

Corporate Social Responsibility and Sustainability Report

(Independently Verified)



2000
2010

LEARNING, IMPROVING, ENGAGING

2000
2010

Geographical presence of the TITAN Group



U.S.A.

- 2 CEMENT PLANTS
- 5 QUARRIES
- 107 READY MIX PLANTS
- 14 DISTRIBUTION TERMINALS
- 9 CONCRETE BLOCK PLANTS
- 6 FLY ASH PROCESSING PLANTS IN THE U.S.A.
- 1 FLY ASH PROCESSING PLANT IN CANADA

GREECE & WESTERN EUROPE

- 4 CEMENT PLANTS
- 28 QUARRIES
- 30 READY MIX PLANTS
- 4 DISTRIBUTION TERMINALS
- 1 DRY MORTAR PLANT
- 1 FLY ASH PROCESSING PLANT

SOUTH EASTERN EUROPE

- 5 CEMENT PLANTS
- 9 QUARRIES
- 7 READY MIX PLANTS
- 2 DISTRIBUTION TERMINALS

EASTERN MEDITERRANEAN

- 3 CEMENT PLANTS
- 2 GRINDING PLANTS
- 15 QUARRIES
- 4 READY MIX PLANTS

TITAN is a vertically integrated Group of companies, active in the cement and other heavy building materials industries, operating in four regions and committed to:

“...pursuing at all times our business goals and creating value, in an ethical and socially responsible manner, doing less harm and endeavoring to do more good”

TITAN Group
Corporate Social Responsibility Vision

- Integrity
- Know-How
- Value To the Customer
- Delivering Results
- Continuous Improvement
- Corporate Social Responsibility

TITAN Group
Corporate Values

Reading the 2010 Report

Welcome to the 2010 TITAN Group Corporate Social Responsibility and Sustainability Report (otherwise “CSR and Sustainability Report” or “Report”), which offers a brief overview of our policies, challenges and performance between January 1st, 2010 and December 31st, 2010.

This is the 8th Report that has been issued by the TITAN Group and covers social and environmental performance for all its subsidiaries and operations.

This Report serves to complement the TITAN Group 2010 Annual Report and Financial Results, accordingly, the contents of these two reports are presented together on page 4.

The electronic version of this Report contains

additional information and can be viewed or downloaded from the following website: <http://report2010.titan.gr/en/>

In preparing this Report we adopted the “best practice” standards and the following international guidelines:

- Guidelines for Progress Reporting set by the U.N. Global Compact, Communication on Progress (CoP)
- Industry protocols for measurement and public reporting for the Cement Sustainability Initiative (CSI) issued by the World Business Council for Sustainable Development (WBCSD), and
- Global Reporting Initiative (GRI) G3, 2006

TITAN is seeking to adopt the general principles of ISO 26000 and current management systems reflect this endeavor.

In response to the need of our stakeholders to obtain a deeper understanding of the impacts and the added value created by TITAN Group operations, all cases and examples of practices related to our social and environmental footprints are presented by region in this Report. In this way it becomes obvious that embedding corporate social responsibility is an on-going process for all TITAN operations. The contents of this Report are related to the outcomes of internal assessment and feedback received from stakeholders focusing on issues that have been identified as most significant and relevant to TITAN business and its

stakeholders. This Report is declared as A+ for GRI (G3) Assurance level and as “Advanced” level Communication on Progress according to U.N. Global Compact criteria. The Auditor’s Report on pages 63-65 provides a statement for these achievements while the electronic version of the Report provides additional information on the Auditors’ conclusions and recommendations, in particular regarding TITAN’s participation and reporting against the CSI and Global Compact initiatives.



MESSAGE FROM THE CEO

Although the economists are telling us that the global crisis has ebbed, the recovery is at best fragile in most of the western world. The public dialogue is increasingly focusing on long-term resilience and sustainability: of the financial system, of the market economy, of the environment, of our societies. In this context, our approach to corporate social responsibility acquires increased significance. By embedding sustainability and stakeholder engagement in our values, attitudes and processes in such a way that it forms an integral part of our way of doing business, we are contributing both to society while – at the same time – improving the long-term viability of the Titan Group.

In 2010 we continued and further strengthened our efforts for self-improvement in all three of our priority areas: safety at work, environmental sustainability and engagement with our stakeholders.

We are pleased to report that we achieved a further 12% reduction in our accident frequency rate in 2010 compared to 2009. Moreover, no fatalities or serious accidents were recorded throughout the year and the construction of the Antea cement plant in Albania was completed without a single serious lost time injury out of a total of 4.5 million working hours. We acknowledge that reaching and maintaining a culture of accident prevention in all our operations is an on-going effort and that we will continue endeavoring to learn and improve.

With regard to our commitment to environmental sustainability, we remain focused on our five-year targets as set out for the Group in 2009.

In 2010 our carbon footprint slightly improved further for our clinker production (as compared to 2009) yet worsened for our cement production. That was due to our production increase in markets, such as Albania and Egypt, where neither legislation nor demand favour blended cements. In addition, competitive pressures for imports of non-blended cements from countries not subjected to carbon restrictions influenced this outcome. We are however determined to keep the adverse impact of our operations on the environment to a minimum and to keep on investing in order to ensure that we will deliver on our commitments.

All our production units remain focused on further optimization of energy efficiency, minimization of emissions and of dependence on conventional fuels, improvement of the environmental management systems and better understanding and measurement of the product life-cycle.

In 2010 we strengthened our stakeholder engagement efforts with our employees, local communities, authorities and other key stakeholders. As a result of our engagement process and in partnership with other companies, we embarked on extensive safety

awareness building and training programs for contractors.

In cooperation with the United Nations Development Program we organized the first ever Stakeholders' Communication Day in F.Y.R.O.M. and successfully completed the first year of the collaborative program with the U.N. World Food Program in Egypt.

The last decade has been a period of significant developments in the area of corporate social responsibility. It has been one of evolution, self-learning, self-improvement and engagement. Joining and committing to the U.N. Global Compact and the Cement Sustainability Initiative of the World Business Council for Sustainable Development have encouraged this process. The 2010 Report is thus an opportunity to review the progress achieved in this long-term endeavor.

Despite the continuing uncertainties in the markets in which we operate and short-term setbacks in meeting our goals, we remain committed to earning the long-term backing of our shareholders and stakeholders alike.

Dimitri Papalexopoulos
Chief Executive Officer



Continuous management commitment to corporate social responsibility and stakeholder engagement



Stakeholders' Forum, Kamari Plant, Greece, 2010



Stakeholders' Forum, Kamari, Greece, 2010



Stakeholders' Communication Day, Usje, F.Y.R.O.M., 2010



*Employee Communication Day,
Alexandria, Egypt, 2010*

10 years of



“It is easy to mouth the words «sustainable development», but to make it happen we have to be prepared to make major changes...The sustainable development agenda is the growth agenda for the 21st century... It is time to recover that sense of living harmoniously for our economies and our societies.”

U. N. Secretary-General's remarks to the World Economic Forum Session on Redefining Sustainable Development (Davos, Switzerland, 28 January 2011).



Taking action at global level

Since its inception, the U.N. Global Compact has asked for two central commitments by business leaders and organizations:

- To implement the ten principles of the U.N. Global Compact; and
- To undertake actions in support of broader U.N. goals and issues.

The growth of the U.N. Global Compact during the past ten years certainly reflects the ever-increasing adoption of corporate sustainability principles and tenets by companies of all sizes, sectors, and regions.

Today more than 6,000 companies around the world have established commitments and policies to integrate and diffuse universal principles in the areas of human rights, labor, the environment, and anti-corruption.

The U.N. Global Compact's ten-year experience has taught two critical lessons:

First, that advanced performance by leading companies offers crucial inspiration for those at the lower ranks in the sustainability pyramid.

Second, that a new level of performance is needed in order to address key global challenges in a world of uncertainty, complexity and volatility and to deliver on the sustainability promise.

In recognition of the above, the U.N. Global Compact Office set about to develop a Blueprint for Corporate Sustainability Leadership for the second decade of the U.N. Global Compact rooted in the realities of the coming era and based on the need to achieve higher levels of performance, impact, and collective action.

“ A new level of performance is needed in order to address key global challenges and deliver on the sustainability promise. ”

There is a commitment however, related to the application of the Global Compact principles that is the most challenging, to «branch out», disseminate and multiply the ten principles and relevant practices within the company's sphere of influence.

Since 2002, when TITAN Group co-signed the U.N. Global Compact, this particular challenge was faced with joining other companies and stakeholders or even establishing with them local CSR and Global Compact networks in the countries where the Group is operating. The Hellenic Network for CSR was thus, created in 2000 and the Global Compact Network in 2007. TITAN also joined the Global Compact Network in Bulgaria in 2002, the Global Compact Network in F.Y.R.O.M. in 2008 and the one in Egypt in 2009. TITAN has also taken the initiative to create a CSR network in Kosovo.

Placing even more emphasis in stakeholder dialogue and engagement at all levels, TITAN adopted the principles of the Global Reporting Initiative (GRI) in the publication of its annual Group CSR and Sustainability Report in 2003 and participated in consultations with the Global Compact Office for the inclusion of the 10th principle against bribery and corruption, as well as the development of the «Communication on Progress» guidelines.

Recently TITAN Group participated in the formation of the Blueprint for Corporate Sustainability Leadership and in 2009 engaged in a partnership with the U.N. World Food Program for the implementation of the «Feed Minds - Change Lives» project in Egypt, aiming at combating child poverty and promoting equal opportunities as defined by U.N. Millennium Goals.

Taking advantage of the ten-year anniversary of the U.N. Global Compact Initiative in 2010, TITAN presented its first Corporate Social Responsibility Report in F.Y.R.O.M. in an open stakeholder event organized in cooperation with the United Nations Development Program (U.N.D.P). Moreover, in 2010 TITAN undertook the responsibility to chair the recently established Private Sector Advisory Group that works with the U.N. International Strategy for Disaster Reduction secretariat.

This Report is prepared to meet the new «Advanced» level criteria for the creation of Communication on Progress, set by the U.N. Global Compact Office. TITAN Group responded to the invitation of the U.N. Global Compact Office and the Report has been audited by an independent authority.



TITAN GROUP OVERVIEW

Recent developments

- Production started in the new cement plant in Albania.
- Partnership with International Finance Corporation (IFC, the Development Branch of World Bank) in Egypt.
- Acquisition of Sharr cement plant in Kosovo.
- New 20-year permits issued for quarry operations in Florida, U.S.A.

