p. 4;  p. 6
	1.2	Description of key impacts, risks, and opportunities	p. 42;  p. 48
ORGANIZATIONAL PROFILE			
	2.1	Name of the organization	TITAN Group
	2.2	Primary brands, products, and/or services	 p. 5, 
	2.3	Operational structure of the organization	 p. 38-41, 
	2.4	Location of organization's headquarters	22A, Halkidos st., 111 43 Athens, Greece
	2.5	Countries where the organization operates	 p. 5, 28-29
	2.6	Nature of ownership and legal form	TITAN Cement Company S.A.,  p. 15
	2.7	Markets served	 p. 5, 28-29
	2.8	Scale of the reporting organization	p. 6, 22, 28-29,  p. 10-11
	2.9	Significant changes during the reporting period regarding size, structure, or ownership	 p. 12-13
	2.10	Awards received in the reporting period	p. 40
REPORT PARAMETERS			
	3.1	Reporting period (e.g. fiscal/calendar year) for information provided.	1.1.2008 - 31.12.2008
	3.2	Date of most recent previous report (if any)	20.5.2008
	3.3	Reporting cycle (annual, biannual, etc.)	The reporting cycle is annual  p.48
	3.4	Contact point for questions regarding the report or its contents	csr@titan.gr, Maria Alexiou, CSR Manager
	3.5	Process for defining the Report content	p. 42
	3.6	Boundary of the report	p. 42
	3.7	Any specific limitations on the scope or boundary of the report	p. 42
	3.8	Basis for reporting on joint ventures, subsidiaries, etc.	p. 42
	3.9	Data measurement techniques and the bases of calculations	All relevant information is provided in the relevant section/graph in the Report
	3.10	Explanation of the effect of any re-statements of information provided in earlier reports	Footnotes provide explanation at relevant sections of the Report
	3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods	p. 42
	3.12	Table identifying the location of the Standard Disclosures in the report.	p. 50-55
	3.13	Policy and current practice with regard to seeking external assurance for the report	p. 42 

GOVERNANCE, COMMITMENTS, AND ENGAGEMENT			
	4.1	Governance structure of the organization	 p. 38-45
	4.2	Indicate whether the Chair of the highest governance body is also an executive officer	The Chairman is a non Executive Member of the Board,  p. 38
	4.3	The number of members of the board that are independent and/or non-executive members.	 p. 38-41
	4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the Board	 p. 49, 
	4.5	Linkage between compensation for members of the highest governance body, senior managers and executives and the organization's performance	 p. 44
	4.6	Processes in place for the board to ensure conflicts of interest are avoided	 p. 38-43 Majority of independent Board Members safeguard avoidance of conflicts of interest
	4.7	Process for determining the qualifications and expertise of the board	 p. 42
	4.8	Internally developed statements of mission or values, codes of conduct, and principles	p. 11;  p. 49; 
	4.9	Procedures of the highest governance body for overseeing the organization's identification and management of performance	 p. 43
	4.10	Processes for evaluating the board's own performance	 p. 44
	4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization	TITAN CSR strategy is focused on doing less harm and incorporates a precautionary approach in facing social and environmental challenges. Construction of the new cement plant in Albania is an indicative example of practicing this principle at all stages of business development and decision making (p. 6, 11, 12)
	4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives	p. 11
	4.13	Memberships in associations	p. 8-11
	4.14	List of stakeholder groups engaged by the organization	p. 7, 19
	4.15	Basis for identification and selection of stakeholders with whom to engage	p. 7, 19
	4.16	Approaches to stakeholder engagements	p. 7, 14
	4.17	Key topics and concerns that have been raised through stakeholder engagement	p. 16-17, 42, 47
ECONOMIC			
		Disclosure on Management Approach	p. 2, 4, 6-7,  p. 6-8
	EC1	Direct 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. 7, 25, 26,  p. 4, 25, 62 -63
	EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	Financial implications as well as other risks and opportunities for TITAN's activities related to climate change are examined as a standard process and results are considered for environmental and other investments at both Group and national levels (p. 30-31,  p. 8)
	EC3	Coverage of the organization's defined benefit plan obligations	 p. 47
	EC4	Significant financial assistance received from government	No significant financial assistance was received.  p. 62-66
	EC6	Policy, practices, and proportion of spending on locally-based suppliers	The proportion of spending on locally-based suppliers is approx. 60% (p. 27)

