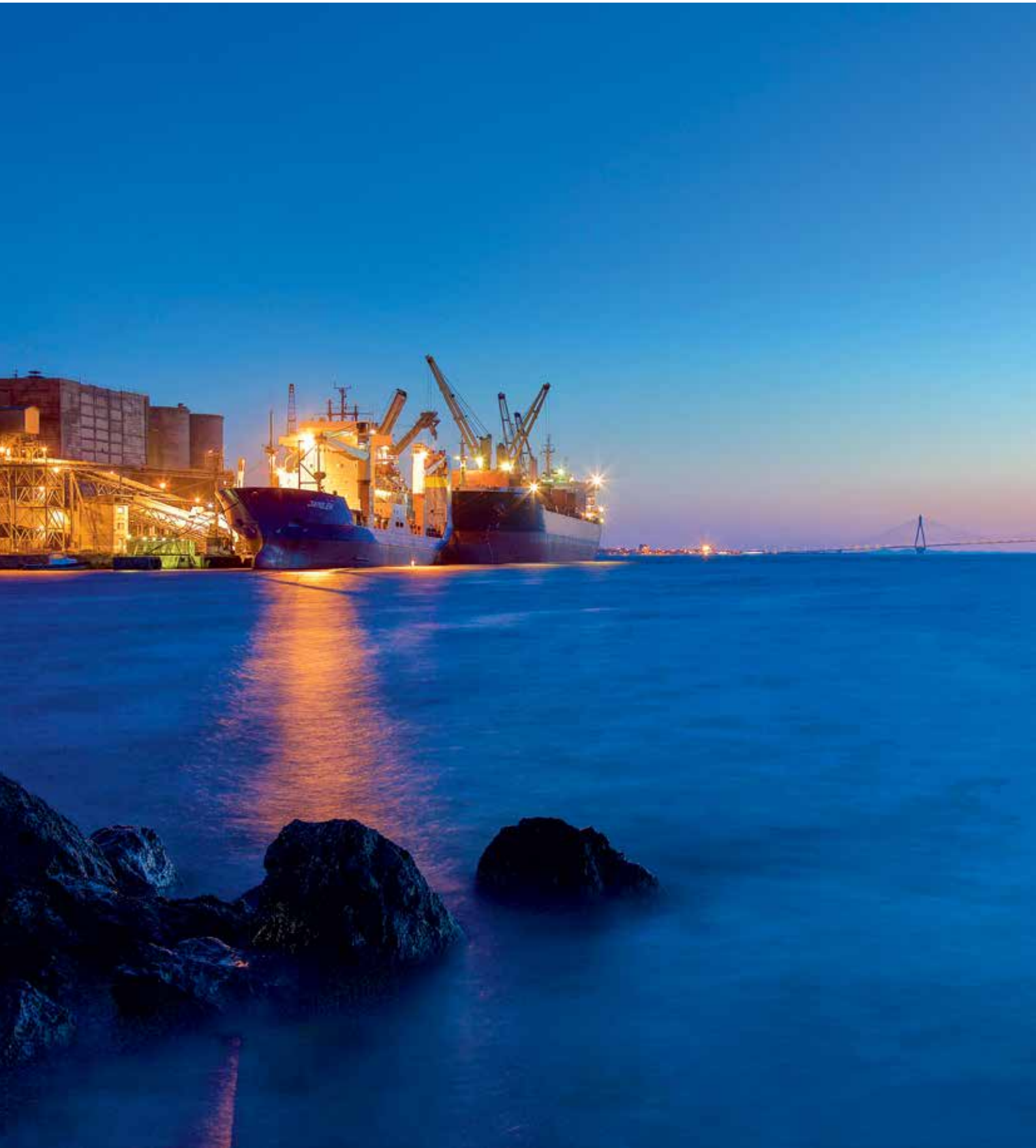


Positioned for sustainable growth



This report is TITAN's third integrated Annual report and is the next stage in its journey towards reporting the Group's business performance in a complete and balanced way as a response to the expectations of shareholders and key stakeholders.

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This Report is divided into the four main sections shown here.

The opening section is a strategic review of our business, with a message from our CEO and an outline of TITAN's approach to business development, explaining how it builds value and enhances the Group's long term sustainability.

Cover photo: Yannis Kontos

Please send us your feedback to: annualreport2014.titan.gr
Our Annual Financial Statements for the year ended 31 December 2014, can also be found, in a PDF format, online at:
<http://integratedreport2014.financial.titan.gr>



Positioned for sustainable growth

Following several years of global economic uncertainty and social unrest in many countries, 2014 was another challenging year for the Group. Despite this, our strategy and enduring commitment to our values and principles have resulted in a stronger business with a clear plan for strategic investments in the coming years.

Our business activities have evolved during the last five years and, in 2014, our performance further enhanced our financial position. We have a clear strategic plan for the coming years, which will spearhead our return to growth.

We are confident that our vision for sustainable growth can guide us in building the capabilities and resources we need for future success.

Integrated reporting

Through the International Integrated Reporting Council (IIRC) guidelines, we aim to respond better to the needs of our stakeholders and, in particular, improve shareholder communications around our performance, and how we build value and ensure our long-term sustainability.

We use our Report to seek feedback from stakeholders and it is part of our stakeholder engagement process, enabling us to focus on the most material issues.

We remain focused on integrated international standards for reporting our performance and, accordingly,

with this Report, we continue to meet the "advanced" level criteria for the UN Global Compact (UNGC) Communication on Progress, and to uphold our commitment to continuous improvement on the World Business Council for Sustainable Development Cement Sustainability Initiative Charter (WBCSD/CSI). Moreover, we have moved towards GRI G4 and accomplishing the Core level, to better highlight the most material issues for the Group and our key stakeholders.

Since 2007, we have invited independent assessors to verify our performance against our voluntary

commitments in international standards and industry best practice. As a result of this ongoing process, this Report includes:

- a more detailed analysis of management procedures (GRI index, page 90);
- an updated and refreshed analysis of materiality at Group and country level; and
- a number of additional Key Performance Indicators (KPIs) disclosed and new ones covered by the verification process (see tables on WBCSD/CSI table, page 78)

CEO message

Dear Shareholders
and Stakeholders

Welcome to our third integrated report, which not only contains information about our financial results but also our social and environmental performance. We believe this approach, in line with what is today increasingly viewed as best practice, better reflects the fact that sustainability is not ancillary to our business, but forms an integral part of it.

Turnover €

1,158.4m

EBITDA €

181.6m

Profit after taxes €

30.9m

Lost time injury frequency rate
(LTIFR, Direct employees)

1.65 per million manhours

Employees (31 December 2014)

5,501

Specific CO₂ emissions674.4kg/t_{Product}**2014: Returning to profitability**

The TITAN Group returned to profit in 2014 after two loss-making years. Consolidated turnover in 2014 reached €1,158m posting a 2.7% increase compared to 2013. Earnings before Interest Tax Depreciation and Amortization (EBITDA) declined by 2.6% to €182m. Net Profit after minority interests and the provision for taxes (NPAT) stood at €31m, versus a €36m loss in the previous year.

Our operating performance was severely impacted by the prolonged gas shortages which curtailed production in Egypt to about 50% of capacity. Results posted improvements in all other regions where the Group is active: the market recovery gained momentum in the USA; Greece improved for the first time in seven years, as a result of the restart of public works, a solid contribution from exports and cost improvements; the performance of South Eastern Europe, despite anemic market growth, grew on the back of cost efficiencies; the Group's share in the Turkish Joint Venture (which, as of 2014, is consolidated via the equity method), contributed €4.6m in net

profit, versus a marginal loss in 2013, in the context of a buoyant market.

During 2014 TITAN invested €80m in its existing operations, considerably higher than in the previous few years. The bulk of our capital expenditure went to the US - in order to help capture market growth- and to Egypt- in order to enable the utilization of solid and alternative fuels, and thus restore our plants' operating capability.

Sustainability: at the heart of our business

We continued to make good progress against our sustainability goals in 2014, structured around three major axes: Health and Safety, the environment, and stakeholder engagement. We consolidated last year's very encouraging safety performance among employees and contractors; stepped up our investments in environmental protection; rolled out new training programs and people management processes across the business; and engaged actively with local communities, tackling issues such as health, safety, poverty, unemployment and local sourcing of products and services. The reader will find specific examples and case studies throughout this Report.

Regrettably, the Group saw two road traffic fatalities in 2014, one involving a contractor and the other a third-party driver. These events underline the importance of our continuing efforts to promote safety, not only within our operating locations, but outside their perimeter as well.

On the environmental front, we are well ahead of our targets on water consumption and on dust emissions. We made good progress in the use of alternative fuels in 2014, although we

still fall far short of our targets and best practice levels. On the other hand, specific CO₂ emissions were largely unchanged from 2013 levels, leaving us with work to do to achieve our five-year environmental performance improvement plan.

We continue to build and enrich our business through a commitment to collective action. Today, more than ever, we seek to strengthen collaboration with our peers and stakeholders within the framework of the Cement Sustainability Initiative, under the auspices of the World Business Council for Sustainable Development, and the UN Global Compact. For this reason, we continue to co-chair special task forces for biodiversity and sustainable supply chain, and we have joined the UN Global Compact campaign to fight against corruption.

During 2014 we also worked on updating our 2020 sustainability goals. An assessment of material issues was conducted across the Group to help ensure that our new sustainability objectives and targets are both inclusive and responsive to community needs. Among other ambitions, our updated goals include further reducing our specific carbon footprint, increasing use of alternative fuels, optimizing water consumption, assessing our supply chain for human rights risks and enhancing training in several relevant areas. As always, we will be aiming to have a positive impact beyond the perimeter of our operations.

At the same time, we are working on broader governance issues: developing a new framework to guide our sustainability strategy in the coming years, reviewing and updating Group policies and introducing a new data-reporting platform

2015: positive outlook

The outlook for the Group in 2015 is positive, despite significant uncertainties and challenges. This reserved optimism can be attributed to the expectation of improved operating results from the

Group's two largest markets: the USA and Egypt.

The US is anticipated to be a key driver of growth for the Group. The Portland Cement Association (PCA) forecasts cement consumption in the US to grow by about 8% annually from 2015 through 2017, and we are investing to help capture that growth.

In Egypt, despite considerable uncertainties, demand is likely to continue to grow, supported by both private and public construction activity. On the production side, 2015 will be a transition year, as the implementation of our capital expenditure program gradually ensures the self-sufficiency of our plants in terms of their fuel needs.

In Greece, private construction continues to decline despite the extremely low levels of activity. According to official sources, the total volume of building permits for 2014, declined by 9% versus 2013 and - after 9 consecutive years of decline - stands at c. 12% of 2005 levels. Cement consumption in 2015 is expected to remain at broadly the same levels as in 2014, supported by public road works, to the extent that these continue uninterrupted.

Construction activity in Southeastern Europe appears stable; oversupply in the region, however, will result in continued low utilization of the Group's plants. No significant improvement is expected in the short-term, as the region continues to be affected by the weakness of Eurozone neighbor countries.

The return to profitability in 2014, in conjunction with the favorable outlook for 2015, allows the Board of Directors to propose to the General Assembly of Shareholders the payment of a dividend of €0.15 per share for the first time since 2011, as well as the distribution of special reserves corresponding to an additional €0.15 per share.

Looking ahead: sustainability, profitability, growth

Looking ahead, we are working around three major strategic priorities.

First, we continue our gradual return from a focus over recent years on debt reduction to a renewed growth agenda. We are stepping up capital spending, which is likely to exceed depreciation for the first time in several years. We are looking at growth opportunities in a targeted and disciplined way.

Secondly, we are focusing our efforts on returning to superior returns on capital employed, with a number of initiatives centered on customer and operating excellence.

Finally, we are very mindful of the need to continuously invest in the long-term sustainability of our business - in the broader sense of that word - especially given the turmoil in several of the countries where we operate. We remain committed to putting safety at the top of our business agenda, to going beyond simple compliance in dealing with our environmental footprint, to actively engaging with our stakeholders wherever we operate and to helping our people reach their full potential.



Dimitri Papalexopoulos
Chief Executive Officer

How TITAN builds value

Foundations for growth built on a responsible approach

Who we are and what we do

TITAN Group has been in business as an independent cement and building materials producer for more than 11 decades. In that time, we have expanded beyond our Greek roots to become a multi-regional business operating in four distinct geographies. Headquartered in Athens, Greece, the Group employs 5,501 people worldwide and sells products to 36 different countries.

Our principal products are cement, ready-mix concrete and aggregates. We also produce concrete building blocks and dry mortars, we process fly ash (ProAsh®), and we provide alternative fuels and waste management services through GAEA, our Bulgarian joint venture with American environmental and alternative energy company, Evolution Environmental Group LLC.

Collective action

TITAN is a member of the UN Global Compact Network of F.Y.R. of Macedonia, and last year sponsored and hosted a study visit of European Global Compact Networks representatives and members. TITAN is also a member of the Board of Directors for the Kosovo CSR Network, and the UN Global Compact Network in Serbia, as well as chairing local networks in Albania (CSR Network Albania, founded in 2013), and Greece (CSR Hellas, and the UN Global Compact Hellas Network). In addition, the Group has called for action, to establish a CSR Network in Alexandria, Egypt.

A long-term strategy balancing financial growth with broader interests

We believe that our financial and sustainability considerations are intertwined. Our strategy is inclusive, which means that we always consider wider stakeholder needs over the longer term in the context of our strategic priorities.

We are committed to meeting the long-term expectations of our shareholders, but we recognize that this means more than just meeting our financial objectives. Our pioneering approach to CSR is at the heart of our operations, while our solid and proven management strategy ensures we can drive growth and, where necessary, address crises successfully.

Our strategy has guided us through several years of economic and social crisis in key markets, reinforcing our business position and providing solid foundations for us to build on.

From these foundations, the Group is well positioned to achieve its governing objective to grow as a multi-regional, vertically integrated cement producer, combining entrepreneurial spirit and operational excellence with respect for people, society and the environment.

Our values provide the foundations for our operations and growth

Commitment to results

- Shareholder value
- Clear objectives
- High standards

Continuous improvement

- Learning organization
- Willingness to change
- Rise to challenges

Integrity

- Ethical business practices
- Transparency
- Open communication

Value to the customer

- Anticipate customer needs
- Innovative solutions
- High-quality products and services

Know-how

- Enhance our knowledge base
- Proficiency in every function
- Excellence in core competencies

Corporate Social Responsibility

- Safety first
- Sustainable development
- Stakeholder engagement

How we implement our strategy

To meet our strategic endeavors we put people first and promote continuous self-improvement and innovation throughout the Group. Respect for the natural environment and strong links to the communities we work in also play a large part in our day-to-day operations, helping us to create value for a wide range of stakeholders and to meet the highest international standards in all areas.

Our governing objective

Our aim is to grow as a multi-regional, vertically integrated cement producer, combining entrepreneurial spirit and operational excellence with respect for people, society and the environment.

Our vision

Our vision is to be one of the most economically, environmentally and socially responsible providers of construction materials.

Our strategic objectives

Our **strategic aim** is to enhance sustainable growth. We will do this by maintaining focus on our four **strategic objectives**:

- **Continuous competitive improvement**

This means improving our cost structure and enhancing our competitive position by investing in our strategic assets, while implementing new methods and processes throughout our business.

- **Focus on environmental, human and social capital**

We are developing and improving our relationships with internal and external stakeholders based on mutual respect and understanding.

- **Geographical diversification**

Extending our business and strengthening our asset portfolio through acquisitions and greenfield developments in attractive new markets will drive future growth.

- **Vertical integration**

We are also accessing new business opportunities and addressing the needs of our end customers through greater diversification, extending our footprint into new products in the building materials value chain.

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



How TITAN builds value continued

Delivering value far beyond the cement plant

The way we do business is defined by our approach to long-term value creation. From the quarrying of raw materials to the distribution of finished products, we provide a complete solution for our customers and a fair deal for our suppliers, while protecting local community and environmental interests.

Delivering value far beyond the cement plant

We take a bottom-up approach to developing and evolving our strategy. And we are trying to make our business model more inclusive. That is why our business units invest so much energy and resources into engaging with all of our stakeholders.

We take what they tell us seriously and their feedback helps shape our five-year sustainability targets.

Throughout the value chain, the Group uses its unique strengths and employs its resources and relationships to generate value for a wide range of stakeholders, including:

- Its people
- Its suppliers and trade partners
- Its customers and their communities
- International organizations such as the [World Business Council for Sustainable Development](#) and the [UN Global Compact](#)
- Governments and regulators

Our local approach

We are proud of the Group's international reach, spanning four continents, but we rely on our local knowledge and expertise to succeed, building strong external relationships in each of our business units.

Our people

We value the diverse viewpoints and local insights we receive from our employees. The long-term work relationships we have with our people enable us to enhance the Group's intellectual capital.

Services

We build relationships with our customers, share best practice with local communities and work with them to ensure that their long-term construction needs are met.

Quarrying

We extract raw materials such as limestone, clay, aggregates, pozzolan and gypsum.

Cement production

We crush, grind, heat and cool raw materials to produce clinker, which is then processed further to produce cement.

Ready mix concrete

We combine cement, water and aggregates to produce ready mix concrete. In specific plants we also process fly ash, which can be used as an alternative raw material.

Raw materials

The raw materials we use to make our products, along with the thermal and electrical energy needed in our extraction and manufacturing processes, are fundamental to our business.

Products

Our principal products are cement, ready-mix concrete and aggregates (such as sand, gravel and recycled concrete). We also produce concrete blocks, dry mortars and processed fly ash ([ProAsh®](#)).

Waste

Where possible, we recycle the waste generated by our manufacturing processes. Through a joint venture in Bulgaria, we also provide low-cost waste management and alternative fuel services to the Group and third parties.

USA



Turnover €m

40%
€468.9m


EBITDA €m

26%
€46.5m


Total assets

31%
€880.9m
Employees¹
1,867

Principal products/activities



Cement



Ready-mix concrete



Aggregates



Fly ash



Building blocks

Cement plants

2

Quarries

7

Ready-mix plants

88

Distribution terminals

15

Concrete block plants

9

Fly ash processing plants

9

More on page 50

Greece and Western Europe



Turnover €m

25%
€284.9m


EBITDA €m

20%
€37.1m


Total assets

21%
€583.4m
Employees¹
1,165

Principal products/activities



Cement



Ready-mix concrete



Aggregates

Cement plants

3

Quarries

27

Ready-mix plants

26

Distribution terminals

8

Grinding plants

1

Dry mortar plants

1

More on page 52

Southeastern Europe



Turnover €m

18%
€207.8m


EBITDA €m

37%
€67.1m


Total assets

18%
€492.4m
Employees¹
1,444

Principal products/activities



Cement



Ready-mix concrete



Aggregates



Waste management and alternative fuels

Cement plants

5

Quarries

13

Ready-mix plants

7

Distribution terminals

1

Processed engineered fuel facility

1

More on page 54

Eastern Mediterranean



Turnover €m

17%
€196.8m


EBITDA €m

17%
€30.9m


Total assets

30%
€854.5m
Employees¹
1,025

Principal products/activities



Cement



Ready-mix concrete



Aggregates

Cement plants

3

Quarries

17

Ready-mix plants

5

Distribution terminals

1

Grinding plants

2

More on page 56

¹ Employee figures are as at 31 December 2014

How TITAN builds value continued

1. How our business works

As a publicly listed company we have a responsibility to deliver value for our shareholders, but we can only do this by taking a sustainable approach to doing business. That is why our local relationships with customers, governments, suppliers and trade partners are so important. But we think global, too, for example through our leading role in the Cement Sustainability Initiative. This helps us tackle some of our most material issues, such as our impact on climate change, health and safety, water use and biodiversity.

2. Our core business activities

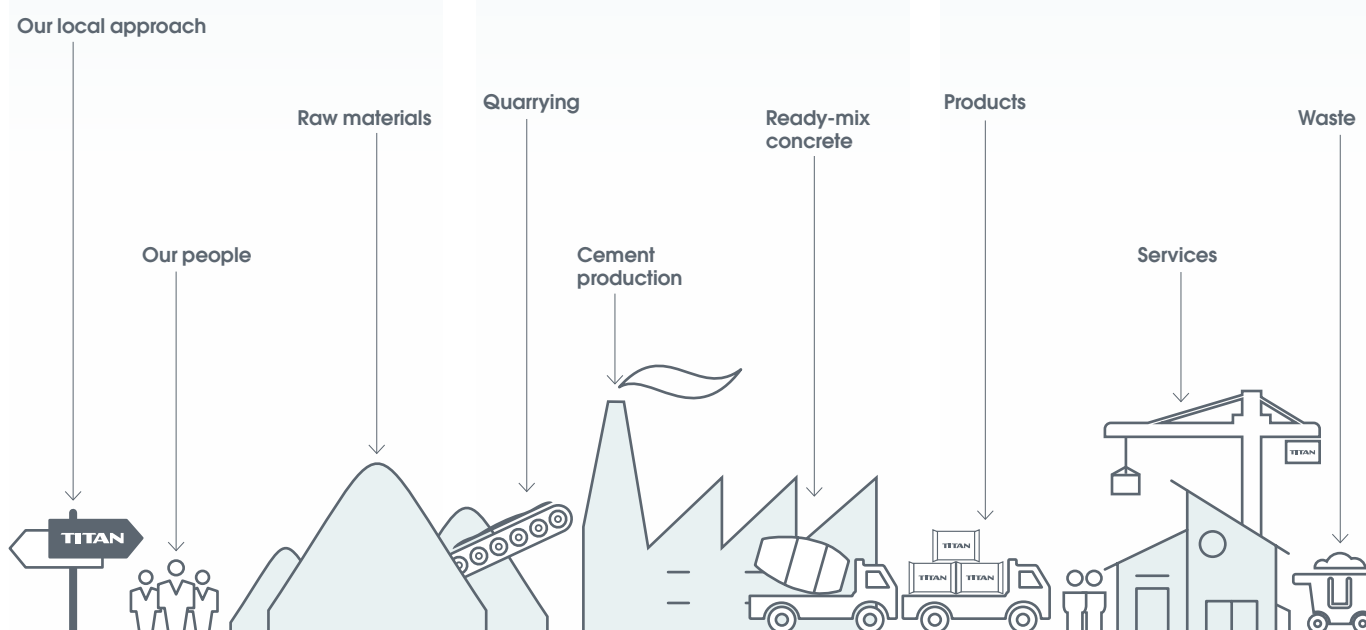
We extract the materials we need to make our products and turn them into cement and concrete. At all stages of production we put a strong focus on quality control and operational improvement, including efforts to use alternative fuels and raw materials.

The use of alternative raw materials and fuels, such as dried sewage sludge and end-of-life car tires, offers considerable benefits to the environment through the conservation of natural resources. These fuels can also reduce our CO₂ footprint and the volume of scrap and waste. We have used alternative fuels for several years at our Kamari cement plant in Greece. In 2014, the main alternative fuel used at the plant was flexicoke, a by-product of certain petroleum fractions that are obtained from the distillation of crude oil.

3. Our products and services

Our products and services are used in a range of activities from major infrastructure projects (roads, airports, shopping malls, etc.) to private housing and social projects. The aggregates we produce serve our own operations, too, providing the materials we need to make other commercial building products.

Innovations in our products and in our engagement with local customers help to give us a competitive edge in the markets we work in. We actively promote new products that will improve quality and durability, such as ProAsh®, as well as methods and materials that will make construction easier or help to reduce its environmental impact.



4. Value created

We create value for a wide range of stakeholders throughout our business operations. This helps us to maintain our reputation, mitigate business risks and ensure our license to operate. Because we work closely with partners and customers at a local level, our economic and social contributions to local communities (such as taxes and support for local construction projects) have some of the greatest impacts.

High quality of products and services to customers

Stable and secure long-term employment

Concrete structures for society

Financial benefits to stakeholders



(1) To employees for salaries, pensions and social benefits, including additional benefits beyond those provided by law.

(2) Part of the environmental expenditure is included in the total capital expenditure.

How TITAN builds value continued

Engaging with stakeholders

Engaging with internal and external stakeholders is a catalyst for achieving our long-term objectives and safeguarding our sustainability.

Stakeholder engagement process

The Group's sustainable growth depends on balancing short-term and long-term interests. In line with our strategic priorities, we adapt our policies and practices to local market needs. This means understanding and responding proactively to the needs of the individuals, organizations and businesses with whom we interact.

Assessing our material issues is an ongoing process that includes consultation with internal and external stakeholders. In 2014, we used the outcomes of our materiality assessment at both Group and local levels to help us review and reset our five-year sustainability targets.

From our review of material issues for the Group and relevant feedback received from key stakeholders we have determined the most relevant issues for TITAN and the most critical for the stakeholders as shown in the illustration opposite.



Case study



Stakeholder engagement in Serbia

In 2014, our Kosjeric cement plant in Serbia organized focus groups involving employees and local stakeholders to discuss: health and safety; the environment; culture and education; responsible supply chains, as well as employment and equal opportunities. This allowed participants to express their concerns and to take an active role in solving problems and developing solutions, adding value to local communities in collaboration with our business.

The first round of meetings was completed by the end of December 2014 and overall impressions have been very positive. All team members took an active part in discussions about their concerns and problems in their specific focus areas and are ready to take ownership for the next steps. During 2015, each focus group will define initiatives and create an implementation plan.

How we engage with our stakeholders

Stakeholder group	How we engage	Frequency of engagement	Outcomes and concerns raised as a result	Actions taken as a result (indicative)
Employees	<ul style="list-style-type: none"> – Performance management – Training – Employee surveys 	<ul style="list-style-type: none"> – Annually – Ongoing – Regularly (every 3-5 years) 	<ul style="list-style-type: none"> – Employees look for meaningful work – Fair compensation – Clarity of HR policies and performance appraisal criteria – Opportunities to develop and be creative – Gain recognition 	<ul style="list-style-type: none"> – Review and update performance management systems – Set new sustainability targets bottom-up with direct involvement of local management teams – Develop action plan to improve systems and expand/extend HR best practices throughout the Group
Customers	<ul style="list-style-type: none"> – Marketing activity – Project consulting – Ongoing product support – Employee surveys – Bilateral meetings and organized workshops and conferences (regularly) 	<ul style="list-style-type: none"> – Ongoing product support through Sales and Technical Dpt – Ongoing evaluation of requests for new product development through R&D – Annually 	<ul style="list-style-type: none"> – Excellent service – Quality and payment conditions – Reliability – New product development with specific standards 	<ul style="list-style-type: none"> – New product development adapted to local needs – Marketing of new products to raise awareness in local markets – Invest further on transparency and building trust with customers (see page 40)
Business partners and Suppliers	<ul style="list-style-type: none"> – Procurement policy and practice – Training – Safety standards and guidelines for contractors 	<ul style="list-style-type: none"> – Ongoing – Ongoing long-term 	<ul style="list-style-type: none"> – Fair and long-term collaboration – Transparency and know-how exchange – Employment opportunities – Contribution in local development projects 	<ul style="list-style-type: none"> – see pages 24-26 , 40-42
Local communities	<ul style="list-style-type: none"> – Educational meetings – Volunteering and social and solidarity initiatives – Stakeholder forums 	<ul style="list-style-type: none"> – Ongoing long term – Bilateral meetings, thematic, regular forums 	<ul style="list-style-type: none"> – Employment opportunities – Contribution to local development projects – Support local authorities and increase skills and competencies of young for employability 	<ul style="list-style-type: none"> – see pages 36-39, 50-57
Non-governmental organizations NGOs	<ul style="list-style-type: none"> – Participation in industry and employment bodies – Commitment and participation in wider interest organizations (UNGC) – Stakeholder forums 	<ul style="list-style-type: none"> – Ongoing long-term – Annual and regular thematic stakeholder forums and public events – Transparency and Business ethics (Ref: UNGC Campaign for Anticorruption) – Collaborative efforts and partnerships 	<ul style="list-style-type: none"> – Transparency and business ethics (Ref: UNGC campaign on anti-corruption) – Collaborative efforts and partnerships 	<ul style="list-style-type: none"> – Support and coordinate events and activities in the context of the UN Human Rights and Anticorruption initiatives – Translating the training e-based tool related to UN efforts to fight against corruption – Host the European Global Compact Network Summit in Skopje
Regulators	<ul style="list-style-type: none"> – Participation in industry and employment bodies – Stakeholder forums 	<ul style="list-style-type: none"> – Ongoing long-term – Annual and regular thematic stakeholder forums and public events – Annual Integrated Report and other public disclosures 	<ul style="list-style-type: none"> – New investments – Employment and working conditions – Care for the environment – Transparency and accountability, according to international standards 	<ul style="list-style-type: none"> – Third Integrated Report in compliance with GRI G4 core level – Expand independent verification process, according to industry and international accountability standards
Investors and analysts	<ul style="list-style-type: none"> – Investor relations website – Financial results – Annual General Meeting – Corporate presentations – Roadshows and conferences 	<ul style="list-style-type: none"> – Ongoing – Quarterly – Annually 	<ul style="list-style-type: none"> – Enhancing the trust of the investor community – Commitment to advanced standards for reporting and accountability – Transparency 	<ul style="list-style-type: none"> – See pages 1-9, 17-23

How TITAN builds value continued

Materiality and stakeholder engagement

Our management framework sets out our governing objectives, values and strategic priorities at Group level. However, to operate sustainably in the long term, we also need to reach out to a diverse range of organizations and communities. We must demonstrate accountability to all the people whose lives we touch, both inside and outside the Group.

Our approach to stakeholder engagement

We have a five-step approach to stakeholder engagement (see diagram on page 10).

We identify stakeholders according to the international AA1000 standard and use its three main principles of inclusivity, materiality and responsiveness to guide the process at a Group and local level.

Assessing material issues for our significant operations and the stakeholders that are most relevant is a key part of enabling continuous improvement of our strategy and management systems. To do this, since 2007 we have conducted materiality assessments involving both internal and external stakeholders, using a process of dialogue and consultation that has enhanced our view of the Group's sustainability goals and priorities.

Since 2010, we have expanded and extended our sustainability objectives in line with best practice and industry experience. In 2014, we conducted a full review of our sustainability strategy for 2020 based on updated input provided by all of

our business units. This has supported our on-going efforts to create a more inclusive and integrated approach for the future.

Our materiality process

Understanding and addressing our material issues is an ongoing process, continuously evolving in accordance with international standards and best practice.

We follow the AA1000 Stakeholder Engagement Standard (SES) and use feedback from organized meetings, forums and workshops involving internal and external stakeholders to develop relevant action plans and collaborative initiatives to enhance our enduring commitment to sustainability.

We organized a full materiality assessment in 2013 to gain insights for revisiting goals and sustainability targets towards 2020. This was followed by an assessment of each issue with respect to its impact on the Group and its main stakeholders. Discussions with our own people were facilitated by an independent third party, DNV GL, TITAN's Business Assurance provider. Issues were

prioritized on a high, medium and low scale, taking into account both internal and external perspectives gathered during interviews.

A further assessment was undertaken in 2014 and as a consequence we have updated our list of the most material issues for the Group that are also high interest to our stakeholders. These material issues are:

- Community relations and stakeholder engagement
- Integrity and transparency
- Health and Safety
- Energy and climate change
- Use of raw materials and fuels
- Responsible employer
- Socio-economic impact

The TITAN Group CSR Committee coordinates the process at Group level while it oversees the alignment with local priorities. The same process is followed at a local level and every two or three years a local materiality analysis is conducted to align local action plans with Group targets and commitments.

Identifying material issues at country level

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

Materiality assessments are important at both local and Group levels as they provide internal stakeholders and the management team with a better view and understanding of potential risks and how these risks may offer new business opportunities.

Feedback from external stakeholders helps us shape future plans for action in those areas where TITAN may have some impact. The exchange of views and opinions among internal and external stakeholders is also a process that helps to improve know-how and expertise on specific topics of interest and it raises awareness levels on some issues, such as Health and Safety, energy and climate change.



The TITAN Group CSR Committee oversees the materiality process. The same process is followed at a local level and every two or three years a local materiality analysis is conducted to align local action plans with Group targets and commitments.

Understanding local priorities

Our understanding of how material issues vary at the local level underpins our approach to sustainability. It enables the Group to focus its financial, knowledge, human and natural resources on areas of most value in each country.

In addition to the material issues that affect the whole Group, we have identified specific material issues that affect our companies in all of the countries in which we operate:

How TITAN builds value continued

Material issues by country

Country	Additional material issues
Albania	<ul style="list-style-type: none"> – Retain personnel and attract technical and administrative talents – Environmental performance and energy efficiency
Bulgaria	<ul style="list-style-type: none"> – Expand opportunities for waste management at a local level – Education and employment
Egypt	<ul style="list-style-type: none"> – Employment opportunities at a local level – Social and political instability – Energy sources and new challenges
F.Y.R. of Macedonia	<ul style="list-style-type: none"> – Environmental sustainability – Integration to international and European standards – Response to the economic crisis
Greece	<ul style="list-style-type: none"> – Youth employment – Environment – Social contribution
Kosovo	<ul style="list-style-type: none"> – Local employment – Integration of international and European standards
Serbia	<ul style="list-style-type: none"> – Integration of international and European standards
Turkey	<ul style="list-style-type: none"> – Employee engagement – Integration of international and European standards – Use of concrete in new applications
USA	<ul style="list-style-type: none"> – Biodiversity and active management of ecosystems (including water) – Human resources (capital) management and development – Attracting, developing and maintaining talent – Education (highly technical and manual): young/local community development – Diversity – Incoming regulation; increasing regulation complexity – Communication (internal and external) – Sustainability of concrete, sustainability of products and innovation – Social media

Collaborating for sustainable growth



UN Global Compact

In 2002, TITAN was among the first 500 signatories of the UN Global Compact. This strategic policy initiative requires businesses to adopt ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption.