2010 CSR Highlights

Management & organizational developments

- Governance : Two internal Communities of Interest revisiting corporate values and Code of Conduct.
- Social and Environmental Risk assessment: New management tools under development; CSR and sustainability workshops in U.S.A, Bulgaria and Egypt.
- Group CSR vision and policy communicated in local languages.
- Group Liaison Delegates' Network with representatives from all countries and local CSR Committees in operation.



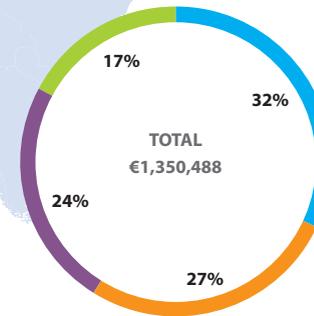
Performance

- Safety : continuous improvement (no fatalities, decreasing LTIFR), accident investigation, internal assessment and new contractors' training programs.
- Environment : specification of 2015 targets per plant, performance monitoring and assessment, new programs for alternative fuels.
- Building trust with stakeholders:
 - > Local Stakeholder Forums in Elefsina and Kamari
 - > Open Stakeholder Event in Usje, F.Y.R.O.M.
 - > TITAN Usje CSR & Sustainability Report
 - > SRI Road shows
 - > ISO Standards application in Albania

Capacity building

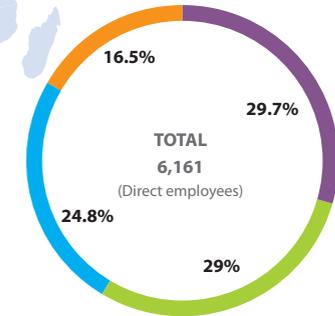
- Stakeholder Engagement Workshop in Bulgaria
- Training and support of local CSR Committees
- Liaison Delegates' Network sharing and learning meeting
- Internal Auditors' development program
- Evolution of leadership capability through extensive assessments and focused development initiatives

2010 Turnover breakdown by region



- Greece 32%
- Eastern Mediterranean 27%
- U.S.A. 24%
- South Eastern Europe 17%

2010 Employment breakdown by region



- U.S.A. 29.7%
- South Eastern Europe 29%
- Greece 24.8%
- Eastern Mediterranean 16.5%

| Non-financial performance | 2010 | 2009 | 2008 |
|---|-------|-------|-------|
| Direct employment | 6,161 | 5,903 | 6,504 |
| Average training man-hours per employee | 30 | 20.4 | 23.5 |
| Employee lost time injuries frequency rate | 2.33 | 2.64 | 3.42 |
| Direct CO ₂ emissions (kg/t product) | 697.7 | 672.6 | 684.3 |
| Environmental investments (€million) | 27.1 | 20.0 | 26.6 |



TITAN AMONG THE 1,000 GLOBAL SUSTAINABLE PERFORMANCE LEADERS

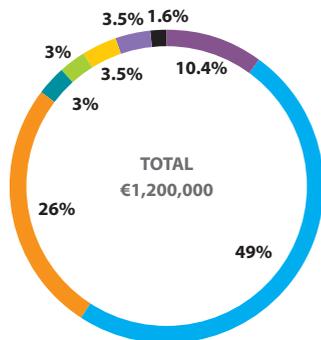
TITAN ranked 278th, up 172 places from 2008, in the 2009 table of Global 1,000 Sustainable Performance Leaders.

The rankings are compiled by CRD Analytics, an international company, which creates indicators of performance for major stock market and financial organizations, in association with Justmeans. They research companies listed on stock exchanges and publish social reports on their performance using the GRI-GR3 indicators.

The companies meeting these criteria are ranked on the basis of their sustainable performance value in four areas: Economic, environmental, social and corporate governance. The whole list of Global 1,000 Sustainable Performance Leaders is available at: www.justmeans.com/top-global-1000-companies

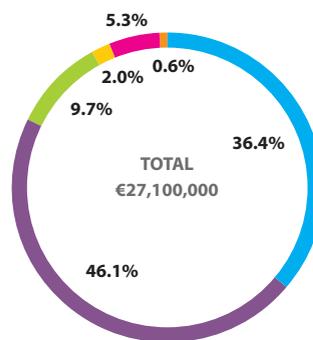
| Key Financials 2006-2010 (€ million) | 2010 | 2009 | 2008 | 2007 | 2006 |
|---|-----------|-----------|-----------|-----------|-----------|
| TOTAL ASSETS | 3,080,474 | 3,005,620 | 3,194,090 | 2,325,864 | 1,976,612 |
| INVESTED CAPITAL | 2,348,583 | 2,420,127 | 2,509,873 | 1,741,587 | 1,407,247 |
| TURNOVER | 1,350,488 | 1,360,571 | 1,578,458 | 1,496,915 | 1,568,109 |
| EBITDA | 314,407 | 332,695 | 380,052 | 427,926 | 480,671 |
| EARNINGS BEFORE TAX AND MINORITY INTEREST | 129,161 | 158,139 | 210,016 | 300,346 | 380,823 |
| EARNINGS AFTER TAX AND MINORITY INTEREST | 102,212 | 123,393 | 208,224 | 239,739 | 259,185 |

Training investments per country



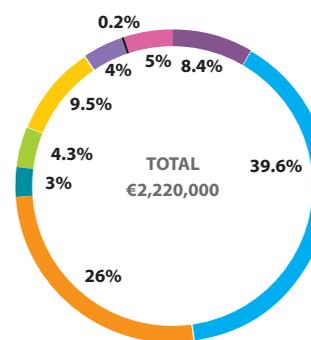
- Greece 49%
- Egypt 26%
- U.S.A. 10.4%
- Serbia 3.5%
- F.Y.R.O.M. 3.5%
- Turkey 3%
- Bulgaria 3%
- Albania 1.6%

Environmental investments



- Environmental management 46.1%
- Environmental friendly technologies 36.4%
- Waste management 9.7%
- Reforestation 5.3%
- Rehabilitation 2.0%
- Environmental training and awareness 0.6%

Donations per country



- Greece 39.6%
- Egypt 26%
- Serbia 9.5%
- U.S.A. 8.4%
- Bulgaria 4.3%
- F.Y.R.O.M. 4%
- Turkey 3%
- Kosovo 5%
- Albania 0.2%

TITAN Group Performance against Targets

During the last ten years TITAN has been growing as a multi-regional Group of companies aligned with a clear and consistent business objective. Corporate values are shaping its corporate strategy which is focused on pursuing the business goals in a socially responsible manner.

As the Group grows, considerable effort is made to ensure that TITAN's vision and culture is shared among all employees. This is a challenging way to embed our culture into new acquisitions and particularly in countries with diverse cultural and social characteristics while simultaneously preserving their identity.

We consider that measuring performance against set goals and objectives is a significant factor for self-improvement. Thus we engage with experts and stakeholders seeking meaningful ways to understand and record the added value created for TITAN and its stakeholders. This is a long-term, on-going and challenging process which initiates changes at all levels. Measuring performance is mostly covering «do less harm» efforts while no relevant metrics to measure appropriately «do more good» initiatives are available or widely used, yet. For this reason a more detailed focus on best practices at regional level by TITAN Group begins with this Report, aiming to present a clearer picture of efforts undertaken in order to improve both social and environmental footprints in each region.

In 2006 TITAN Group set its initial targets regarding CO₂, Dust, NO_x and SO_x emissions as well as ISO certified sites. Targets were calculated on the basis of the equity held by TITAN Group in 2006. The year to achieve those targets was 2010.

Having achieved most of these targets by 2009, the Group CSR Committee revised Group targets and added new ones related to alternative fuel substitution rate and water consumption. The new targets were set taking into account new acquisitions, equity changes and new kiln lines that became operational in the meantime. TITAN Group is committed to achieve these by 2015, except for alternative fuels substitution rate targeted for 2017.

Accordingly, all data referring to Group performance against targets are based on the 2009 equity base.

| TITAN GROUP EQUITY | | |
|--------------------|------|------|
| PLANT | 2006 | 2009 |
| Kamari | 100% | 100% |
| Patras | 100% | 100% |
| Thessaloniki | 100% | 100% |
| Elefsina | 100% | 100% |
| Kosjeric | 100% | 100% |
| Usje | 100% | 100% |
| Zlatna Panega | 100% | 100% |
| Pennsuco | 100% | 100% |
| Roanoke | 100% | 100% |
| Alexandria | 50% | 100% |
| Beni Suef | 50% | 100% |
| Tokat | - | 50% |
| Antea | - | 100% |



TITAN Zlatna Panega cement plant, Bulgaria, 2010

2010 TITAN Group Performance vs. Targets 2015

| | Base Year | 2009 Set | 2010 Achieved | Progress | New Targets ¹ | |
|--|-----------|----------|---------------|----------|--------------------------|----------------|
| | | | | | 2015 | 2017 |
| Environmental Footprint | | | | | | |
| ISO14001 certified or equivalent of all wholly owned cement plants (%) | | 66 | 88 | | 100 | |
| ISO14001 certified or equivalent of all wholly owned active quarries (%) | | 50 | 88 | | 100 | |
| ISO14001 certified or equivalent of all wholly owned dry mortar production facilities (%) | | 100 | 100 | | 100 | |
| Preparation of environmental impact assessment studies and implementation of rehabilitation plans for all wholly owned active quarries (%) | | 60 | 60 | | 100 | |
| Specific direct CO ₂ emissions ^{2,3} per ton of product ⁴ compared to 1990 (kg/t product) | 805 | 672.6 | 697.7 | | 628 | |
| Dust emissions reduction per ton of clinker compared to 2003 (g/t clinker) | 367 | 142.5 | 153.6 | | 95 | |
| SO _x emissions reduction per ton of clinker compared to 2003 (g/t clinker) | 494 | 234.4 | 211.3 | | 240 | |
| NO _x emissions reduction per ton of clinker compared to 2003 (g/t clinker) | 3,028 | 1,982 | 1,857 | | 1,670 | |
| Increase alternative fuels use to 10% of the total heat energy consumed for clinker production (%) | | 1.53 | 1.43 | | | 10 |
| Reduce water consumption per ton of cement compared to 2009 (lt/t cement) | | 447.8 | 362.3 | | 350 | |
| Develop and apply integrated water management system to all cement and ready-mix plants by 2012 | | | 50% | | | |
| Carry out environmental performance studies for each one cement plant wholly owned by TITAN every 2 years | | | 75% | | | |
| Social Footprint | | | | | | |
| Zero fatalities | | 0 | 0 | | 0 | |
| Zero serious accidents | | 0 | 0 | | 0 | |
| Embed and maintain a safety culture among direct and indirect employees | | | | | | |
| In terms of Lost Time Injury Frequency Rate (LTIFR) reach top performance quartile of WBCSD/CSI members | | 2.64 | 2.33 | | | 1 ⁵ |

Actions underway Target achieved Target not yet achieved

¹ All new targets have been recalculated based on the equity the Group held in 2009, while targets set for the period 2006-2010 were calculated on the equity the Group held in 2006.