⊙	EC7	Procedures for local hiring and proportion of senior management hired from the local community	p. 23
⊙	EC8	Development and impact of infrastructure investments and services provided primarily for public benefit	p. 26-27
⊙	EC9	Understanding and describing significant indirect economic impacts	p. 18-19
ENVIRONMENTAL			
		Disclosure on Management Approach	p. 11, 30 - 33, 
⊙ Principles 7, 8 & 9 G.C.	EN1	Materials used by weight or volume	p. 28-29, 35
⊙ Principles 7, 8 & 9 G.C.	EN2	Percentage of materials used that are recycled input materials	p. 35
⊙ Principles 7, 8 & 9 G.C.	EN3	Direct energy consumption by primary energy source	p. 28-29, 34
⊙ Principles 7, 8 & 9 G.C.	EN4	Indirect energy consumption by primary source	p. 28, 34
⊙ Principles 7, 8 & 9 G.C.	EN5	Energy saved due to conservation and efficiency improvements	p. 32, 33, 34
⊙ Principles 7, 8 & 9 G.C.	EN6	Initiatives to provide energy-efficient or renewable energy based products and services.	p. 32-33
⊙ Principles 7, 8 & 9 G.C.	EN7	Initiatives to reduce indirect energy consumption and reductions achieved	p. 34, 48 
⊙ Principles 7, 8 & 9 G.C.	EN8	Total water withdrawal by source	The recently developed Group water management system facilitates the collection, aggregation and reporting of relevant data. The whole process and the system is tested to ensure the credibility of data, which will be disclosed in more detail in 2009 (p. 37)
⊙ Principles 7, 8 & 9 G.C.	EN9	Water sources significantly affected by withdrawal of water	see EN8
⊙ Principles 7, 8 & 9 G.C.	EN10	Percentage and total volume of water recycled and reused	see EN8
⊙ Principles 7, 8 & 9 G.C.	EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value	p. 28-29, 38-39, 48 
⊙ Principles 7, 8 & 9 G.C.	EN12	Description of significant impacts of activities, products, and services on biodiversity	p. 38-39 
⊙ Principles 7, 8 & 9 G.C.	EN13	Habitats protected or restored	p. 38-39 
⊙ Principles 7, 8 & 9 G.C.	EN14	Strategies, current actions, and future plans for managing impacts on biodiversity	TITAN has incorporated WBCSD/CSI Guidelines along with best practices for managing impacts on biodiversity at all stages of business development (p. 38-39 )
⊙ Principles 7, 8 & 9 G.C.	EN16	Total direct and indirect greenhouse gas emissions by weight	p. 31, 48
⊙ Principles 7, 8 & 9 G.C.	EN17	Other relevant indirect greenhouse gas emissions by weight	p. 31, 48
⊙ Principles 7, 8 & 9 G.C.	EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	p. 31 - 35
⊙ Principles 7, 8 & 9 G.C.	EN19	Emissions of ozone-depleting substances by weight	Not relevant to the TITAN Group operations
⊙ Principles 7, 8 & 9 G.C.	EN20	NO _x , SO _x , and other significant air emissions by type and weight	p. 36 - 37, 48
⊙ Principles 7, 8 & 9 G.C.	EN21	Total water discharge by quality and destination	The full integration of a recently developed Group water management system will enhance the disclosure of more detailed information in future reports
⊙ Principles 7, 8 & 9 G.C.	EN22	Total weight of waste by type and disposal method	The collection, aggregation and reporting of relevant data is a process under development and assessment so as to enhance the credibility of data to be disclosed in future reports
⊙ Principles 7, 8 & 9 G.C.	EN23	Total number and volume of significant spills	No significant spills or other cases recorded

Principles 7, 8 & 9 G.C.	EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	p. 32-33
Principles 7, 8 & 9 G.C.	EN27	Percentage of products sold and their packaging materials that are reclaimed by category	Packaging materials are mainly used for delivering bagged cement (bags, pallets) and they are either reclaimed (i.e. pallets) during delivery or reused and recycled by customers (bags).
Principles 7, 8 & 9 G.C.	EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	No significant fines or other type of sanctions for non-compliance with environmental laws and regulations have been recorded
Principles 7, 8 & 9 G.C.	EN30	Total environmental protection expenditures and investments by type	p. 30
SOCIAL: LABOUR PRACTICES AND DECENT WORK			
		Disclosure on Management Approach	p. 4, 6, 7, 19
	LA1	Total workforce by employment type, employment contract, and region	p. 22
	LA2	Total number and rate of employee turnover by age group, gender, and region	p. 22
Principle 3 G.C.	LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	No differences between wages in different contract types. Direct employees have their contracts regulated according to national legal provisions and additional benefits according to their hierarchical level, position and individual performance.
Principle 3 G.C.	LA4	Percentage of employees covered by collective bargaining agreements	100% of Group employees are covered by collective bargaining agreements in countries where provided by national legislation.
	LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements	In accordance with E.U. standards and/or national legislation
	LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	More than 70% 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.20, 21, 22
	LA8	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	TITAN provides counselling and training with the support of social and medical experts on a number of health related issues including smoking, alcohol, heart diseases etc.(p.25)
Principle 6 G.C.	LA10	Average hours of training per year per employee by employee category	p. 24
Principle 6 G.C.	LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	p. 25 
	LA12	Percentage of employees receiving regular performance and career development reviews.	More than 65 % of all direct employees receive performance reviews on annual basis
	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. 23
	LA14	Ratio of basic salary of men to women by employee category	Basic salary is established according to the role and responsibilities of the employee and equal opportunities are provided to all employees, irrespective of gender or other diversity aspects
SOCIAL: HUMAN RIGHTS			
		Disclosure on Management Approach	p.11,  p.17, Code of Conduct, 