TITAN is also involved in local UN Global Compact Networks. For example, in Greece we chair the national UN Global Compact Network and have helped define the post-2015 Millennium Developmental Goals. We also launched a new training tool developed by the UN in compliance with the Greek government's National CSR Strategy in May 2014.

TITAN's commitment to applying the Global Compact principles within its sphere of influence is monitored annually. Since 2010, we have achieved and maintained the "Advanced" level according to UNGC criteria.

The Third South East Europe UN Global Compact Network Summit was held in Bulgaria in 2014. This is an initiative launched in 2012 by the Global Compact Network Hellas and continues to provide an opportunity for the exchange of best practice and know-how among Global Compact Network representatives and members.



Cement Sustainability Initiative

TITAN has been a core member of the Cement Sustainability Initiative (CSI) since it was launched by the World Business Council for Sustainable Development (WBCSD) in 2003. We work closely with other cement producers to implement its "Agenda for Action".

In 2014, TITAN and two other core members continued to co-chair the CSI, helping to forge many strategic initiatives. We actively participate in CSI task forces for:

- Climate change
- Fuels and raw materials
- Health and safety
- Air emissions
- Biodiversity and land stewardship
- Concrete sustainability
- Water
- Sustainable supply chain

We are committed to incorporating CSI tools and guidelines into our operations at Group level and to embedding their best practices within the Company. We are focusing on integrating the CSI Guidelines for Sustainability in our supply chain through Group procurement policy and procedures for prequalification and assessment of suppliers with priority given to local suppliers who provide goods and services to our business units.



CSR Europe

CSR Europe is a leading business network set up to encourage Corporate Social Responsibility. Since joining in 2004, we have liaised with stakeholders on issues such as transparency and non-financial reporting, corporate responsibility and sustainable development.

We also participate in CSR Europe's Enterprise 2020 initiative, an ambitious effort addressing European and global challenges, that aligned with the European Union (EU) strategic objectives for 2020. We participated in the working group that developed a Guide for Quality Internships for Enterprise 2020, which addresses sustainability issues in response to the EU's Europe 2020 strategy.

We are jointly leading CSR Europe's "Valuing and Improving Sustainability Management", a collaborative venture that strives to provide tools to measure non-financial performance, within the context of the EU directive for reporting non-financial performance.

We are committed to communicating best practice and expertise gained through synergies at global and industry level to our local networks and stakeholders.



Group performance

In this section we focus on how we performed in relation to the most material issues for the Group and our key stakeholders. We have aligned ourselves fully with the International Integrated Reporting Council's (IIRC) Guidelines and therefore present our economic, financial, social and environmental performance together, including employment, health and safety, biodiversity, socio-economic impacts and community relations.

We outline the activities we have undertaken to create value for our business as well as our stakeholders, and to ensure our long-term sustainability. We also report on a resilient financial performance as the Group returned to profit after two loss-making years, with net debt now standing at less than half of what it was at the beginning of 2009.

In this section:	
Performance overview	18
Group financial performance 2014	20
Debt and capital structure	22
Equity market information	23
Health and safety	24
Employment and people development	27
Communities	36
Business partners	40
Environment	43

Group performance

Performance overview

We use a range of financial and non-financial measures to assess our business performance and our progress against our strategic priorities.

Key financial measures			
Turnover	Relevance	2014 performance	What's next?
Turnover is revenue received from the sale of goods and services to customers in all regions of operation.	Turnover is an important measure to assess the growth of a business.	€1,158.4m	TITAN aims to capture market growth in its key markets and to strengthen its performance. Read more on page 20.
EBITDA	Relevance	2014 performance	What's next?
EBITDA is the organic profitability excluding interest, tax, depreciation and amortization.	It is used to analyze profitability between companies.	€181.6m	TITAN aims to strengthen its profitability focusing on growth opportunities. Read more on page 20.
Key social measures			
Social investment	Relevance	2014 performance	What's next?
We contribute both financial and non-financial resources toward local development through a range of programs and activities.	Our social investments are strongly aligned with the material issues for the Group and help us deal with concerns around health and safety, community relations and our socio-economic impacts.	€2.2m Donations made by our companies in 2014.	TITAN will continue to make strategic social investments to address safety, healthcare, poverty, unemployment and environmental awareness. Read more on pages 9, 36, 43.
Engagement	Relevance	2014 performance	What's next?
Within the context of our corporate value of continuous improvement, we are committed to a constant process of internal review and analysis. It has been proven that one of the most effective ways to do this is to listen to your employees.	Employees are one of the most important stakeholder groups of our operations. Our stakeholder engagement strategy includes employee engagement and our new Employee Opinion Survey was launched in 2014.	81% was the overall response to our Employee Opinion Survey. This survey was cascaded in all countries and operations in waves, reaching 60% of our employees in Q3 and Q4 2014.	In 2015, the remaining countries and operations will receive the survey, and action plans will be drawn up to address the focus areas identified by our employees. Before 2020, a new survey cycle will take place, measuring the improvement resulting from these action plans. Read more on page 27.

Key employee measures

Lost Time Injury frequency rate (LTIFR)	Relevance	2014 performance	What's next?
Reducing lost time injuries (LTIs) is an important focus for our health and safety efforts at our plants and in our operations generally globally.	We constantly strive to raise the safety performance of direct employees and contractors.	-29% Percentage change in LTIFR for direct employees in 2014, compared to 2010.	We continue to undertake specific actions to strengthen the safety performance of our business units, including site audits, training and publishing new guidelines. Read more on pages 24-26.
Training man-hours	Relevance	2014 performance	What's next?
Our overall investment in training hours is consistently high. We regard it as important not only to enhance current know-how and so improve our operational efficiency, but also to guide people toward best practices.	Our focus is on providing training activities that are aimed at supporting a cultural shift in our organization.	130,067 Total training man-hours in 2014. This included our Self-Training E-learning Program (STEP), with new modules and sections, for developing our future managers, as well as stakeholder engagement training in our Egyptian operations.	The aim is to increase the training investment in the areas linked with our 2020 Sustainability goals. Read more on pages 32-33.

Key environmental measures

CO ₂ emissions	Relevance	2014 performance	What's next?
These are defined as specific CO ₂ emissions (kg/t _{Product}).	Specific CO ₂ emissions provide a measure to monitor our performance against climate change.	-16% From 1990 (year base).	We aim to increase the use of alternative fuels and decrease the average clinker content of our cement, taking into account the specific conditions of the areas in which we operate. Read more on pages 43-44.
Alternative fuel use	Relevance	2014 performance	What's next?
Percentage of alternative fuels in the total fuel mix (% _{Thermal basis}).	The use of alternative fuels allows for the conservation of natural resources as well as the reduction of direct CO ₂ emissions.	+37.7% Compared to 2013.	We are working on developing the conditions that will allow the introduction of such fuels in new areas as well as further increasing their usage in existing areas. Read more on pages 43-45, 54-55.

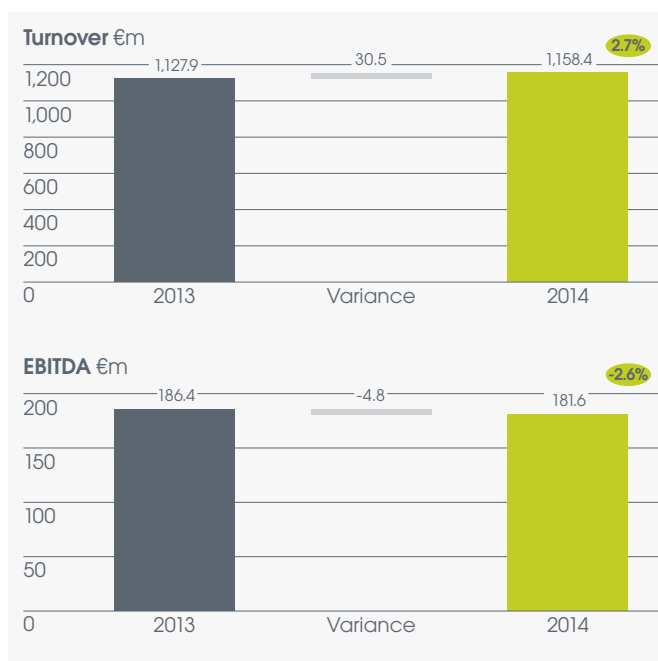
Group financial performance 2014

Positive outlook despite significant uncertainties and challenges

2014 was another challenging year, but we have revitalized our business – the Group is stronger financially and we are positioned for growth.

Performance summary

- Our performance has been resilient and our financial position further strengthened
- Turnover increased by 2.7% compared to 2013, reaching €1,158.4 million
- EBITDA declined by 2.6% versus 2013 to €181.6 million
- TITAN Group returned to profit after two loss-making years, posting NPAT of €30.9 million
- We re-established TITAN in the capital markets and issued a €300 million five-year bond with an annual coupon of 4.25%



Key performance indicators

KPI	Definition	2014	2013
Turnover	Revenue received from the sale of goods and services to customers in all regions of operation	€1,158.4 million	€1,127.9 million
EBITDA	Organic profitability excluding interest, tax, depreciation and amortization	€ 181.6 million	€186.4 million
NPAT	Net profit after minority interests and the provision for taxes	€30.9 million	-€36.1 million
ROACE	ROACE = earnings before interest and taxes (EBIT) over average capital employed (CE) CE = debt plus equity	3.6%	3.5%
Leverage	Leverage = net debt/EBITDA	2.98	2.73
Shareholder equity ratio	Shareholder equity ratio = total shareholder equity over total assets	57.9%	57.7%
Earnings per share	Net earnings attributable to shareholders/weighted average number of common and preference shares	0.38	-0.44
Share performance ¹ (TITK)	TITAN common share annual return (31 Dec. 2013 - 31 Dec. 2014)	-3% ⁽²⁾	
	Five-year return (31 Dec. 2009 - 31 Dec. 2014)	-0% ⁽³⁾	
Credit rating	Credit rating by standard and Poor's	BB	BB-

(1) Dividend reinvestment included.

(2) Versus -29% for the ASE General Index.

(3) Versus -18% for the ASE General Index.

Group financial performance

TITAN Group returned to profit in 2014 after two loss-making years. The continuing recovery in the USA, improvements in the Greek market and better performances in Southeastern Europe offset reduced profitability in Egypt.

Net results in 2014 were augmented by the strengthening of the US dollar and the Egyptian pound against the euro.

Key financials

	2014	vs 2013
Consolidated turnover	€1,158 million	+2.7%
Earnings before Interest Tax Depreciation and Amortization (EBITDA)	€182 million	-2.6%
Net Profit after minority interests and the provision for taxes (NPAT)	€31 million	-€36 million in 2013

Sales

TITAN's cement sales in 2014 were adversely affected by prolonged gas shortages in Egypt, which hindered production, but our overall sales performance was resilient.

	2014	vs 2013
Cement	16 million metric tons	-7%
Ready-mix concrete	3.9 million m ³	+14%
Aggregates	14.2 million metric tons	+14%

Cash flow and net debt

	2014	2013
Free cash flow generated	€90 million	€136 million
Net debt at the year-end	€541 million	€509 million

Operating free cash flow for the year (with EBITDA at €182 million) was reduced at €90 million, due to €82 million of capital expenditure and a €17 million increase in working capital. Year-on-year, the Group increased capital expenditure mainly in Egypt (energy-related projects) and the US (business development). Group net debt is now less than half of what it was at the beginning of 2009 – the Group has reduced its total net debt from a peak of €1.1 billion to €540 million.

For more information about debt structure, please see Debt and capital structure on page 22.

Share performance

At the end of 2014, TITAN's stock price (TITK) declined by 3%, compared to a 29% drop in the General Index of the Athens Stock Exchange (ATHEX). TITAN held 2,925,831 treasury shares, of which 2,919,912 are common shares and 5,919 are preferred shares without voting rights, representing 3.46% of its paid-up share capital.

For more information about TITAN's share price performance, please see Equity market information on page 23.

Parent Company financial results

	2014	2013
TITAN Cement S.A. Turnover	€264 million	€235 million
Earnings before Interest Tax Depreciation and Amortization (EBITDA)	€31 million	€11 million
Net Profit after the provision for taxes (NPAT)	€92 million	-€43 million

Turnover was 12.5% up in 2014 and the Company's net profit after the provision for taxes (NPAT) reached €92 million, mostly due to €112 million of dividends received from international subsidiaries.

Returns to shareholders

This year's good results and the more favorable outlook for 2015 have enabled the Board of Directors to propose a dividend for the first time since 2011 – the distribution of €12,694,879.20, representing a dividend per share of €0.15. In addition, the Board has proposed the distribution of special reserves to the amount of €12,694,879.20, corresponding to a further €0.15 per share.

Post-balance sheet events

In February 2015, Group subsidiary Alvacim Ltd purchased the 20% stake held by the European Bank for Reconstruction and Development (EBRD) in ANTEA CEMENT SHA (ANTEA), a TITAN Group subsidiary in Albania.

As a result of this purchase, TITAN Group holds 80% of ANTEA's share capital, while the remaining 20% is held by the International Finance Corporation (IFC).

Debt and capital structure

Strong financials to fund growth

The financial crisis has presented a significant challenge for our business and the whole construction sector for several years. We have countered this by managing our business more tightly, reducing our cost base, prioritizing capital expenditures and managing our capital structure more effectively.

Debt issuance

In 2014, TITAN re-established its position in the capital markets. Taking advantage of the improving financial markets in July 2014, the Group – through its subsidiary, TITAN Global Finance PLC – issued a €300 million five-year bond with an annual coupon of 4.25%. The bond was rated “BB” by Standard & Poor’s. The proceeds were primarily used to repay existing bank debt.

Net debt at the end of the year stood at €541 million (2013: €509 million). At the same time Total Shareholders’ Equity reached €1,628 million, equal to 57.9% of Total Assets.

Credit facilities

The Group uses a mixture of both short-term and long-term credit facilities to cover its liquidity and capital needs.

At the end of the year, total credit facilities (bonds and capital markets) available to the Group amounted to €1,180 million, while total outstanding gross debt was €684 million.

Credit rating

In June 2014, Standard & Poor’s confirmed TITAN’s long-term credit rating as “BB” with a stable outlook.

Facilities/Utilization by Lender

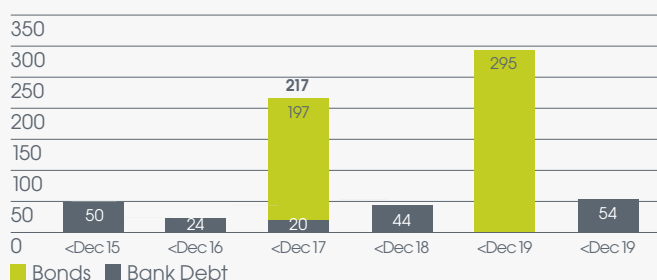
Total Facilities €1,180m



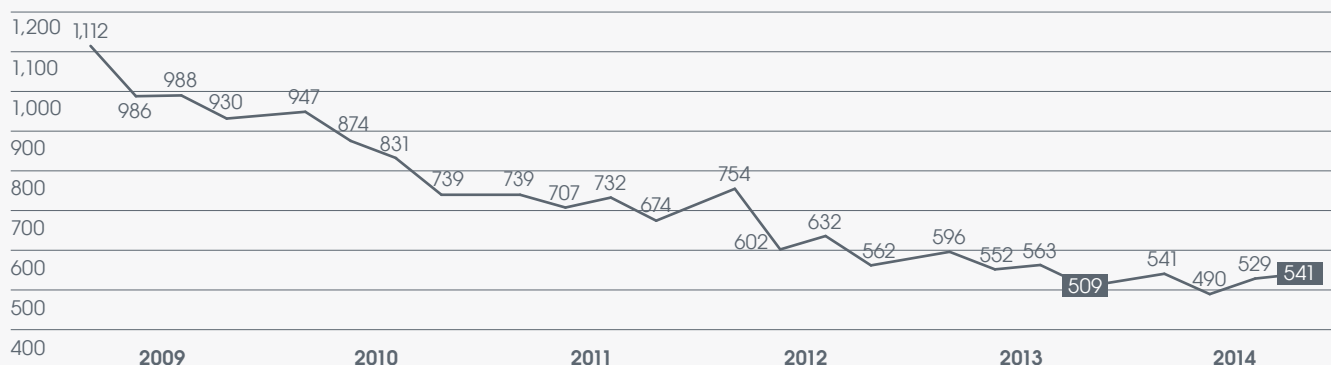
Total Utilization €684m



Maturity profile as at 31 December 2014 €m



Group net debt evolution €m



Note: For comparability purposes all figures have been adjusted in order to exclude Turkey (IFRS 11).

Equity market information

Investor relationships creating shared value

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

Share price performance

TITAN's common shares have been traded on the Athens Exchange since February 1912 and preference shares since November 1990. The Group's shares are components of the FTSE/ATHEX Large Cap and the FTSE/ATHEX Global Traders Index Plus.

TITAN's stock has also been included in the MSCI Emerging Markets Index since November 2013.

At the end of 2014, TITAN's stock price closed at €19.17 a share, a decline of 3% in the year, but still ahead of the ATHEX General Index, which declined by 29%. Over the last five years, TITAN shares have remained stable, while the ATHEX General Index has fallen by 18% per annum.

The share capital of TITAN Cement S.A. is €338,530,112, consisting of 84,632,528 shares with a nominal value of €4.00 each, of which 77,063,568 (91.1%) are ordinary shares and 7,568,960 (8.9%) are preference shares without voting rights.

SRI investors

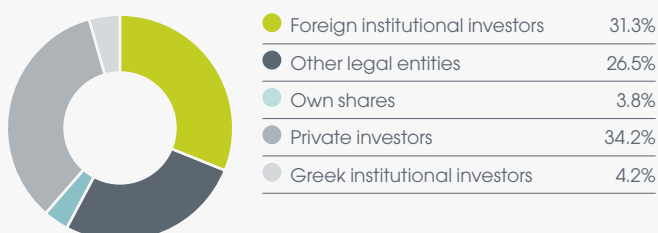
TITAN has been recognized as an "advanced" level reporter in line with the UNGC principles.

Our commitment to responsible corporate practices and reporting on sustainable issues was acknowledged by international investors, signatories of the UN-backed Principles for Responsible Investment (www.unpri.org).

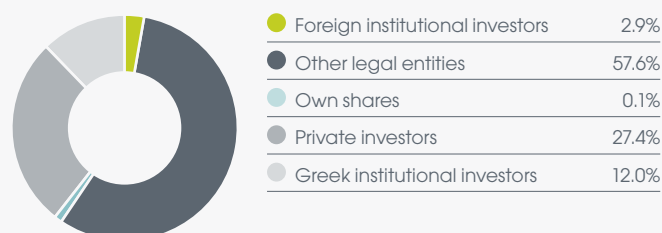
There is comprehensive information on the TITAN website for both debt and equity investors. It includes the Group's latest announcements, investor relations calendar, analyst coverage, share price analysis tools and webcasts of results presentations. For more details visit: <http://ir.titan.gr/> or contact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

Symbols	Common	Preference
Oasis	TITK	TITP
Reuters Ticker	TTNr.AT	TTNa.AT
Bloomberg Ticker	TITK GA	TITP GA

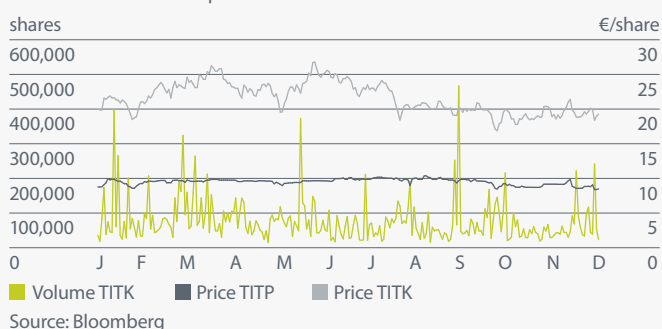
TITAN Common shares
as at 31 December 2014



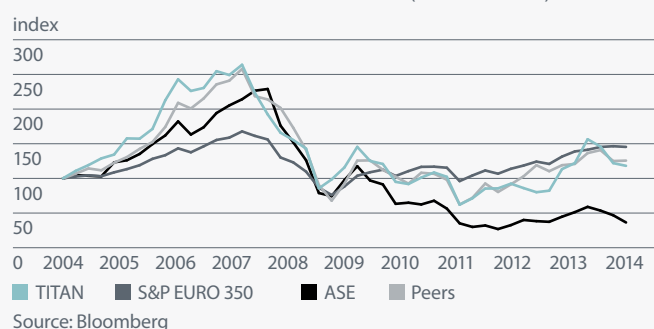
TITAN preference shares
as at 31 December 2014



2014 daily volume of transactions and price of TITAN common and preference shares



Share price performance of TITAN common shares vs the S&P Euro 350 Index and the ASE General Index (31/12/2003=100)



Health and safety

Committed to a safer, healthier working environment

At TITAN Group we constantly strive to raise the safety performance of direct employees and contractors, while urging suppliers and third-parties to adopt similar views and practices.

Performance summary

- Despite an increase recorded in 2014, the LTIFR for direct employees represents a 29% reduction, compared to 2010
- The LTIFR for contractors was 0.87, virtually unchanged from last year
- New data reporting platform came into operation in 2014
- “Safety at home” program for school pupils reached more than 13,000 children in 2014

We recognize that health and safety are material issues not only in the work place, but also beyond it – at home, at school or in the community. To support this, we are developing and implementing selected initiatives that create a wider culture of awareness and care.

Management review

Safety performance

Following the very low LTIFR achieved in 2013, the rate for direct employees increased to 1.65 LTIs per million man-hours, equaling our 2012 performance. Despite the year-on-year increase, the five-year trend shows an improvement of 29% relative to 2010.

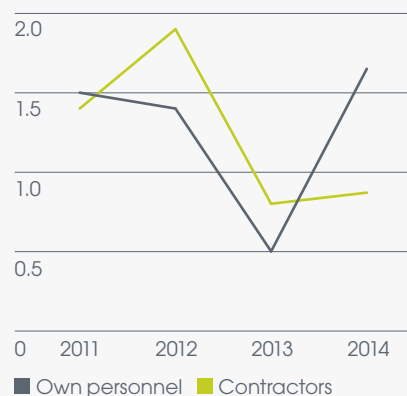
From the beginning of 2014, we undertook specific actions to strengthen the safety performance of our business units, such as: on-the-job training to weave safety into all daily tasks; zero-base-reviews of selected work processes; improvement programs to enhance the safety skills of supervisors and shift leaders; and programs to improve defensive driving skills. Despite this, TITAN regrets that in separate road accidents there was one contractor and one third-party driving fatality in 2014.

Contractor management

The safety improvement process for contractors continued in 2014, with the LTIFR remaining practically constant at the improved level achieved in 2013. An important part of this process was the Group-wide effort to improve contractor and driving management systems in line with CSI guidelines, with this project reaching completion at the end of 2014.

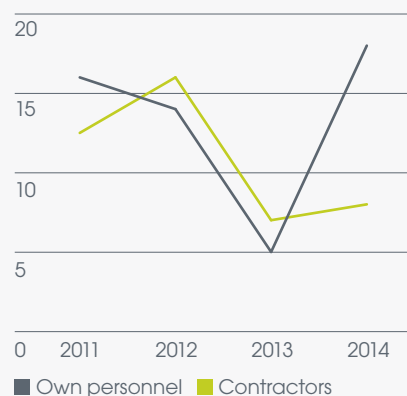
TITAN Group LTIFR

Directly employed and contractors (all activities)



TITAN Group total number of LTIs

Directly employed and contractors (all activities)



Group safety performance

	Directly employed		Contractors		Third-parties	
	2013	2014	2013	2014	2013	2014
Fatalities	0	0	1	1	1	1
LTIs	5	18	7	8	-	-
LTIs frequency rate	0.47	1.65	0.76	0.87	-	-

LTIs and fatalities by activity (sector)

Directly employed	Cement	Aggregates	Ready-Mix	Other Activities	Group
Fatalities	0	0	0	0	0
Fatality rate	0,00	0,00	0,00	0,00	0,00
LTIs	8	1	7	2	18
LTI Frequency Rate	1,10	1,66	2,61	5,87	1,65
Contractors	Cement	Aggregates	Ready-Mix	Other Activities	Group
Fatalities	1	0	0	0	1
Fatality Rate	2,45	0,00	0,00	0,00	1,92
LTIs	8	0	0	0	8
LTI Frequency Rate	1,10	0,00	0,00	0,00	0,87

Eliminating fatalities and serious injuries

Group Health and Safety continues to work towards the elimination of fatalities and serious injuries. We continue to identify and learn from Potentially Fatal Occurrences (PFOs), including near misses, and publish our findings in the form of guidelines and training material.

Site audits and incident prevention

In addition to the numerous audits and internal inspections carried out by our regional and business unit safety organizations, Group Health and Safety audited all of our cement plants and a significant number

of non-cement activities in 2014. The findings were used to improve safety behavior, processes, equipment and training.

The Group Health and Safety audits of the cement plants highlighted the need to focus on the safety knowledge, skills and behavior of front-line personnel in the solid fuel grinding installations. The audits of various ready-mix concrete plants revealed a need for greater uniformity in the safety equipment employed.

Following up on these findings, Group Health and Safety prepared and distributed "Minimum safety

requirements for ready-mix concrete plant equipment" to all business units to assist them with consistently assessing the safety level provided by the equipment installed.

Information sharing and training

We place great emphasis on continuously seeking and sharing health and safety-related information, especially descriptions of incidents that have occurred in the Group's business units or elsewhere. Lessons learnt are disseminated throughout the Group and introduced into training programs across our business units.

LTIs and fatalities by region

Directly employed	Greece	TITAN America	Southeastern Europe	Eastern Mediterranean	Group
Fatalities	0	0	0	0	0
Fatality Rate	0,00	0,00	0,00	0,00	0,00
LTIs	3	8	4	3	18
LTIFR	1,43	2,06	1,41	1,43	1,65
Contractors	Greece	TITAN America	SEE	EM	Group
Fatalities	1	0	0	0	1
Fatality Rate	7,67	0,00	0,00	0,00	1,92
LTIs	2	1	2	3	8
LTIFR	0,68	2,29	1,09	0,76	0,87

Health and safety continued

Our new data reporting platform, which came into operation in 2014, has produced benefits in both data collection and analysis. The analyzed information, combined with the results of incident investigations and audit findings, helps us identify training needs.

In 2014, safety training hours for direct employees increased from 2013 by around 23.5%, to an average of 10.5 hours per person, while remaining almost constant at 5.8 hours per person for contractors.

Continuing with the generation of new guidelines and training material, Group Health and Safety produced and distributed "Operations safety training", "Leading indicators" and "Silos" in 2014.

Employee health and hygiene

Dust and noise are important hygiene factors and measuring them consistently is instrumental in creating and maintaining a healthy working environment. In 2014, Group Health and Safety produced and distributed

the guideline "Dust and noise measurements" to help our business units measure both in a uniform way.

To monitor employee health, TITAN runs medical examination and health care programs in all countries. Doctors and occupational physicians monitor individual employee health, ascertaining fitness to work and offering advice or intervening as appropriate.

Within this framework, individual business units create additional programs that fit with local requirements. In Egypt, where hepatitis C is an important issue, TITAN (in collaboration with a specialist medical organization) offers programs for the families of employees and the people of neighboring communities. In the USA, TITAN offers wellness programs, helping employees and their families to lead healthier lives. In Greece, employees voluntarily donate blood and bone marrow.

Further improvements to our health protection and promotion program

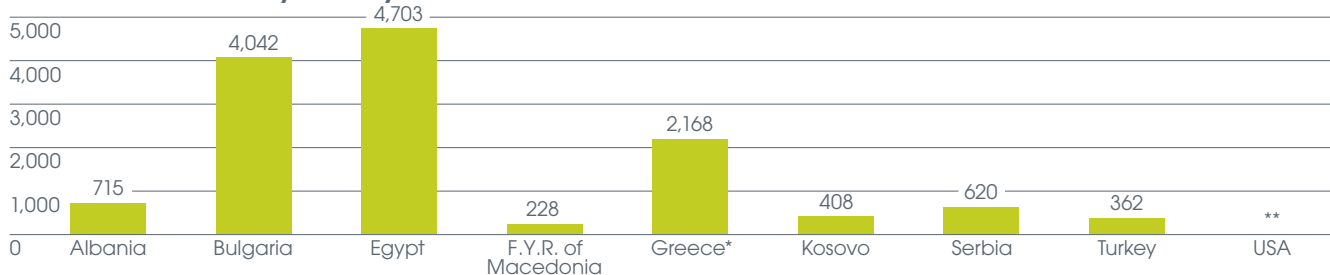
will be considered within the framework of our Sustainability 2020 strategy.

Promoting safety outside of work

Building a safety culture in society has for decades been a reason for creating partnerships with communities and institutions and has spawned significant projects in all countries in which we operate.

Our Greek cement plants continued to host safety training in collaboration with the Board of European Students of Technology (BEST). Voluntary sessions, where TITAN employees teach "Safety at home" to pupils of elementary and junior high schools reached more than 13,000 children in 2014. This initiative started as a service to our neighboring communities, but has now spread to schools in wider areas as well. Our plants in Serbia and F.Y.R. of Macedonia have also successfully run similar programs.

Contractors trained by country



*"Greece" refers to the regional operations as well as the Group corporate center.

**Compilation for GDE from the local community not available for the USA.

Total contractors' training man-hours by subject 2014

Training subject	Training man-hours
Environment: care and management systems	381
Health and Safety	28,957
Human rights	0
TITAN Group Code of Conduct	0
Management and managerial skills	12
Non-technical skills and specialization	315
Foreign languages	166
Technical know-how and core competence	247
Other	0
Total*	30,078

* USA contractors' training man-hours are not included in these totals.

Outlook for 2015



The effort to improve and stabilize the safety performance of direct employees and contractors will continue in 2015, supported by a detailed review of our business units' safety training programs. Our goal to completely eliminate fatalities drives this effort.

Voluntary work promoting health and safety more broadly outside work will continue and we will address health and safety aspects of the supply chain within the wider context of the TITAN sustainability strategy.

Employment and people development

Driven by our people

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

Performance summary

- We refreshed our People Management Process in 2014
- We also improved employee engagement through our Employee Opinion Survey
- Total employment at TITAN Group increased by 1%
- Group employee turnover was 12%
- Training man-hours were 130,067 for direct employees and 31,325 for contractors

Management review

Our approach to people management

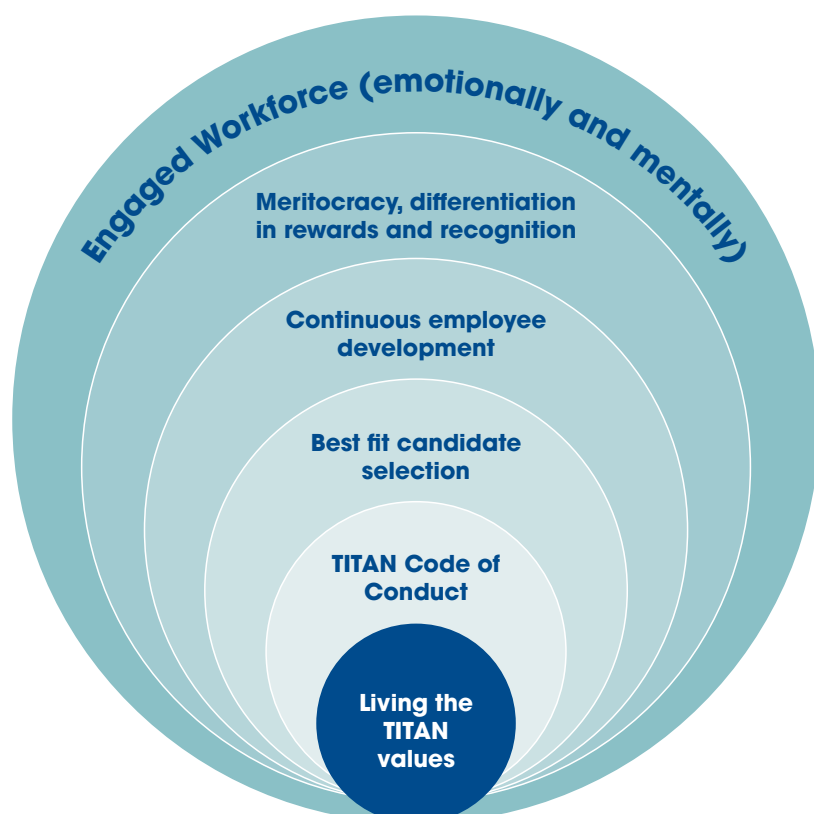
We believe that an effective and engaged workforce should live our values and have a strong understanding of our Code of Conduct. The Code of Conduct is translated into all languages spoken by TITAN employees and contractors. It is signed by managers and employees every time it is reviewed and updated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

The Code of Conduct is also provided as part of the "personnel file" given to any new employee and they are required to read and sign it with their contract.

The Code of Conduct is also an important element of induction courses provided to employees, and Group HR runs periodically a training program for managers in all countries to help them train employees appropriately and ensure they are familiar with it.

Our Human Resources (HR) Committee operates at Group and regional or country level, depending on the matter under review and its effect on our human resources policy and objectives locally and globally.

The Committee at Group level meets at least three times a year to discuss matters such as upgrading and updating our management systems to better meet our goals and ambitions. In 2014, the HR Committee decided to fully review and update our Performance Appraisal System, to cover more aspects of our business strategy and collective goals and, in particular, our sustainability goals. The Employee Opinion Surveys that were launched in 2014, and will be finalized in 2015, will provide significant feedback from employees across the whole Group.