² Target set for CO₂ emissions referred to 1990 performance according to Kyoto Protocol.

³ Total CO₂ emissions do not include emissions related to vehicles (used for material or personnel transportation outside the site).

⁴ Product equals cementitious production as defined by WBCSD/CSI.

⁵ This target is reviewed each year following actual top quartile performance of WBCSD/CSI members.

Distribution of TITAN Group Social Product 2010

- > To employees for salaries, pensions and social benefits, including additional benefits beyond those provided by law: **€239.1 million**
- > To local and international suppliers: **€801.8 million**
- > For new investments in fixed assets: **€87.2 million**
- > To state and local authorities through taxation: **€90 million**
- > Return to shareholders and minorities: **€17.2 million**

Governance for Sustainability

TITAN is aiming to the highest standards of corporate governance. In addition to the provisions of the Greek law, the TITAN Board of Directors has decided to officially apply the U.K. Code on Corporate Governance as revised by the U.K. Financial Reporting Council in June 2010.

The Group CSR Committee, one of the Board Committees, chaired by the CEO, since 2009, met four times during 2010 with all members present. The other members of the Committee are : two executive Board members, the General Managers of Greece and U.S.A. regions, the Group Technology & Engineering Director, the Group Chief Financial Officer, the Group HR Director and the Group Corporate Social Responsibility Director.

Having defined the Group CSR framework, CSR Committees were established and operate at regional and local levels with regular meetings throughout the year in all countries apart from the plants in Turkey and Kosovo, which recently joined TITAN Group. Through internal assessment and stakeholder engagement process, focus areas for corporate social responsibility have been identified in all regions and local action plans are implemented accordingly.

The CSR Liaison Delegates' Network with representatives from all countries and regions is focused on sharing and learning from best practices and supporting the implementation of local action plans aligned with TITAN Group CSR policy and priorities for 2015.

The first meeting of TITAN CSR Liaison Delegates' Network, hosted in Athens in October 2010, discussed the Group priorities for 2011 and opportunities to improve in areas such as: measuring and understanding our social footprint, engagement with stakeholders and particularly with employees and communities, voluntarism and social solidarity.

Acknowledging the significance of cultural diversities in living our values and meeting our commitments, the Board of Directors appointed two Communities of Interest with managers from all Group operations. Their task was to review overall compliance with TITAN standards and principles as defined in our Code of Conduct and propose changes and initiatives to improve understanding and employee engagement. This offered the opportunity to also assess communication and training programs developed so far to meet this aim and benchmark with best practices. A new draft of TITAN's Code of Conduct was prepared and presented for further consideration by the Board of Directors while initiatives to embed corporate values in the organization were evaluated so as to identify the ones that can be shared as best practices among Group subsidiaries.

Compliance with Code of Conduct and TITAN standards

The TITAN Group Code of Conduct, originally launched in 2004, has incorporated all international standards that TITAN has voluntarily adopted (see p. 67).

The Group Internal Audit Department has the responsibility to record all cases of non-compliance and include them in the annual Report presented to the Board of Directors.

A Direct Employee Communication Line was launched in Greece in 2008 to further encourage involvement of all employees in the application of TITAN standards as defined by the Code of Conduct. In 2009 this «Line» also became available through the intranet. In 2010 TITAN America created its own internet-based Employee Hotline easily accessible by all employees. There are procedures in place to ensure that all calls are systematically dealt with and appropriate actions taken. In 2010, there were a total of

seven calls received, three in Greece and four in U.S.A. Broken down by type these calls can be categorized as follows :

- 4 cases related to concerns for violation of management policies
- 2 cases related to concerns for violation of human rights policy
- 1 case related to unsafe working conditions

Each case was investigated and action was taken.

Managing risks and opportunities

In 2007 TITAN Group engaged in a wide range assessment of its CSR and sustainability performance starting from the Greek region. The main objectives were to identify relevant and significant issues for TITAN operations and its key stakeholders. An on-going self-assessment process focused on continuous self-improvement is developing step-by-step and expanding each year. In 2010 the scope of this process, incorporating independent and external, as well as internal assessments, has covered all wholly owned TITAN Group operations. The outcomes of this 4-year long cycle are presented in this Report. Mapping of significant issues for TITAN and its stakeholders follows AA1000SES international standards and particularly the principles of «relevance», «inclusiveness» and «materiality».

All issues either related to TITAN business or important for stakeholders are included in the agenda of specialized workshops and interviews with TITAN's management and representatives of different functions and operations. Stakeholder forums, communication days, interviews, meetings and surveys provide direct feedback to TITAN management.

The TITAN Group CSR Committee directs all efforts and reviews the outcomes of the stakeholder engagement process, specialized workshops, internal and external audits which are all tools employed to map and prioritize potential risks and opportunities. In 2010 the Group CSR Committee assigned to an external expert the task of integrating new and more advanced risk assessment tools in the current environmental, health and safety management systems.

Social risks are closely related to local conditions, including political, societal and cultural perceptions and prevailing attitudes. All relevant parameters are included in socio-economic risk assessments as a standard process both in starting new operations and throughout the development of TITAN activities. The outcomes of relevant assessments provided by international organizations such as the Transparency International Perception Index referring to bribery and corruption are also examined and analysed in this context on an annual basis.

2010 Transparency International Index
Country exposure to bribery and corruption

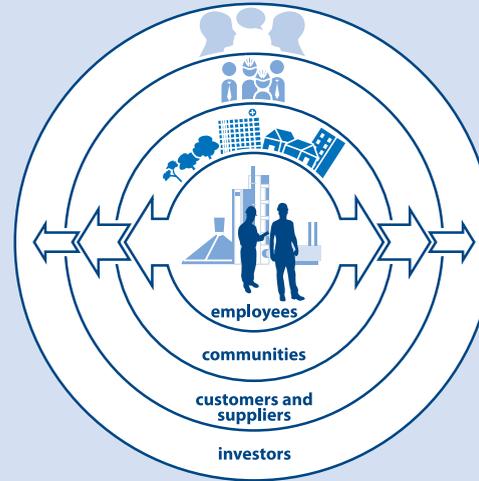
| Country | Corruption Percentage Index | TITAN Group Employees |
|------------|-----------------------------|-----------------------|
| | Score | % |
| U.S.A. | 7.1 | 30 |
| Turkey | 4.4 | 4 |
| F.Y.R.O.M. | 4.1 | 6 |
| Bulgaria | 3.6 | 5 |
| Greece | 3.5 | 25 |
| Serbia | 3.5 | 5 |
| Albania | 3.3 | 3 |
| Egypt | 3.1 | 13 |
| Kosovo | 2.8 | 9 |

Stakeholder Dialogue and Engagement

A two-way process is adopted to identify, evaluate and prioritize issues that could potentially have an impact on TITAN business. Workshops and interviews with managers representing the different activities and regions where TITAN currently operates are conducted every year to assess all issues with respect to the following value drivers :

- reputation and / or brand value
- regulation and litigation
- human capital
- operational efficiency
- access to markets

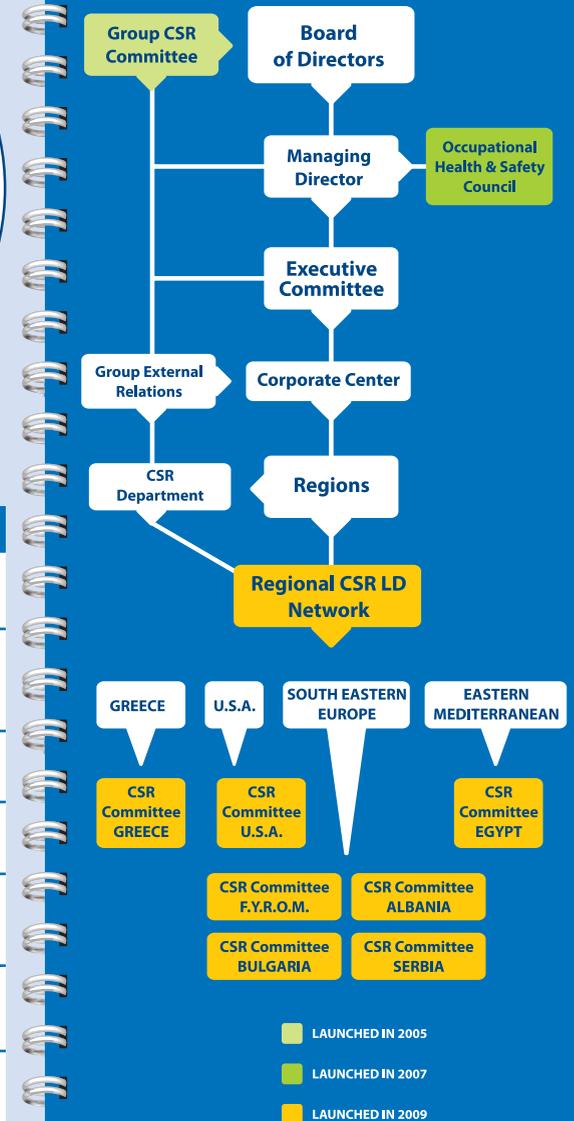
Different stakeholder groups are recorded and ranked according to their significance and relevance to TITAN business and operations. The position of each stakeholder group in TITAN's sphere of influence is one of the parameters estimated for stakeholders' relevance. Different communication means are used to secure open and constructive dialogue with stakeholders, including forums, communication days, conferences, face-to-face meetings and disclosure of performance reports. The outcome of this process is guiding the evolution of TITAN's corporate social responsibility and sustainability strategy, policies, targets and practices at both local and Group levels.



STAKEHOLDER DIALOGUE OUTCOMES AND TITAN GROUP PRIORITIES

| Stakeholder groups | Key issues - priorities | TITAN priorities for 2011-2015 |
|--|--|---|
| Employees and their representatives | Health and safety, working conditions, stability and continuity | > Put emphasis on safety and wellness, leadership and adaptability, engagement through values and voluntarism |
| Investors | CSR awareness building for investors. Leadership role in local markets. More aggressive climate change targets. Good combination of social and environmental focus | > Hold meetings and road shows, improve performance review and communication of environmental and social targets and outcomes |
| Contractors and Suppliers | Safety, working conditions, moving beyond compliance, market conditions | > Continue and expand efforts and investments for enhancing sharing and learning |
| Customers | Quality, market conditions, product sustainability | > Improve product sustainability, promote the use of new products, partner for better analysis of products life cycle |
| Communities | Environmental and social footprints Community development and support | > Share know-how, experience and best practices, take joint action to add value and contribute to the well-being of neighboring communities. Find win-win opportunities |
| Governments | Focus on national priorities | > Engage with local and national CSR and sustainability networks and initiatives > Link business priorities with national CSR targets |
| NGOs | "Do more good where you do most harm" Expand partnership programs Take leading role at national and local levels | > Invest in improving skills and competencies at local level > Strengthen joint action and partnership initiatives > Further improve reporting and accountability |
| International Organizations | Implementation of Global Compact Sustainability Leadership Model Action as per the WBCSD/CSI Agenda for 2015 | > Support local Global Compact Networks and CSR business associations in Albania and Kosovo > Co-chair WBCSD/CSI > Promote and support implementation of Global Compact |

Group CSR management structure



Engagement with Employees and key Stakeholders

Employees

Everyone working for TITAN is an ambassador of corporate values and culture. Employee engagement is a precondition for meeting social and environmental objectives since it is directly linked to delivering on commitments, innovative thinking and motivation for continuous self-improvement.