● Principle 1 G.C.	HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening	Human Rights are specifically addressed in TITAN's Code of Conduct and Code for Procurement and included in contracts such as these signed with ANTEA's contractors p. 27, 42
● Principles 1 & 2 G.C.	HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken	Monitoring of suppliers' performance and contractors in accordance to SA 8000 has been incorporated to TITAN's standards (p.11). More information to be disclosed in future Reports (p. 27)
● Principles 1 & 2 G.C.	HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	Over 30% of Group employees attended courses focused on CoC, WBCD/CSI and Global Compact voluntary commitments, including human rights issues. These courses amounted to approx. 3,000 training hours
● Principle 6 G.C.	HR4	Total number of incidents of discrimination and actions taken	see note HR5
● Principle 3 G.C.	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	<ul style="list-style-type: none"> • All risks related to the potential abuse of ILO standards in respect to labor rights, child labor and compulsory labor are considered through both internal and external assessment processes in all regions and business units • 7 cases were reported last year through the Direct Employee Communication Line related to Code of Conduct issues by employees in Greece. All cases have been communicated to a Committee that has investigated the reports and interact with all parties involved. The cases were resolved without any further attention to be requested 
● Principle 5 G.C.	HR6	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour	 see also note (HR5)
● Principle 4 G.C.	HR7	Operations identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of forced or compulsory labour	 see also note (HR5)
●	HR9	Total number of incidents of violations involving rights of indigenous people and actions taken	Not relevant indicator for the TITAN Group activities as there are no operations in countries of concern
SOCIAL: SOCIETY			
		Disclosure on Management Approach	p. 4, 6-7, 11
●	S01	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. 12
● Principle 10 G.C.	S02	Percentage and total number of business units analyzed for risks related to corruption	50% of Group operations have undergone internal assessments related to bribery and corruption
● Principle 10 G.C.	S03	Percentage of employees trained in organization's anti-corruption policies and procedures	All employees have induction and refreshing courses in respect to Group Code of Conduct and related procedures. The implementation of the Employee Direct Communication Line in Greece and the Learning and Supporting Global Compact Campaign in SEE operations offered the opportunity for another review on these issues
●	S04	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 Employee Direct Line

⊙	S05	Public policy positions and participation in public policy development and lobbying	TITAN is a member of business and sector associations in all countries currently operates. TITAN's Managing Director is member of the Board of the Federation of Greek Industries. 
⊙	S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	none
⊙	S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	none
SOCIAL : PRODUCT RESPONSIBILITY			
		Disclosure on Management Approach	 p. 17, 19
⊙	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	All our products and services are assessed for health and safety impacts in the production phases, transportation and use. Accordingly, we apply international standards and best practices in labelling our products, informing users for their appropriate and safe use and engage with customers and academics to exchange know-how and experience to improve continuously
⊙	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 are developed and covering all products provided by TITAN. Particularly for bagged cement information for safe use is printed on the bag while for RMC a BATC report including all relevant information is provided to the customers before the delivery
⊙	PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.	none
⊙	PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	Bi-annual customer satisfaction surveys are implemented according to ISO9000 and results are incorporated to business development strategy
⊙	PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	TITAN follows all developments in respect to legislation, standards, best practices and voluntary codes related to marketing. So as to continuously review the relevance to its products and ensure compliance with those
⊙	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.

Special thanks to all our employees and stakeholders who have participated in the assessment processes providing feedback and helping our continuous improvement.

We also like to thank our auditors for their comments and suggestions which have contributed in our efforts to integrate best practices in our Report.



TITAN CEMENT COMPANY S.A.
22A Halkidos Str., 111 43 Athens, Greece
Tel.: +30 210 2591 111, e-mail: main@titan.gr
www.titan-cement.com