Employment and people development continued

TITAN Group employee standards

Non-discrimination: prohibit discrimination in all employment related practices.

Working hours: respect the right to leisure and avoid excessive overtime.

Wages and benefits: guarantee a wage that – at a minimum – meets national legal standards and provides additional benefits that respond to local needs.

Discipline: apply appropriate disciplinary measures.

Fair treatment: prohibit bullying and harassment.

Prohibition of child and forced labor: prohibit the use of all forms of forced and child labor, complying with International Labor Organization standards.

Freedom of association: respect our employees' freedom of association and related rights, within the framework of local laws.

Refreshing our people performance management process

Our review of the Group's performance management process in 2014 involved a cross-regional, cross-functional team, made up of new and experienced employees. This proved to be a winning formula in terms of effective

collaboration and will provide a model approach for similar projects in the future.

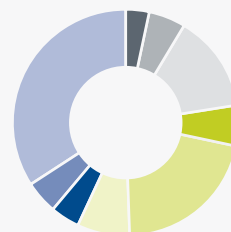
The team mapped our existing processes, researched external and internal best practice and analyzed what in our existing system works well and where we needed to make changes. Finally, the team came up with a set of criteria for evaluating the proposed solution. The Group HR Committee approved their proposal and our new performance and development process will apply Group-wide from the beginning of 2015.

The new process captures and combines both the "WHAT" (aiming for high performance) and the "HOW" (behaviors reflecting our values and principles) of performance. This means building on existing practices that work well, emphasizing what's new and explaining what needs to happen in every business unit.

Creating and safeguarding employment (human capital)

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

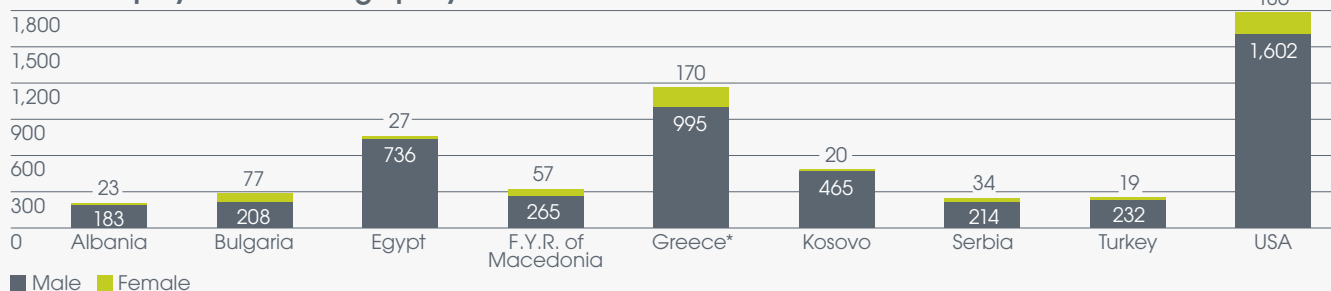
Direct employment at year-end by country



Albania	198
Bulgaria	288
Egypt	767
F.Y.R. of Macedonia	314
Greece*	1,165
Kosovo	408
Serbia	236
Turkey	258
USA	1,867

**Greece* refers to the regional operations as well as the Group corporate center.

Direct employment – average per year



**Greece* refers to the regional operations as well as the Group corporate center.

Direct employment at year-end by country



**Greece* refers to the regional operations as well as the Group corporate center.

TITAN's employment model is based on long-term employment for direct employees, and long-term relationships with our contractors. Self-employed workers are specialists or experts providing certain type of services, such as lawyers and doctors.

The conditions of employment provided by TITAN, the level of engagement with its employees and the continuous effort to improve employees' skills and capacities are the elements that in principle differentiate TITAN from its competitors and peers in local markets.

The number of self-employed workers is around 250 across the Group. Gender diversity is not a material issue. This estimation is based on our contractors providing cleaning services for the offices, not the plants and catering services.

We believe that safeguarding employment is an important part of being a responsible employer.

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

TITAN itself relies on long-term relationships with employees and business partners as it depends on the expertise and skills that people can only acquire through significant experience of working in the industry. For that reason, only a very limited number of employees who work with TITAN are on temporary and part-time contracts.

The number of individuals with TITAN contracts that are self-employed is also small and is mostly limited to specialist personnel and experts, such as lawyers and advocates, occupational physicians and

Percentage (%) of employee turnover by country



Albania	14
Bulgaria	6
Egypt	5
F.Y.R. of Macedonia	11
Greece	8
Kosovo	25
Serbia	18
Turkey	14
USA	13

*Greece is identified as both the regional operations and the Group corporate center.

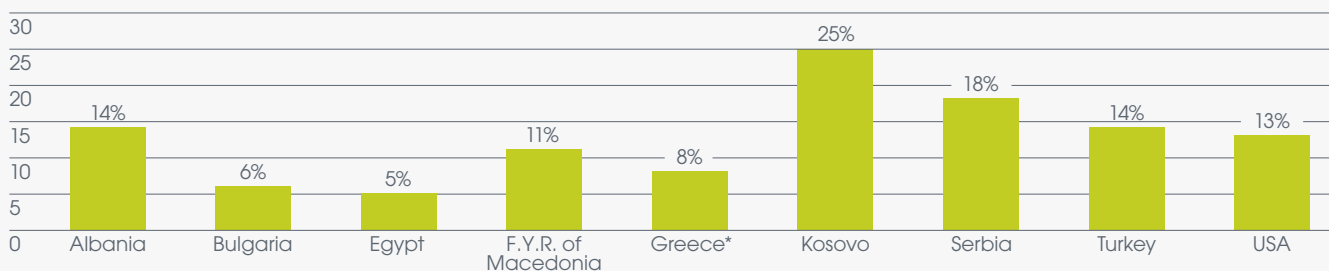
Employee turnover by country by age group and gender

Country	Direct Employment at year-end	Under 30		30-50		Over 50			Totals	
		M	F	M	F	M	F	M	F	ALL
Albania	198	6	3	13	3	3	0	22	6	28
Bulgaria	288	0	0	5	2	8	2	13	4	17
Egypt	767	4	0	23	0	11	1	38	1	39
FYR of Macedonia	314	0	0	2	0	25	6	27	6	33
Greece*	1,165	29**	27**	30	3	6	0	65	30	95
Kosovo	408	0	0	2	1	98	2	100	3	103
Serbia	236	5	3	4	0	28	2	37	5	42
Turkey	258	18	1	13	3	2	0	33	4	37
USA	1,867	24	9	92	9	106	4	222	22	244
Total	5,501	86	43	184	21	287	17	557	81	638

* "Greece" refers to the regional operations as well as the Group corporate center.

**48 of them were part of the short-term summer youth training program.

Employee turnover by country



*Greece is identified as both the regional operations and the Group corporate center.

Employment and people development continued

particular professionals who according to local legal provisions are classified as independent service providers. It has been estimated that approximately 250 people (calculated as full-time equivalents) provided legal, scientific or other services to TITAN as self-employed individuals in 2014.

TITAN helps support the family environment and upholds the rights of its employees of both sexes to exercise parental leave. In 2014, 38 employees out of a total 254 entitled to take parental leave did so:

18 men and 20 women. Of this group, all but two women returned to work after their parental leave. TITAN has a return to work rate of employees of 44.4% for men and 76.3% for women, while the retention rates for both sexes is almost identical (60% for men, 60.7% for women).

Global business with local expertise

Although the Group operates globally, most of our employees are local nationals and, in many of our operations, 100% of our

local management teams are local nationals.

Despite the challenging economic and social circumstances in many of the countries in which we operate, total employment in the Group for 2014 actually increased slightly by 1% compared to last year, mainly due to a focus on recruitment in our local businesses.

As well as hiring new employees in markets where business growth required greater resources, we made selective hires in other countries as well. We believe this is strategically

Parental leave*

Total number of employees who were entitled to parental leave, by gender

Male	200
Female	54

Total number of employees who took parental leave, by gender

Male	18
Female	20

Total number of employees who returned to work after parental leave ended, by gender

Male	18
Female	18

Total number of employees who returned to work after parental leave ended who were still employed twelve months after their return to work, by gender

Male	17
Female	17

Retention rates (%) of employees who took parental leave, by gender

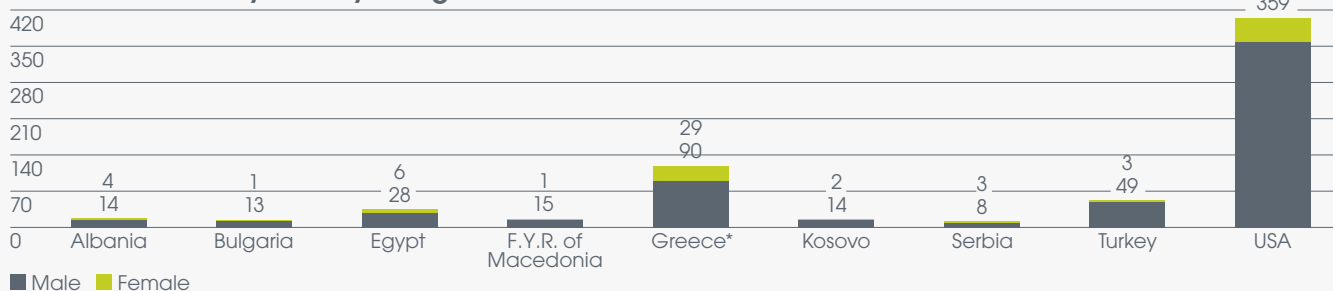
Male	60.0
Female	60.7

Rate (%) of return to work of employees who took parental leave, by gender

Male	44.4
Female	76.3

* Country-level parental leave requirements vary. We comply with all parental leave legal requirements in all the countries in which we operate.

New hires in 2014 by country and gender



**"Greece" refers to the regional operations as well as the Group corporate center.

important for the enrichment and development of our workforce, and will help us address future business challenges. In all countries, the ratio of basic salaries and remuneration remains in line with market norms and collective agreements where applicable. It is our policy and practice to pay an equivalent rate for the same job, differentiating pay according to performance.

Our policy is to be a preferred employer in our local markets and by providing education and vocational training we aim to make employment opportunities available to people in the local communities and help them to join us as employees or as contractors.

As part of our "Laboratori për Aktivitete të Biznesit – LAB" program in Kosovo, for the first time we are contributing to the creation and development of small businesses locally to provide additional opportunities for employment outside of the building materials sectors, such as agriculture and forestry.

Measuring our people's engagement

In line with our [corporate values](#), we are committed to a continual process of internal review and

analysis. To do this better, we need to hear from our employees.

In 2014, we conducted a new Employee Opinion Survey in all our operations that was designed for us by an independent international Company specializing in this field. Our aim was to drive positive change, improve company effectiveness and further enhance our employee's experience and our Company culture.

The survey was available in all nine languages of the countries we operate in (Albanian, Arabic, Bulgarian, English, Greek, Macedonian, Serbian, Spanish, and Turkish). It took place in waves across our business units, and all TITAN employees, at all levels, had the chance to participate.

Our people had the chance to provide their opinion anonymously and to freely provide additional written comments on all of the areas discussed within it. To ensure confidentiality and encourage participation in the survey, the same independent company assisted us in processing the survey.

The survey was well received and resulted in record response rates from our employees. In some countries this rate exceeded 90%. The findings were

communicated country by country and across the Group, while the areas identified as important by the survey were prioritized with specific action plans, initially at a country level and afterwards will be addressed at a global level, as part of our continuous improvement process.

Grievancies

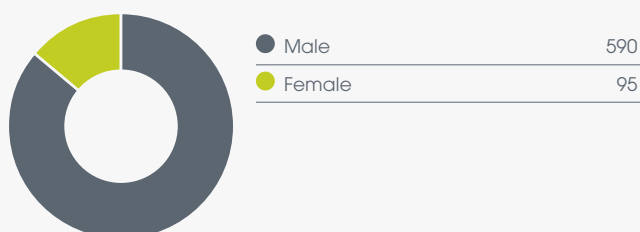
All of our operations have mechanisms for employees to report grievances through their [ISO 14001](#) management systems. For example, our sites either have a yellow safety box for employees to communicate with management or other written procedures that can be followed. Our employees in Greece and in the USA, or 55% of all of our employees, have access to an anonymous grievance hotline. In the USA this is called "Ethic Point" and consists of an anonymous email and telephone number that enables employees to raise concerns in confidence directly to senior management. When a concern is raised through these hotlines, it is immediately investigated to see if the concern is a justified grievance. If it is deemed to be justified, a thorough investigation is undertaken and necessary actions are taken by TITAN to remediate the grievance. In 2014, the majority of concerns raised were related to HR issues and safety. There were no other justified grievances reported in any of our other operations, except for in Egypt, where employees raised concerns regarding reduced bonuses, which were as a result of weaker financial performance in Egypt due to fuel shortages. This concern was investigated and resolved by senior management.

Number of significant contractors and screening 2014

Country	Number of concerns raised	Number of justified grievances investigated	Number of grievances leading to actions taken by TITAN	% TITAN Group employees covered by anonymous ethics hotline
USA	14	5	2	21%
Greece	3	3	0	34%

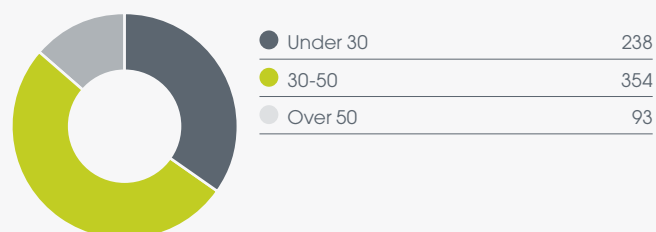
New hires by gender

Total new hires: 685



New hires per age group

Total new hires: 685



Employment and people development continued

Training and development

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

Health and safety training remains a key priority for the Group, accounting for 44.8% of training in 2014 (58,322 man-hours). This is part of our continuing commitment to promoting a stronger health and safety culture Group-wide.

Apart from health and safety training, we ran a variety of training programs aimed at building awareness, as well as new skills and competencies on issues related to sustainable and responsible practices. In 2014, these mostly covered the topics of values and Code of Conduct, stakeholder engagement and reporting performance for managers and employees.

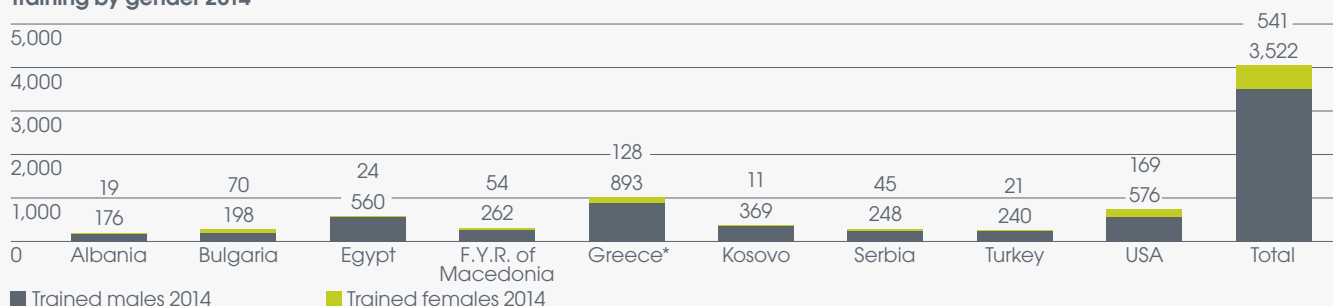
Training per employee increased by 7.8% to 23.59 hours in 2014, demonstrating our continuing investment in our employees' development.

We continue to expand successful Group initiatives such as our Self-Training E-learning Program (STEP). In 2014, 19 employees from all business units participated, meaning that a total of 81 employees have now taken part in it.

Security practices are also very important to the business, as we need to ensure we can safeguard employees and local communities, especially in Egypt and countries that are less stable. To help us do this, we regularly train 100% of our security personnel.

Distribution of training man-hours per employee by country and by gender in 2014

Training by gender 2014

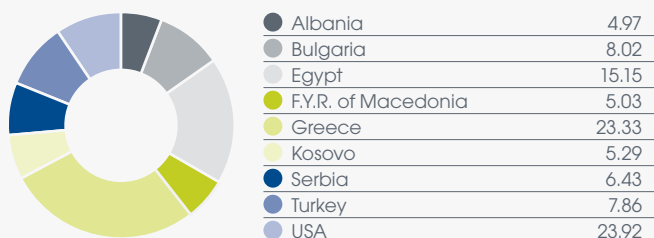


Training hours per subject by country per gender per country in 2014

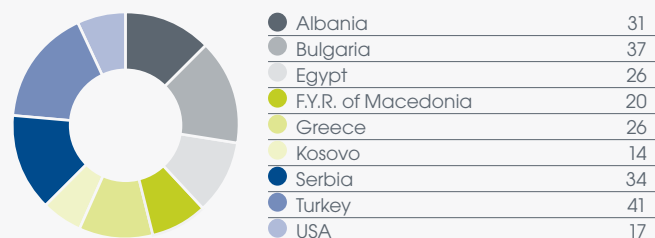
	Albania		Bulgaria		Egypt		F.Y.R.O.M.		Greece		Kosovo		Serbia		Turkey		USA*		Total
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	hours per subject
Environment: care and management systems	85	13	109	164	207	0	12	46	1,548	132	287	59	555	101	0	0	45	50	3,413
Foreign languages	1,588	160	90	0	2,778	30	315	60	468	116	332	90	821	453	2,025	903	0	0	10,229
Health and safety	2,465	138	6,903	1,200	4,284	18	1,541	316	9,687	396	2,413	26	1,500	142	5,311	298	18,786	2,898	58,322
Human rights	18	0	0	0	0	0	0	0	0	0	0	0	21	8	0	0	0	0	47
Management and managerial skills	16	0	570	243	5,156	889	549	156	1,369	348	0	0	1,660	1,018	384	16	1,408	408	14,190
Non-technical skills and specialization	592	256	248	439	763	98	435	475	7,705	2,626	0	0	329	312	8	0	474	784	15,544
Other	184	8	0	0	48	14	1,654	0	0	0	3,206	469	360	216	236	4	208	105	6,712
Technical know-how and core competence	792	144	316	153	5,381	35	927	60	5,833	117	0	0	704	168	755	284	4,621	1,321	21,611
Total hours	5,740	719	8,236	2,199	18,617	1,084	5,433	1,113	26,610	3,735	6,238	644	5,950	2,418	8,718	1,505	25,542	5,566	130,067

M=Male F=Female

Distribution of training man-hours per country %



Distribution of training man-hours per employee (average man-hours)



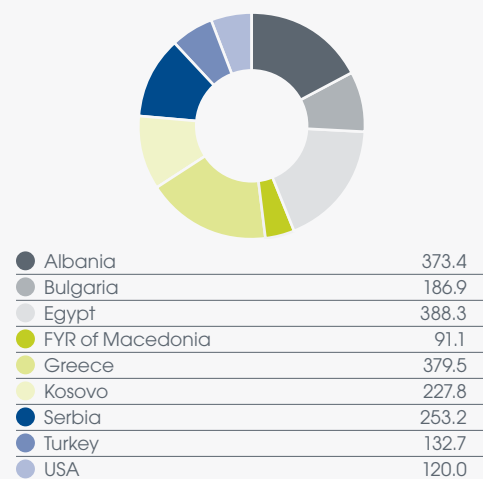
Employees trained 2014 by country and by gender

Country	Employees (average)	Trained employees	Trained Males	Trained Females	% of women in trained employees	% of women in total employees
Albania	206	195	176	19	9.74	9.22
Bulgaria	285	268	198	70	26.12	24.56
Egypt	763	584	560	24	4.11	3.15
F.Y.R.O.M.	322	316	262	54	17.09	16.77
Greece	1,165	1,021	893	128	12.54	10.99
Kosovo	485	380	369	11	2.89	2.27
Serbia	248	293	248	45	15.36	18.15
Turkey	251	261	240	21	8.05	8.37
USA	1,788	745	576	169	22.68	9.45
Total	5,513	4,063	3,522	541	13.32	9.81

Trained employees per age group

Country	Under 30	30-50	Over 50	Total per country
Albania	79	99	17	195
Bulgaria	13	195	53	261
Egypt	34	417	133	584
F.Y.R.O.M.	9	77	230	316
Greece	57	785	162	1,004
Kosovo	17	105	255	377
Serbia	16	166	102	284
Turkey	62	188	11	261
USA	61	483	201	745
Total	348	2,515	1,164	4,027

Total investment per employee in euros 2014



Employment and people development continued

Building intellectual capital

TITAN Group invests in steady long-term work relationships with its employees and thus builds the intellectual capital of the Company on multiple levels:

- The “C-Mentors” program is a three-year industrial development program for TITAN newcomers with technical roles. By interactively transferring know-how, it enables them to become first-rate cement professionals, fully fledged cement employees and, ultimately, highly valued cement mentors.
- Quality of leadership is critical to the Group’s success. That is why we commit significant resources to training and developing high potential employees throughout the organization, giving them the knowledge and skills to deliver the Group’s performance and growth objectives. Therefore, we continue to expand successful Group initiatives such as our Self-Training E-learning Program (STEP). In 2014, 19 employees from all business units participated, concluding to a total of 81 employees that they have by now taken part in this program.

Equal opportunities, gender and age equality

Achieving growth in a multi-regional environment depends on our capacity to respect and manage diversity of culture, skills and competencies in an efficient and effective way. This makes equal opportunities not only a prerequisite for meeting our voluntary commitment to international standards as defined by UNGC principles and the [Universal Declaration of Human Rights](#), but also a critical part of implementing our business strategy.

Our adherence to international standards for diversity and equal opportunities provides the framework for implementing our [Employee Management Framework](#) throughout the TITAN Group.

This in turn helps us put in place the relevant practices to recruit and develop personnel, even in countries where gender equality is not safeguarded by local legislation.

Participation of female employees in top management and provisions to support age diversity remain the main priorities for TITAN Group in this area, as they are the two issues identified as most material for our business and our key stakeholders, particularly our employees, our communities and our investors.

This emphasis is reflected in the strong local presence in our local management teams. Women managers are also well represented locally, even in countries where it is less common for female professionals to be employed in heavy industries. Overall, 15.7% of our managers are women, while the overall percentage of women directly employed by TITAN in 2014 was 11.1%.

Our commitment to gender equality is evident in our performance recruiting female employees and encouraging their participation in our training programs. We pay the same salary to men and women who do the same job and ensure that there is no difference through in-cash and in-kind provisions due to gender or type of contract.

We invest in building long-term relationships with our employees and value the know-how, skills, competencies and experience that come from an employee’s long tenure with TITAN. The Group

continues to invest in employee development regardless of age. Overall, our companies always try to balance new hires across most age groups.

Prevention of child labor and forced labor

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

The risk of child labor has been identified through a human rights self-assessment and a mapping by our CSR Department in the supply chain in Egypt, where some transport contractors employ young people from 15 to 17 years old as support to load and unload their vehicles, a practice that is very common in many developing countries. To avoid such risks, TITAN has imposed strict requirements on its contractors and does not allow them to carry out our work with the help of any person younger than 18 years old. All contractors are expected to present us with a full list showing the profile and training of their employees before being commissioned for any contracted job.

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

Percentage (%) of women in management in 2014



* Greece is identified as both the regional operations and the Group corporate center.

“We are committed to protecting and advancing human rights as defined in the Universal Declaration of Human Rights (UNDHR) and the International Labor Organization’s (ILO) Conventions. Within this framework, we aim to promote respect for human rights within areas of our influence. These include: respect for the freedom of association, the valuing of diversity, equal opportunities for all, the elimination of all forms of discrimination, and consideration of human rights in investment decisions.”

TITAN Group Code of Conduct

To mitigate this risk, TITAN is aiming to build long-term relationships with all suppliers that will allow us to have enough information on how and where they operate and select those ones that can provide consistency and reliability in the way they operate, along with the usual standards of cost, quality and on-time delivery.

Human rights

We signed the UN Global Compact pledge in 2002 and this guides our decision making, management systems and even our training courses for managers and employees. Every year, our country management teams examine the potential risks for human rights abuse within the spheres of our influence. We monitor our performance against fundamental human rights standards to ensure that we provide a safe, fair and reliable working environment for our employees.

We communicate our expectations to significant suppliers and primarily local contractors with whom we seek to develop long-term relations to make sure that they will acknowledge any potential risks and challenges for

human rights issues within their sphere of influence. We arrange safety audits for our local contractors on an annual basis and these cover the main aspects of human rights concerns, such as working hours and labor rights. The Group CSR Committee also examines reports on human rights risks by country and identifies opportunities for improvement.

In 2014, we completed human rights assessments in Albania, Bulgaria and Greece, covering 23% of our cement plants.

Collective bargaining and unionization

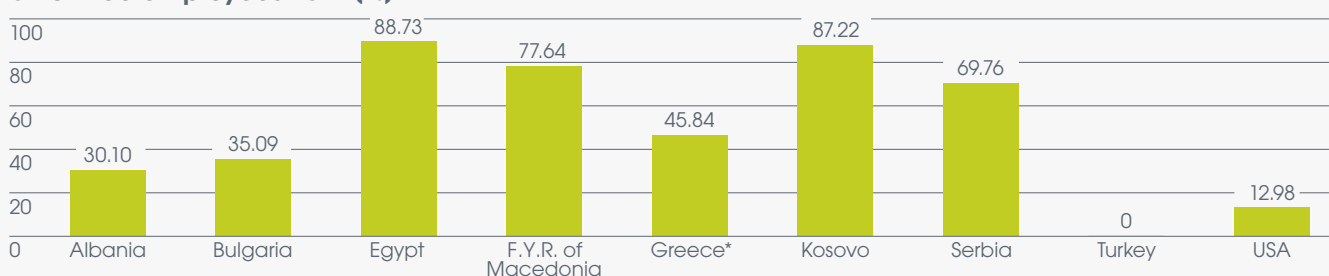
Respect for labor rights is a material issue for all employees, regulators and communities. Acknowledging the importance of our commitment to safeguarding these rights, TITAN Group actively promotes the freedom of association of employees, beyond local legal requirements in all countries. Unions, when established by employees, participate in bilateral meetings with the management on a yearly basis, as well as in stakeholder dialogue that addresses strategic issues for

the business within the framework of sustainable development.

In total, 44% of our employees belong to unions. Union representatives have the right to meet with line management to discuss their concerns and suggest improvements, and to negotiate agreements on different issues covering employees’ expectations, such as wages and additional benefits, and proposals to improve health and safety conditions. 100% of our formal agreements with trade unions cover a variety of health and safety topics.

Apart from health and safety matters, on an annual basis the agenda of meetings with unions and employee representatives cover remuneration, statutory and additional benefits. In addition, health and safety Committees comprising management and employee representatives operate in all countries, covering 100% of our employees. The members of these Committees are elected along with the union board members by employees in formal and open elections every three years.

Unionized employees 2014 (%)



Communities

Enabling local development by supporting communities

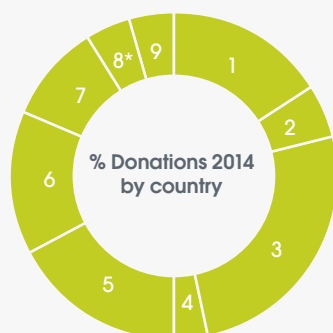
The Group has extensive programs in place to tackle issues such as health, safety, poverty, unemployment and damage to the environment. These are issues of real concern in many of the places we operate, so addressing them and supporting local communities are key to our long-term success.

Performance summary

- TITAN donated €2,221,006 to community development projects in 2014, up 31.3% on 2013

Donations 2014 by country total in Group €2,221,006	% of Group total
1. Albania	16.0
2. Bulgaria	5.2
3. Egypt	25.4
4. F.Y.R. of Macedonia	3.3
5. Greece	17.1
6. Kosovo	14.2
7. Serbia	9.6
8. Turkey*	4.9
9. USA	4.2
Total	100.0

*The amount for the donations in Turkey has been adjusted in line with our proportion in the equity of the Company (50%).



Our interactions with local communities are a key aspect of our approach to responsibility. We define our communities as the “social environments” in which we work (where our offices and primarily our cement plants and other operation units are located) and we work with the organizations, public, advocacy and civic society groups that operate in the community.

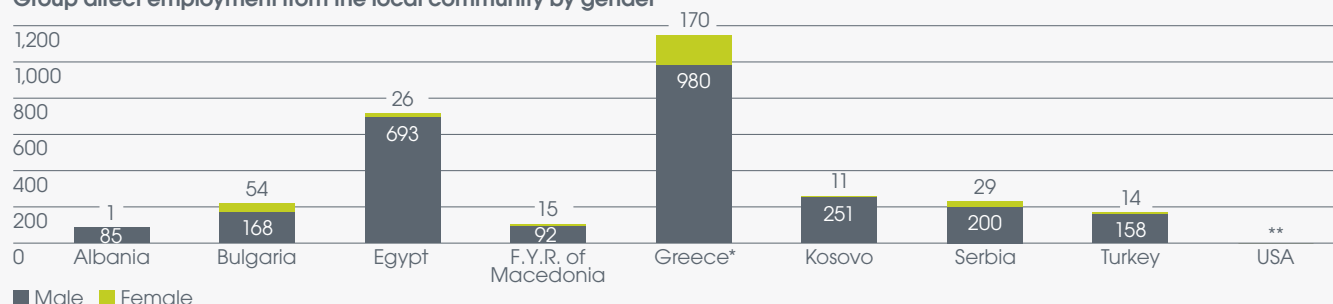
The objective of our community activities is to provide strategic support that results in significant impact and contributes to sustainable community development.

Our community strategy and plan of activities is led and implemented by local CSR Committees operating in every country. The CSR Liaison Delegate appointed by the local management in each country is the contact person for both internal and external stakeholders. Our community policy is directed by the feedback we receive from organized dialogue with community leaders and representatives, but also from events where our managers work together with communities to improve local

conditions, such as safety at schools, tree-planting and reforestation, cleaning the environment and managing waste.

We conduct community needs assessments in many different countries to determine the local need for infrastructure and other services. Local stakeholder forums and panels are organized annually and local stakeholders are invited to provide feedback on programs implemented within the framework of TITAN’s community policy and to address new needs or other opportunities to engage with us on.

Group direct employment from the local community by gender



*“Greece” refers to the regional operations as well as the Group corporate center.

**Compilation for GDE from the local community not available for the USA.

Management review

Community stakeholders and key focus areas

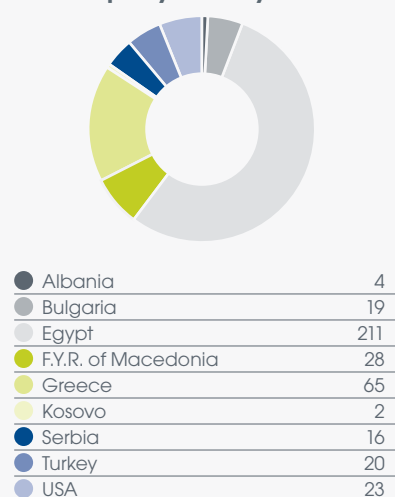
The primary stakeholder group for TITAN's community strategy is employees. Employee feedback has shown us that we have attracted new colleagues due to positive reactions to our community initiatives. Other key stakeholders in our communities are contractors, suppliers and business partners who are invited to participate in volunteering initiatives.

These initiatives include open plant days and study visits, stakeholder panels and bigger programs, such as the Safety at Schools partnership in the F.Y.R. of Macedonia, the LAB initiative in Kosovo, Education for All in Bulgaria and Adopt the River in Greece.

In addition, we recognize the value of relationship building with relevant local community and industry business groups such as chambers of commerce, local councils and business interest groups with a particular focus on education, health and safety, environment and waste management and community infrastructure and development.

As a standard practice, TITAN provides opportunities to young people from local communities to develop skills and competencies that are necessary for employment through organized internship

Internships by country 2014



programs. In 2014, we expanded the number of internships, while we also participated in CSR Europe's effort to develop a guide for improving quality and effectiveness of internships.

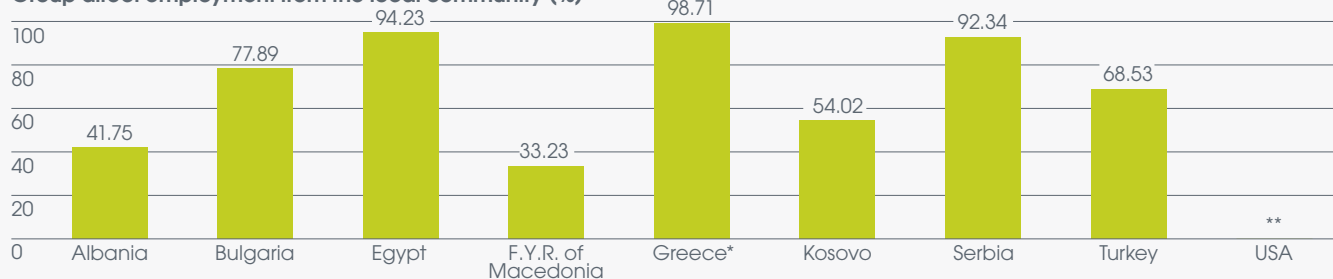
For example, in Serbia local management is conducting stakeholder dialogue to identify priorities at local level and has evolved a new initiative where local organizations and stakeholders participate in an open competition where proposals for community programs are assessed by a stakeholder panel and the best of them are supported through the company's community funding budget.