To ensure that employees are well informed on company issues, potential changes and future perspectives or challenges, regular meetings are held with management in all business units and countries. Employee communication days and employee opinion surveys, as well as digivoting, intranet and internet services are used for collecting direct feedback from employees on various issues including business strategy, corporate standards and policies, and performance.

Employees are encouraged to join efforts in on-going corporate volunteering programs, such as tree planting, blood donation, building homes for people in need, providing know-how, experience and time for NGOs or local community development programs, etc.

In 2010 a Group effort to better organize and «branch out» experience, know-how and best practices from corporate volunteering efforts was launched. It aims at inspiring and encouraging employee involvement in respect to the three areas that have been identified as Group priorities :

- Safety
- Environmental Sustainability
- Education and Social solidarity

New ideas and opportunities to take collective action have started to flourish within TITAN operations with the direct response of local management teams and employees. Among others, the «Amber Alert» partnership was established in Greece, encouraging TITAN employees' network of 700 truck drivers who drive around the country to contribute to the efforts coordinated by a NGO to find children reported as missing.

Communities

Local communities are one of TITAN Group's most significant stakeholders. Building and retaining good relations grounded on mutual understanding, sharing of common interests and perspectives and responding to potential concerns are the pillars of TITAN's relevant policy and practices.

Among the main initiatives that have been inspired by TITAN's approach to community engagement in 2010, are the «Feed Minds - Change lives» program in Beni Suef, Egypt, the on-line disclosure of air emissions initiative, in Usje, F.Y.R.O.M., the new «Road Map» agreed with local stakeholders in Elefsina. More information on these as well as on other initiatives, may be found in relevant sections of this Report and in our website.

In 2010 TITAN continued to contribute to local community projects with financial, human and technical resources. Priority was given to long-term community and business engagement programs such as reforestation. The total expenditure through donations at Group level reached € 2.22 million including donations by the recently acquired plant in Kosovo.

Suppliers

TITAN early on recognized the influence of supply chain in social and environmental endeavors. Starting with the U.N. Global Compact pledge, various initiatives have been undertaken to initiate and disseminate a self-commitment approach among TITAN suppliers, primarily contractors. This has not been fully successful as effort, particularly because of the size of the companies, their limited exposure to global challenges and lack of own resources.

Considering the difficulties in raising awareness across the supply chain, in 2006 TITAN joined forces with other European companies, aiming to create new tools to help move toward responsible supply chain management. As a co-leader in the implementation of the Responsible Supply Chain Management Laboratory, TITAN succeeded in setting up the first European-wide platform to inform and support suppliers on how to meet international standards as defined in accordance to the ten Global Compact principles.

Following the conclusion of this effort, more than 200 letters were sent to TITAN suppliers to attract their interest, improve their understanding and encourage commitment to joint action. More than 40% of suppliers responded expressing interest for more information and joint action in certain areas, such as safety at work and care for the environment.

TITAN as a co-leader in the implementation of the Stakeholders' Forum decisions in Kamari, in March 2010 (see p. 30-31) proposed and undertook the responsibility together with other industries to design and implement safety courses for owners and managers of contractors' crews and small-medium enterprises operating in the region

of Thrasio and serving TITAN operations in Elefsina and Kamari.

The aim was to sensitize owners and managers to the value of safety and relay the message that "safety is good business". To this end, moving beyond purely technical issues the key focus was on issues to do with human behavior. This 3-stage program was attended by 110 people.

At the end of last year, the European Agency for Safety and Health at Work (EU-OSHA) identified this particular initiative as "commended practice" in the framework of its 2-year campaign on "Occupational Health & Safety in maintenance for safety" and will further disseminate it through its website. The high level of response to this initiative prompted the continuation and expansion of similar courses in the Prefectures of Achaia and Ioannina, which were attended by a total of 70 and 50 people, respectively.

TITAN also supported a proposal made by CSR Europe to use the outcomes of the European Laboratory on Responsible Supply Chain Management for creating a global resource center directed to business seeking information about supply chain sustainability. The purpose of this electronic platform, produced by the U.N. Global Compact Office in collaboration with CSR Europe, is to assist companies in the process of embedding sustainability issues - human rights, labor, environment and anti-corruption - into supply chains.

Moreover, in cooperation with the Hellenic Network for CSR, TITAN supports the translation of the contents of the Responsible Supply Chain Management Portal in Greek to allow easier access and use of its contents by Greek enterprises as well as their contractors and suppliers.

Customers

TITAN Group products are directed to highly competitive markets. Focus on excellence in customer care, product quality and response recess to customers' needs, are all parameters distinguishing TITAN from its competitors. Customer satisfaction is monitored continuously through informal contacts, as well as formal studies, visits and surveys.

Specialized workshops, customer days and meetings are organized by all TITAN operations to safeguard the proper use of products which, properly handled, do not present major health risks. Moreover, the Group Research and Development Department, in cooperation with safety and other experts, tests all products for potential risks. Material Safety Data Sheets are developed for each product to ensure both the safe use of the product and the transfer of necessary know-how and information throughout the supply chain. Product Sustainability is also attracting combined efforts by TITAN Sales Department and R&D (see p. 44).

Investors

Acknowledging the increasing interest of investors in corporate social responsibility, TITAN has used more means to communicate and seek feedback from investors. In March 2010 two road shows with investors and analysts representing socially responsible funds were organized in Europe to discuss TITAN's corporate social responsibility strategy and new targets for 2015. Comments received have praised TITAN's efforts so far and, particularly, the transparent and sincere communication of its achievements and drawbacks. Issues like water management and supply chain management have been identified by investors as areas for broader consideration.



Antea Employees, Albania, 2010



Customer Day, Cairo, Egypt, 2010

1st prize for quality awarded to 2009 TITAN CSR and Sustainability Report

For the third consecutive year the Aegean University in Greece awarded TITAN Cement S.A. the first prize for the quality of its Corporate Social Responsibility and Sustainability Report.

Aegean University evaluates the CSR and Sustainability Reports published in Greece by businesses and other organizations, using the international GRI/G3 standards of the Global Reporting Initiative and a methodology developed by the Business Environment Policy and University's Management Department.

The reports are evaluated in terms of "completeness" and "relevance", "quality" and "materiality" compared to GRI indicators.

The results were announced during the annual CSR Reporting Forum, held in Athens, in November 2010.

Concrete is the second most consumed material after water.

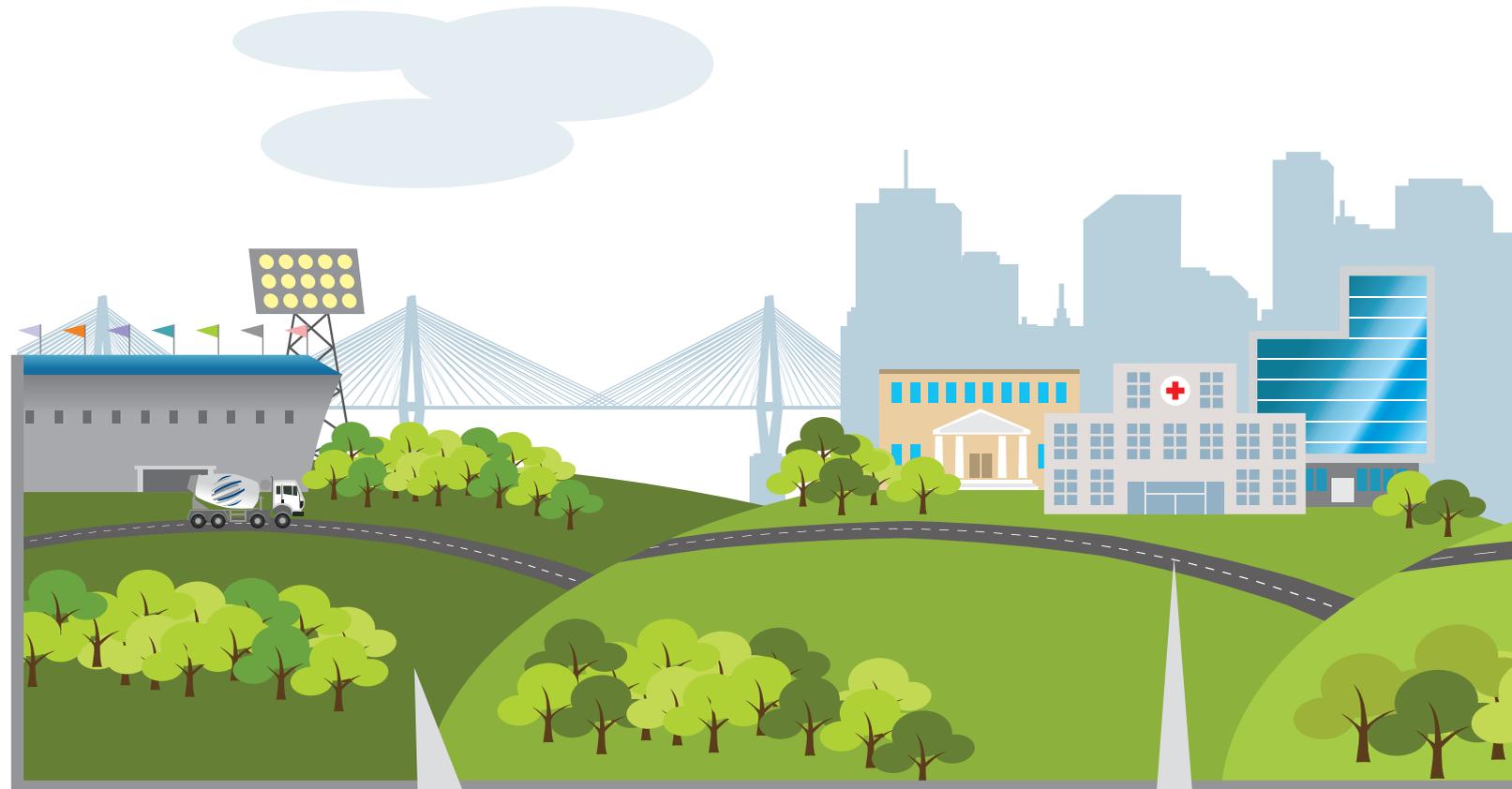
It is estimated that approximately 25 billion tons of concrete are manufactured globally every year. Concrete is made from a mixture of cement, aggregates and water.