Our social investment themes

We contribute both financial and non-financial resources toward local development and, while priorities vary from one community to another, they usually fall into one of our strategic social investment themes: safety; healthcare; poverty and unemployment; and environmental awareness. This means they are also strongly aligned with the material issues for the Group and, in particular, they help us deal with health and safety concerns, community relations, our socio-economic impacts, our reputation for integrity and transparency, and climate change and air emissions.

In 2014, assessment or re-assessment of material issues was conducted in all significant locations where TITAN operates and primarily "cement operations", to help ensure that the development of our new sustainability objectives and targets for 2020 will be both inclusive and responsive to community needs.

Group direct employment from the local community (%)



**Greece* refers to the regional operations as well as the Group corporate center.
 **Compilation for GDE from the local community not available for the USA.

Communities continued

The following case studies provide just a few of many examples of our community investment and engagement activities in 2014.

Safety



Building safety awareness in Greece

During 2014, 50 of our executives trained 13,274 school-children in 86 schools. The interactive seminars are not limited to the classroom, as the children who attend also receive a comprehensive guidance booklet on home safety.

While the "Safety at home" program began at schools located close to our cement plants, ready-mix concrete plants and quarries, today it is known throughout Greece and has reached schools that are nowhere near to our centers of activity. It has also expanded internationally, with similar programs in Serbia, Egypt and elsewhere.

Healthcare



Health mediator working with the Roma population in Bulgaria

Our Zlatna cement plant worked with the National Network of Health Mediators and the Municipality of Yablanitsa to provide a local Roma woman with training at the Medical University.

She works to improve healthcare in the local Roma population and the initiative has helped us forge better links with that community.

We have also implemented a similar initiative in Egypt.

Poverty and unemployment



LAB project in Kosovo

The "Laboratori për Aktivitete të Biznesit – LAB" project aims to contribute to the economic development of the Municipality of Hani i Elezit in Kosovo through the sustainable use of the local natural agro forestry resources.

Unemployment remains one of the biggest problems for most of the residents in Hani i Elezi, especially farmers in rural areas. The agro forestry sector is the most promising sector for growth and job creation in Kosovo, so LAB's focus is on supporting business start-ups in this sector, providing financial help to generate income and new employment.

Environmental awareness



“Our waste, our fortune” campaign in Egypt

Working with the Alexandria University, the Directorate of Education and the Alexandria Governorate, we continued to promote our municipal solid waste campaign “Our waste, our fortune” in 2014. Targeting youth centers, schools and universities, our aim is to improve our external stakeholders’ environmental understanding of solid waste management issues.

Through this campaign we are also raising awareness of the potential for us to use processed waste as alternative fuels for kilns. We have also implemented a similar initiative in the USA.

Corporate giving program



TITAN's corporate giving program

It is varied and comprehensive and includes the following:

- Corporate donations (both cash and in-kind giving) to local, national and international organizations that support our sustainability and community development areas.
- Volunteer opportunities – for all employees: TITAN fully reimburses the time given by employees to participate in corporate volunteering programs.

In many cases TITAN matches funds raised through employees’ volunteering efforts. For example, in the case of Serbia floods in 2014 where our employees from all countries volunteered to raise funding and provide aid for people in need.

Outlook for 2015



We launched a new Social Policy in Serbia in 2014 and this will be extended to Egypt in 2015. The TITAN Board is currently reviewing all Group policies as part of the new sustainability framework and this will guide our approach to community relations and development in the coming years.

Business partners

Building strong relationships

We depend on our long-term relationships with our suppliers and they make a significant contribution to our performance. We work with them to develop innovative solutions to meet customer requirements.

Performance summary

- We co-lead both the [CSR Europe's portal for buyers and suppliers](#) and the [Cement Sustainability Initiative's Task Force 10](#)
- Sourcing locally creates jobs in our local communities
- Use of new technology improves our ongoing collaboration with customers

Management review

Engaging with our suppliers and customers

TITAN provides high-quality products and services at competitive prices, but we also depend on our long-term relationships with our suppliers and contractors. They significantly contribute to our performance and we work with them to develop innovative solutions to meet customer requirements.

Our supply chain comprises a variety of business partners who provide us with services (as contractors or licensees) and products (as brokers or wholesalers). We mainly use local contractors for the maintenance of machinery and operations, which are largely capital intensive activities, as well as cleaning and catering, which are labor intensive activities. During the pre-qualification phase of selection, potential risks are identified

by category of supplier or contractor, depending on the type of activities they perform.

Where possible, our companies source products and services locally. This benefits the communities we work in by creating local jobs. We also source centrally through international suppliers who provide goods such as fuels, technology and machinery. Relations with suppliers at global, national and local levels are critical to the Group's performance and as such are considered material for TITAN.

All companies, regardless of size, need sufficient financial resources to stay in business. TITAN strives to pay its suppliers on time and in line with local conditions and regulatory requirements.

Sustainable procurement

Our supply chain is integral to the sustainability practices of the organization. Our Group Code for Procurement guides the selection, management and evaluation of the suppliers who provide us with goods and services – the key criteria are quality, reliability, flexibility and location of business. Our significant suppliers are contracted for those specific goods and services upon which our businesses are dependent.

We understand the importance of engaging with our suppliers and, particularly, our contractors, who are long-term suppliers of specialized services. We do this in line with our sustainability principles and best practice, and we are also looking to expand our collaboration with suppliers by adopting the CSI sustainability principles for the supply chain. By doing this, we believe we will maximize the positive effects we can have in terms of efficiency,

Significant Contractors and screening 2014

Country	Total number of significant contractors	% of local contractors	% of significant contracts with clauses on Human Rights and Human Rights screening	% of significant contracts declined or imposed conditions as a result of Human Rights screening
Albania	50	26%	100%	0%
Bulgaria	11	45%	100%	0%
Egypt	146	79%	34%	0%
F.Y.R.of Macedonia	-	-	-	-
Greece	32	-	31%	0
Kosovo	49	18%	-	-
Serbia	70	7%	0%	0%
Turkey	125	100%	-	-
USA	-	-	-	-
Total	483			

labor practices, performance, injury and risk reduction, and environmental protection.

The focus of our supply chain management is on maintaining cost effective and sustainable relations with all suppliers, whether global, national or local. We are committed to improving safety standards among our suppliers, especially those in areas identified as high risk, such as the transportation of goods and materials, maintenance services and quarrying.

This is one of the reasons we co-lead both the CSR Europe's portal for buyers and suppliers and the Cement Sustainability Initiative's Task Force 10. Through this task force we are developing a new framework for engaging with suppliers, so as to embed sustainability at every level, based on the UNGC principles and CSI standards.

We are also looking to embed human rights assessments into our supply chain by 2020. This will involve screening suppliers using new human rights criteria that cover child labor, discrimination, forced or compulsory labor, freedom of association and collective bargaining, indigenous rights and security practices and additional safety criteria.

We plan to identify and assess significant actual and potential negative human rights impacts linked to our activities, products and services, and through our relationships with suppliers. Currently, assessments of our suppliers, including contractors, are informed by audits, contractual reviews, two-way engagement, grievance and complaint mechanism, mainly focused on health and safety, which covers a number of human rights risks.

Case study



Our campaign launching blended cement in Egypt

In 2014, TITAN Egypt continued to enhance its competitive position in the Egyptian cement industry by running a campaign to raise awareness of its new product, which is blended cement.

Blended cement is a mixture of portland cement and other material such as granulated blast-furnace slag, pozzolan and fly ash, etc. It supports our efforts toward sustainable development, with a reduced environmental footprint in terms of CO₂ emissions and energy consumption for concrete production, while offering improved efficiency, making blended cement more environmentally friendly.

At TITAN Egypt we are the first to produce it, so we have been keen to promote its advantages to our customers and other stakeholders.

Events were organized at our Alexandria cement plant in June and our Beni Suef cement plant in August, and all invitees – including wholesalers, traders and retailers – received information about the new product, along with details of TITAN Egypt's full product portfolio.

More than 200 people attended the events in total, providing our commercial and industrial teams with an ideal opportunity to engage with our customers and discuss the construction materials we have to offer.

Business partners continued

Supplier selection criteria by country

Country	Albania	Bulgaria	Egypt	F.Y.R.O.M.	Greece	Kosovo	Serbia	Turkey	USA
Legal compliance	Y	Y	Y	Y	Y	Y	Y	Y	Y
Locality									
Health & Safety compliance	Y	Y	Y	Y	Y	Y	Y	Y	Y
Comply with environmental legislation	Y	Y	Y	Y	Y	Y	Y	Y	Y
Abstain from bribery & corruption	Y	Y	Y	Y	Y	Y	Y	Y	Y
Respect for human rights	Y	Y	Y	Y	Y	Y	Y	Y	Y
Locality	X	X	X		X	X	X		-
Price	X	X	X	X	X	X	X	X	-
Flexibility		X	X		X				-
Quality	X	X	X	X	X	X	X	X	-
Other	Experience			Delivery terms			Terms of payment	Reliability	-

Note

Our Group Code of Conduct for Procurement defines minimum criteria for selecting suppliers which are marked with a (Y). In addition to these minimum criteria, criteria for supplier selection varies. The additional supplier selection criteria used by the USA was not available due to a lack of resources. (-) signifies not available.

For TITAN, “local” refers to the administrative region of a cement plant, Ready-mix unit, quarry, terminal, company office or other premises belonging to the Group or one of its subsidiaries. Locally-based suppliers are the providers of materials, products, and services based in the same geographic market as the reporting organization (i.e. no trans-national payments to the supplier are made).

Currently, TITAN applies common principles for supply chain management as defined in the Group Procurement Manual. Acknowledging that local markets differ significantly, there is no common definition for “significant contractors” and information presented in the table above is not uniform in terms and criteria. Where a dash (-) appears in the table above, this means that the data is not available to the Group at this stage or in line with our stated definitions. In the case of Kosovo, we are looking to start reporting by 2015. In our joint venture

in Turkey, we have less influence over the screenings undertaken, but are looking to improve screening requirements by 2017.

TITAN is in the process of reviewing policies and procedures related to its supply chain management and a project is under way to improve data collection and align the business with the new CSI Guidelines for Sustainability in the Supply Chain, to help us provide comparable and more complete data by 2017.

Due to the position of TITAN in F.Y.R. of Macedonia, Greece and the USA, the definition of “local contractor” is not applicable. In these countries, the geographic definition of “local” varies because all national suppliers are considered local as well.

Satisfying customers' needs

All our operations have established management systems certified according to ISO 9000 and for cement and ready-mix products we comply with relevant European quality standards. However, we adapt our customer service policy according to local market conditions.

Our managers meet regularly with customers to transfer know-how and expertise regarding product use. This includes everything from health and safety best practice to explaining the advantages of using different products, such as blended cements or other more advanced products, and promoting their environmental and other benefits.

We continue to use new technologies to improve our direct and ongoing collaboration with customers. For example, E-Orders provide a tracking service for our customers in F.Y.R. of Macedonia, while other customers can view their orders and financial payments online.

Environment

Improving our environmental performance

Our efforts to address environmental concerns such as water and energy use, biodiversity, CO₂ emissions and waste management are not add-ons to our business, but are central to what we do. They underpin both our operational efficiency and our focus on sustainability. They also help us secure the permits we need to run our business.

Performance summary

- Specific CO₂ emissions of 676.3 kg/t_{Product} in regards to the Group target were virtually unchanged compared to 2013
- Specific dust emissions around 60% less than the Group target
- Percentage of alternative fuels used up to 6.9%_{Thermal basis} against our target of 10%
- Water consumption reduced to 311 lt/t_{Cement} more than 10% below the Group target
- Environmental expenditure was €30.1 million

Management review

Compliance and best practice

Compliance with environmental regulations and best practice is a material concern for our business, as it is part of our license to operate. We devote large amounts of human resources and environmental expenditure across the Group to improve and maintain our performance in this area, ensuring we meet local regulations and our own targets, which are often more demanding.

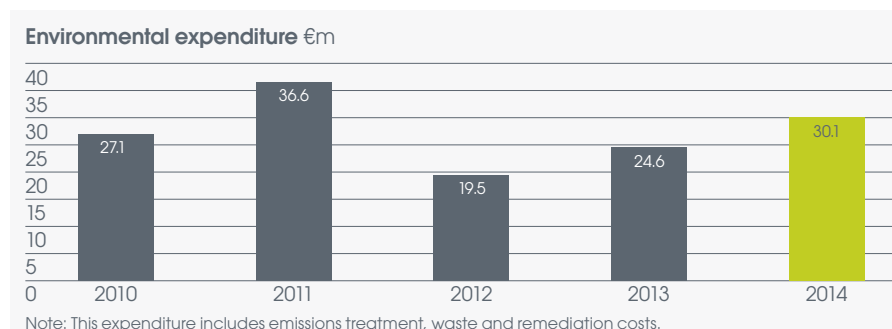
Internal and external audits are carried out to monitor our progress and, where issues are identified, we plan new initiatives and programs, in conjunction with local stakeholders to meet their needs. The total amount of significant fines paid by the Group in 2014 in relation to noncompliance with environmental laws and regulations was \$10,509. There were no non-monetary sanctions or environmental cases brought against the Group in 2014.

Environmental performance

Our five-year environmental performance improvement plan continued in 2014 and we are making good progress toward our targets for 2015/2017. In 2014, the external verification of our performance was extended to cover emissions of dust, NO_x and SO_x. In addition, following the revised CSI guidance on air emissions reporting, this year for the first time we provide information regarding our performance on Hg, PCDD/F and heavy metals emissions as well as the overall and specific coverage rates.

Group environmental performance

Key environmental measures		2014 performance	2015/2017 Group Target
Gross direct specific CO ₂ emissions	kg/t _{Product}	676.3	628.0
Specific dust emissions	g/t _{Clinker}	37.3	95.0
Specific NO _x emissions	g/t _{Clinker}	1,612.1	1,670.0
Specific SO _x emissions	g/t _{Clinker}	273.8	240.0
Specific water consumption	lt/t _{Cement}	311.1	350.0
Use of alternative fuels	% _{Thermal basis}	6.9	10.0



Environment continued

TITAN Group cement production and grinding plants

Specific gross direct CO₂ emissions¹ (kg/t_{Product}²)



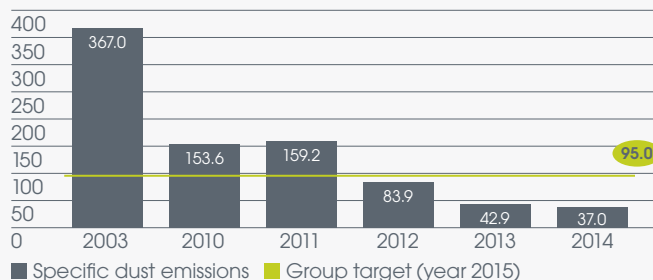
■ Specific CO₂ emissions ■ Group target (year 2015)

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

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

TITAN Group cement plants

Specific dust emissions^{1,2} (g/t_{Clinker})



■ Specific dust emissions ■ Group target (year 2015)

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

(2) Group target was calculated based on the equity held by TITAN Group in 2009.

Mitigating climate change

Thermal and electrical energy, along with raw materials, are fundamental resources for the high-intensity cement and construction industries; this means our operations can have a major impact on climate change.

We address this through the use of alternative fuels and raw materials and systematic monitoring and recording of quantities of energy resources consumed. Our approach to reducing our emissions is guided by the Precautionary Principle, in that we tackle the possible risks even where scientific understanding may be incomplete.

Carbon emissions

Since 2006, we have addressed our carbon emissions in line with the Kyoto Protocol. We have reported the CO₂ emissions from our cement plants following CSI Guidelines since 2003, while developing and implementing five-year action plans to further improve our overall performance.

Total direct carbon emissions from our cement and grinding plants in 2014 were 9.5 million metric tons. Specific CO₂ emissions were 674.4kg/t_{Product}.

Our CO₂ emissions, along with our thermal and electrical energy consumption, are calculated and reported in accordance with the corresponding WBCSD/CSI protocol (CO₂ and Energy Accounting and Reporting Standard for the Cement Industry, version 3.0, May 2011). According to the protocol no other Greenhouse gas (GHG) is considered material to cement plant operations. The base year for CO₂ emissions is 1990 in accordance to the Kyoto Protocol recommendation.

Air emissions

Dust

All TITAN Group facilities have dust monitoring and recording equipment enabling regular measurements in accordance with environmental legislation and our CSI commitments. We ensure that our facilities respect the limits on dust emissions of their operating permits and any conditions set by local authorities.

Our performance remained well inside the Group target in 2014. Total emitted dust was 416 metric tons, 20% lower than 2013, while specific emissions were 37.0g/t_{Clinker}.

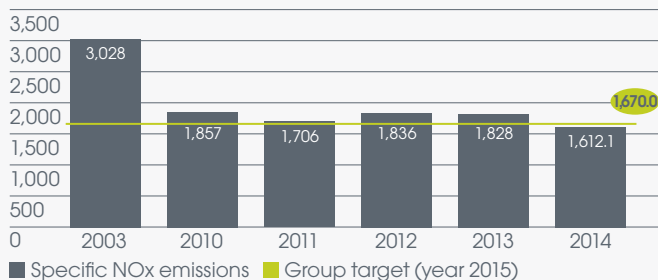
NOx and SOx

In 2014, NOx emissions were 18,088 metric tons, while specific emissions were 1,610g/t_{Clinker}, an improvement of 12% on the previous year and ahead of our Group target.

SOx emissions were 2,969 metric tons while specific emissions were 264.3g/t_{Clinker}, higher than the previous year.

TITAN Group cement plants

Specific NOx (as NO₂ eq) emissions^{1,2} (g/t_{Clinker})



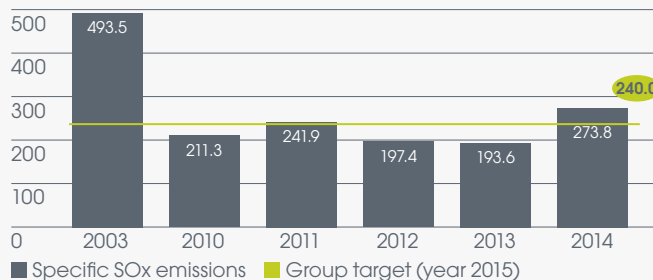
■ Specific NOx emissions ■ Group target (year 2015)

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

(2) Group target was calculated based on the equity held by TITAN Group in 2009.

TITAN Group cement plants

Specific SOx (as SO₂ eq) emissions^{1,2} (g/t_{Clinker})



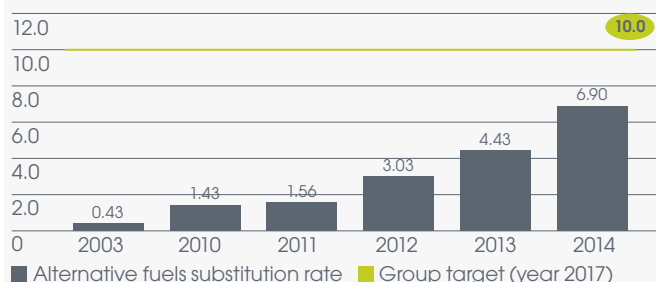
■ Specific SOx emissions ■ Group target (year 2015)

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

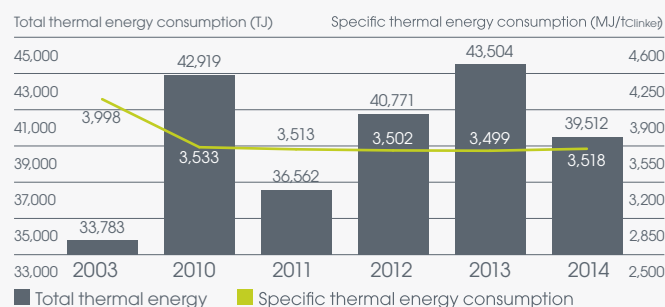
(2) Group target was calculated based on the equity held by TITAN Group in 2009.

TITAN Group cement production and grinding plants

Alternative fuels substitution rate (% Thermal basis)



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

TITAN Group cement production and grinding plants, attached and related quarriesThermal energy consumption for clinker and cement production¹

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

Extractive and alternative raw materials

The development, implementation and monitoring of programs to use energy and natural resources more efficiently is a material issue for our business and is a key part of our [Environmental Policy](#). By using alternative raw materials we can reduce the consumption of extracted raw materials and the by-products that go to landfill.

In 2014, we used 19.6 million metric tons (dry basis) of raw materials in our total cement production. Approximately 7% of those materials were alternative raw materials, mostly derived from by-products and waste from other industries.

Thermal energy and alternative fuels

In 2014, the Group consumed 39,512 TJ of thermal energy in clinker and cement production processes, including energy consumed by attached and related quarries.

That represented a reduction of more than 9%, compared to 2013, mainly due to the decrease of the corresponding clinker and cement production. We do not measure our energy use against a specific base year. Energy savings are only reported when a relevant project exists, we do not collect data on energy savings provided by our products during their use.

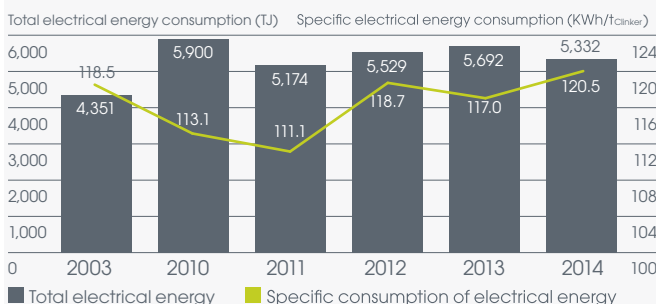
We identify alternative fuels according to local conditions and opportunities and invest in new technologies that can use them in a safe, environmentally friendly way. Where we can, we also use carbon-neutral fuels (biomass), to minimize our CO₂ footprint. In 2014, we increased alternative fuel usage to 6.65%^{Thermal basis}, against a Group target of 10.0%^{Thermal basis}.

Electrical energy

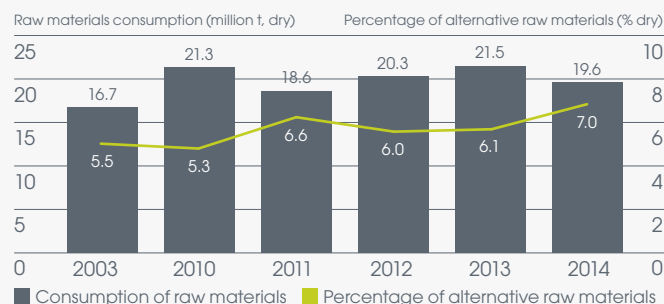
In 2014, electrical energy consumption at Group cement production plants and attached quarries was 1,481 GWh, down 6.3% on the previous year, due to the decrease of the corresponding clinker and cement production.

Resource efficiency

The reduction, re-use and recycling of raw materials, energy and waste are key elements of the [Group's Environmental Policy](#). We recover raw materials and by-products of the production process with specialized equipment. These are then processed and re-used.

TITAN Group cement production and grinding plants, attached and related quarriesElectrical energy consumption for clinker and cement production¹

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

Consumption of raw materials and percentage of alternative raw materials used in clinker and cement production¹

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

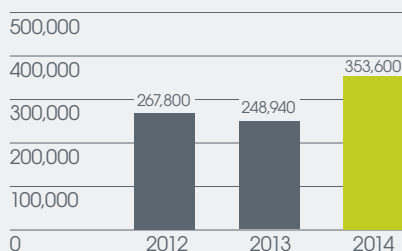
Environment continued

Waste management

TITAN recycles waste materials wherever possible. Where we cannot do this internally, we outsource it through a collective management system or licensed subcontractors.

Recycled (externally) waste material

metric tons



Water management

Resource use is a key material issue for the Group and our businesses use a significant amount of water, particularly in their production plants. Efficient water use and management is therefore an important environmental goal, but is also a way of keeping costs down. That's why our Group CSR Committee reviews the effectiveness of our sustainability policy which covers water management and any adjustments are agreed by the Committee in tandem with local CSR Committees.

Specific water consumption at the Group's cement plants in 2014 was at the same level as the previous year, with a slight decrease of 3.2%, reaching 305.4lt/t_{Cement}, below the Group target of 350.0lt/t_{Cement}. The total water withdrawal, consumption and discharge at the cement plants were 7.0 million m³, 3.8 million m³ and 3.2 million m³ respectively.

At Group level, a total 30.4 million m³ of water was withdrawn, 8.4 million m³ consumed and 22.0 million m³ discharged in 2014.

The volume of the water withdrawal, sourced from surface and ground water resources, is in most cases directly measured with water flow meters installed at the withdrawal points, whereas municipal water volume is usually determined by invoices or bills from the water supply company. In the few cases where direct measurements are not possible, water withdrawal is estimated by multiplying pump manufacturer rated capacity and pump operating hours.

Our efforts to promote good practices for efficient water management continued in 2014. In its first year of operation, the closed water recycling system at the Kosjeric cement plant in Serbia resulted in 580,000m³ less fresh water being withdrawn from the nearby river, as compared to 2013.

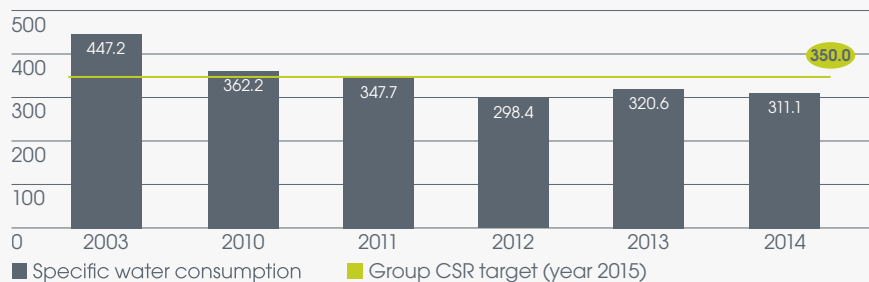
We have water recycling facilities in 92% of our cement plants. Nearly a third of the Group's aggregates sites use water in their production process and 80% of these sites operate water recycling systems.

In 2014, water recycling reached 21.0 million m³ at Group level, which is equivalent to 69% of the total water volume withdrawn. At our cement plant operations, the total volume of recycled water was 15.9 million m³, more than double (about 220%) the volume of water withdrawn.

Similarly, the water we recycle is normally determined by direct measurements (using water flow meters). Again, where this is not possible, estimates are used (pumping hours multiplied by the pump rated capacity, or simply by recording the number of water trucks of known capacity needed for yard washing and dust suppression).

TITAN Group cement production and grinding plants

Specific water consumption^{1,2} (lt/t_{Cement})



(1) Specific water consumption in each year is calculated based on the equity held by TITAN Group in 2009.

(2) Group target was calculated based on the equity held by TITAN Group in 2009.

TITAN Group water withdrawal by source million m³

	2012	2013	2014
Ground water	27.7	26.0	27.0
Municipal water (includes bottled water bought)	1.0	0.9	0.9
Harvested rain water (collected and used)	0.2	0.2	0.2
Surface water	1.6	1.7	1.0
Ocean or sea water	1.7	1.1	1.3
Waste water	0.0	0.0	0.0
Total	32.2	29.9	30.4

TITAN Group water discharge by destination million m³

	2012	2013	2014
Surface water (river, lake)	19.2	19.3	20.6
Ocean or sea water	1.8	1.1	1.3
Off-site water treatment	0.1	0.1	0.1
Total	21.1	20.5	22.0

In December 2014, the WBCSD/CSI officially issued the Protocol for Water Reporting to support member companies reporting the agreed CSI Indicators for water, with details in metrics, terminology, definitions and guidance for water accounting. TITAN's reporting on water is compliant with the requirements set out in this Protocol.

Biodiversity and land management

TITAN recognizes that the production of cement and aggregates both depend on and impact biodiversity and ecosystem services. However, the negative impacts of the extraction process can be minimized, while quarry rehabilitation can even have a positive impact on biodiversity if managed correctly. We have Quarry Rehabilitation Plans (QRPs) in place at almost 80% of the Group's quarry sites and similar plans

are being developed for the remaining sites.

Eight of our Group quarry sites have been recognized as areas of high biodiversity value and three of the eight (38% of them) operate under a Biodiversity Management Plan (BMP) that has been developed – or will be adopted – according to the Biodiversity Management Plan (BMP) Guidance launched by WBCSD/CSI in 2014.

Quarries screened for their biodiversity value using the Integrated Biodiversity Assessment Tool (IBAT)	100%
Number of active quarries within, containing or adjacent to areas of high biodiversity value	8
Percentage of quarries with high biodiversity value where biodiversity management plans are actively implemented	38%

Outlook for 2015

We will continue to minimize our overall environmental impact through:

- Increased use of alternative fuels;
- Installation of bag filters to reduce dust emissions to a minimum;
- Installation of new equipment to reduce NOx emissions, enabling us to comply with stricter limits on emission levels;
- Development and implementation of QRPs and BMPs according to local conditions and in line with CSI Guidelines;
- Implementation of best-practices through our participation in the Biodiversity and Land Stewardship Task Force and the Water Task Force of the WBCSD/CSI;
- Improvement of our water performance through efficient water management and the assessment of water-related risks for our operations.

TITAN Group quarry sites with high biodiversity value

	Site	Country	Location	Size (area in km ²)	Type of Operation	Status
1	Pennsuco Quarry	USA	Miami Dade, Florida	25.19	Raw materials extraction for cement and aggregates production	Inside area for protection of freshwater ecosystems (wetlands) on local/state level
2	Center Sand Quarry	USA	Clermont, Florida	2.79	Raw materials extraction for aggregates production	Adjacent to area for preservation of terrestrial ecosystems on local/state level
3	Zlatna Panega Quarry	Bulgaria	Zlatna Panega, Lovech	0.95	Raw materials extraction for cement production	Partly inside NATURA 2000 area for protection of terrestrial ecosystems (SAC)
4	Xilokeratia Quarry	Greece	Milos Island, Cyclades	0.64	Raw materials extraction for cement production	Inside/adjacent to NATURA 2000 area for protection of terrestrial and maritime ecosystems (SAC/SPA)
5	Apsalos (west and east) Quarries	Greece	Apsalos, Pella	0.08	Raw materials extraction for cement production	Inside NATURA 2000 area for protection of terrestrial ecosystems (SPA)
6	Rethymno Quarry	Greece	Rethymno, Crete Island	0.30	Raw materials extraction for aggregates production	Inside area for protection of terrestrial ecosystems on national level
7	Leros Quarry	Greece	Leros Island, Dodecanese	0.23	Raw materials extraction for aggregates production	Inside area for protection of terrestrial ecosystems on national level
8	Agrinio Quarry	Greece	Agrinio, Aitolokarnania	0.89	Raw materials extraction for aggregates production	Inside area for protection of terrestrial ecosystems on national level



Regional review

As the gradual recovery in the global economy gives us reason to be cautiously optimistic, our regional review of 2014 breaks down both our financial and non-financial performance across the four geographic regions our companies operate within.

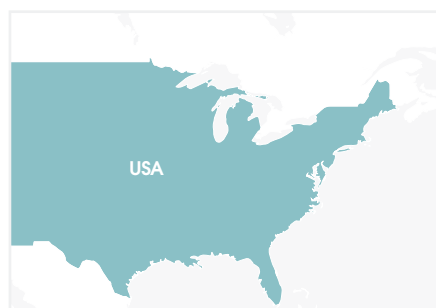
In this section:	
United States of America	50
Greece and Western Europe	52
Southeastern Europe	54
Eastern Mediterranean	56

United States of America

Strong sales performance as recovery gains pace

With construction spending on the rise for the third year running, the USA market continues to drive growth for the Group, both in turnover and profitability.

Location



Principal products



Cement



Ready-mix concrete



Aggregates



Fly ash



Building blocks

Employees



1,867

Business activities

Cement plants

2

Ready-mix plants

88

Concrete block plants

9

Quarries

7

Distribution terminals

15

Fly ash processing plants

9

Performance summary

- Growth in construction sector for a third successive year
- Above national average growth recorded in TITAN's regions of operation
- The USA accounts for more than one-third of Group turnover and an increasing share of the Group's EBITDA
- Turnover: €469 million +14% year-on-year
- EBITDA: €46.5 million +45% year-on-year
- Many awards received for our environmental and community practices
- Sustainability of concrete (LEED US Certification Standard for buildings)
- Continuation of Health and Safety programs have seen a significant improvement in LTIFR for contractors

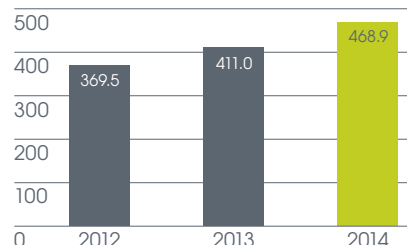
Regional turnover **€469 million**



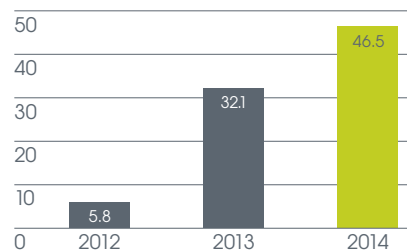
Regional EBITDA **€46.5 million**



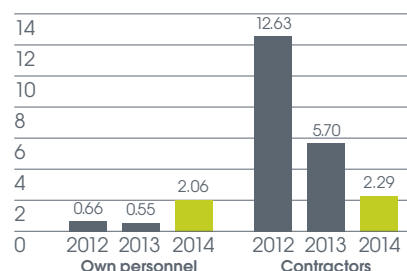
Turnover €m



EBITDA €m



Lost Time Injury Frequency Rate LTIFR



Management review

Market overview

Demand for building materials continues to recover:

- Overall construction spend was up by 5.6% in 2014 to \$961 billion;
- Private construction increased by 7.2%; and
- Private residential construction was up 4.1%.