Cement is created by combining finely ground clinker with gypsum and chemical additives.

Aggregates comprising materials such as stone, sand and gravel are indispensable ingredients in ready-mix concrete, asphalt and mortar.

Concrete is strong and durable, resistant to deterioration and damage. It insulates from temperature and noise.

It allows for a large range of shapes, textures and structural approaches. It can be readily recycled and reused as base material for roads, side walks and concrete slabs, sparing the use of raw materials. Global in scope, but locally based, the industry contributes significantly to local economies.



Stewardship of natural and financial resources

Concrete can play a vital role in the way we conserve and protect natural resources in the structures we create with it and the processes by which we produce it.

Concrete structures also provide long-term savings in operating cost and service life. Durability, resistance to damage from harsh weather, pests and natural disasters and low maintenance requirements are beneficial to future owners and users.

Safety and Stability

Concrete lasts, and provides the shelter we need from extreme weather and natural conditions. It allows us to get through disasters with less loss and less waste.



Aesthetics
People desire spaces and places that provide respite from noise; that facilitate movement; that are porous to let through water, or solid to keep it out; that are stable to resist vibrations; that are large and curvaceous to convey a sense of grandeur and excitement; that are classical and monumental to convey a sense of permanence and stability. Concrete can provide a variety of structures to serve different needs, expectations and tastes following contemporary trends and aesthetics.

Connectivity
Concrete provides roads, bridges, ports and public constructions like playgrounds, sports halls, theaters and a variety of infrastructure connecting people and communities.

Concrete waste is mostly generated because the structure itself has become redundant and new infrastructure is needed, not because the concrete is worn out. Global data on concrete waste generation is not available, however approximately 900 million tons of construction and demolition waste containing between 20% to 80% concrete are generated yearly in U.S.A., Japan and Europe.



UNDERSTANDING THE INDUSTRY AND OUR FOOTPRINT

TITAN Group is a vertically integrated group of companies producing and trading cement and other building materials.

Principal products include cement, concrete, building blocks and Pro Ash™.

Pro Ash™ is an innovative, low-carbon fly ash, allowing for better control of concrete mixtures, fewer batch-plant and many other advantages in construction, consumption of raw materials and waste management.

TITAN products have many applications in residential and non-residential construction as well as infrastructure. The products are transported by road, or by rail and ship when possible.

Measuring contribution to social and environmental sustainability remains a challenge as the context changes depending on the type of activity, the country and location, the perceptions, expectations and priorities of the business and its stakeholders.

Mapping, assessing and transferring of best practices as well as experience gained is both strengthening our commitment and ensuring delivery of results.

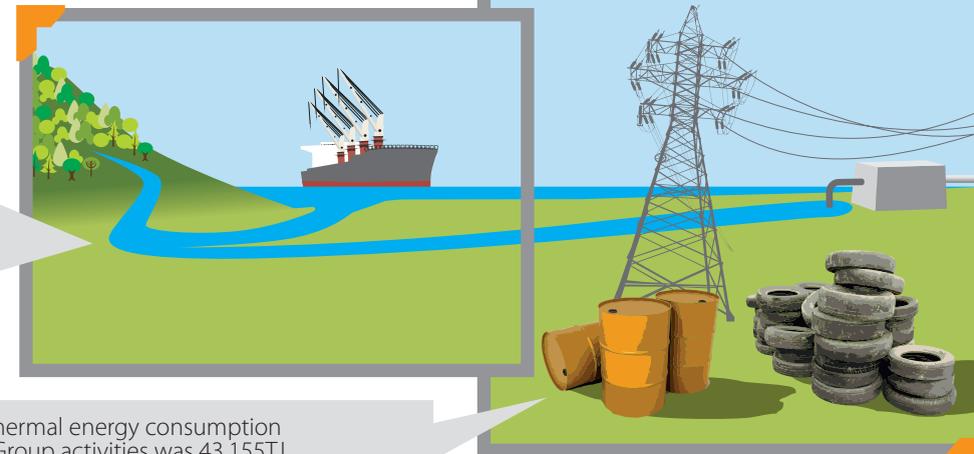
31 million tons of raw materials (wet basis) extracted from 47 active quarries 60% of which was used for cement production and 40% as aggregates



> 88.6 million m² is the total area of active quarries
 > 16 million m² are affected by operations
 > 14.5 million m² have been rehabilitated
 > More than 1.65 million trees have been planted or donated for rehabilitation

Main impacts of operations include:

- > Dust and noise
- > Safety risks
- > Alteration of the landscape
- > CO₂ emissions related to energy consumption by equipment and transportation
- > Raw materials energy and water consumption



> Total thermal energy consumption for all Group activities was 43,155TJ
 > Total electrical energy consumption by all Group activities was 6,252TJ or 1,737GWh
 > Alternative fuels contribution for clinker production was 1.43% of total energy consumed



- > €27.1 million were invested to reduce environmental impact
- > 160,000 training man-hours were implemented
- > 88,000 training man-hours were dedicated to safety at work
- > 3,000 indirect employees participated in specialized training programs organized by TITAN
- > More than 80% of TITAN suppliers are local companies



- > Separation Technologies produces Pro Ash™, a cementitious material, from by-products of power plants
- > 654.4 kg CO₂ / t product is TITAN's specific CO₂ emissions including Separation Technologies' production



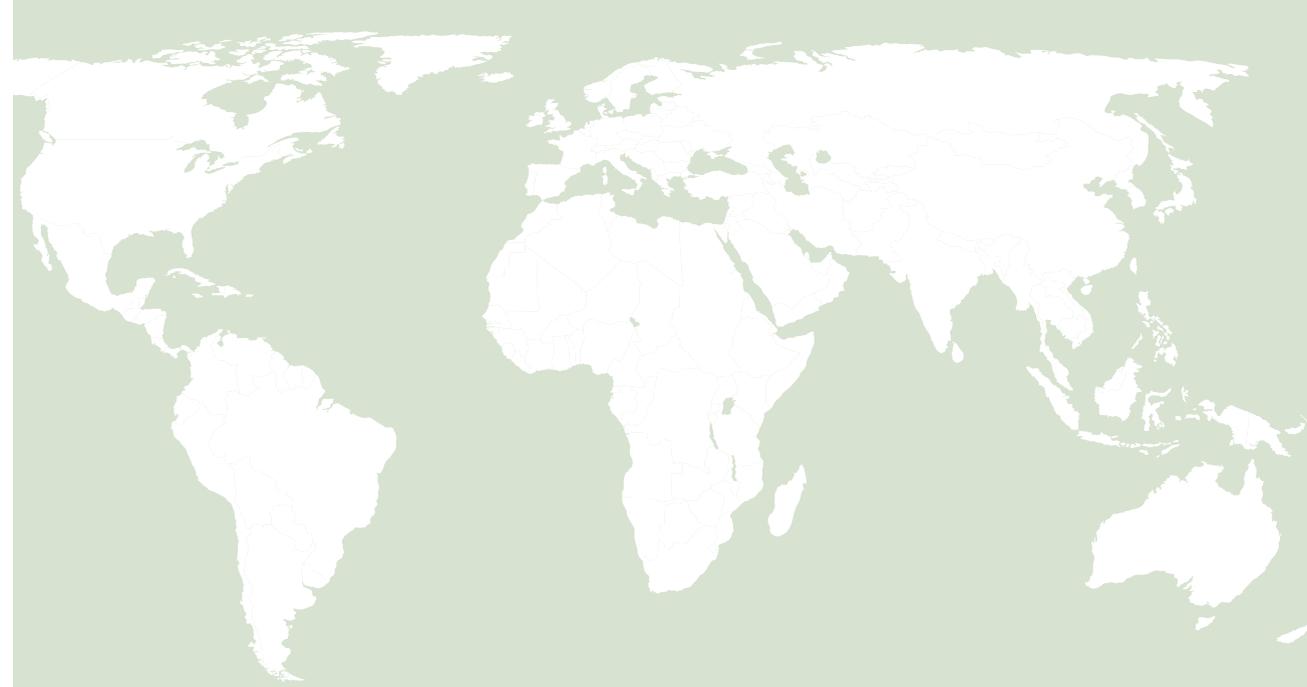
- > 10.1 million metric tons were the total direct CO₂ emissions from cement plants
- > 0.9 million metric tons were the total indirect CO₂ emissions related to electrical energy consumption by cement plants
- > 1.1 million tons (dry basis) of alternative raw materials were used for cement production
- > 32,290 metric tons was the total alternative fuels consumption

10 years of



“CSR refers to the management philosophy that highlights values and principles which require trust, continuous and open dialogue and collaboration with stakeholders, true communication of the implemented activities through social reports, focus on human capital and human rights, and acceptance that profit, consumer satisfaction and societal well-being are of equal value in evaluating the performance of a business.”

N. Analytis, Chair of the Board of the Hellenic Network for CSR, June 2010



Taking action at national level

From the very outset, TITAN Group gave top priority to “joint action” in its strategy for Corporate Social Responsibility, which is the alignment of its action with other companies and stakeholders along common objectives and priorities. Encouraging «joint action» ensures optimization of resources and acts as a catalyst of change in the business community at local and national levels.

In July 2000 TITAN Group joined efforts with twelve other companies and three business associations in Greece to found the Hellenic Network for Corporate Social Responsibility (www.csrhellas.gr).

TITAN Group early on expressed its strong belief in taking «joint action» by accepting an invitation extended by the former President of the European Commission, Mr. Jacques Delors, in 1995, for the first European Meeting for Social Cohesion.

This proved to be an important development, which resulted in the creation of the first Business Association focused on corporate social responsibility and sustainable development in Europe, known today as CSR Europe (www.csreurope.org)

The Hellenic Network for CSR represents more than 140 companies and organizations and acts as a key agent in providing training, information and support to companies and stakeholders regarding CSR issues. At the same time, it actively contributes to the creation and promotion of new business standards which are in accordance with CSR and sustainability principles in Greece and the European Union. It has also undertaken significant initiatives particularly with respect to disseminating corporate social responsibility concepts and practices among small and medium size enterprises, which represent the vast majority of the Greek business community.

Among the Network's more significant efforts is the participation in the implementation of the European Union Business Alliance for CSR, focused on two thematic priorities: «diversity» and «responsible supply chain management».