The Portland Cement Association (PCA) reported that cement consumption in the South Atlantic States (including Virginia, the Carolinas and Florida), where TITAN's US plants are located, rose 11.1% in 2014, 2.0% ahead of the national average – cement consumption across the USA as a whole grew by 9.1% in 2014 to 89 million metric tons.

Regional performance

In 2014, our sales increased across the whole range of building materials we produce, driven by strong growth in Florida. Combined with improved pricing, this led to a significantly better financial performance,

with turnover up 14% to €469 million and EBITDA at €46.5 million, 45% up on 2013.

Demand remains strong for our fly ash product, ProAsh®, and our Group subsidiary, ST Equipment & Technology LLC, continued its focus on growth in 2014. The business produces and operates fly ash processing equipment and is also stepping up its investments in research and development to expand its operations to the processing of other minerals.

TITAN's operations in the USA continue to focus on sustainability initiatives that create long-term value for us, our stakeholders and the environment. These include biodiversity projects, efforts to improve our internal and external communication, and preparing the business for new and market complex regulations. We have also focused on attracting, developing and retaining talented employees, alongside community development.

We believe this is an important part of positioning our business for growth.

Two of our ready-mix plants received National Ready-Mix Association (NRMCA) Green Star certification in 2014 (Oceana and Airport) and three plants were recertified (Bryan Park, Clear Brook and Suffolk). Our Roanoke and Pennsuco cement plants received ENERGY STAR certification for the sixth consecutive year, underlining our commitment to protecting our climate through superior energy efficiency. In addition, both plants received "Wildlife at Work" recertification, which is valid for three years, and "Corporate Lands for Learning" certification.

The Roanoke cement plant also achieved top honors at the Cement Industry Energy and Environment Awards for Overall Environmental Excellence. This acknowledges that they have demonstrated excellence in multiple categories, including Land Stewardship, Energy Efficiency, Environmental Performance, Outreach and Innovation.

Focus on the USA – our key areas of operation

Florida

According to the US Geological Survey, cement consumption in Florida increased by 14.8% to 5.9 million metric tons in 2014. Demand for fly ash, ready-mix and aggregates also improved in line with the strong growth in cement, while concrete block saw even higher growth driven by residential and commercial construction.

Mid-Atlantic

Cement consumption in Virginia increased by a modest 2.84% to 1.7 million metric tons according to the US Geological Survey, while demand in North Carolina improved by 5.7% to 2.2 million metric tons. Ready-mix demand in the areas served by TITAN's Mid-Atlantic business grew by less than 5.0% in 2014, while fly ash demand remained strong but supply constraints limited opportunities for further growth.

New York/Metro

According to the US Geological Survey, cement consumption in the New York Metropolitan area was 1.4 million metric tons in 2014, an increase of 12.6% over 2013. In the context of an improving construction environment, the profitability of TITAN USA's Metro New York business quadrupled in 2014.

Outlook for 2015



While bad weather has hampered construction in the early part of 2015, the market continues to improve within the context of a broader economic recovery. The PCA forecasts growth in cement consumption of around 8% per year between 2015 and 2017, driven by demand in the residential sector and positive trends in the commercial sector.

It estimates even higher growth rates in the Southern States, where the largest share of our operations are located. We are increasing our capital expenditure to ensure that we can meet this higher demand and improve our competitiveness in the market.

In 2015, we are renewing our methods of transportation with low-energy alternatives, and further developing our health and safety leadership schemes. We will also complete a materiality assessment and develop a new action plan for sustainability aligned with TITAN Group priorities and local needs.

Greece and Western Europe

Operating profitability boosted by higher sales volumes

Low demand in the construction sector continues, but turnover and profitability have increased sharply due to EU-funded roadworks, strong exports and favorable exchange rates.

Location



Principal products



Cement



Ready-mix
concrete



Aggregates

Employees



1,165

Business activities

Cement plants

3

Ready-mix plants

26

Grinding plants

1

Quarries

27

Distribution terminals

8

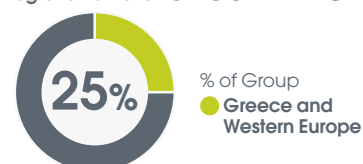
Dry mortar plants

1

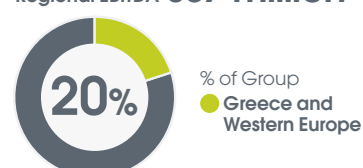
Performance summary

- Demand rising for the first time in seven years due to infrastructure spending
- Residential construction in the domestic market continues to fall
- Local production capacity dependent on export trade
- Turnover: €285 million +14% year-on-year
- EBITDA: €37 million +159% year-on-year
- Significant investment in improving health and safety in the workplace in Greece
- More than 13,000 children attended the "Safety at home" program, in 2014
- Best TITAN Partnership expanded (more than 61,000 hours dedicated to health and safety and environment)
- TITAN expanded its partnership with SEV BCSD in Greece and CSR Hellas by joining the Sustainability Greece 2020 initiative and contributing to the "N.Analytis CSR Students initiative"

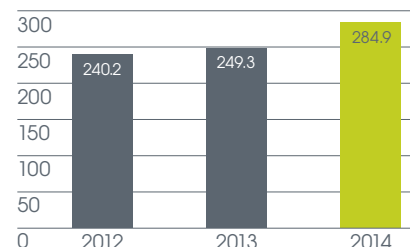
Regional turnover **€285 million**



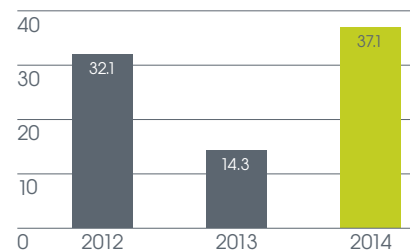
Regional EBITDA **€37 million**



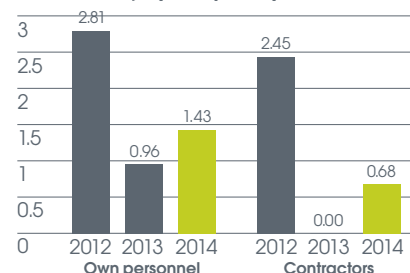
Turnover €m



EBITDA €m



Lost Time Injury Frequency Rate LTIFR



Management review

Market overview

Following seven years of continuous decline, demand for cement and building materials in the Greek domestic market grew in 2014, mainly due to consumption by public works.

However, residential construction, usually the biggest driver of demand, remains completely subdued, due to high levels of unemployment, the constraints of the mortgage market, limited disposable income and the introduction of higher real estate taxes. The high level of uncertainty, along with unfavorable demographics and a high stock of unsold homes have effectively brought residential building activity to a standstill.

Regional performance

During the recent years of the financial crisis, we have focused on safeguarding our employees and their jobs, while also reaching out to the wider community.

We have also managed to strengthen the business financially, and are well placed to grow with the market when economic hardship starts to ease gradually.

Increased demand in the Greece and Western Europe region led to an increase in regional turnover by 14% to €285 million in 2014, with EBITDA more than doubling from €14 million in 2013 to €37 million in 2014.

We remain dependent on exports to maintain satisfactory production levels at our plants in Greece. Export volumes grew further in 2014 and we benefited from the strengthening of the dollar against the euro.

We face intense international competition in the export market, particularly from countries with low energy costs and no constraints on CO₂ emissions. To counter this and to ensure we remain competitive, we are making significant investments in energy efficiency and in the use of alternative fuels at our plants.

The bulk of investments in Greece were directed toward equipment intended to reduce emissions, enhance our use of secondary fuels and improve health and safety in the workplace:

- The specific total emissions of our cement plants in Greece were close to the European average, 854.7kg versus 849kg CO₂/ton clinker; and
- The total quantity of alternative raw materials used in Greece was 520,000 metric tons, with an equal reduction in the use of natural (primary) raw materials.

We continue to participate in consultations and industry forums that inform the public and invite an open dialogue on the use of secondary fuels and alternative raw materials.

Focus on Greece and Western Europe – core operations

Cement exports

The Group's long-term and stable commercial presence in international markets has helped us maintain high levels of exports from our plants in Greece: cement exports were mainly bound for the Group's terminals in Europe and the USA; clinker exports for Western Africa and Central America; and bagged cement for North African countries.

Concrete operations

Major infrastructure projects drove a rise in Ready-mix concrete sales volume in 2014. Our subsidiary INTERBETON participated in almost all the major projects within its area of activity and has been able to meet demand using existing facilities without the need for new investments. The business has built a strong reputation for product quality and customer service and

is recognized by all the major engineering companies as a reliable supplier and partner.

Aggregates operations

The aggregates market in Greece grew by 35% in 2014, due to EU funded projects, such as roads, the modernization and extension of airports and ports, the Attica and Thessaloniki Metro, construction of schools, irrigation projects, biological waste water treatment projects and the remodeling of municipal areas. Despite this, the overall market remains significantly below its 2008 level, with private building activity still contracting.

Our Malakasa Quarry also continued operating in 2014 as a Centre for Recycling Materials from Excavations and Demolitions (AEKK), receiving excavation materials primarily from infrastructure projects.

Outlook for 2015



Despite the exceptionally low levels of activity in Greece, private construction continues to decline.

Data from the Hellenic Statistical Authority shows that the total volume of building permits granted in 2014 fell by 9% compared to 2013. After nine consecutive years of decline, permits granted stand at about 12% of the 2005 peak level.

Cement consumption in 2015 is expected to remain at broadly the same level as in 2014, subject to the major infrastructure projects continuing uninterrupted.

Southeastern Europe

Solid results and consistent performance

Mixed fortunes among the economies of Southeastern Europe put pressure on the region turnover, but the Group profitability grew thanks to its focus on efficiency and lower energy costs, while in parallel increasing its social and environmental efforts at the local and national level.

Location



Principal products



Employees

 **1,444**

Business activities

Cement plants

5

Ready-mix plants

7

Processed engineered fuel plants

1

Quarries

13

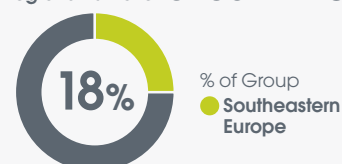
Distribution terminals

1

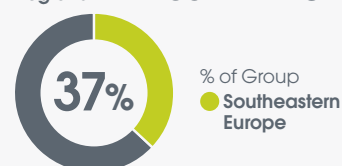
Performance summary

- Construction activity remained subdued, affected by uncertainty in the Eurozone
- Floods in Serbia hit both local communities and the economy
- Turnover: €208 million, -3.5% year-on-year
- EBITDA: €67 million, +7% year-on-year
- Increased use of alternative fuels at Group plants
- 1,000 days without Lost-Time Injuries in Albania
- TITAN Serbia's first A+ Report Assurance by independent auditors for 2013 report
- After just one year, the LAB initiative in Kosovo has seen remarkable results in training and new business development
- New internship program by TITAN Serbia in line with [CSR Europe](#) best practice
- TITAN F.Y.R. of Macedonia hosted the Annual European Global Compact Local Networks Meeting (ELNM) in October 2014 at Skopje
- Antea cement plant in Albania selected as a best-practice example for its health and safety practices

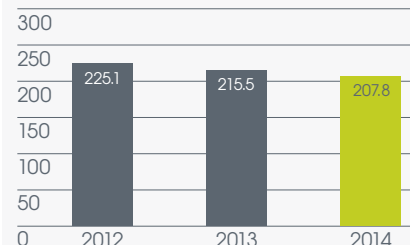
Regional turnover **€208 million**



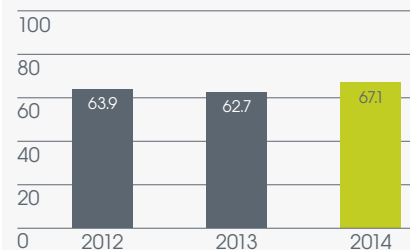
Regional EBITDA **€67 million**



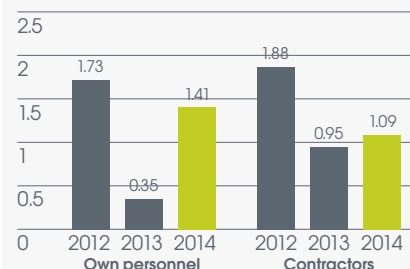
Turnover €m



EBITDA €m



Lost Time Injury Frequency Rate LTIFR



Management review

Market overview

There are signs of improvement in some of the markets we operate in, but the region as a whole remains a challenging environment for growth. Gross Domestic Product (GDP) in several of the Balkan economies improved in 2014, but construction activity remained subdued due to the weak economic development of the wider region.

Regional performance

Total turnover in 2014 in Southeastern Europe declined by 3.5% to €208 million, but EBITDA grew to €67 million from €63 million in 2013. The slight improvement in operating results was mostly due to our efforts to work more sustainably, driving energy costs lower and increasing the use of alternative fuels at our plants.

In Albania, we continued to actively support local communities. Projects in 2014 included

improvements to the school of Thumane and Borizane and a donation of cement for the construction of houses for poor families in the community. The Antea cement plant was also selected by the Labor Inspectorate of Albania as a best practice example for its health and safety practices and, in November, celebrated 1,000 days without LTIs.

In Bulgaria, we further enhanced our capabilities to use alternative fuels. Our process engineered fuel is derived from the separation, processing and mixing of several waste streams, such as municipal waste, biomass, oil sludge and high value solid waste materials that cannot be recycled.

We launched an education program in F.Y.R. of Macedonia to support students from technical high schools for mechanical and electrical studies. We maintained partnerships with NGOs, environmental agencies and other CSR-related organizations on

different projects, such as "Let's Do It! Macedonia!", a campaign to raise environmental awareness among employees and local communities and "From Waste to Youth Clean Energy", an initiative aimed at younger members of the community, promoting better waste management and clean energy sources.

In Serbia, we further enhanced our environmental performance, by implementing a system for recovering waste water at our cement plant, reducing the use of fresh water by 90%.

In 2014, TITAN in Kosovo issued IPPC (Integrated Pollution Prevention and Control) permits, a licensing regime for certain types of industrial activities, including cement production in accordance with the highest international standards, underlining TITAN's commitment to make every effort to comply with the most stringent regulations. It is thus worth mentioning that the IPPC is the first to be issued in the country.

Focus on Southeastern Europe – country profiles

Albania

In 2014, GDP grew by an estimated 1.8%, while cement consumption declined by 20% as a result of restricted liquidity in the private sector, reduced spending on public works and the suspension of construction permits by the Albanian government. Despite a sizable drop in its domestic sales, our local company managed to improve its financial results through improved operational efficiency and a lower cost base.

Bulgaria

The GDP growth rate of 1.2% for 2014 was an improvement over recent years, though Bulgaria saw a second year of deflation, mainly due to lower energy prices and weak local demand for goods and services. Cement demand remained stable, with the continuing use of EU funds for infrastructure projects in the country. Imports from Turkey decreased in 2014, but still accounted for 13% of the market.

F.Y.R. of Macedonia

The economic recovery continued as GDP grew by 3.7% in 2014, half of which was due to the buoyant performance of the construction

sector. However, demand for cement decreased by 8.5%.

Kosovo

In 2014, GDP grew by 2.8%, but after a decade of growth in the construction sector, the market declined significantly in 2014, with a 16% drop in cement consumption. The outlook for residential construction is bleak, given the very low level of construction permits. In parallel, governmental difficulties and the lack of financial resources have resulted in the postponement of many big public construction projects.

Serbia

The Serbian economy shrank by 2% in 2014, following catastrophic floods that hit large areas of the country in May. The flooding had a profound effect on the nation, causing casualties and devastation. It also had a negative economic impact on Serbia's agriculture and production of coal and electricity. However, the cement market showed signs of recovery, after five years in recession, with consumption increasing by 3% to 1.7 million metric tons.

Outlook for 2015



Construction activity in Southeastern Europe appears to have stabilized, although cement demand is considerably lower than the capacity of our plants.

No significant improvement is expected in the region in the short term, due to the weakness in the economies of neighboring Eurozone countries.

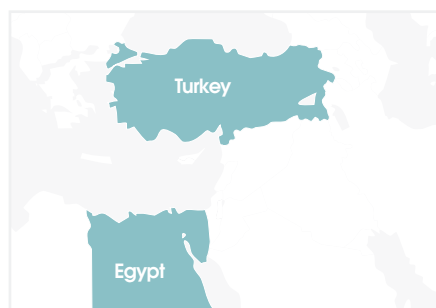
However, in line with its track record the Group's performance in the region is expected to show resilience in 2015.

Eastern Mediterranean

Strong demand underlines potential for growth

Fuel self-sufficiency in Egypt is the key to ensuring all our plants can run at full capacity and meet growing consumer demand in the construction sector.

Location



Principal products



Cement



Ready-mix concrete



Aggregates

Employees



1,025

Business activities

Cement plants

3

Ready-mix plants

5

Grinding plants

2

Quarries

17

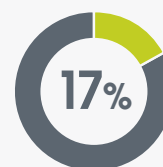
Distribution terminals

1

Performance summary

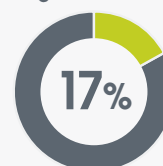
- Increasing demand in both Egypt and Turkey
- Turnover: €197 million, -22% year-on-year
- EBITDA: €31 million, -60% year-on-year
- Cement plants in Egypt running at around 50% of our capacity due to gas supply shortages
- Imported clinker from Greece and Albania helped contain the loss of market share
- Strategic investment in a solid fuel grinding mill at the Beni Suef cement plant completed and became operational in Q4 2014
- Addressed health issues among employees and the wider community in Egypt

Regional turnover **€197 million**



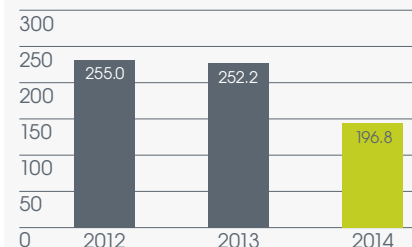
% of Group
● Eastern Mediterranean

Regional EBITDA **€31 million**

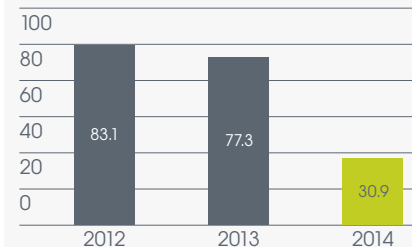


% of Group
● Eastern Mediterranean

Turnover €m

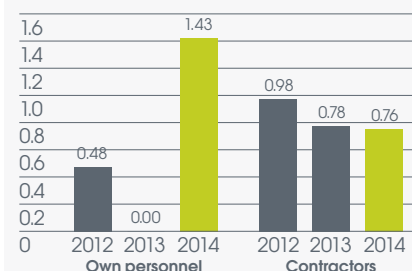


EBITDA €m



Note: For comparability reasons, the above two graphs have been adjusted in order to exclude Turkey (IFRS 11).

Lost Time Injury Frequency Rate LTIFR



Management review

Market overview

In Egypt, the construction sector continued to grow and cement demand was higher by 2.4% compared to 2013. Turkey's economy grew in 2014 and domestic cement consumption increased by an estimated 2% year-on-year to 63.2 million metric tons.

Regional performance

Our Eastern Mediterranean region has operations in two countries with diverse social and economic needs. In Egypt, we have focused on supporting employees and their families during the political crisis, while also addressing health issues among employees and the wider community.

In Turkey, we have prioritized community outreach activities.

Profitability in Egypt was severely affected in 2014 as a direct result of the energy shortages. Lower clinker production led to reduced sales and increased costs, as we imported clinker to make up part of the production shortfall. In the second half of the year results were also affected by higher energy prices, both on electricity and natural gas.

Before the advent of the fuel shortages, we had moved swiftly to invest in fuel self-sufficiency in Egypt. As a result, and despite significant delays in obtaining permits, our first solid fuels grinding mill at the Beni Suef cement plant came on stream at the end of the year.

A second mill is scheduled to be operational in Q3 2015, while the Group is also implementing a comprehensive investment plan to enable us to use alternative fuels.

Construction activity in Turkey continued to grow. Adocim operations in Turkey, TITAN's 50-50 joint-venture operation, benefited from strong demand both from private housing and public works in infrastructure projects.

Turnover in the region was €197 million, down by 22% on 2013, while EBITDA dropped by 60% to €31 million.

Focus on Eastern Mediterranean – country profiles

Egypt

While social and economic pressures remain, the relative stability in Egypt and economic reforms could provide the backdrop for future growth.

The construction sector continues to be one of the most active in Egypt. Sales in the residential sector have recovered and the public sector is benefiting from large government projects, such as the one million affordable homes project and the new cities around Cairo, which include the construction of offices and shopping malls.

Domestic cement consumption reached 51.3 million metric tons in

2014, up 2.4% from 2013. However, disruption to the state-provided gas supply led to a considerable loss of production – around 50% of our capacity. Our efforts to make the investments needed to allow us to use solid fuels were hampered by administrative delays in the issuing of required permits.

Turkey

In 2014, Turkey achieved a 3% increase in GDP and cement consumption increased by an estimated 2% year-on-year to 63.2 million metric tons. Despite global market volatility and low demand from European countries, this growth is expected to continue.

Outlook for 2015



In Egypt, demand for building materials is expected to remain high, supported by both private and public construction.

We expect to recover production and sales volumes in 2015, following investments to ensure we move toward gradual fuel self-sufficiency of our plants.

In the Turkish market our prospects remain positive. Domestic demand is expected to continue to be strong, while new housing and transportation projects should continue turning population growth into strong demand for the construction sector.



Corporate governance

Good governance is a prerequisite for achieving exceptional performance and it is a critical part of integrating best practice into everything we do. We adhere to international and European standards, and in many instances we go beyond local legal requirements.

Since 2010, we have officially adopted the UK Code of Corporate Governance.

In this section we explain how our corporate governance principles and Code of Conduct, along with our values, guide us through every aspect of our business. It also outlines how we manage business risks that affect our business globally and in local markets.

In this section:

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You can find a full list of the Group's principal subsidiaries, associates and joint ventures online at:
http://ir.titan.gr/titan/uploads/financials/2014/12M/FS_2014_EN.pdf

Corporate governance

Corporate governance overview

Our corporate governance principles and organization

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

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

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

Fair Competition

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

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

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

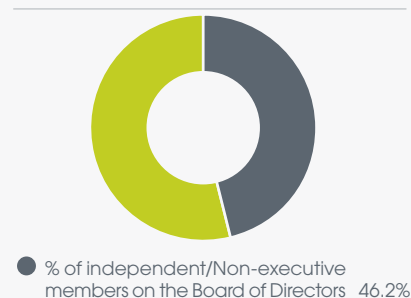
A balanced Board

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

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

Half the members of our Board, not including the Chairman who is non-executive Director, are independent non-executive Directors. Independent non-executive members of the Board of Directors have no employment or other relationship with the Group and meet all independence requirements set by Greek legislation and the UK Corporate Governance Code (September 2012), as well as the additional independence criteria set by the Company. Independent non-executive members are not involved in the Group's daily management; however their role is to contribute through their participation in the Board and its Committees in developing the Group's strategy, monitoring the effectiveness of the internal audit and risk management systems, determining the remuneration of the executive members of the Board and securing the existence of succession plans for the Chairman, the CEO and the top management.

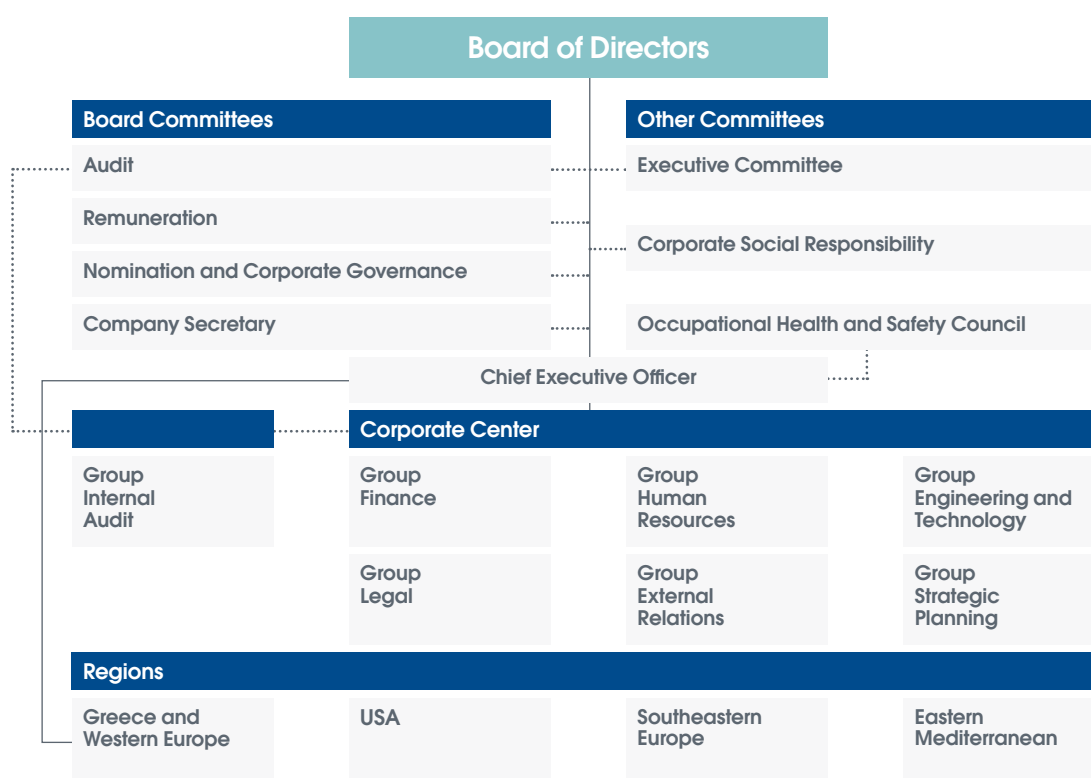
% of independent/Non-executive members on the Board of Directors



The Board and social responsibility

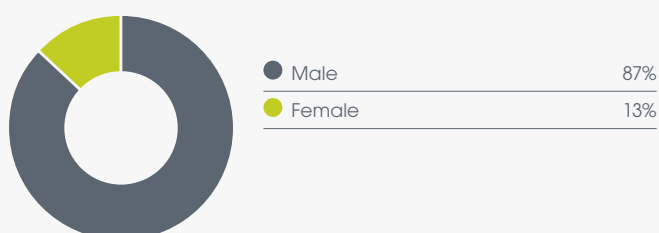
An overview of our governance and management structure is detailed below. Along with our Board Committees (Audit, Remuneration, and Nomination and Corporate Governance), we have established management committees among which an Executive Committee and a CSR Committee, demonstrating how important these topics are to the Group.

Organizational structure

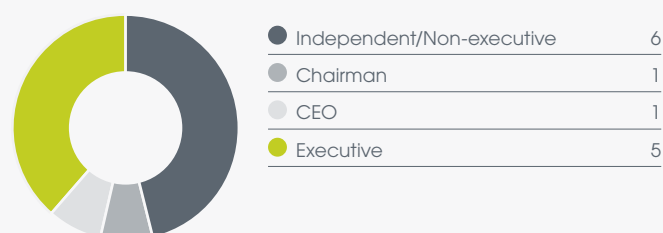


Composition of the Board of Directors 2014

Male/female



Board of Directors



Corporate governance continued

Our Board and Board Committees at a glance

Name	Title	Executive, Non-executive Director	Independent Director	Board Committee memberships	Other Committee memberships
Andreas Canellopoulos	Chairman	Non-executive Director	No	Nomination and Corporate Governance Committee	–
Efstathios-Georgios (Takis) Arapoglou	Vice Chairman and Senior Independent Director	Non-executive Director	Yes	Remuneration Committee (Chair)	–
Dimitri Papalexopoulos	Chief Executive Officer	Executive Director	No	–	Executive Committee (Chair), CSR Committee (Chair)
Nellos Canellopoulos	External Relations Director	Executive Director	No	–	Executive Committee, CSR Committee (Vice-Chair)
Takis-Panagiotis Canellopoulos	Investor Relations Director	Executive Director	No	–	–
Doros Constantinou	–	Non-executive Director	Yes	Audit Committee (Chair)	–
Vassilios Furlis	–	Non-executive Director	Yes	Audit Committee	–
Domna Mirasyesi-Bernitsa	–	Non-executive Director	Yes	Nomination and Corporate Governance Committee (Chair)	–
Alexandra Papalexopoulou- Benopoulou	Group Strategic Planning Director	Executive Director	No	–	Executive Committee
Petros Sabatacakis	–	Non-executive Director	Yes	Remuneration Committee	–
Ploutarchos Sakellaris	–	Non-executive Director	Yes	Audit Committee	–
Michael Sigalas	Director Southeastern Europe and Eastern Mediterranean Regions and International Trade Director	Executive Director	No	–	Executive Committee, CSR Committee
Effichios Vassilakis	–	Non-executive Director	Yes	Nomination and Corporate Governance Committee, Remuneration Committee	–
Efthymios Vidalis	Group Advisor on Strategy and Sustainable Development	Executive Director	No	–	Executive Committee, CSR Committee
Vassilios Zarkalis	USA Region Director	Executive Director	No	–	Executive Committee, CSR Committee
Company Secretary: Eleni Papapanou, Head Counsel					

Risks

Managing our risks

Effective risk management throughout our value chain is critical for us to meet our strategic aims and embrace the opportunities available that will help us achieve long-term sustainable development. In this section, we list our most material risks (our principal risks) and the activities we have in place to mitigate them.

Below, we detail our principal risks and the activities we have in place to mitigate them. The Group is exposed to a wide number of risks, but we have made an effort to focus on our most material risks.

Our approach to risk management

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

We manage our risks proactively, allowing the Group to respond and adapt to new dynamics in our business environment. Having expanded the scope of our risk assessment processes in recent years, we have a stronger understanding of the concerns and expectations of our key stakeholders,

along with the risks we face and the opportunities that may arise.

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

The top risks (based on likelihood and impact) are reported to the Executive Committee for review and challenge, ahead of being submitted to the Group Board for final review and approval. The ongoing status and

progress of action plans against each risk is monitored by the Executive Committee and risk remains an important consideration in all of our strategic decision making.

Assessing our risks

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

The following table details our principal risks highlighted by this process and the activities we have in place to mitigate them.

TITAN operating exposure per country according to 2014 Transparency International Index

Country	Corruption perception index 2014 score	% of TITAN Group employees
USA	74	32.43
FYROM	45	5.84
Turkey	45	4.55
Bulgaria	43	5.17
Greece*	43	21.13
Serbia	41	4.50
Egypt	37	13.84
Albania	33	3.74
Kosovo	33	8.80



* "Greece" refers to the regional operations as well as the Group corporate center.

Risks continued

Principal risks

Financial performance

Description	Mitigating activities
Liquidity Access to cash and sources of finance is essential to us in running the business and funding our local operations sustainably.	<ul style="list-style-type: none"> – We maintain sufficient cash reserves and other liquid assets to address any cash flow disturbances. – We have extensive committed credit lines with several international banks to ensure we can fulfill our financial obligations. – Our solid creditworthiness allows us to make efficient use of international capital markets for financing purposes.
Foreign currency exchange We are exposed to exchange rate (FX) risk primarily from existing or expected cash flows and earnings received in currencies other than the euro and from our international investments.	<ul style="list-style-type: none"> – FX risks are managed using natural hedges, FX derivatives/swaps and FX forwards. – Borrowings denominated in the same currency as the assets that are being financed, create a natural hedge for investments in foreign subsidiaries where we are exposed to FX conversion risk. – Where this is not the case in part of our activities (in the USA, Egypt and Albania), refinancing options in local currencies are examined at regular intervals.
Interest rates Interest rates have an impact on our income, cash flow and net worth.	<ul style="list-style-type: none"> – At 31 December 2014, the ratio of fixed to floating interest rates, taking into account outstanding swaps, stood at 47%/53%. – Occasionally, interest rate derivatives may be used to minimize the relevant risk and balance the mix of fixed and floating rates of our borrowings.
Credit risk We are exposed to credit risks, deriving from delayed or defaulted receivables and financial institutions' inability to meet their obligations toward the Group.	<ul style="list-style-type: none"> – We constantly monitor our customers' credit standings, although customer receivables primarily come from a large, widespread customer base. – When necessary, additional collateral is required to secure credit. – Provisions for impairment losses are made for special credit risks. – Pre-set limits for exposure to each bank, in accordance with the Group's treasury policy. – Financial assets and derivative financial instruments are held with investment grade financial institutions.

Operating environment

Macroeconomic factors The Group is exposed to potential macroeconomic risks in every country in which it operates. These risks are driven by factors such as unemployment rates, inflation, local monetary policy, interest rates, housing starts and capital controls.	<ul style="list-style-type: none"> – We conduct regular valuation exercises, which involve forecasting future earnings by business unit. – These are used to plan and adjust our strategy in each market, and to estimate the macroeconomic risk factor to which the Group is exposed in each country. – We use these estimates to help guide our decisions when we consider new investments and when we allocate assets between our existing markets.
Political climate The Group operates in regions sometimes characterized by severe political instability, riots, uprisings and general conditions of social unrest. This can threaten the smooth operation of our plants and the overall security and wellbeing of our people.	<ul style="list-style-type: none"> – Our local management teams report all issues requiring consideration at a regional and a Group level. – Our top priorities are always to safeguard TITAN's local investments and to protect our people, business partners and the communities near to our operations.
Social context TITAN Group stands firmly against any bribery or corruption, both through its policies and practices, particularly in countries identified as vulnerable.	<ul style="list-style-type: none"> – We encourage awareness and transparency, and conduct anti-corruption compliance reviews and training programs for governance body members, employees and business partners in all countries where the Group operates. – We are committed to the fight against corruption through the UN Global Compact initiative. – In 2014, we signed the 'Call to action', an appeal by the private sector urging governments to promote efficient and effective anti-corruption measures.
Production costs The Group's consumption of thermal energy, electricity and raw materials are the biggest factors in our cost base. That is why our overall production costs are very sensitive to spikes in the demand for raw materials and fluctuations in the price of fuels.	<ul style="list-style-type: none"> – Our aim is to gradually lessen our dependence on natural raw materials. – We continue to invest in low energy-requirement equipment. – We have set quantifiable targets for the substitution of natural raw materials by alternative raw materials. – When planning new investments, we take into account access to the required quality and quantity of raw materials.

People and resources

Description	Mitigating activities
health and safety We are committed to operating responsibly by safeguarding the health, safety and wellbeing of the people who work for the Group and alongside it. This is fundamental to maintaining the Group's license to operate in most of our businesses, but is equally important to us in markets where the regulatory framework may not require such tight controls.	<ul style="list-style-type: none"> - We have strict safety systems and processes in place across the Group, designed and controlled by the Group's Health and Safety division. - We are committed to manning all of our production units with sufficient safety officers. - We also run educational programs to train and educate our employees. - Our Annual Safety Awards recognize the Group's best performers and the most innovative initiatives.
Water We recognize the importance of, and therefore the risks associated with, our water usage and management, particularly in areas where there are potential water shortages.	<ul style="list-style-type: none"> - We continue to apply best practices for efficient water management. - We use water management systems to help us understand our water footprint and identify our water risks. - We invest in process improvements to help us recycle and re-use water, and to minimize our environmental impacts.
Climate change Like many energy-intensive manufacturing industries, cement production generates significant GHG emissions. TITAN is subject to the EU Emission Trading Scheme cap and trade quotas. Climate change may cause physical risks to our operations.	<ul style="list-style-type: none"> - TITAN is a member of the World Business Council of Sustainable Development and an active member of the Cement Sustainability Initiative. - We have set targets for CO₂ emissions reductions and identified actions to reduce our ecological footprint. - TITAN has identified that its Florida plant is at risk from climate change. - TITAN is looking to identify and conduct additional climate change risk assessments for its Florida plant and other operations by 2020.

Note: human rights and labor risks

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

TITAN policies and procedures by country

Policies and procedures	Albania	Bulgaria	Egypt	FYROM	Greece	Kosovo	Serbia	Turkey	USA
Human rights issues	✓	✓	✓						✓
Labor rights and freedom of association	✓	✓							✓
Equal opportunities	✓		✓						✓
Sponsorship, donations and community involvement			✓						✓
Supply chain/ Procurement		✓	✓	✓			✓	✓	✓
Preference to locally based suppliers		✓	✓			✓	✓		✓
Preference to local residents, when hiring		✓				✓	✓		
Hiring local contractors/ subcontractors		✓				✓	✓		

Management systems in place by country

Policies and procedures	Albania	Bulgaria	Egypt	FYROM	Greece	Kosovo	Serbia	Turkey	USA
ISO 9000	X	X	X	X	X	X	X	X	N/A*
ISO 14000	X	X	X	X	X	X	X	X	N/A*
SA 8000	X	-	-	-	-	-	-	-	N/A*
OHSAS	X	X	X	X	X	X	X	X	N/A*
Other									

* Not applicable

Financial statements

Independent certified auditor's accountant's report



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THIS REPORT HAS BEEN TRANSLATED FROM THE GREEK ORIGINAL VERSION

INDEPENDENT CERTIFIED AUDITOR'S ACCOUNTANT'S REPORT

To the Shareholders of
TITAN CEMENT COMPANY S.A.

Report on the Separate and Consolidated Financial Statements

We have audited the accompanying separate and consolidated financial statements of TITAN CEMENT COMPANY S.A. which comprise of the separate and consolidated statement of financial position as at December 31, 2014, the separate and consolidated statements, of operations and comprehensive income, changes in equity and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Separate and Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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



Opinion

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of TITAN CEMENT COMPANY S.A. and its subsidiaries as at December 31, 2014, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

- a) The Directors Report includes a statement of corporate governance, which includes the information required by paragraph 3d of article 43a of Codified Law 2190/1920.
- b) We confirm that the information provided in the Directors Report is consistent with the accompanying separate and consolidated financial statements and complete in the context of the requirements of articles 43a, 108 and 37 of Codified Law 2190/1920.

Athens, March 5, 2015

Chris Pelendridis
S.O.E.L. R.N. 17831

ERNST & YOUNG (HELLAS)
Certified Auditors Accountants S.A.
8B Chimarras str.
GR 151 25 Maroussi, Athens
SOEL Reg. No: 107

Financial statements continued

Income statement

(all amounts in euro thousands)	Group		Company	
	Year ended 31 December		Year ended 31 December	
	2014	2013 restated*	2014	2013
Turnover	1,158,414	1,127,936	263,969	234,712
Cost of sales	-863,906	-846,329	-208,026	-197,677
Gross profit before depreciation, amortization and impairment	294,508	281,607	55,943	37,035
Other income	15,237	16,915	10,463	7,256
Administrative expenses	-100,927	-91,185	-35,372	-31,530
Selling and marketing expenses	-18,466	-16,941	-133	-185
Other expenses	-8,761	-4,037	-284	-1,574
Profit before interest, taxes, depreciation, amortization and impairment	181,591	186,359	30,617	11,002
Depreciation and amortization related to cost of sales	-98,681	-106,700	-12,161	-11,720
Depreciation and amortization related to administrative and selling expenses	-6,768	-6,705	-1,296	-1,324
Reversal of impairment/(impairment) of tangible and intangible assets related to cost of sales	414	-1,421	753	-18
Profit/(loss) before interest and taxes	76,556	71,533	17,913	-2,060
Income from participations and investments	-	-	112,000	-
Losses from participations and investments	-1,609	-281	-5,211	-281
Finance income	2,148	3,612	110	699
Finance expense	-66,275	-65,209	-43,365	-44,971
Gain/(loss) from foreign exchange differences	31,056	-18,354	1,679	-158
Share of profit/(loss) of associates and joint ventures	4,945	-661	-	-
Profit/(loss) before taxes	46,821	-9,360	83,126	-46,771
Less: Income tax	-11,104	-19,636	8,598	3,617
Profit/(loss) after taxes	35,717	-28,996	91,724	-43,154
Attributable to:				
Equity holders of the parent	30,947	-36,074		
Non-controlling interests	4,770	7,078		
	35,717	-28,996		
Basic earnings/(losses) per share (€)	0.3790	-0.4424		
Diluted earnings/(losses) per share (€)	0.3767	-0.4397		

*Certain amounts shown here do not correspond to the annual consolidated financial statements as at 31.12.2013 and reflect adjustments made for comparability purposes.

Statement of financial position

	Group		Company	
(all amounts in euro thousands)	31/12/2014	31/12/2013 restated*	31/12/2014	31/12/2013
Assets				
Property, plant and equipment	1,673,010	1,564,945	236,468	232,332
Investment property	9,267	13,220	9,908	13,973
Intangible assets and goodwill	446,080	414,028	1,973	1,185
Investments in subsidiaries	–	–	845,807	1,243,829
Investments in associates and joint ventures	86,533	77,252	–	–
Other non-current assets	20,127	14,392	3,071	2,879
Non-current assets	2,235,017	2,083,837	1,097,227	1,494,198
Inventories	275,774	221,376	72,830	69,694
Receivables and prepayments	157,449	172,756	53,169	45,670
Derivative financial instruments	–	1,566	–	–
Available-for-sale financial assets	63	63	61	61
Cash and cash equivalents	142,946	184,257	16,971	8,780
Current assets	576,232	580,018	143,031	124,205
Total assets	2,811,249	2,663,855	1,240,258	1,618,403
Equity and liabilities				
Share capital (84,632,528 shares of €4.00)	338,530	338,530	338,530	338,530
Share premium	22,826	22,826	22,826	22,826
Share options	1,620	3,971	1,620	3,971
Treasury shares	-83,633	-87,680	-83,633	-87,680
Other reserves	939,525	293,299	496,236	511,258
Retained earnings	288,137	845,181	47,722	-51,237
Equity attributable to equity holders of the parent	1,507,005	1,416,127	823,301	737,668
Non-controlling interests	120,590	122,683	–	–
Total equity (a)	1,627,595	1,538,810	823,301	737,668
Long-term borrowings	634,195	599,069	336,694	745,835
Derivative financial instruments	2,438	–	–	–
Deferred income tax liability	184,085	163,516	3,365	14,215
Retirement benefit obligations	31,727	23,657	14,029	11,279
Provisions	15,922	12,686	2,293	1,756
Other non-current liabilities	30,053	29,635	4,446	4,557
Non-current liabilities	898,420	828,563	360,827	777,642
Short-term borrowings	49,522	93,724	95	50,173
Trade and other payables	220,462	187,233	52,425	48,319
Derivative financial instruments	127	3,375	–	2,832
Income tax payable	10,987	10,137	–	–
Provisions	4,136	2,013	3,610	1,769
Current liabilities	285,234	296,482	56,130	103,093
Total liabilities (b)	1,183,654	1,125,045	416,957	880,735
Total equity and liabilities (a) + (b)	2,811,249	2,663,855	1,240,258	1,618,403

*Certain amounts shown here do not correspond to the annual consolidated financial statements as at 31.12.2013 and reflect adjustments made for comparability purposes.

Financial statements continued

Cash flow statement

	Group		Company	
(all amounts in euro thousands)	Year ended 31 December		Year ended 31 December	
	2014	2013 restated*	2014	2013
Cash flows from operating activities				
Cash generated from operations	174,278	186,179	27,494	30,132
Income tax paid	-20,946	-22,128	-180	-1,150
Net cash generated from operating activities (a)	153,332	164,051	27,314	28,982
Cash flows from investing activities				
Purchase of property, plant and equipment	-80,131	-47,153	-13,472	-9,931
Purchase of intangible assets	-1,971	-1,668	-335	-551
Proceeds from sale of property, plant and equipment and intangible assets	181	4,641	183	692
Proceeds from dividends	1,404	-	112,000	-
Share capital decrease/(increase) in subsidiaries	-	-	392,950	-30,464
Interest received	2,148	3,612	110	699
Acquisition of non-controlling interests and other	-2,812	-8,046	-	-3
Net cash flows (used in)/from investing activities (b)	-81,181	-48,614	491,436	-39,558
Cash flows from financing activities				
Interest paid	-55,316	-57,990	-44,135	-42,633
Other financing inflows	1,390	131	499	131
Contingency reserve paid to shareholders	-8,438	-	-8,438	-
Dividends paid to non-controlling interests	-11,267	-2,265	-	-
Proceeds from borrowings	1,057,652	884,086	177,900	249,830
Payments of borrowings	-1,102,163	-1,035,128	-636,327	-223,532
Net cash flows used in financing activities (c)	-118,142	-211,166	-510,501	-16,204
Net (decrease)/increase in cash and cash equivalents (a) + (b) + (c)	-45,991	-95,729	8,249	-26,780
Cash and cash equivalents at beginning of the year	184,257	283,987	8,780	35,601
Effects of exchange rate changes	4,680	-4,001	-58	-41
Cash and cash equivalents at end of the year	142,946	184,257	16,971	8,780

*Certain amounts shown here do not correspond to the annual consolidated financial statements as at 31.12.2013 and reflect adjustments made for comparability purposes.

Non-financial statements

Report development and methodology

Background

This is the third Report developed by TITAN Group following the Integrated Reporting framework and guidelines (<http://integratedreporting.org/resource/international-ir-framework/>), the UNGC Communication on Progress and WBCSD/Cement Sustainability Initiative Guidelines. We have also moved to G4 in accordance with Core, focusing our report on the most material issues for the Group and our key stakeholders.

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

This full 2014 TITAN Group Report is available online at www.titan-cement.com. A summary version of the full Report is provided in printed format to all shareholders attending the Annual General

Meeting of Shareholders and on request from Maria Alexiou (Group CSR Senior Manager) or Afroditi Sylla (Investor Relations Officer)

Defining Report content

Outcomes of a materiality assessment workshop held in 2013 for TITAN Group were updated in 2014, based on feedback received from stakeholders through questionnaires, interviews and bilateral meetings. This input has been used to develop and define report contents focusing primarily on material issues for our business and for our stakeholders. GRI's G4 Sustainability Reporting Guidelines are followed for this Report.

Independent assurance

TITAN is committed to raising its level of transparency and improving reporting to stakeholders, and the Board seeks independent assurance for the Report each year. Since 2007, independent assessment and report verification have been a core part of TITAN's procedure for continuous improvement. Following commission by the Board, the 2014 Report has

been independently verified by DNV GL and the detailed verification statement is included in this section of the Report.

Scope of the 2014 Report

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

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

The Report covers key indicators of the Group's environmental performance, consolidated data

TITAN Group equity 2014

Region	Country	Plant	2009 equity	2013 equity	2014 equity
USA		Pennsuco	100.00%	100.00%	100.00%
		Roanoke	100.00%	100.00%	100.00%
Greece and Western Europe	Greece	Elefsina	100.00%	100.00%	100.00%
		Kamari	100.00%	100.00%	100.00%
		Patras	100.00%	100.00%	100.00%
		Thessaloniki	100.00%	100.00%	100.00%
Southeastern Europe	Albania	Antea	100.00%	100.00%	100.00%
	Bulgaria	Zlatna Panega	100.00%	100.00%	100.00%
	F.Y.R. of Macedonia	Usje	100.00%	100.00%	100.00%
	Kosovo	SharrCem	0.00%	100.00%	100.00%
	Serbia	Kosjeric	100.00%	100.00%	100.00%
Eastern Mediterranean	Egypt	Alexandria	100.00%	100.00%	100.00%
		Beni Suef	100.00%	100.00%	100.00%
	Turkey	Adocim	50.00%	50.00%	50.00%

Non-financial statements continued

from cement production and cement grinding plants and their attached quarries – as well as for three quarries which, although not attached to a specific cement plant, provide raw materials only to cement plants.

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

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

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

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

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

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

Changes in the Report structure

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

Materiality and data accuracy

TITAN has adopted the WBCSD/CSI definitions and KPIs for water, and these cover the full range of the Group’s quarry operations – regardless of raw material types and end usage – for the biodiversity KPIs.

Reporting and feedback expected from stakeholders

This Report is directed to key stakeholders, namely shareholders, employees, customers, suppliers, government and regulatory authorities, local communities and NGOs. It is also directed to potential investors, analysts and any other interested party. We welcome feedback at the following email address: annualreport2014.titan.gr

For more information please visit our website: www.titan-cement.com or contact: Maria Alexiou, TITAN Group CSR Manager, Secretary of the TITAN Group CSR Committee, at csr@titan.gr, or as 22A, Halkidos Street, 111 43 Athens, Greece.

GRI and UN Global Compact

TITAN declares that this Report fulfills GRI G4 in accordance with Core and

this has also been verified by external independent auditors.

TITAN has followed GRI Reporting Guidelines since 2003 when the first Group CSR and Sustainability Report was issued. Following the GRI Guidelines has supported overall improvements in both internal and external communications, measuring long-term performance and expanding the scope of engaging with stakeholders. In 2014, the Group took a further step by following the GRI’s G4 Sustainability Reporting Guidelines.

We continue to meet the “Advanced” level criteria for the UN Global Compact Communication on Progress, and to uphold our commitment to continuous improvement on the World Business Council for Sustainable Development Cement Sustainability Initiative Charter (WBCSD CSI).

Independent certified auditor's assurance statement

DNV·GL



Non-financial statements continued

DNV·GL



TITAN Group Integrated Report 2014

Introduction

DNV GL (DNV GL Business Assurance Italia Srl) was commissioned by the management of TITAN Cement Company S.A. ('TITAN') to carry out an assurance engagement on the company's 'Integrated Report 2014' ('the Report') with respect to the Global Reporting Initiative (GRI) Version 4.0 ('G4') and to the AccountAbility 1000 Assurance Standard (2008) ('AA1000 AS 2008').

We developed an assurance engagement of the on line version of the 'Integrated Report 2014'. Please refer to the specific section of the Report concerning the composition of the TITAN Group and the boundary of the Report.

TITAN is responsible for the collection, analysis, aggregation and presentation of information contained in the Report. Our responsibility in performing the work commissioned is solely towards the Management of TITAN and in accordance with the terms of reference agreed on with the company.

The assurance engagement is based on the assumption that the data and information provided are complete, sufficient and authentic.

TITAN's stakeholders are the intended recipients of the assurance statement.

Scope of Assurance

The scope of work agreed upon with Titan includes the following:

- Review of sustainability performance data and activities related to the period between January and December 2014.
- Evaluation of the Report's alignment with the GRI Sustainability Reporting Guidelines GRI G4 reporting principles and the requirements for a 'Core' option.
- Evaluation of the Report against the UN Global Compact criteria relating to an "Advanced Level" Communication on Progress.
- Evaluation of adherence to the Principles of inclusivity, materiality and responsiveness (**Type 2**) for a **Moderate level of assurance**, in accordance with the AA 1000 Accountability Principles Standard 2008 and AA1000 AS 2008.
- Evaluation of **specific sustainability performance information**:
 - Report's alignment with the WBCSD-CSI CO2 and Energy Accounting and Reporting Standard for the Cement Industry, (v3.0 May 2011) and the CSI Guidelines for Emissions Monitoring and Reporting in the Cement Industry, (v2 March 2012) for SOx, NOx and dust.
 - Report's alignment with WBCSD CSI 'Safety in the Cement Industry: Guidelines for Measuring and Reporting (v4 May 2013)'.

The economic data and information have been obtained from the certified consolidated financial statements of TITAN Cement Company S.A.

Any financial information related to Titan's annual report and company reporting on operations in 2014 or other sources was not included in the scope of the assurance engagement.

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

Assurance Methodology

Our assurance engagement was planned and carried out in accordance with the DNV GL 'Protocol for Verification of Sustainability Reporting', which is available on our website upon request¹.

¹ <http://www.dnvba.com/Global/assessment/reporting-communication/Pages/sustainability-reporting.aspx>

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

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

- Titan's Headquarters, Athens, Greece
- Pennsuco plant, Florida USA
- Kamari plant, Greece

As part of the assurance process we undertook the following activities:

- Review of the current CR&S issues that could affect Titan and are of interest to stakeholders as well as a review of Titan's approach to stakeholder engagement and recent outputs. We also interviewed a selection of Titan stakeholders at site level.
- Interviews with selected data providers and 53 managers responsible for management of CR&S issues and review of selected evidence to support issues discussed. Our review processes were prioritised according to materiality.
- Site visits to cement plants including local management interviews.
- Review of the processes for gathering and consolidating the specified CR&S performance information.
- An independent assessment of Titan's Report against the 'Core' option for the Global Reporting Initiative (GRI) G4 Guidelines.
- Evaluation of Report's alignment with the WBCSD-CSI CO2 and Energy Accounting and Reporting Standard for the Cement Industry, (v3 May 2011) and the Guidelines for Emissions Monitoring and Reporting in the Cement Industry, (v2 March 2012) for SOx, NOx and dust emissions.
- Evaluation of Report's alignment with WBCSD CSI 'Safety in the Cement Industry: Guidelines for Measuring and Reporting (v4 May 2013)'.
- Stakeholder interviews with five selected stakeholders.

Conclusions

We reviewed and provided feedback on drafts of the Report and where necessary changes were made.

It is the opinion of DNV GL that the 'Integrated Report 2014' is an accurate and impartial representation of the company's sustainability-related strategies, management systems and performance.

We evaluated the Report's adherence to the following principles on a scale of 'Good', 'Acceptable' and 'Needs Improvement'.

- **Inclusivity**

Titan is committed to a continuous dialogue with its stakeholders in order to understand their demands and needs. In accordance with its commitment to pursue a strategically oriented sustainable business model, Titan has launched the Sustainability 2020 program to define priorities, actions, quantitative and qualitative targets and to draw-up projects prioritized following the materiality assessment. We recommend Titan to structure a Report enabling stakeholders to clearly understand the correlation between the outcomes of stakeholder engagement activities, the organization's short and long term strategies, actions undertaken during the year.

The Report shows the great and ongoing activity which is being carried out by Titan towards communities. In particular we noticed that Titan is committed to ensuring across the organization an effective approach to social investments which are asked to be focused on the real needs of the local community. However we observed that not all the plants have systematic processes and plans for engaging with local communities.

Titan is committed to achieve a harmonization of its stakeholder engagement process within the Group. A more structured and formalized approach in receiving and tracking feedback from stakeholder engagement activities, in particular at a plant level, which would positively affect Titan's goals and strategies.

In our view, the Report displays a 'Good' level of adherence to the principle of Inclusivity.

- **Materiality**

Titan have mapped out the range of stakeholders affected by the organisation's activities and the material issues that are most relevant to them.

Titan are currently working to clearly define its sustainability philosophy and to achieve a more formalized and harmonized way to identify material issues and to integrate "sustainability commitments" throughout its operations. This has been carried out by both top down and bottom up approach involving all BU's and employees' within the Group.

Non-financial statements continued

We were pleased to see that Titan have committed to continuously refreshing the outputs of the materiality analysis and we observed that the stakeholder views have been taken into account in this process.

The document describes the process which has been undertaken during the year to better identify the material issues both at country and local level. Although the Report presents a clear disclosure of the outputs, we would encourage Titan to continue drawing up a document which reflects in its structure, the contents and the level of details of the information, the outcomes of such mapping exercise, in particular for the section which refers to the local level.

Implementing, in particular at a local level, a more robust process and specific tools to track on a systematic way issues that are considered relevant both by the internal functions and by the stakeholders leads to improved strategic and operational outcomes and an increase in reporting quality.

In our view, the Report displays a 'Good' level of adherence to the principle of Materiality.

- **Responsiveness**

Titan is strongly committed to reinforcing its business model and operations approach through a newly defined 'Sustainability' umbrella. We consider important that the project aimed to increase harmonization within the Group strongly works to embed a holistic and enlarged approach to the existing risk assessment model and management system within the organisation. We recommend Titan to continue carrying out the planned activities and programs, in order to guarantee the consistency between behaviors and corporate culture, with particular respect to the ongoing revision of sustainability issues and targets.

One of Titan's key focus over the years has been its ability to strike a balance between stakeholder expectations and business priorities. The Report describes the wide range of activities undertaken during the year. We were pleased to note the effort that Titan has undertaken to find the most effective way to address the broad range of matters and the possible different levels of maturity for the different stakeholders or for the different Titan operations at a local level.

We would encourage Titan to continue in their effort to set strategic objectives and goals for a wide range of stakeholders.

Measuring the impact of engagement outcomes on stakeholders is vital to understand whether the approach to engagement is fit for the purpose or not. We recommend that Titan formalise the approach to track outcomes and set specific targets.

We also strongly recommend that Titan ensure the harmonisation of reporting practices within the TITAN Group.

In our view, the Report displays a 'Good' level of adherence to the principle of Responsiveness.

- **Completeness**

The Report allows stakeholders to evaluate Titan's economic, social and environmental activities and performances during the reporting year. We believe it is important to provide stakeholders with more detailed information concerning medium-long sustainability strategies and objectives, at least for the material issues.

We were pleased to notice that Titan is committed to selecting suppliers operating at its significant locations as well as its plants in accordance with organization values and procedures. We have observed this is particularly robust and embedded across the organisation for health & safety and environment issues.

We suggest going ahead with the project launched in 2014 for defining an effective model for supply chain management embedding a comprehensive approach and evaluation of overall risks, impacts in all phases of procurement process.

Disclosing performances not only regarding suppliers but also concerning the organization's procurement process leads Titan to be aligned with the current trends, requiring the supply chain to be integral to sustainability practices of an organization as a whole. We recommend that Titan continue to include qualitative and quantitative information in the Report.

In our view, the Report displays a 'Good' level of adherence to the principle of Completeness.

- **Principle of report quality**

The Report reflects the company's commitment to represent activities and results relevant to the reporting year, both balanced and consistent with the organizational strategies. The Report is a complete and impartial description of TITAN's sustainability impact.

In our view, the Report displays a 'Good' level of adherence to the principle of Neutrality.

The information contained in the Report is accurate and allows the reader to easily understand the reasons and activities producing changes to the trends of the performances included in the Report.

In our view, the Report displays a 'Good' level of adherence to the principle of Accuracy.

The data included in the Report, that is the subject of our verification, were found to be identifiable and traceable; personnel responsible for the data were able to demonstrate the origin and interpretation of the data in a reliable manner. Data collection system for environmental and health & safety issues appears mature and robust. In our view, the Report displays an 'Acceptable' level of adherence to the principle of Reliability.

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

We assessed at Country and Site levels – Pennsuco plant, Florida USA and Kamari plant, Greece – adequacy and effectiveness of the processes being implemented to collect, aggregate, analyse and report CO₂, emission (dust, NO_x, SO_x) and H&S performance data.

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

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

- CO₂; emission (dust, NO_x, SO_x) – Boundary setting (at Group and site levels) meets the mandatory requirements of the relevant performance measurement and reporting standards and guidelines. Testing of the reporting systems currently in place demonstrated a robust and well managed process for collection, management (including QC/QC procedures) and reporting of CO₂ performance data at Group level and in the sites visited.

- H&S – Corporate guidelines for H&S data collection, management and reporting exist at Group level. These are aligned with the principles and fulfil the requirements of relevant measurement and reporting guidelines. Corporate procedures and guidelines are generally implemented in the countries and sites visited. There was good evidence of an improved process for internal verification and revision of reported data.

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

- Continue to share data gathering and reporting guidelines and tools across the organization in order to ensure consistency.
- Periodical review and update where necessary of the existing internal documented GHG monitoring and reporting procedures.

The Report meets the criteria for a Communication on Progress of 'Advanced Level' as well as the GRI for a 'Core' option as defined in the GRI G4.

Opportunities for Improvement

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

- We would encourage Titan to continue its commitment to assess and measure the positive and negative impacts, in particular those occurring outside the organization. Disclosing the qualitative and quantitative results of undertaken activities to measure such impacts is critical to further improve the quality of the Report.
- We strongly recommend to reduce as much as possible manual transpositions of data, at site level in particular.

DNV GL's Competence and Independence

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

DNV GL was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV GL maintains complete impartiality toward stakeholders interviewed during the verification process. DNV GL expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement.

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



Federica Pagnuzzato
Project Manager



Zeno Beltrami
Reviewer

Vimercate (MB), 2015-06-10

Non-financial statements continued

WBCSD/CSI environmental progress review

TITAN Group – cement plants, attached and related quarries performance

WBCSD/CSI	Description	2011	2012	2013	2014
Climate change	Total gross direct CO ₂ emissions, million metric tons				
	based on specific year equity	8.6	9.6	10.2	9.5
	based on 2009 equity	8.2	9.4	9.9	9.2
	Specific gross direct CO ₂ emissions kg/t _{Product}				
	based on specific year equity	623.8	658.7	664.3	674.4
	based on 2009 equity	625.4	662.7	666.9	676.3
	Total indirect ⁽⁴⁾ CO ₂ emissions, million metric tons				
	based on specific year equity	0.9	1.0	1.1	1.1
	based on 2009 equity	0.9	1.0	1.1	1.0
Alternative fuels and materials	Alternative fuel substitution rate, % _{HB}				
	based on specific year equity	1.50	2.98	4.30	6.65
	based on 2009 equity	1.56	3.03	4.43	6.90
	Biomass in fuel mix, % _{HB}				
	based on specific year equity	1.13	1.86	1.63	2.22
	based on 2009 equity	1.17	1.89	1.68	2.31
	Alternative raw materials (clinker and cement), % _{Dry}	6.6	6.0	6.1	7.0
	Clinker-to-cement ratio	0.83	0.85	0.84	0.83
Emissions	Overall coverage rate, %	–	–	–	61.8
	Coverage rate continuous measurement, %	–	–	–	80.9
	Total dust particulates, metric tons				
	based on specific year equity	1,693	972	524	416
	based on 2009 equity	1,601	963	518	405
	Specific dust particulates, g/t _{Clinker}				
	based on specific year equity	162.6	83.5	42.2	37.0
	based on 2009 equity	159.2	83.9	42.9	37.3
	Dust coverage rate, %	–	–	–	100.0
	Total NO _x , metric tons				
	based on specific year equity	17,523	21,361	22,785	18,088
	based on 2009 equity	17,152	21,079	22,094	17,508
	Specific NO _x , g/t _{Clinker}				
	based on specific year equity	1,683.0	1,835.0	1,832.5	1,610.4
	based on 2009 equity	1,705.9	1,836.4	1,827.7	1,612.1
	NO _x coverage rate, %	–	–	–	100.0
	Total SO _x , metric tons				
	based on specific year equity	2,468	2,277	2,351	2,969
	based on 2009 equity	2,433	2,266	2,341	2,974

TITAN Group – cement plants, attached and related quarries performance

WBCSD/CSI	Description	2011	2012	2013	2014
Emissions	Specific SO _x , g/t _{clinker}				
	based on specific year equity	237.1	195.6	189.1	264.3
	based on 2009 equity	241.9	197.4	193.6	273.8
	SO _x coverage rate, %	–	–	–	88.9
	Total TOC, metric tons				
	based on specific year equity	–	–	–	325
	Specific TOC, g/t _{clinker}				
	based on specific year equity	–	–	–	29.0
	TOC coverage rate, %	–	–	–	89.0
	Total PCDD/F, mg				
	based on specific year equity	–	–	–	366
	Specific PCDD/F, ng/t _{clinker}				
	based on specific year equity	–	–	–	32.6
	PCDD/F coverage rate, %	–	–	–	81.6
	Total Hg, kg				
	based on specific year equity	–	–	–	514
	Specific Hg, mg/t _{clinker}				
	based on specific year equity	–	–	–	45.7
	Hg coverage rate, %	–	–	–	91.9
	Total (Cd and Tl), kg				
	based on specific year equity	–	–	–	190
	Specific (Cd and Tl), mg/t _{clinker}				
	based on specific year equity	–	–	–	16.9
	(Cd and Tl) coverage rate, %	–	–	–	72.2
Local impact	Total (Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V), kg				
	based on specific year equity	–	–	–	2,485
	Specific (Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V), mg/t _{clinker}				
	based on specific year equity	–	–	–	221.3
	(Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V) coverage rate, %	–	–	–	72.2
	Active quarry sites with biodiversity issues ^(1,3)	8	8	8	8
	Active quarry sites with biodiversity management plans ^(2,3)	3	3	3	3
	Active quarry sites with biodiversity management plans ^(2,3) , %	38.0	38.0	38.0	38.0
	Sites with community engagement plans, %	100.0	100.0	100.0	100.0
	Sites with quarry rehabilitation plans ⁽³⁾ , %	63.0	65.0	79.0	80.0

Non-financial statements continued

WBCSD/CSI environmental progress review continued

TITAN Group – cement plants, attached and related quarries performance

WBCSD/CSI	Description	2011	2012	2013	2014
Impact on natural resources	Total thermal energy consumption, TJ				
	Cement plants and attached quarries	36,559	40,765	43,497	39,506
	Cement plants, attached and related quarries	36,562	40,771	43,504	39,512
	Energy efficiency, kcal/kg _{Clinker}	839.0	836.1	835.5	840.1
	Total alternative fuels, metric tons	30,630	68,050	89,170	122,790
	Total electrical energy consumption, GWh				
	Cement plants and attached quarries	1,437	1,536	1,581	1,481
	Cement plants, attached and related quarries	1,437	1,536	1,581	1,481
	Total water consumption, million m ³	4.4	3.9	4.3	3.8
	Specific water consumption, lt/t _{Cement}				
	based on specific year equity	340.1	300.0	315.5	305.4
	based on 2009 equity	347.7	298.4	320.6	311.1
	Materials consumption, million metric tons				
	Total extracted raw materials	17.4	19.0	20.2	18.2
	Total alternative raw materials	1.2	1.2	1.3	1.4

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

(2) Sites with high biodiversity value where biodiversity management plans are actively implemented.