The success of these initiatives has fostered recognition at both European and national levels. The Responsible Supply Chain Management Portal was acknowledged by the U.N. Global Compact Initiative as a significant tool to further promote corporate social responsibility throughout the global supply chain.

Acknowledging the importance of this issue, TITAN has undertaken the responsibility to support the Hellenic Network in the launching and dissemination of the Greek version of the responsible supply chain management portal.

While recognizing of the extraordinary challenges lying before the Greek business community and society, in the midst of a very severe economic crisis, the Hellenic Network for CSR laid down a framework for the development of a national CSR strategy, aimed to cover a three-year period.

The first part of this effort was concluded at the end of 2010, identifying as key social priorities at national level: «fighting child poverty» and «supporting young unemployed to develop new skills and competencies».

TITAN and its subsidiary in Greece, INTERBETON, have joined the working groups established by the Hellenic Network in order to implement specific collaborative actions related to these two national priorities.



Safety at Work

The Group's safety performance in all activities further improved in 2010. No fatalities or serious incidents were recorded for a second consecutive year regarding both direct and indirect employees. The Lost Time Injury Frequency Rate (LTIFR) of direct employees was reduced by 12%, from 2.64 in 2009 to 2.33 in 2010.

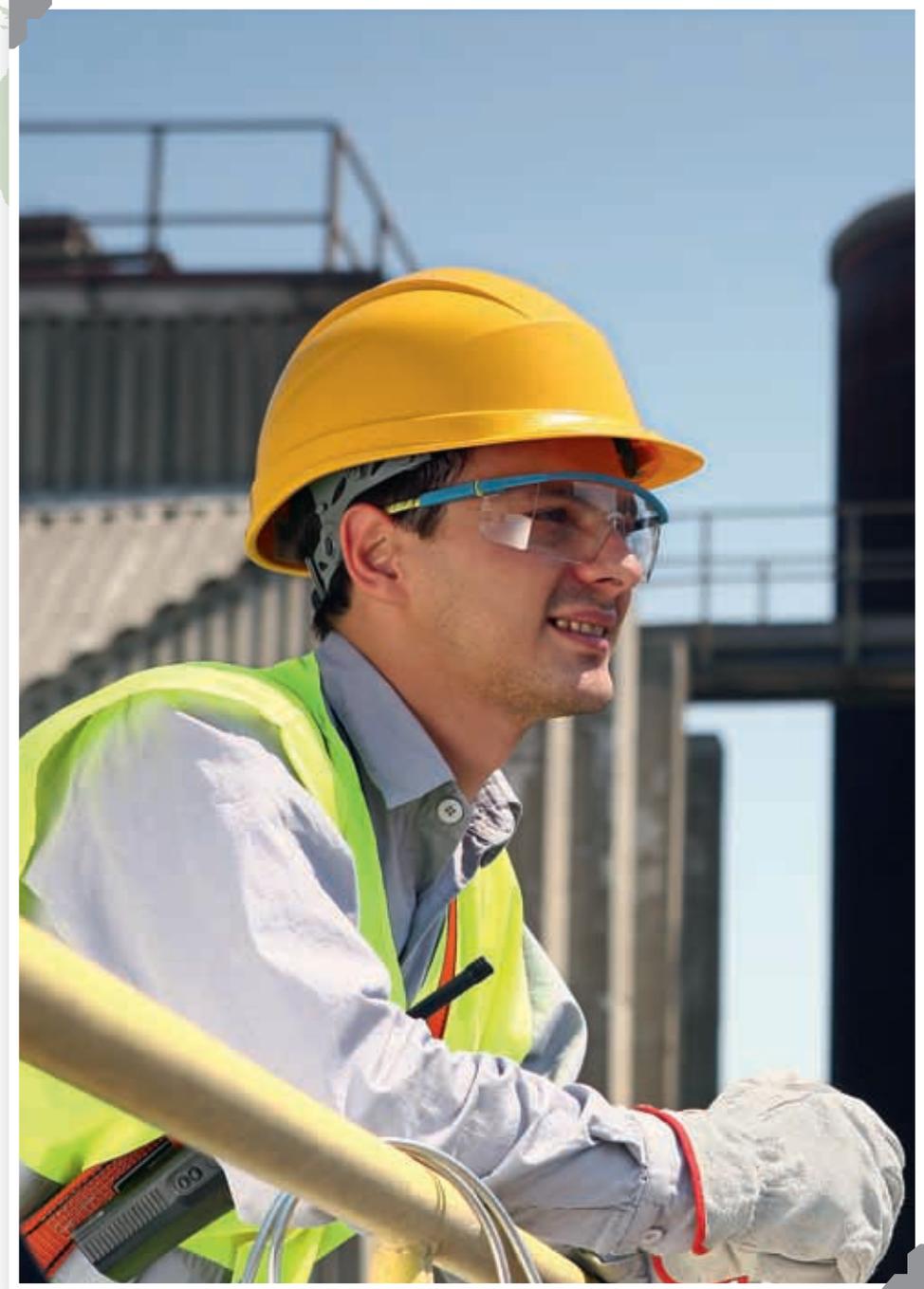
Safety performance showed an overall improvement in most regions where we operate; however there were exceptions, proving that local cultures, traditions and attitudes are significant factors in meeting Group targets and objectives.

The successful completion of a major initiative to change safety culture launched in 2008 and implemented in collaboration with world class safety consultants, is reflected in a marked improvement of the safety performance of operations in Southeast Europe.

Egypt continued its excellent safety track record with no Lost Time Injury, while in Greece LTIFR was reduced from 2.78 in 2009 to 1.75 in 2010.

The completion of the Antea greenfield cement plant in Albania has been a major safety performance achievement. It involved a large number of contractor employees with no serious accident after 4.5 million actual working hours.

TITAN is benchmarking safety performance in terms of LTIFR with Cement Sustainability Initiative peers and has set a target to be in CSI's top quartile by 2015. This benchmarking is going to include other critical relevant KPI's like fatalities and contractors' safety performance.



Responsibility for steering the Group to achieve its goals lies with the Group Health and Safety Council that meets on a quarterly basis and is chaired by TITAN's Managing Director.

Health and safety is clearly a line responsibility, effectively cascading from the CEO and the regional directors to the shop floor of all our operations. In major locations, safety committees are in place and all employees are encouraged to put forward proposals for safety improvements. A TITAN Group safety award has been established to recognize outstanding efforts in meeting safety goals.

Learning from incidents is critical for continuous self-improvement. All serious incidents are investigated and the findings are submitted to the Health and Safety Council, ensuring proper analysis of the root causes and further dissemination of lessons learnt to all locations, in order to prevent recurrence.

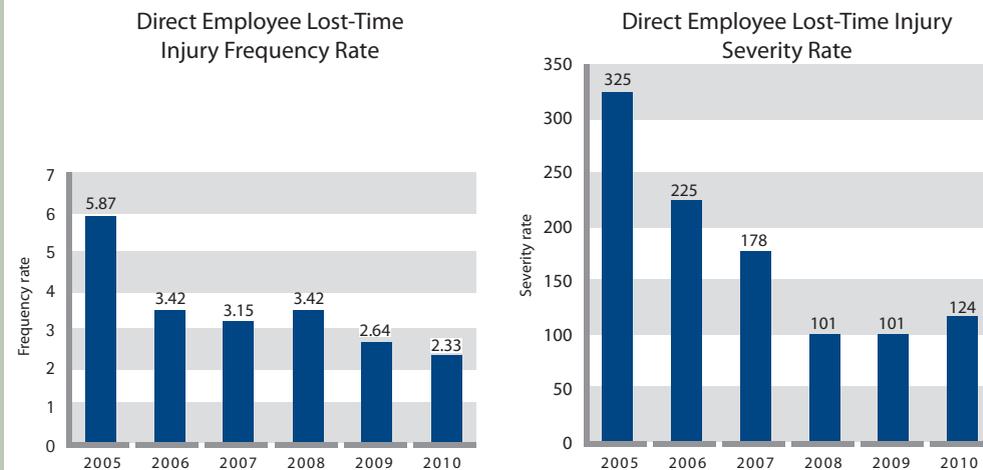
The number of incidents that might have led to a lost time injury (near misses) are also considered as a leading safety indicator, as is the percentage of these near misses that are investigated so as to take corrective actions. In 2010 we had a considerable increase in the reporting of near misses: 1,475 vs 600 in 2009. A very high percentage (89%) of reported incidents were investigated and corrective action was taken.

Seeking external assessment and verification of safety performance, internal Group safety reviews are carried out each year. By the end of 2010, 60% of our cement plants and associated quarries had been reviewed. This has helped to identify and address areas in need of improvement, but also to assess practices per location and adopt the best ones at Group level.

Training at all hierarchical levels for direct as well as indirect employees is essential to develop and maintain a safety culture. In 2010, more than 88,000 training man-hours were implemented for direct employees and another 30,000 training man-hours for indirect employees. This increase is also related to new intensive courses on road safety launched last year.

Contractor safety management is a special challenge. Clearly we need to insist on changing accident prevention attitudes. In 2010 the implementation of the new guidelines proposed by Cement Sustainability Initiative (CSI) on managing contractor and road safety started and it will be completed by 2015. Some of the recommendations are already standard practices for TITAN contractor management: e.g. training of the contractors prior to commencing the task and appraisal of contractors on their safety performance. In addition, as a result of a stakeholder forum held in Greece, TITAN joined efforts with other industries, on an extensive safety training program directed to contractors' crew managers and owners of small and medium size companies.

2010 TITAN GROUP SAFETY PERFORMANCE
(All activities)



Employment

For TITAN, people are the most valuable and critical asset and employment is characterized by long-term relations based on mutual trust.

A reduction of 4.5% in total direct employment measured at the end of 2010 is the result of the continuing economic recession in the countries where TITAN operates, apart from Egypt and Turkey. However, the total employment figure at Group level (6,161 direct employees) presents an overall increase of 4,3 % due to the acquisition of a cement plant in Kosovo and the start up of the new plant in Albania.

A variety of activities related to TITAN operations are assigned to contractors. Indirect employees provide their services for activities such as maintenance and cleaning, transportation, quarrying and new construction projects (e.g. Antea in Albania). The number of indirect employees, in 2010, it was approximately 3.000 (measured as full-time equivalent).

TITAN Group employment and procurement policies support local employment. Thus in the new plant in Albania the majority of employees come from neighboring communities.

| Direct employment | | | |
|-------------------|--------------|--------------|--------------|
| Regions | 2008 | 2009 | 2010 |
| Greece | 1,767 | 1,677 | 1,527 |
| U.S.A. | 2,260 | 1,942 | 1,834 |
| Bulgaria | 472 | 365 | 342 |
| Serbia | 383 | 372 | 340 |
| F.Y.R.O.M. | 509 | 356 | 358 |
| Egypt | 807 | 819 | 766 |
| Albania | 46 | 119 | 208 |
| Turkey | 261 | 253 | 255 |
| Kosovo | | | 531 |
| Total | 6,505 | 5,903 | 6,161 |

Employee turnover and absenteeism

In 2010 the Group employee turnover posted limited changes compared to 2009. In Serbia the decrease in employment over the last two years is due to relevant changes in the local company's portfolio which in the past included activities other than cement and building materials.

A total of 1,383 days were lost due to accidents. Rates of absenteeism vary from maximum 3.1% to minimum 0.49% of scheduled working hours from country to country. No strikes or stoppages have been recorded at company level in 2010.

Responsible employment restructuring

In 2010 the economic crisis continued to influence most of TITAN operations. As reported in 2009, TITAN has engaged in a specific process of restructuring, so as to safeguard long-term viability and sustainability of the majority of jobs in the Group. TITAN's commitment to corporate social responsibility is reflected in the decisions made under the pressure of restructuring. Accordingly, all TITAN operations have implemented necessary reductions aligned with the following guidelines :

- No planned overtime work
- No new hirings and no replacements of retiring employees
- Voluntary early-leave plans for those close to retirement
- Programs to support self-employment and cooperation on a contract basis in cases that this is feasible
- Additional social support and compensation schemes beyond legal obligations

Employee compensation and welfare programs

TITAN's social welfare employee policies take the provisions of labor law and collective agreements as the minimum covering all employees including those with temporary and part-time contracts* or internships.

No differences between wages in different contract types exist. Compensation linked to performance is defined according to the role, responsibilities and performance of each individual irrespective of gender or other diversity aspects. Moreover equal opportunities are provided to all for life-long learning and career development.

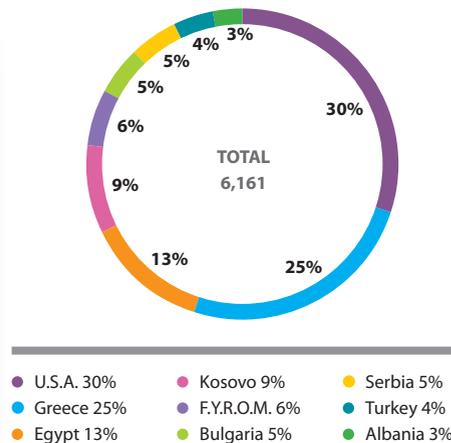
All types of benefits are defined by law and by collective agreements following local and industry practices.

In addition, TITAN has adopted a variety of programs to contribute to the well-being of its employees linked to local needs and priorities. Indicative additional short- and long-term benefits include:

- > Health and medical care
- > Pension family care and aid programs supporting children's education and free-of-interest loans
- > Productivity bonus
- > Free transportation and subsidized meals
- > Recreational activities and social support by experts

Performance appraisals are conducted for all managers, supervisors and professionals on an annual basis, aiming to link compensation with performance, and provide the basis for career development programs.

Percentage of Direct employment per country



Percentage of women in employment

| Country | 2010 | 2009 |
|------------|------|------|
| Bulgaria | 28.2 | 28.7 |
| Serbia | 16.3 | 16.9 |
| F.Y.R.O.M. | 16.3 | 16.3 |
| U.S.A. | 13 | 13.7 |
| Greece | 12.9 | 12.9 |
| Albania | 12 | 9.9 |
| Egypt | 3 | 2.9 |

* The total number of employees with part-time contracts at Group level was 14 in 2010 and the total number of employees with temporary contracts was 31

Human Rights and Equal Opportunities

The commitment to comply with the U.N. Universal Declaration on Human Rights (UNDHR) and the International Labor Organization Conventions regarding labor rights and working conditions is underlined by TITAN Group's Code of Conduct and Code for Procurement.

Managing Directors in each TITAN Group company are responsible for the implementation of Group policies and voluntary commitments beyond legal requirements. On a regular basis, through specialized workshops, local management teams, in cooperation with Group directors and experts, examine exposure to human rights abuses, labor rights conflicts as well as all relevant issues and potential risks. A prioritization of issues in each country drives the development of local action plans, policies and practices. TITAN's exposure to human rights risks is estimated in accordance to the relevance of each issue for TITAN operations and its significance for key stakeholders. All relevant initiatives are developed at site level, and local management is responsible for implementation.

Labor rights are respected and safeguarded following International Labor Organization Conventions and standards along with local regulations. All direct employees are covered by collective bargaining agreements in countries where such practices are applicable and participate through representatives in health and safety committees, providing support and advice for occupational health and safety programs.

Unions and other employee associations are operating in different countries and accordingly a new employee association was established in TITAN Albania last year.

Equal opportunities for all are also safeguarded by human resources policies at both Group and local levels. The percentage of women in employment was slightly raised in 2010 reaching 13% of total employment while participation of women in management has shown significant increase in Serbia and Bulgaria, countries which traditionally have better female representation in all functions.

More than 65% of all direct employees receive performance reviews on an annual basis and participate in programs for career development plans.

Investing in people through training and other developmental activities is focused on life-long learning and meeting business objectives. All employees participate in training and development schemes without any kind of exception due to age, gender, hierarchical level or else.

In 2010, significant effort was undertaken by TITAN Egypt regarding the launching and communication of an updated version of company policies covering all aspects of people management (see p. 40).

Percentage of women in management

| Country | 2010 | 2009 |
|------------|------|------|
| Serbia | 30 | 25 |
| F.Y.R.O.M. | 28.5 | 28.5 |
| Bulgaria | 22 | 16.6 |
| U.S.A. | 15 | 17.5 |
| Albania | 8 | 7.6 |
| Greece | 8 | 7.4 |
| Egypt | 3.6 | 3.2 |

Training and Human Resources Development

Investing in people remains a priority for TITAN Group. The continuous development of human resources is considered a catalyst for meeting business goals. Thus, despite the unfavorable circumstances, training for all employees, both direct and indirect increased in 2010. The total training man-hours were more than 160,000 and more than €1,200 million were invested with an average of €230 per employee.

Training courses were also implemented for more than 3,000 of our indirect employees on health, safety and technical know-how.

Apart from health and safety, which were again the topics mostly covered through training, leadership and management skills, technical knowledge, as well as environmental management were also included in last year's programs.

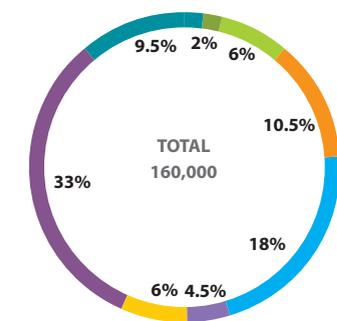
New training courses and modules on CSR and sustainability, stakeholder engagement, waste management, risk management, etc. have been introduced in long-term Group training initiatives such as the "Career Preheater", an early career program transmitting valuable knowledge and experience. CSR workshops with top executives and managers were implemented last year in U.S.A., Egypt and Bulgaria.

In accordance with TITAN Group business strategy and the value of "continuous improvement", a "360° feedback assessment process" addressed to senior management was implemented in 2010 to ensure that short- and long-term development programs will meet individual needs and priorities while addressing future organizational demands.

Training man-hours per employee per Country

| Country | Man-hours per employee |
|------------|------------------------|
| Turkey | 59 |
| U.S.A. | 45 |
| Bulgaria | 34 |
| Serbia | 28 |
| Egypt | 22 |
| Greece | 18 |
| F.Y.R.O.M. | 17 |
| Albania | 14 |

Distribution of training man-hours per country



- U.S.A. 44%
- Greece 18%
- Egypt 10.5%
- Turkey 9.5%
- Bulgaria 6%
- Serbia 6%
- F.Y.R.O.M. 4%
- Albania 2%

CSR initiatives and practices developing in each region are presented in this section



On-going cooperation with Habitat for Humanity

U.S.A.

- > "Living our Values" and sharing best practices
- > Engaging with employees to improve wellness
- > Responsible citizenship initiative

U.S.A.



Egypt

- > Employee Communication Days
- > Partnering with communities and the U.N. World Food Program



700 truck drivers
mainly contractors all over Greece are
connected with TITAN's «Amber Alert»
Initiative

230 people
representing contractors
and SMEs attended safety
awareness building programs

Greece

- > Elefsina Stakeholders Forum
- > Kamari Stakeholders Forum
- > Enhancing long-term relations with TITAN employees
- > Response to Stakeholder expectations
- > Future Leaders program



F.Y.R.O.M.

- > 1st CSR and Sustainability Report aligned with Global Compact Communication on Progress requirements
- > Stakeholders' Communication Day
- > Partnering for safety with public schools

SERBIA

- > Continuous improvement
- > Partnership for building safety awareness

BULGARIA

- > Engaging with Stakeholders in Bulgaria

ALBANIA

- > Developing a safety culture from the beginning

More than
120 people
representing different
stakeholder groups attended
the 1st open event organized by
TITAN in F.Y.R.O.M.

Employee safety
perception surveys were
conducted in all Southeast
European operations

4,5 million working
hours free of serious
accidents in Antea project

CSR Focus*

GREECE & WESTERN EUROPE

- Use of natural resources
- Bribery and corruption
- Product safety
- Climate change

* Prioritization and Assessment took place in 2007



Engaging with Stakeholders

TITAN in Greece has fully supported collective efforts undertaken by the Hellenic Network for CSR to define national priorities for CSR. Moreover, in March 2010 TITAN organized two local forums: one in Elefsina plant and one in its Kamari plant. Both were focused on the needs of the local communities and aimed at giving feedback in a structured way, on efforts thus serving common interests and create added value for all.

Elefsina Stakeholders Forum

The relationship between TITAN and the city of Elefsina is more than 100 years old. It is the city that hosted TITAN's first cement plant and therefore the life and the future of the city as well as the well-being of its people remain a priority for TITAN in Greece. Acknowledging the present conditions of the city of Elefsina, TITAN developed a proposal covering a number of large scale projects that could enhance and upgrade the wider Elefsina area. Forum participants representing key stakeholders at local level, after discussing all relevant issues, agreed to join efforts in the implementation of a «Road Map» for the benefit of all.

The Elefsina «Road Map» provides among else for :

- > The connection of Elefsina's archaeological sites with new roads and a park which will create a green belt around the city's most important archaeological sites and its New Museum.
- > The construction of a new road to improve transportation and limit the traffic through the city's center.
- > The phasing out of the plant's rotating kiln operation used in the production of white clinker over a period of 7 years after the economic recession.