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

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

WBCSD/CSI	Description	2011	2012	2013	2014
Health and Safety (cement)	Employee fatalities	0	1	0	0
	Employee fatality rate	0.00	2.69	0.00	0.00
	Contractors fatalities	1	0	1	1
	Third-party fatalities	0	0	1	1
	Employee Lost Time Injuries (LTIs)	11	8	2	8
	Employee Lost Time Injuries Frequency Rate (LTIFR)	1.54	1.13	0.28	1.10
	Employee lost working days	850	905	110	494
	Employee Lost Time Injuries Severity Rate	119.3	127.7	15.3	67.6
	Contractors Lost Time Injuries (LTIs)	8	12	6	8

TITAN Group – All activities performance

WBCSD/CSI	Description	2011	2012	2013	2014
Impact on natural resources	Raw material extracted	24.3	28.0	29.2	29.5
	for cement production, million metric tons (wet)	16.0	18.5	20.5	18.2
	for aggregates, million metric tons (wet)	8.3	9.5	8.7	11.3
	Raw material consumed				
	for cement production, million metric tons (dry)	17.4	19.0	20.2	18.2
	for ready-mix, dry mortar and block production, million metric tons (wet)	6.7	6.2	6.1	7.1
	Total heat consumption, TJ	36,828	41,152	43,907	40,093
	Total electrical energy consumption, TJ	5,511	5,848	6,113	5,698
	Total water consumption, million m ³	9.9	11.1	9.4	8.4
	Recycled (externally) waste material, metric tons	167,830	267,800	248,940	353,600

WBCSD/CSI	Description	2011	2012	2013	2014
Health and Safety	Employee fatalities	0	1	0	0
	Employee fatality rate	0.00	1.92	0.00	0.00
	Contractors fatalities	1	0	1	1
	Third-party fatalities	0	0	1	1
	Employee Lost Time Injuries (LTIs)	16	14	5	18
	Employee Lost Time Injuries Frequency Rate (LTIFR)	1.49	1.38	0.47	1.65
	Employee lost working days	1,256	1,117	191	1,481
	Employee Lost Time Injuries Severity Rate	117.1	110.3	17.8	135.6
	Contractors Lost Time Injuries (LTIs)	12	16	7	8

WBCSD/CSI	Description	2011	2012	2013	2014
Water withdrawal by source million m ³	Ground water	24.2	27.7	26.0	27.0
	Municipal water ⁽¹⁾	1.1	1.0	0.9	0.9
	Rain water	0.2	0.2	0.2	0.2
	Surface water	1.5	1.6	1.7	1.0
	Quarry water used (from quarry dewatering)	0.0	0.0	0.0	0.0
	Ocean or sea water	1.1	1.7	1.1	1.3
	Waste water	2.4	0.0	0.0	0.0
	Total	30.5	32.2	29.9	30.4
Water discharge by destination million m ³	Surface (river, lake)	19.4	19.2	19.3	20.6
	Ocean or sea	1.2	1.8	1.1	1.3
	Off-site treatment	0.1	0.1	0.1	0.1
	Total	20.7	21.1	20.5	22.0

(1) Municipal water includes bottled water bought.

Non-financial statements continued

Awards and recognitions

Country	Awards and recognitions 2014
Albania	Antea cement plant was recognized as the "Best industrial operator in Albania for Health and Safety standards and measures" by the Labor Inspectorate and the Ministry of Social Welfare.
	Antea cement plant's contribution to the professional development of laboratory technicians of the Institute of Construction was recognized by the Institute and the Ministry of Urban Development.
	Antea cement plant's contribution to implementing a project promoting "Sustainable policies regarding Energy in Southeastern Europe" was recognized by EDEN, a local NGO.
Bulgaria	TITAN Bulgaria received a Statuette for the "Implementation of Innovations in Safety".
Egypt	Alexandria cement plant received a Shield from the Ministry of Manpower and Immigration during the Alexandria World Safety Day celebration.
	Alexandria cement plant received a Shield from the Alexandria University Faculty of Engineering during the Employment Fair in Alexandria.
	Alexandria cement plant received a Shield during the Alexandria World Environment Day celebration.
	Beni Suef cement plant received a Shield for its local community work from the Governor during the Quran Competition winners' celebration in Beni Suef.
	Beni Suef cement plant received a Shield for sponsoring the "Vital Role of the Private Sector in the Development of Communities" Conference at the Beni Suef University.
	Beni Suef cement plant received a Shield from the Beni Suef University for sponsoring the third International Conference of the Scientific Miracles in the Holy Quran and Sunnah in cooperation with the World Body of Scientific Miracles Conference.
	Alexandria cement plant received an Appreciation Certificate from the Federation of Egyptian Industries Competition.
	Alexandria cement plant received an Appreciation Certificate from the Minister of Manpower and Immigration for assisting the Ministry.
	Alexandria cement plant received a Shield from Friends of the Environment during an Environmental Parliament event sponsored by TITAN, in the presence of the Minister of the Environment and the Governor of Alexandria.
F.Y.R. of Macedonia	Noise Reduction project recognized in the Environment category by the National CSR Coordinating Body.
	Received four certificates of gratitude from all primary schools in Kisela Voda for support with the "Partnering with Schools" project.
	Received certificate of gratitude from AmCham Skopje for voluntary work.
	Certificate of gratitude received from the University American College Skopje for providing scholarships for students.
Greece	TITAN Cement S.A.'s Annual Integrated Report 2013 won the award for "Best approach in sustainability management and governance" at the "Bravo" awards ceremony organized by the Quality Net Foundation (a network of responsible organizations and active citizens).
	Aegean University awarded TITAN Cement S.A. first prize for the quality and completeness of its CSR and Sustainability Report.
	TITAN received double recognition at the European Business Awards for the Environment 2013-2014:
	<ul style="list-style-type: none"> – Recognized in the Process category for ongoing commitment to the environment through focused actions that promote sustainable development – specifically excelling in the use of secondary fuels and alternative raw materials in the cement production process, with the aim of decreasing the use of non-renewable natural resources and reducing greenhouse gas emissions. – Given a distinction in the "Biodiversity" category, acknowledging targeted actions to protect the biodiversity in the areas where the Group operates. <p>Evaluation criteria for the awards were set by the European Commission – DG Environment. The awards were organized on behalf of the European Commission by PASEPPE (Hellenic Federation of Environmental Protection Companies) under the auspices of the Ministry of the Environment, Energy and Climate Change.</p> <p>Received a "True Leaders" Award from the ICAP Group.</p>

Country	Awards and recognitions 2014
Greece continued	Presented with an honorary plaque by the Board of Directors of the Center for Information and Engagement of Bone Marrow Volunteer Donors (KEDMOP), acknowledging TITAN's overall contribution and continuous support. Bone marrow donors among TITAN's employees were honored at a special "Become Knowledgeable – Save a Life" event organized by KEDMOP, during which the bone marrow donors were introduced to the recipients. They also presented TITAN's Thessaloniki cement plant with the "Bone Marrow Volunteer Donors Award" for its contribution to KEDMOP work.
	The employees' and retired employees' "Blood bank" at TITAN's Thessaloniki cement plant was recognized for their long-term contribution to volunteer blood donation by the Ministry of Health and Social Solidarity.
Kosovo	Sharr cement plant was recognized for its sustainability initiatives contributing to Hani i Elezit community development projects by Mr Rufki Suma, Mayor of the Municipality of Hani i Elezit.
	Sharr cement plant was thanked by the Sharr cement plant Trade Union for its general cooperation, especially relating to the early retirement program.
	HANDIKOS (the Association of Paraplegics and Paralyzed of Kosovo) in Kacanik recognized Sharr cement plant's contribution and support for people with special needs in the Municipalities of Kacanik and Hani i Elezit.
	The Education Department in the Municipality of Hani i Elezit recognized the cooperation and support given by Sharr cement plant to education in the community.
	The Children's Board recognized Sharr cement plant's cooperation and support for their projects.
	Sharr cement plant received a certificate from the Administrator of Hani i Elezit, recognizing its financial assistance in establishing a "mini local champion league" to help engage Hani i Elezit's unemployed youth in sporting activities.
Serbia	SOS Children's Village presented Sharr cement plant with a "Thank You" letter for its support to orphaned children.
	Ministry of Labor Award.
	Best Health and Safety performance for 2013.
Turkey	VIRTUS Award for being one of the top three companies for local community contribution.
	Recognized as compliant Taxpayers by the Zile Chamber of Commerce.
USA	Received an award from the Science, Industry and Trade Provincial Directorate for Productivity Week (1-8 April 2014).
	Roanoke cement plant won top honors for Overall Environmental Excellence at the Cement Industry Energy and Environment Awards. This acknowledges that the plant has demonstrated excellence in multiple categories, including Land Stewardship, Energy Efficiency, Environmental Performance, Outreach and Innovation.
	The awards are co-sponsored by The Portland Cement Association (PCA), the cement trade organization based in Washington DC, and Cement Americas, the leading trade publication in North and South America.
	Tim Kuebler, VP – Florida Materials, was presented with a John Gleason Award, which recognizes employees of member companies who have exhibited industry leadership by taking the PCA in new directions. Kuebler, a long-time vigorous supporter of the PCA paving advocacy efforts, was recognized in the Market Development Category.
	The Wildlife Habitat Council (WHC) recertified both of TITAN USA's cement operating facilities – Roanoke cement plant and Pennsuco cement plant. Both plants received "Wildlife at Work" recertification, which is valid for three years, as well as "Corporate Lands for Learning."
	Two of our ready-mix concrete plants received NRMCA Green Star Certifications in 2014 (Oceana and Airport) and three plants were recertified (Bryan Park, Clear Brook and Suffolk).
	Roanoke and Pennsuco cement plants both received ENERGY STAR certification for the sixth consecutive year.
	ENERGY STAR is a US Environmental Protection Agency (EPA) voluntary program that helps businesses and individuals save money and protect the climate through superior energy efficiency.

Non-financial statements continued

Memberships and cooperations

Country	Name/Title	Website
Albania	American Chamber of Commerce	www.amcham.com.al
	Albanian CSR Network	www.albaniancsrnetwork.org
	Embassy of the Netherlands	http://albania.nlembassy.org
	Foreign Investors Association	www.fiaalbania.al
	Hellenic Business Association of Albania	www.hbaa.al
	Labor Inspectorate	www.inspektoriatipunes.gov.al
	Ministry of Economic development, Trade and Entrepreneurship	www.ekonomia.gov.al
	Ministry of Environment	www.moe.gov.al
	Ministry of Social Welfare and Youth	www.sociale.gov.al
	Monitor Magazine	www.monitor.al
	Polytechnic University of Tirana	www.upt.al
	United Nations Development Programme (UNDP)	www.undp.org.al
	University of Agriculture	www.ubt.gov.al
	Wi-Fi Albania	www.wifi-al.al
Bulgaria	American Chamber of Commerce and Industry (since 2010)	www.amcham.bg
	Bulgarian Association of Aggregates Producers (since 2009)	www.bapim.org
	Bulgarian Association of Cement Industry (since 2007)	www.bacibg.org
	Bulgarian Federation of Industrial Energy Consumers (since 2013)	www.bfieec.org
	Hellenic Business Council in Bulgaria (since 2010)	www.hbcbg.com
Egypt	Al-Waqa i a Al-Masriya	www.alamiria.com/a/index.html
	Beni Suef Governorate	www.benisuef.gov.eg
	Cement Association – Egyptian Chamber of Building Materials Industries – Federation of Egyptian Industries	www.fei.org.eg
	Central Agency for Public Mobilization and Statistics (CAPMAS)	www.capmas.gov.eg
	Egyptian Bar Association	www.baegypt.org/
	Energy Committee – Federation of Egyptian Industries	www.fei.org.eg/
	Faculty of Science Analysis Unit	www.bsu.edu.eg
	General Authority For Investment and Free Zones (GAFI)	www.gafi.gov.eg/
	National Astronomical Research Institute	www.nriag.sci.eg
	Protocol of Cooperation between Alexandria Portland Cement Company and Arab Contractors Company “The Safe Disposal of Bypass Dust by Using for Paving”	–
	Real Estate Publicity District and Documentation	–
	Sustainability Center For Development (SCD)	–
	Tabbin Institute for Metallurgical Studies	www.tims.gov.eg
	The Egyptian Exchange (EGX)	www.egx.com.eg/
	The Egyptian Financial Supervisory Authority (EFSA)	www.efsa.gov.eg/
	United Nations Global Compact Local Network (UNGC)	www.ecrc.org.eg

Country	Name/Title	Website
F.Y.R.O.M.	American Chamber of Commerce (AmCham) in Macedonia	www.amcham.com.mk/
	Cementarnica USJE AD Skopje	www.usje.com.mk
	Chamber of Commerce	http://www.mchamber.org.mk/
	Foreign Investors Council	www.mchamber.org.mk/(S(xqhytce1rh3hwo55zwjykmfd))/default.aspx?mId=74&lId=2
	Macedonian Human Resources Association	www.mhra.mk/
	Macedonian Occupational Health & Safety Association (MOSHA)	www.mzzpr.org.mk/
Greece	Hellenic Federation of Enterprises (SEV)	www.sev.org.gr
	Hellenic Federation of Enterprises of the Peloponnese and Western Greece	www.sevpde.gr
	Hellenic Foundation for European and Foreign Policy (ELIAMEP)	www.eliamep.gr
	Hellenic Management Association (EEDE)	www.eede.gr/
	Hellenic Network for Corporate Social Responsibility (CSR Hellas)	www.csrhellas.org
	Hellenic Ornithological Society	www.ornithologiki.gr
	Hellenic Recovery-Recycling Corporation S.A. (HERRCo)	www.herrco.gr
	Hellenic Society for the Protection of Nature	http://eepf.gr/
	Hellenic Solid Waste Management Association	www.eedsa.gr
	Hellenic Union of Industrial Consumers of Energy (UNICEN)	www.unicen.gr
	Heraklion Chamber of Commerce and Industry	www.ebeh.gr
	I.V.E.P.E – Vocational Training Center: Industrial & Business Education & Training Institute – SEV (Hellenic Federation of Enterprises)	www.ivepe.gr
	Junior Achievement Greece (JA Greece)	www.senja.gr
	Panhellenic Exporters Association (PEA)	www.pse.gr
	Pediatric Trauma Care	www.pedtrauma.gr/el
	Piraeus Chamber of Commerce and Industry	www.pcci.gr
	Professional Chamber of Piraeus	www.eep.gr
	SEV Council for Sustainable Development	www.sevbcsd.org.gr
	Thessaloniki Chamber of Commerce and Industry (TCCI)	www.ebeth.gr
	TITAN Cement Co.	www.titan-cement.com
	Union of Listed Companies	www.eneiset.gr
Group	CSR Europe	www.csreurope.org
	European Cement Association (CEMBUREAU)	www.cembureau.be
	European Round Table of Industrialists (ERT)	www.ert.eu
	Marine Traffic	www.marinetraffic.com/gr
USA	Wildlife Habitat Council	www.wildlifehc.org
	FLA (Florida Limerock and Aggregates Association)	http://myflai.org
	Florida Home Builders Association	www.fhba.com
	Home Builders Association of Virginia	www.hbav.com
	Sierra Club	www.sierraclub.org
	National Stone, Sand and Gravel Association	www.nssga.org

Non-financial statements continued

GRI G4 boundaries

We have attributed each of our material issues to a relevant material aspect outlined in the Global Reporting Initiative (GRI) G4 Guidelines. The table below describes the boundary for each of these aspects, indicating where the impacts of each one is felt, inside and outside of our business. The stakeholders who form the external boundaries are those nearby or with a close interest in TITAN's operations, such as governments and local communities in the countries and regions in which we work.

Material issues identified by our materiality assessment	G4 aspect	Inside the organization		Outside the organization	
		Relevant	Boundary	Relevant	Boundary
Integrity and transparency: Maintaining the integrity and transparency of our business means upholding our <u>Code of Conduct</u> and ethical business practices, and ensuring our suppliers do the same.	Economic: Economic performance	Yes	TITAN Group	Yes	Governments, local communities, suppliers, employees
	Economic: Procurement practices	Yes	TITAN Group, all TITAN operated sites	Yes	All suppliers and contractors
	Social – Human rights: Investment	Yes	All TITAN employees	Yes	Contractors and security personnel
	Social – Human rights: Security practices	Yes	All TITAN operated sites	Yes	Security personnel, contractors, suppliers
	Social – Human rights: Human rights grievance mechanism	Yes	TITAN Group	Yes	Governments, local communities and organizations, contractors and suppliers
	Social – Society: Anti-corruption	Yes	All TITAN operated sites	Yes	JV partners, contractors, suppliers
	Social – Society: Public policy	Yes	TITAN Group	Yes	Government
	Social – Society: Anti-competitive behavior	Yes	TITAN Group	Yes	JV partners
Socio-economic impact: We have a responsibility to ensure our operations have a positive impact on society.	Economic: Indirect economic impacts	No	TITAN Group	Yes	Local communities, contractors, suppliers and local infrastructure
Energy and climate change: We recognize that our operations and the cement industry as a whole contributes to climate change. That's why we are reducing our CO ₂ emissions in line with the Kyoto Protocol and working with our peers to further improve our efficiency.	Environmental: Energy	Yes	All TITAN operated sites	Yes	Customers, governments, suppliers, NGOs
	Environmental: Emissions	Yes	All TITAN operated sites	Yes	Government, local communities, NGOs

Material issues identified by our materiality assessment	G4 aspect	Inside the organization		Outside the organization	
		Relevant	Boundary	Relevant	Boundary
Use of raw materials and fuels: We use a number of resources to make our products, such as raw materials, traditional and alternative fuels, water and energy. Operating quarries and production sites also have an impact on biodiversity outside our quarry operations.	Environmental: Water	Yes	All TITAN operated sites	Yes	Local communities, governments
	Environmental: Effluents and waste	Yes	All TITAN operated sites	Yes	Local communities, governments
	Environmental: Biodiversity	Yes	All TITAN operated sites	Yes	Areas potentially affected by our activities outside of our operations, quarries.
	TITAN Group Environmental: Compliance	Yes	All TITAN operated sites		Government, local communities, local organizations
	Environmental: Overall	Yes	All TITAN operated sites	Yes	Local communities, government
	Environmental: Supplier environmental assessment	Yes	TITAN Group, all TITAN operated sites	Yes	All suppliers and contractors
	Environmental: Environmental grievance mechanisms	Yes	All TITAN sites	Yes	Communities local to TITAN operations, representative organizations of the local community
Health and safety: We are committed to keeping all our employees, contractors and third-party workers safe and healthy. This also means ensuring that our products are safe to use and that they are transported safely to our customers' construction sites.	Social – Labor practices and decent work: Occupational health and safety	Yes	All TITAN employees	Yes	Contractors, third parties, customers, suppliers
	Social – Product responsibility: Customer health and safety	Yes	TITAN Group	Yes	Customers
Responsible employer: Being a responsible employer means providing training and development opportunities, equal remuneration between men and women, embracing diversity, a work environment free from discrimination or harassment, and supporting employees in exercising their right to freedom of association and collective bargaining. It also means ensuring that there is no child labor or compulsory labor in our operations or supply chain.	Social – Labor practices and decent work: Employment	Yes	All TITAN employees	Yes	Contractors, suppliers
	Social – Labor practices and decent work: Training and education	Yes	All TITAN employees	Yes	Contractors, suppliers

Material issues identified by our materiality assessment	G4 aspect	Inside the organization		Outside the organization	
		Relevant	Boundary	Relevant	Boundary
	Social – Labor practices and decent work: Diversity and equal opportunities	Yes	All TITAN employees	Yes	Contractors, suppliers
	Economic: Market presence	Yes	All TITAN operated sites	Yes	Local communities, government, suppliers and contractors
	Social – Labor practices and decent work: Supplier assessment for labor practices	Yes	TITAN Group, all TITAN operated sites	Yes	Contractors, suppliers
	Social – Labor practices and decent work: Labor practices grievance mechanisms	Yes	All TITAN employees	Yes	Contractors, suppliers
	Social – Human rights: Non-discrimination	Yes	TITAN Group	Yes	Contractors, suppliers
	Social – Human rights: Freedom of association and collective bargaining	Yes	TITAN Group	Yes	Contractors, suppliers
	Social – Human rights: Child labor and compulsory labor	Yes	All TITAN operated sites	Yes	Contractors, suppliers
	Social – Human rights: Assessment	Yes	TITAN Group	Yes	JV partners, contractors, suppliers
	Social – Human rights: Supplier human rights assessment	Yes	TITAN Group, all TITAN operated sites	Yes	Contractors, suppliers
Community relations and stakeholder engagement: TITAN is working toward building an inclusive business model, through ongoing engagement with stakeholders at all levels. At site level, building strong relationships with local communities is part of this and is key to our ability to share direct and indirect value with our stakeholders.	Social – Society: Local communities	Yes	All TITAN operated sites	Yes	Local communities
	Social – Society: Compliance	Yes	All TITAN operated sites	Yes	Regulators, NGOs, local communities, customers
	Social – Society: Supplier assessment for impact on society	Yes	TITAN Group, all TITAN operated sites	Yes	Contractors, suppliers
	Social – Society: Grievance mechanisms for impacts on society	Yes	All TITAN operated sites	Yes	Local communities, government, local organisations, contractors, suppliers

In addition to reporting on the material issues identified by our materiality assessment, we have also chosen to report on the following aspects which reflect our impacts and are important to our strategy.

Other issues	G4 aspect	Inside the organization		Outside the organization	
		Relevant	Boundary	Relevant	Boundary
Waste We provide alternative fuel and waste management services through <u>GAEA</u> , our Bulgarian joint venture with American environmental and alternative energy company, Evolution Environmental Group LLC and we aim to reduce waste across our operations.	Environment effluents and waste	Yes	All TITAN operating sites, <u>GAEA</u>	Yes	NGOs, regulators, local communities
Sustainable products and services We collaborate with stakeholders to develop more sustainable products to create value through our cement such as <u>ProAsh®</u> .	Environment-Products and services	Yes	<u>GAEA</u> , TITAN Group	Yes	Customers, NGOs, regulators, society
Transport of goods and services We aim to minimize the environmental, social, and safety risks from transporting our cement and other products.	Environment-Transport	Yes	TITAN operating sites	Yes	Suppliers, customers, local communities

Non-financial statements continued

GRI index

This Report considers our operations in the context of the Global Reporting Initiative (GRI) Sustainability Reporting guidelines and has been prepared in accordance with the G4 "Core" Standard. We aim to move to GRI 'Comprehensive' by 2017. To this aim we have reported on additional indicators not required by "Core". All "Core" indicators are indicated using the colour grey.

GENERAL STANDARD DISCLOSURES		
	Page number (or link)	External Assurance
General Standard Disclosures	Information related to Standard Disclosures required by the 'in accordance' options may already be included in other reports prepared by the organization. In these circumstances, the organization may elect to add a specific reference to where the relevant information can be found.	Indicate if the Standard Disclosure has been externally assured. If yes, include the page reference for the External Assurance Statement in the report.
STRATEGY AND ANALYSIS		
G4-1	CEO statement, pages 2-3	Yes
ORGANIZATIONAL PROFILE		
G4-2	Managing our risks, pages 63-65	Yes
G4-3	Strategic review: How TITAN builds value, pages 4-14	
G4-4	Strategic review: How TITAN builds value: Who we are and what we do, page 4	Yes
G4-5	Strategic review: How TITAN builds value: Who we are and what we do, back cover, page 4	Yes
G4-6	Strategic review: How TITAN builds value: Who we are and what we do, page 4	Yes
G4-7	TITAN Group Parent Company is TITAN Cement Co S.A.	Yes
G4-8	Strategic review: How TITAN builds value: Who we are and what we do, page 4	Yes
G4-9	Strategic review: How TITAN builds value: Who we are and what we do, page 4 Group financial performance 2014, page 20	Yes
G4-10	Employment and people development, Driven by our people, pages 27-29	Yes
G4-11	All TITAN employees, except those in the USA, are covered by collective bargaining agreements. This amounts to 44% of total direct employment at TITAN Group.	Yes
G4-12	How TITAN builds value, pages 4-14 Business partners: Building strong relationships; Sustainable procurement, pages 40-42	Yes
G4-13	Non-financial statements: Report development and methodology, Independent assurance, page 71 Group financial performance pages 20-21 Business partners: Building strong relationships; Sustainable procurement, pages 40-42	Yes

ORGANIZATIONAL PROFILE continued		
	Page number (or link)	External Assurance
G4-14	Environment: Mitigating climate change, page 44	Yes
G4-15	The Company Charter of the Cement Sustainability Initiative TITAN Group Code of Conduct TITAN Group Code for Procurement Business partners: Building strong relationships; Sustainable procurement, pages 40-42 Environment: Water management, pages 46-47 Collaborating for sustainable growth, page 15	Yes
G4-16	The Company Charter of the Cement Sustainability Initiative TITAN Group Code of Conduct TITAN Group Code for Procurement Collaborating for sustainable growth, page 15 Memberships and cooperations, pages 84-85 Business partners: Building strong relationships; Sustainable procurement, pages 40-42	Yes
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES		
G4-17	Non-financial statements: Report development and methodology, Scope of the 2014 Report, pages 71-72	Yes
G4-18	Non-financial statements: Report development and methodology, pages 71-72	Yes
G4-19	Non-financial statements: GRI G4 boundaries, pages 86-89	Yes
G4-20	Non-financial statements: GRI G4 boundaries pages 86-89	Yes
G4-21	Non-financial statements: GRI G4 boundaries pages 86-89	Yes
G4-22	Non-financial statements: Report development and methodology, Scope of the 2014 Report, pages 71-72	Yes
G4-23	Non-financial statements: Report development and methodology, Scope of the 2014 Report, pages 71-72 Non-financial statements: GRI G4 boundaries, pages 86-89	Yes
STAKEHOLDER ENGAGEMENT		
G4-24	How TITAN builds value: Materiality and stakeholder engagement, pages 12-14 How TITAN builds value: Engaging with stakeholders, Case study: Stakeholder engagement in Serbia, page 10	Yes
G4-25	How TITAN builds value: Materiality and stakeholder engagement, Our approach to stakeholder engagement, pages 12-14	Yes
G4-26	How TITAN builds value: Materiality and stakeholder engagement, pages 12-14	Yes
G4-27	How TITAN builds value: Materiality and stakeholder engagement, pages 12-14	Yes

Non-financial statements continued

GRI index continued

REPORT PROFILE		
	Page number (or link)	External Assurance
G4-28	01 January 2014 – 31 December 2014	Yes
G4-29	19 June 2015	Yes
G4-30	The reporting cycle is annual	Yes
G4-31	Non-financial statements: Report development and methodology, pages 71-72	Yes
G4-32	Non-financial statements: Report development and methodology, pages 71-72	Yes
G4-33	Non-financial statements: Report development and methodology, pages 71-72 Non-financial statements: Independent certified auditor's assurance statement, pages 73-77	Yes
GOVERNANCE		
G4-34	Corporate Governance overview, pages 60-62	Yes
G4-35	Corporate governance: Corporate governance overview, The Board and social responsibility, page 60	Yes
G4-36	Corporate governance: Corporate governance overview, The Board and social responsibility, page 60	Yes
G4-37	How TITAN builds value: Engaging with stakeholders, Stakeholder engagement process, pages 10-11	Yes
G4-38	Corporate Governance overview, pages 60-62	Yes
G4-39	Corporate Governance overview, pages 60-62	Yes
G4-40	BOD report 2014, page 3	Yes
G4-41	BOD report 2014, page 26	Yes
G4-42	BOD report 2014, page 26 Corporate Governance overview, pages 60-62	Yes
G4-43	BOD report 2014, page 47 The Board's knowledge in regards to economic, environmental, and social issues is developed through their active involvement in CSR Europe , WBCSD CSI , and UNGC as well as their long-term experience at TITAN and in the cement sector.	Yes
G4-44	BOD report 2014, page 47	Yes
G4-45	http://integratedreport2014.titan.gr/downloads/TITAN_2014_Annual_Report_of_the_Board_of_Directors_and_Financial_Results.pdf , page 4 Risks: Managing our risks pages 63-65	Yes

GOVERNANCE continued		
	Page number (or link)	External Assurance
G4-46	BOD report 2014, page 48 Risks: Managing our risks, pages 63-65 Corporate governance overview, pages 60-62	Yes
G4-47	Environmental, social, and economic risks and opportunities are reviewed by the Board on a monthly basis. BOD report 2014, page 48	Yes
G4-48	Non-financial statements: Report development and methodology, pages 71-72 Independent certified auditor's assurance statement, pages 73-77	Yes
G4-49	Corporate governance overview, pages 60-62 How TITAN builds value: Engaging with stakeholders, stakeholder engagement process, page 10	Yes
G4-50	How TITAN builds value: Materiality and stakeholder engagement, pages 12-14	Yes
G4-51	BOD report 2014, pages 36, 37, 42-46	Yes
G4-52	BOD report 2014, pages 36, 37, 42-46	Yes
G4-53	BOD report 2014, pages 36, 37, 42-46	Yes
ETHICS AND INTEGRITY		
G4-56	TITAN Group Code of Conduct Employment and people development: Driven by our people, pages 27-35 Risks: Managing our risks, pages 63-65 Corporate governance overview, pages 60-62	Yes
G4-57	TITAN Group Code of Conduct Employment and people development: Driven by our people, pages 27-35	Yes
G4-58	TITAN Group Code of Conduct Employment and people development: Driven by our people, pages 27-35	Yes

Non-financial statements continued

GRI index continued

Identified omissions relate to GRI indicator compilation criteria, with full details available at <https://g4.globalreporting.org/specific-standard-disclosures/Pages/default.aspx>

SPECIFIC STANDARD DISCLOSURES					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
CATEGORY: ECONOMIC					
MATERIAL ASPECT: ECONOMIC PERFORMANCE					
G4-DMA	Group financial performance 2014, pages 20-23 Risks: Managing our risks, TITAN policies and procedures by country, page 65				Yes
G4-EC1	Group financial performance 2014, pages 20-23 How TITAN builds value, pages 04-16 Regional review, pages 49-58 Communities: Enabling local development by supporting communities, pages 36-39				Yes
G4-EC2	Risks: Managing our risks, pages 63-65 Environment: Improving our environmental performance, pages 43-48				Yes
G4-EC3	Group financial performance 2014, pages 20-23 TITAN America 2014 financial statements note 19 Annual financial statements 2014 note 25 The minimum percentage of salary contributed by TITAN to our employees' pensions is 15%. The amount contributed by TITAN and by our employees varies depending on the country in which we operate. TITAN's contributions to our employees' pensions ranges from 15 to 50% depending on country and role.	d	The information is subject to specific confidentiality constraints	The percentage of salary contributed by TITAN to our employees' pensions varies by country. We have provided a range. The exact percentage contribution by country is deemed to be business sensitive due to the competitive nature of the cement industry and thus cannot be disclosed for confidentiality reasons.	Yes
G4-EC4	No financial support was received from government in 2014.				Yes
MATERIAL ASPECT: MARKET PRESENCE					
G4-DMA	Employment and people development: Creating and safeguarding employment (human capital), page 28				Yes

SPECIFIC STANDARD DISCLOSURES					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
G4-EC5	<p>Employment and people development: Driven by our people, page 27-35</p> <p>Glossary, acronyms and abbreviations, pages 116-117</p> <p>In all countries the ratio of basic salaries and remuneration is in line with market standards and collective agreements where applicable. There are no subjective differences in pay for the same job.</p>	a	The information is subject to specific confidentiality constraints	<p>TITAN operates in three main and distinctive activities, cement, ready mix concrete and quarrying of aggregates. For each of these activities we require different technical and professional expertise. We aim to be the employer of choice across all three activities, and thus follow a policy of providing new employees with premiums over the minimum wage. This is calculated country by country considering the history of each country, its level of industrialization, and other factors. In countries where there is neither a minimum wage nor a collective bargaining agreement covering the sector, the wages provided by the public sector in the country of interest are estimated as a reference.</p>	Yes
G4-EC6	<p>Most of the senior managers are hired from local community. Expatriates support the integration of new plants or acquisitions into the Group. In 2014 only 20 senior managers or 3.4% were expatriates.</p> <p>Employment and people development: Driven by our people, page 27-35</p> <p>Glossary, acronyms and abbreviations, pages 116-117</p>				Yes
MATERIAL ASPECT: INDIRECT ECONOMIC IMPACTS					
G4-DMA	<p>Communities: Enabling local development by supporting communities, pages 36-39</p> <p>How TITAN builds value, pages 04-15</p>				Yes
G4-EC7	<p>Communities: Enabling local development by supporting communities, pages 36-39</p> <p>How TITAN builds value, pages 04-15</p>	c	The information is currently unavailable	Our current data collection process does not enable us to split out our donations as in-kind, commercial or pro bono. We are looking to report on this by 2020.	Yes
G4-EC8	<p>Communities: Enabling local development by supporting communities, pages 36-39</p> <p>How TITAN builds value, pages 04-15</p> <p>Regional review, pages 49-58</p>				Yes

Non-financial statements continued

GRI index continued

SPECIFIC STANDARD DISCLOSURES					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
MATERIAL ASPECT: PROCUREMENT PRACTICES					
G4-DMA	Business partners: Building strong relationships, Sustainable procurement, pages 40-42				Yes
G4-EC9	Group Code of Conduct for Procurement , page 90 Non-financial statements: Report development and methodology, pages 71-72 Business partners: Building strong relationships, Sustainable procurement, pages 40-42 Glossary, acronyms and abbreviations, pages 116-117				Yes
CATEGORY: ENVIRONMENTAL					
MATERIAL ASPECT: MATERIALS					
G4-DMA	Environment: Improving our environmental performance, pages 43-48				Yes
G4-EN1	Non-financial statements continued: WBCSD/CSI environmental progress review, pages 78-81 Environment: Extractive and alternative raw materials, page 45 TITAN does not use semi-manufactured parts or goods to produce cement and thus weight of semi-manufactured goods is not applicable.				Yes
G4-EN2	Environment: Improving our environmental performance, pages 43-48				Yes
MATERIAL ASPECT: ENERGY					
G4-DMA	Environment: Extractive and alternative raw materials, page 45				Yes
G4-EN3	Environment: Improving our environmental performance, Carbon emissions, page 44				Yes
G4-EN5	Environment: Improving our environmental performance, pages 43-48				Yes
G4-EN6	Environment: Improving our environmental performance, pages 43-48				Yes
MATERIAL ASPECT: WATER					
G4-DMA	Environment continued: Water management, page 46				Yes

SPECIFIC STANDARD DISCLOSURES					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
G4-EN8	Environment continued: Water management, page 46				Yes
G4-EN10	Environment continued: Water management, page 46				Yes
MATERIAL ASPECT: BIODIVERSITY					
G4-DMA	Environment: Biodiversity and land management, page 47				Yes
G4-EN11	Environment: Biodiversity and land management, page 47				Yes
G4-EN12	Environment: Biodiversity and land management, page 47				Yes
G4-EN13	Environment: Biodiversity and land management, page 47 Non-financial statements continued: Awards and recognition, pages 82-83				Yes
G4-EN14	Environment: Biodiversity and land management, page 47	a	The information is currently unavailable	We plan to report the total number of IUCN Red List species and national conservation list species with habitats in areas affected by our operations by 2020.	Yes
MATERIAL ASPECT: EMISSIONS					
G4-DMA	Risks: Managing our risks, pages 63-65 Environment: Improving our environmental performance, pages 43-48 Group Performance Overview, pages 18-19 Non-financial statements: WBCSD/CSI environmental progress review, pages 78-81				Yes
G4-EN15	Non-financial statements: WBCSD/CSI environmental progress review, pages 78-81 Environment: Improving our environmental performance, Management review, page 43				Yes
G4-EN16	Non-financial statements: WBCSD/CSI environmental progress review, pages 78-81				Yes
G4-EN18	Non-financial statements: WBCSD/CSI environmental progress review, pages 78-81				Yes

Non-financial statements continued

GRI index continued

SPECIFIC STANDARD DISCLOSURES					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
G4-EN19	Non-financial statements: WBCSD/CSI environmental progress review, pages 78-81 Regional review, pages 49-58 Environment: Improving our environmental performance, Carbon emissions, page 44				Yes
G4-EN21	Environment: NOx and SOx, page 44 Environment: Improving our environmental performance, Management review, page 43				Yes
Material Aspect: Effluents and Waste					
G4-DMA	We aim to minimize our waste and use waste as an alternative fuel source. We provide alternative fuel and waste management services through GAEA, our Bulgarian joint venture with American environmental and alternative energy company, Evolution Environmental Group LLC and we aim to reduce waste across our operations. Environment: Improving our environmental performance, pages 43-48				Yes
G4-EN22	Environment: Water management, page 46				
G4-EN23	Environment: Waste management, page 46	a, b	The information is currently unavailable	We plan to provide a detailed breakdown of our waste broken down by hazardous and non-hazardous, by method for determining waste disposal method by 2017.	

SPECIFIC STANDARD DISCLOSURES					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
G4-EN24	<p>In 2014, we had the following accidental spills and releases which were not deemed to be significant:</p> <ul style="list-style-type: none"> at Patras cement plant (Patras, Greece) there was an accidental release of petcoke during vessel unloading at the port facility of the plant. at Zlatna Panega cement plant (Zlatna Panega, Bulgaria) there were two accidental spills of lubrication oil. The first due to a broken pump and the second due to broken oil lines. <p>A spill that took place at our TECO fly ash processing unit, (Florida, USA) was deemed to be significant. In that case, 15m³ of sulfuric acid were accidentally spilled from a tanker due to a failed transfer pump, which contaminated the adjacent ground and ditch. In response, all of the acid-impacted soils were removed and properly disposed.</p>				
G4-EN25	Waste materials used in or produced by our operations are not considered to be hazardous under the terms of the Basel Convention.	a, b			
G4-EN26	Environment: Biodiversity and land management, page 47	a		We aim to report more information on the specific types and total number of protected species impacted by our operations by 2017.	
MATERIAL ASPECT: Products and services					
G4-DMA	We aim to develop more sustainable products and services for our customers to minimize the impact our products have on society and the environment as demonstrated by our ProAsh® product.				Yes
G4-EN27	How TITAN builds value, pages 04-15				Yes
MATERIAL ASPECT: COMPLIANCE					
G4-DMA	Environment: Improving our environmental performance, pages 43-48				Yes
G4-EN29	Environment: Improving our environmental performance, Management review, Compliance and best practice, page 43				Yes

Non-financial statements continued

GRI index continued

SPECIFIC STANDARD DISCLOSURES					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
MATERIAL ASPECT: OVERALL					
Material Aspect: Transport					
G4-DMA	We rely on contractors and suppliers to deliver us with the goods and services we need to run our business. Transporting our products in a safe, timely fashion to our customers whilst minimizing safety, social, and environmental risks is of great importance to our business.				
G4-EN30	The environmental impacts of transporting our products, materials used in our operations, and our employees are mainly GHG emissions, fugitive dust and noise. We actively implement programs adopting best practices to reduce these impacts, such as the introduction of trucks with low emission engines and the installation of covering mechanisms as well as truck washing prior to leaving our facilities premises to reduce fugitive dust. Based on past studies, the environmental impact of such activities was deemed not material compared to the impact of our direct operations. We therefore do not currently collect data on transport impacts. By 2020, we look to reevaluate our position and develop a monitoring system as necessary.			Omissions wording required	
G4-DMA	How TITAN builds value, page 04-15 Environment: Improving our environmental performance, pages 43-48				Yes
G4-EN31	Environment: Improving our environmental performance, page 43-48				Yes
Material Aspect: Supplier Environmental Assessment					
G4-DMA	Business partners: Building strong relationships, Sustainable procurement, pages 40-42			We recognize the importance of supporting our suppliers in helping them tackle their environmental risks. We look to develop a supplier environmental program by 2020.	Yes
G4-EN32	Business partners: Building strong relationships, Sustainable procurement, pages 40-42		a	The information is currently unavailable.	Yes
	We are looking to report on the percentage of new suppliers screened using environmental criteria by 2020.				

SPECIFIC STANDARD DISCLOSURES					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
G4-EN33	Business partners: Building strong relationships, Sustainable procurement, pages 40-42	a,b,c,d,e	The information is currently unavailable.	We are looking to report against this indicator by 2020 once we have our new supplier program in place.	Yes
CATEGORY: SOCIAL					
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK					
MATERIAL ASPECT: EMPLOYMENT					
G4-DMA	Employment and people development: Driven by our people, pages 27-35				Yes
G4-LA1	Employment and people development: Driven by our people, pages 27-35				Yes
G4-LA2	Employment and people development: Driven by our people, pages 27-35 BOD Report 2014, page 89				Yes
G4-LA3	We respect local and national laws in relation to parental leave.	a,b,c,d,e	The information is currently unavailable.	We do not currently collect this data. We are looking to report on this by 2017 as we implement our new data management system.	Yes
MATERIAL ASPECT: LABOR/MANAGEMENT RELATIONS					
G4-DMA	Employment and people development: Driven by our people, pages 27-35				Yes
G4-LA4	TITAN Group follows EU and national legislation in respect to notice period.				Yes
MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY					
G4-DMA	Health and Safety: Committed to a safer, healthier working environment, pages 24-26				Yes
G4-LA5	Health and Safety: Committed to a safer, healthier working environment, pages 24-26				Yes
G4-LA6	Health and Safety: Committed to a safer, healthier working environment, pages 24-26	a	The information is currently unavailable	We report LTIFR overall and by country. We do not currently track occupational diseases rates, absenteeism rates or lost day rates or IR. We do not track working hours of employees by gender. We are looking to collect this data by 2017.	

Non-financial statements continued

GRI Index continued

SPECIFIC STANDARD DISCLOSURES					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
G4-LA7	Health and Safety: Committed to a safer, healthier working environment, pages 24-26 Occupational illness related to dust and noise at our sites is a material issue for TITAN. Through the <u>WBCSD CSI</u> we are looking at best practice mechanisms for collecting and reporting on occupational illnesses.	a	The information is currently unavailable	Although this data is collected at plant level, we are working through the CSI and internally on developing best practice occupational illness data collection and reporting procedures. We aim to report on this indicator by 2017.	
G4-LA8	Employment and people development: Collective bargaining and unionization, page 35				Yes
MATERIAL ASPECT: TRAINING AND EDUCATION					
G4-DMA	Employment and people development: Driven by our people, Training and development, pages 32-33				Yes
G4-LA9	Employment and people development: Driven by our people, Training and development, pages 32-33				Yes
G4-LA10	Employment and people development: Driven by our people, Training and development, pages 32-33				Yes
G4-LA11	On average 34% of TITAN Group employees were covered by performance appraisals in 2014. We are looking at expanding the number of employees receiving performance appraisals to 100% by 2020. Employment and people development: Driven by our people, Training and development, pages 32-33				Yes
MATERIAL ASPECT: DIVERSITY AND EQUAL OPPORTUNITY					
G4-DMA	Employment and people development: Driven by our people, pages 27-35				Yes
G4-LA12	Employment and people development: Driven by our people, pages 27-35				Yes
MATERIAL ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN					
G4-DMA	Employment and people development: Driven by our people, pages 27-35				Yes
G4-LA13	Employment and people development: Driven by our people, pages 27-35				Yes

SPECIFIC STANDARD DISCLOSURES					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
MATERIAL ASPECT: Supplier assessment for Labor Practices					
G4-DMA	Business partners: Building strong relationships, Sustainable procurement, pages 40-42	a,b,c	The information is currently unavailable	We have set ourselves the target of assessing our supply chain using labor criteria and reporting against this by 2020.	Yes
G4-LA14	Business partners: Building strong relationships, Sustainable procurement, pages 40-42 Employment and people development: Prevention of child labor and forced labor, page 34 TITAN Code of Conduct for Procurement	a	The information is currently unavailable	We have set ourselves the target of assessing our supply chain using labor criteria and reporting against this indicator by 2020.	Yes
G4-LA15	Business partners: Building strong relationships, Sustainable procurement, pages 40-42 Employment and people development: Prevention of child labor and forced labor, page 34 TITAN Code of Conduct for Procurement	a,b,c,d,e	The information is currently unavailable	We have set ourselves the target of assessing our supply chain using labor criteria and reporting against this indicator by 2020.	Yes
MATERIAL ASPECT: Labor Practice Grievance Mechanisms					
G4-DMA	Employment and people development: Driven by our people, pages 27-35 TITAN Code of Conduct				Yes
G4-LA16	Employment and people development: Driven by our people, pages 27-35 TITAN Code of Conduct				Yes
SUB-CATEGORY: HUMAN RIGHTS					
MATERIAL ASPECT: INVESTMENT					
G4-DMA	Employment and people development: Driven by our people, pages 27-35 TITAN Code of Conduct				Yes

Non-financial statements continued

GRI index continued

SPECIFIC STANDARD DISCLOSURES					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
G4-HR1	Business partners: Building strong relationships, Sustainable procurement, pages 40-42 Glossary, acronyms and abbreviations, pages 116-117 All significant agreements that relate to primary providers of a given type of good or service and overall comprise the majority of the organization's purchase are controlled at Group level. For each country, there is a number of significant agreements depending on the operations per country. Contracts may be significant based on their value, which varies according to local conditions (in TITAN's Glossary, "significant agreements" are to be specified by local General Management. It is not a fixed definition and should be discussed with the local General Management every year).	a	The information is currently unavailable	As part of our commitment to the UNGC we are looking to develop more robust data collection systems for human rights screening of our key contracts by 2020.	Yes
G4-HR2	Employment and people development: Driven by our people, pages 27-35				Yes
MATERIAL ASPECT: NON-DISCRIMINATION					
G4-DMA	Employment and people development: Driven by our people, pages 27-35				Yes
G4-HR3	Employment and people development: Driven by our people, pages 27-35 Two separate complaints were filed by the same employee regarding unfair treatment by the supervisor. Both of them were investigated and found to be baseless				Yes
MATERIAL ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING					
G4-DMA	Employment and people development: Collective bargaining and unionization, page 35				Yes
G4-HR4	Employment and people development: Driven by our people, pages 27-35 Unions are established and operate freely in all countries.	a	The information is currently unavailable	We are looking to embed human rights assessments into our supply chain by 2020. This will involve screening suppliers using new human rights criteria that covers, freedom of association and collective bargaining. We look to report against this indicator by 2017.	Yes

SPECIFIC STANDARD DISCLOSURES					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
MATERIAL ASPECT: CHILD LABOR					
G4-DMA	Employment and people development: Prevention of child labor and forced labor, page 34				Yes
G4-HR5	Employment and people development: Prevention of child labor and forced labor, page 34 Our Group employee standards clearly spell out that TITAN only allows employment only for people who are over 18 years old. All contractors are aware of TITAN's policy against child labor and they are monitored regularly to safeguard compliance with TITAN's standards. Employment and people development: Measuring our people's engagement, page 31	a,b	The information is currently unavailable	We are looking to embed human rights assessments into our supply chain by 2020. This will involve screening suppliers using new human rights criteria that covers child labor. We look to report against this indicator by 2017.	Yes
MATERIAL ASPECT: FORCED OR COMPULSORY LABOR					
G4-DMA	Employment and people development: Driven by our people, pages 27-35				Yes
G4-HR6	Our procurement manual, mandates that all of our contractors must provide official proof of payment and paid insurance of their employees, in order to be paid.	a	The information is currently unavailable	We are looking to embed human rights assessments into our supply chain by 2020. This will involve screening suppliers using new human rights criteria that covers forced or compulsory labor. We look to report against this indicator by 2017.	Yes
MATERIAL ASPECT: SECURITY PRACTICES					
G4-DMA	Employment and people development: Driven by our people, pages 27-35				Yes
G4-HR7	Employment and people development: Training and development, page 32				Yes
MATERIAL ASPECT: ASSESSMENT					
G4-DMA	Employment and people development: Human rights, page 35				Yes
G4-HR9	Employment and people development: Human rights, page 35				Yes

Non-financial statements continued

GRI index continued

SPECIFIC STANDARD DISCLOSURES					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
MATERIAL ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT					
G4-DMA	Business partners: Building strong relationships, Sustainable procurement, pages 40-42	b and c	The information is currently unavailable	We have set ourselves the target of assessing our supply chain against human rights risks by 2020 and reporting against this by 2020.	Yes
G4-HR10	Business partners: Building strong relationships, Sustainable procurement, pages 40-42	a	The information is currently unavailable	We have set ourselves the target of assessing our supply chain against human rights risks by 2020 and reporting against this by 2020.	Yes
G4-HR11	Business partners: Building strong relationships, Sustainable procurement, pages 40-42	a,b,c,d,e	The information is currently unavailable	We will report against this indicator by 2020 once we have gathered the data on our human rights risks in our supply chain.	Yes
MATERIAL ASPECT: HUMAN RIGHTS GRIEVANCE MECHANISMS					
G4-DMA	Employment and people development: Driven by our people, pages 27-35				Yes
G4-HR12	Employment and people development: Driven by our people, pages 27-35				Yes
SUB-CATEGORY: SOCIETY					
MATERIAL ASPECT: LOCAL COMMUNITIES					
G4-DMA	Communities: Enabling local development by supporting communities, pages 36-39				Yes
G4-SO1	Communities: Enabling local development by supporting communities, page 3 Non-financial statements: WBCSD/CSI environmental progress review, pages 78-81				Yes
G4-SO2	Communities: Enabling local development by supporting communities, page 3				Yes
MATERIAL ASPECT: ANTI-CORRUPTION					
G4-DMA	Risks: Managing our risks, pages 63-65				Yes
G4-SO3	Risks: Managing our risks, pages 63-65 100% of operations have been assessed for risk of corruption.				Yes

SPECIFIC STANDARD DISCLOSURES					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
G4-SO4	Employment and people development: Training and development, pages 32-33 Our Code of Conduct training includes our expectations regarding Anti-Corruption.				Yes
G4-SO5	No such incident was recorded in 2014.				Yes
MATERIAL ASPECT: PUBLIC POLICY					
G4-DMA	Working with government and being transparent in our relationship with government and our stance on regulatory issues is part of being a transparent business.				Yes
G4-SO6	No such incident was recorded in 2014.				Yes
MATERIAL ASPECT: ANTI-COMPETITIVE BEHAVIOR					
G4-DMA	Ensuring we meet regulatory requirements regarding Competition is essential to our license to operate. Our <u>Group Code of Conduct</u> clearly spells out our position on anti-competitive behavior. Our Board oversees the implementation of our <u>Code of Conduct</u> and our Group Internal Audit Department ensures that we uphold our standards.				Yes
G4-SO7	This case was opened in 2012 and resolved in 2013. The investigation by the Kosovo Competition Authority against SharrCem sh.p.k. for alleged abuse of dominant position in the cement market in Kosovo was officially closed on 14 August 2014. By its decision No. PA/V/03/13, the Kosovo Competition Authority acquitted the Company of all charges. The decision is final, as the deadline for its appeal has lapsed.				Yes

Non-financial statements continued

GRI index continued

SPECIFIC STANDARD DISCLOSURES					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
MATERIAL ASPECT: COMPLIANCE					
G4-DMA	Risks: Managing our risks, pages 63-65 Environment: Improving our environmental performance, pages 43-48 Meeting and exceeding our environmental regulatory requirements is essential to our license to operate. Our five-year environmental performance improvement plan ensures that we invest in the required best available technologies to ensure that we meet existing and potential new regulatory requirements.				Yes
G4-SO8	€ 36,961.99 in total in 2014				Yes
MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY					
G4-DMA	Business partners: Building strong relationships, Sustainable procurement, pages 40-42	a,b,c	The data is currently unavailable.	We have set ourselves the target of assessing our supply chain using social criteria and reporting against this indicator by 2020.	Yes
G4-SO9	Business partners: Building strong relationships, Sustainable procurement, pages 40-42	a	The data is currently unavailable.	We have set ourselves the target of assessing our supply chain using social criteria and reporting against this indicator by 2020.	Yes
G4-SO10	Business partners: Building strong relationships, Sustainable procurement, pages 40-42	a,b,c,d,e	The data is currently unavailable.	We have set ourselves the target of assessing our supply chain using social criteria and reporting against this indicator by 2020.	Yes
MATERIAL ASPECT: Grievance Mechanisms for Impacts on Society					
G4-DMA	Communities: Enabling local development by supporting communities, pages 36-39				Yes

SPECIFIC STANDARD DISCLOSURES					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
SO11	<p>Communities: Enabling local development by supporting communities, pages 36-39</p> <p>All of our operations have mechanisms for members of the community to report grievances through our ISO14001 management system. Communities in the USA have access to the same ethics hotline as our employees. In 2014, we received one complaint in Albania related to increased smog detected by local community members at night. A full investigation was undertaken which found that the smog was being created by local community members burning tires despite new government actions addressing the issue. TITAN engaged with and gave an open presentation on its environmental indicators and performance to local NGOs and the community and the community agreed that the smog was not caused by TITAN's operations</p>				Yes
SUB-CATEGORY: PRODUCT RESPONSIBILITY					
MATERIAL ASPECT: CUSTOMER HEALTH AND SAFETY					
G4-DMA	Business partners: Building strong relationships, Sustainable procurement, pages 40-42				Yes
G4-PR1	All products, 100%, are assessed accordingly for Health and Safety impacts during development, production, transportation and use.				Yes
G4-PR2	There were no incidents of non-compliance with regulations or voluntary codes in 2014.				Yes

Non-financial statements continued

GRI index continued

SPECIFIC STANDARD DISCLOSURES					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
MATERIAL ASPECT: Product and service labelling					
G4-DMA	<p>We continuously assess our ability to meet and exceed legal requirements on the labelling of our products to ensure that they are safe for our customers use.</p> <p>Given recent changes to regulations such as EU Directive 67/548/EEC regarding the labelling of substances and mixtures TITAN has assessed its risk and ability to comply with and has determined that we currently meet all regulatory requirements. We are currently undertaking a review of our operations in the USA to ensure this part of our business is able to comply as well.</p>				
G4-PR3	<p>Our procedures for product and service labelling spells out a number of requirements for the type of information that must be on the label including information regarding the sourcing of materials in our products, content of our products and their related environmental and social impacts, safe use and application of our products, and logos regarding the safety and amounts of silica in our cement. 100% of our products meet all existing legal requirements and are certified against our labelling procedures.</p> <p>For aggregates, the only labelling requirements are related to their source and safe use. As cement is used to make long-term infrastructure projects, the safe disposal of infrastructure is out of our direct control. However, for products that are not used, we have specific disposal procedures in place.</p>				
G4-PR4	<p>There were zero incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.</p>				

SPECIFIC STANDARD DISCLOSURES					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
G4-PR5	Meeting and exceeding our customers expectations is of utmost importance to our business. We build long lasting relationships with our customers for example working with them to build the largest skyscraper in America. In addition to our ongoing engagements with customers we undertake customer satisfaction surveys at market level. In 2014, we received mixed results depending on local market conditions. The areas which customers found most important included: low stable prices, reliability, and on time delivery.	a	The data is currently unavailable.	We are currently undertaken a major IT development project which aims to develop a common platform for managing global data to enable easy collection and aggregation of data including customer satisfaction results. We look to report against this indicator more fully by 2017.	
MATERIAL ASPECT: COMPLIANCE					
G4-DMA	Business partners: Building strong relationships, Sustainable procurement, pages 40-42 How TITAN builds value, pages 04-15				Yes
G4-PR9	There were no such fines in 2014.				Yes

Non-financial statements continued

UN Global Compact criteria

Implementing the Ten Principles into strategies and operations

Criterion 1)	The COP describes mainstreaming into corporate functions and business units.	<u>TITAN commitments</u> a. <u>TITAN Group CSR Policy</u> Pages: 3, 11, 15, 26, 32, 34-35, 41, 65
Criterion 2)	The COP describes value chain implementation.	<u>TITAN commitments</u> a. <u>TITAN Group CSR Policy</u> b. <u>TITAN Group Code of Conduct</u> c. <u>TITAN Group Code of Conduct for Procurement</u> Pages: 03, 40-42, 34-35, 65

Robust Human Rights Management policies and procedures

Criterion 3)	The COP describes robust commitments, strategies or policies in the area of human rights.	<u>TITAN commitments</u> a. <u>TITAN Corporate Values</u> b. <u>TITAN Group Code of Conduct</u> c. <u>TITAN Group CSR Policy</u> d. <u>TITAN Group Code of Conduct for Procurement</u> e. <u>TITAN People Management Framework</u> f. <u>TITAN Occupational Health and Safety Vision and Policy</u> g. <u>Charter of the TITAN Occupational Health and Safety Council</u> Pages: 35, 65
Criterion 4)	The COP describes effective management systems to integrate the human rights principles.	<u>TITAN commitments</u> a. <u>TITAN Group CSR Policy</u> b. <u>TITAN People Management Framework</u> c. <u>TITAN Group Code of Conduct</u> d. <u>TITAN Group Code of Conduct for Procurement</u> Pages: 3, 26, 32, 34-35, 41
Criterion 5)	The COP describes effective monitoring and evaluation mechanisms of human rights integration.	<u>TITAN commitments</u> a. <u>TITAN Group CSR Policy</u> b. <u>TITAN Group Code of Conduct</u> c. <u>TITAN Group Code of Conduct for Procurement</u> Pages: 3, 26, 32, 34-35, 41, see also HR3, HR4, HR9, HR10, HR11 in the GRI table

Robust labor management policies and procedures

Criterion 6)	The COP describes robust commitments, strategies or policies in the area of labor.	<p><u>TITAN commitments</u></p> <p>a. <u>TITAN Group CSR Policy</u></p> <p>b. <u>TITAN Corporate Values</u></p> <p>c. <u>TITAN Group Code of Conduct</u></p> <p>d. <u>TITAN Group Code of Conduct for Procurement</u></p> <p>e. <u>TITAN People Management Framework</u></p> <p>f. <u>TITAN Occupational Health and Safety Vision and Policy</u></p> <p>g. <u>Charter of the TITAN Occupational Health and Safety Council</u></p> <p>Pages: 2, 27-35, 40-41, 65</p>
Criterion 7)	The COP describes effective management systems to integrate the labor principles.	<p><u>TITAN commitments</u></p> <p>a. <u>TITAN Group Code of Conduct</u></p> <p>b. <u>TITAN Group Code of Conduct for Procurement</u></p> <p>c. <u>TITAN People Management Framework</u></p> <p>d. <u>TITAN Occupational Health and Safety Vision and Policy</u></p> <p>e. <u>TITAN Occupational Health and Safety Framework</u></p> <p>Pages: 4, 11, 27-35, 40-41, 65</p>
Criterion 8)	The COP describes effective monitoring and evaluation mechanisms of labor principles.	<p><u>TITAN commitments</u></p> <p>a. <u>TITAN Group CSR Policy</u></p> <p>b. <u>TITAN Group Code of Conduct</u></p> <p>c. <u>TITAN People Management Framework</u></p> <p>d. <u>Charter of the TITAN Occupational Health and Safety Council</u></p> <p>e. <u>The Company Charter of the Cement Sustainability Initiative</u></p> <p>Pages: 2, 4, 11, 27-35, 40-41, 65, HR4 in the GRI table, 96</p>

Robust environmental management policies and procedures

Criterion 9)	The COP describes robust commitments, strategies or policies in the area of environmental stewardship.	<p><u>TITAN commitments, strategies or policies</u></p> <p>a. <u>TITAN Corporate Values</u></p> <p>b. <u>TITAN Group CSR Policy</u></p> <p>c. <u>TITAN Group Code of Conduct</u></p> <p>d. <u>The Company Charter of the Cement Sustainability Initiative</u></p> <p>e. <u>TITAN Group Environmental Strategy</u></p> <p>f. <u>TITAN Climate Change Mitigation Strategy</u></p> <p>Pages: 02-03, 05, 08-09, 18-19, 26, 32, 42-47, 63, 65</p>
Criterion 10)	The COP describes effective management systems to integrate the environmental principles.	<p><u>TITAN commitments</u></p> <p>a. <u>TITAN Group CSR Policy</u></p> <p>b. <u>The Company Charter of the Cement Sustainability Initiative</u></p> <p>c. <u>TITAN Group Environmental Strategy</u></p> <p>d. <u>TITAN Climate Change Mitigation Strategy</u></p> <p>Pages: 11, 41-47, 50-52, 54-55, 63, 65, 78-81</p>
Criterion 11)	The COP describes effective monitoring and evaluation mechanisms for environmental stewardship.	<p><u>TITAN commitments</u></p> <p>a. <u>TITAN Climate Change Mitigation Strategy</u></p> <p>b. <u>The Company Charter of the Cement Sustainability Initiative</u></p> <p>Pages: 11, 41-47, 50-52, 54-55, 63, 65, 78-81, see also EN1-EN30 in the GRI table</p>

Non-financial statements continued

UN Global Compact criteria continued

Robust anti-corruption management policies and procedures

Criterion 12)	The COP describes robust commitments, strategies, or policies in the area of anti-corruption stewardship.	<p><u>TITAN commitments</u></p> <p>a. <u>TITAN Corporate Values</u></p> <p>b. <u>TITAN Group CSR Policy</u></p> <p>c. <u>TITAN Group Code of Conduct</u></p> <p>d. <u>TITAN Group Code of Conduct for Procurement</u></p> <p>Pages: 15, 64, 86, see also SO2 and SO4 in the GRI table</p>
Criterion 13)	The COP describes effective management systems to integrate the anti-corruption principle stewardship.	<p><u>TITAN commitments</u></p> <p>a. <u>TITAN Group Code of Conduct</u></p> <p>b. <u>TITAN Group Code of Conduct for Procurement</u></p> <p>Pages: 15, 64, 86, see also SO3 in the GRI table and the <u>Governance Report</u></p>
Criterion 14)	The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption stewardship.	<p><u>TITAN commitments</u></p> <p>a. <u>TITAN Group Code of Conduct</u></p> <p>b. <u>TITAN Group Code of Conduct for Procurement</u></p> <p>Pages: 15, 64, 86, see also SO4 in the GRI table</p>

Taking action in support of broader UN goals and issues

Criterion 15)	The COP describes core business contributions to UN goals and issues stewardship.	<p><u>TITAN commitments</u></p> <p>a. <u>TITAN Corporate Values</u></p> <p>b. <u>TITAN Group CSR Policy</u></p> <p>c. <u>TITAN CSR pledges and commitments</u></p> <p>d. <u>TITAN Group Code of Conduct</u></p> <p>e. <u>TITAN Group Code of Conduct for Procurement</u></p> <p>Pages: 2-3, 11, 15, 18, 36-38, 71</p>
Criterion 16)	The COP describes strategic social investments and philanthropy stewardship.	<p><u>TITAN commitments</u></p> <p>a. <u>TITAN Group CSR Policy</u></p> <p>Pages: 18, 36-39, 75</p>
Criterion 17)	The COP describes advocacy and public policy engagement stewardship.	<p><u>TITAN commitments</u></p> <p>a. <u>TITAN Group CSR Policy</u></p> <p>b. <u>TITAN Group Code of Conduct</u></p> <p>Pages: 2-3, 10-15, 18, 40-42, 86,88, see SO6 in GRI table</p>
Criterion 18)	The COP describes partnerships and collective action stewardship.	<p><u>TITAN commitments</u></p> <p>a. <u>TITAN Group CSR Policy</u></p> <p>b. <u>The Company Charter of the Cement Sustainability Initiative</u></p> <p>c. <u>TITAN Climate Change Mitigation Strategy</u></p> <p>d. <u>TITAN Occupational Health and Safety Framework</u></p> <p>Pages: 3-4, 10-11, 15, 26, 40-42</p>

Corporate sustainability governance and leadership

Criterion 19)	The COP describes CEO commitment and leadership stewardship	<p><u>TITAN commitments</u></p> <p>a. <u>TITAN Group CSR Policy</u></p> <p>b. <u>The Company Charter of the Cement Sustainability Initiative</u></p> <p>c. <u>TITAN Climate Change Mitigation Strategy</u></p> <p>d. <u>TITAN Group Code of Conduct</u></p> <p>Pages: 1, 2-6, 60, see also <u>Governance report</u></p>
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Corporate sustainability governance and leadership continued

Criterion 20)	The COP describes Board adoption and oversight stewardship	<p><u>TITAN commitments</u></p> <p>a. <u>TITAN Group CSR Policy</u></p> <p>b. <u>TITAN Group Code of Conduct</u></p> <p>Pages: 2-6, 60-62, <u>Governance report</u></p>
Criterion 21)	The COP describes stakeholder engagement stewardship	<p><u>TITAN commitments</u></p> <p>a. <u>TITAN Group CSR Policy</u></p> <p>b. <u>TITAN Group Code of Conduct</u></p> <p>c. <u>TITAN People Management Framework</u></p> <p>Pages: 02, 04, 10, 12-13, 15, 19, 32, 75, 76, 84-85</p>
Business and peace		
Criterion 22)	The COP describes policies and practices related to the Company's core business operations in high-risk conflict-affected areas stewardship.	<p><u>TITAN commitments</u></p> <p>a. <u>TITAN Group CSR Policy</u></p> <p>b. <u>TITAN Group Code of Conduct</u></p> <p>c. <u>TITAN Group Code of Conduct for Procurement</u></p> <p>Pages: 3, 9, 13, 34-35, 41, 63-65</p>
Criterion 23)	The COP describes policies and practices related to the Company's government relations in high-risk or conflict-affected areas stewardship.	<p><u>TITAN commitments</u></p> <p>a. <u>TITAN Group CSR Policy</u></p> <p>b. <u>TITAN Group Code of Conduct</u></p> <p>c. <u>TITAN Group Code of Conduct for Procurement</u></p> <p>Pages: 4-5, 63-65</p>
Criterion 24)	The COP describes local stakeholder engagement and strategic social investment activities of the Company in high-risk or conflict-affected areas stewardship.	<p><u>TITAN commitments</u></p> <p>a. <u>TITAN Group CSR Policy</u></p> <p>b. <u>TITAN Group Code of Conduct</u></p> <p>c. <u>TITAN Group Code of Conduct for Procurement</u></p> <p>Pages: 04-05, 10-14, 34-35, 36-39, 40-42</p>

Non-financial statements continued

Glossary, acronyms and abbreviations

General glossary terms

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

Acronyms and abbreviations

AA 1000 APS	AccountAbility 1000 Accountability Principles Standard
ACT	Accelerating Coaching Training
ATHEX	Athens Stock Exchange
BEST	Board of European Students of Technology
BMP	Biodiversity Management Plan
BOD	Board of Directors
CIPD	The Chartered Institute of Personnel and Development
CSI	Cement Sustainability Initiative
CSR	Corporate Social Responsibility
EBITDA	Earnings Before Interest Taxes Depreciation and Amortization
EIAS	Environmental Impact Assessment Study
EPD	Environmental Product Declaration
ESIA	Environment & Social Impact Assessment
ESS	ElectroStatic Separation
EU	European Union
FTSE	Financial Times and the London Stock Exchange
F.Y.R. of Macedonia	Former Yugoslav Republic of Macedonia
GDP	Gross Domestic Product
GHG emissions	Greenhouse Gas emissions
GRI	Global Reporting Initiative
HHV	High Heat Value
IBAT	Integrated Biodiversity Assessment Tool
ILO	International Labour Organization
IPPC	Integrated Pollution Prevention Control
ISO	International Organization for Standardization
IUCN	International Union for Conservation of Nature
KPI	Key Performance Indicator
LTI	Lost Time Injury

Acronyms and abbreviations

LTIFR	Lost Time Injury Frequency Rate
MSCI	Morgan Stanley Capital International
NGO	Non-Governmental Organization
NRMCA	National Ready-Mixed Concrete Association
OHS	Occupational Health & Safety
OHSAS	Occupational Health & Safety Assessment Series
PCA	Portland Cement Association
PDR	Personal Development Review
PCR	Product Category Rules
PEF	Processed Engineered Fuel
PFO	Potentially Fatal Occurrences
REC	Regional Environmental Center
RP	Rehabilitation Plan
R&D	Research and development
SA 8000	Social Accountability 8000
SES	Stakeholder Engagement Standard
ST	Separation Technology
TBAE	TITAN Beton and Aggregates Egypt
TGF	TITAN Global Finance
U.K.	United Kingdom
U.N.	United Nations
UNDHR	Universal Declaration of Human Rights
UNGC	United Nations Global Compact
U.S.	United States
U.S.A.	United States of America
WBCSD	World Business Council for Sustainable Development

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