Kamari Stakeholders Forum

The second local stakeholder forum was hosted in TITAN's Kamari plant focusing on taking joint action and building partnerships with stakeholders. It covered the broader region, namely Thriassio Pedio, involving representatives of major industries operating in the region, municipal authorities, local NGOs and citizens actively engaged in community affairs.

The outcome of the Forum was an agreement to work together to implement actions under three key headings:

- **Contribution of the business community**

- > Take joint action to improve health and safety conditions for contractors' crews and small-medium enterprises.

- > Cooperate with local authorities to improve health and safety conditions for employees working in the disposal of municipal waste.
- > Enhance technical training opportunities for the unemployed.

- **Contribution of local government**

- > Use of the Elefsina Council Environmental Information Center to promote and disseminate local initiatives for the environment.
- > Management and recycling of bulky waste items.

- **Community voluntarism**

- > Promote, support and join efforts with local NGOs to encourage voluntarism in local schools.



> GREECE AND WESTERN EUROPE

- > Forge closer ties between the work of volunteer groups and the existing social services of local municipalities and NGOs.

The coordination of this voluntary agreement was delegated to task forces.

Working groups were also established to develop respective action plans for each task agreed at the Forum. The implementation of Forum decisions can be summarized as follows:

- TITAN, Hellenic Petroleum and Halyvourgiki took the lead for the implementation of safety management courses for contractors and small and medium enterprises operating in the region.
- A partnership agreement with the Hellenic Institute for Occupational Health & Safety, TITAN and the Municipalities of Elefsina, Aspropyrgos and Magoula fostered the implementation of three-day seminars for employees working for collecting and disposal of municipal waste.
- The organization of technical training schemes for young unemployed people was delegated to a special committee formed with the support of the Industrial and Vocational Training Institute.
- An agreement to support local NGOs focused on relating community voluntary actions with cultural and social priorities in the region.

Finally, Forum participants agreed to adopt the idea of repeating at regular intervals such Forums in order to evaluate results and discuss possible new initiatives.

Enhancing long-term relations with TITAN employees

The construction of the new cement plant in Albania was one of the more demanding projects TITAN Group has designed and implemented successfully over the last decade. A significant parameter for the completion of this project was the involvement of TITAN employees in transferring necessary know-how and experience to their colleagues in Albania. It was both a team of experts and experienced technicians from different Group functions and operations that have been involved in this project and retirees who have served TITAN for many years and came back to join their efforts for this particular project.

The team comprised of engineers and professionals from the plants in Greece and South Eastern Europe and a total of twelve retirees from Kamari, Thessaloniki and Elefsina plants. Their mission, one which they accepted whole heartedly and accomplished with particular effectiveness, was to lend a helping hand to the local young and inexperienced Antea employees. On the one hand, this entailed guiding and supporting these young people in performing their duties, with the retirees offering practical and technical advice deriving from their long-term and valuable experience. On the other hand, the retirees acted as torch-bearers for TITAN's core values and principles encompassing issues of vital importance, such as health and safety, responsible teamwork, etc.

Response to stakeholder expectations

Greece is currently experiencing the most serious economic recession of the last decades. Unemployment rates have grown dramatically, affecting young people in particular. Acknowledging the significance of developing new skills and competencies so as to anticipate continuous changes of the market, TITAN has taken a number of initiatives to raise awareness and support education in cooperation with key stakeholders. Two such examples are the establishment of the Institute for Industrial Training as a joint business effort and a technical long-term vocational training program for young unemployed in the 1990s. Another example is the most recent Post Graduate Students Forum, which has already reached its 8th year of successful implementation with more than 2,500 MBA students participating actively in a continuously evolving dialogue with the business community and the academics.

Moreover, in the last decade, an average of almost 80 students per annum attended a term of one to two months internship in TITAN production plants throughout Greece and another 20 students every year have internships of 4 to 6 months at TITAN's central offices. This type of work experience offers young students a competitive edge in the labor market while, after their internship, some students are hired by TITAN.

Future Leaders program

Volunteering is an expression of TITAN's corporate values and, as such, it is practiced on various occasions. In 2010 TITAN participated in the «Future Leaders Developmental Program» launched in Greece focused on actively engaging post-graduate university students and companies in resolving societal issues. Participants were carefully selected from Greek Universities for their qualifications and potential, emotional intelligence, social sensitivity and high leadership capability.

TITAN and other leading companies in Greece were invited and participated by engaging both human and financial resources to this task. Employees were trained to act as "Business Coaches" to the post graduate students as "Future Leaders", supporting them through knowledge and experience transfer.

In cooperation with a number of specialised NGO's, projects were selected, specified and delegated to the Future Leaders' teams. Valuing mainly the direct impact on society, the environment or the local economy, the Future Leaders teams with their Business Coaches were focused on developing coherent, realistic and applicable solutions so as to generate tangible results.

TITAN Group embraced this program from the very beginning, acknowledging that through such efforts shared value is created for all, employees, young graduates, NGOs, communities, and society at large.



U.S.A.

“Living our Values” and sharing best practices

Acknowledging that corporate values are the cornerstone of each company leader’s behavior, decisions and actions, TITAN in U.S.A. has developed over the past five years the «TITAN America Leadership» (TAL) Program. It is a leadership development program focusing on corporate values and covering several dimensions, such as :

- Business ethics
- Self-awareness and self-development
- Cultural assimilation
- Team building

Led by senior company executives starting from the TITAN America Chief Executive Officer, TAL is a highly interactive procedure among participants, with the objective of provoking thought, emotion and learning

from each other. The program includes an executive roundtable, where attendees ask executives anonymously or from the floor questions business or even personal. It also involves informal dinners in smaller groups with executives.

Throughout the whole process the program also provides for :

- > A 3-day program to help self-understanding and self-improvement. Started in 2007 with 300 attendees and currently it is organized 2-3 times annually for 24 participants each time
- > A 2-day program to help understanding and leading others. Started in 2009 with 32 attendees and currently it is organized once year for 16 participants

TAL is holistic, going beyond the work boundary into personal, family and social issues. By discussing and interacting directly with senior executives, attendees feel engaged, empowered and confident to apply their learning back at work. A deeper objective is to make work not just a way for earning a living, but the path towards a more purposeful life. In this regard, TAL plays an important role in employee satisfaction and retention. Anonymous feedback is asked after every class.

TAL has been identified as an example of best practice and as such it is presented in local CSR Committees in order to benefit from the experience gained by TITAN in U.S.A.

CSR focus* U.S.A.

- Community relations
- Use of natural resources
- Emissions
- Marketplace
- Recruitment and retention

* Prioritization and Assesment took place in 2010



Roanoke Plant, U.S.A.

TITAN America's wellness initiative

The well-being of employees and their families has always been a priority of TITAN human resources policies. In the last years, TITAN has concluded that wellness of employees is of equal importance in order to secure good physical condition and minimize impacts of unhealthy life styles. In an attempt to learn from others faced with similar trends and sharing similar interests, TITAN found a heavy construction firm in the northeastern U.S.A. which several years earlier had embarked on a project to improve the health of its employees and their families, with very good results.

After visiting with this company's senior management and their external consultant, TITAN America's management decided to launch a similar wellness initiative.

This program was built around an one-to-one coaching model that focuses on both an awareness of the employee's specific health risk factors and an understanding of what is important to the employee. Each employee chooses what lifestyle changes he or she wants to work on and a specialised consultant is there to help. Over time, small steps toward a healthier lifestyle achieve big results.

This new initiative began with a series of management meetings in late 2010 where the program was introduced to 65 senior managers. Following an overview from the specialised consultants who emphasized the importance of management engagement and support. In early 2011 a full scale, multi-phased implementation process was

launched in TITAN's plant in Roanoke, Virginia. By the end of March, 2012 every employee and many spouses will have the opportunity to meet personally with a specialized coach.

Employees of TITAN America have made safety the number one priority with a record that all can take pride in. With the same level of support and commitment from top management, it is expected that significant improvements in employees' health and wellness can be achieved, underlined TITAN's CEO in U.S.A. during the launching of this new endeavor.



The Path to Wellness.
You don't have to go it alone!

Struggling with losing weight, fitting exercise into your day, quitting smoking or just trying to be healthier? Doing it alone can be challenging, but now you will have the support you need.
Titan America has partnered with Occupational Medical Consulting to provide you with **your own Personal Health Coach at no cost to you!**

introducing
TITAN HEALTH
Small Steps, Big Results

Your Health Coach will:

- Assess your Health Risk Status
- Motivate you to set reasonable goals to improve your Health
- Support you with regular meetings to achieve your goals

Look for Kickoff Event Information



Responsible citizenship and employee engagement

Being a responsible citizen is another element of sustainable development and corporate social responsibility. TITAN America is engaged in raising employee awareness on public issues that affect the company and the industry as a whole.

The purpose is to educate and encourage employees for civic engagement, such as communication with elected officials, voter registration and participation. The company provides information for employees to consider on such issues, but always respects their decision to make the final choices and actions.

Senior TITAN managers and executives are actively engaged in education and dialogue with elected and non-elected public officials. The purpose is to inform them on the potential impact proposed and existing laws and regulations may have on the industry and the economy, and to help reach broader consensus on win-win and sustainable solutions.

Florida Infrastructure Sustainability Forum

The Florida International University (FIU) College of Engineering and Computing (CEC) and TITAN jointly organized the first Florida Infrastructure Sustainability Forum on February 18, 2010. The purpose was to convene a think tank representing the academic community, industry, government and environmental groups to discuss the economic, social, technological, and environmental challenges and strategies that will advance the achievement of sustainability within Florida's infrastructure. With more than 70 participants the Forum was held at the Engineering Center of FIU.

A variety of critical issues were discussed during the Forum, including Public Policy and Regulation, Industry and the Economy, Technology and Education, Society, and Environment.

The afternoon session provided the opportunity to break into three groups where topics were analysed in more depth. Summary of group discussions were presented to the Forum at the end of the day.

CSR Focus*

BULGARIA

- Working conditions
- Bribery and corruption
- Climate change
- Diversity

F.Y.R.O.M.

- Community relations
- Emissions
- Bribery and corruption
- Product safety

SERBIA

- Emissions
- Working conditions
- Bribery and corruption
- Product safety

* Prioritization and Assessment took place in 2008



Safety is a top business priority

The "Step Change" Safety Program was characterized as the most significant employee engagement program in TITAN Group operations in South East European countries. Taking into consideration the positive impact of this program in Egypt and in Greece, "Step Change" was initiated in Bulgaria, Serbia and F.Y.R.O.M. in 2008 and successfully completed by the end of 2010 in close collaboration with a major safety consulting company. The project was particularly focused on the following:

- An employee "Safety Perception Survey" in all three countries to assess and evaluate the prevailing safety culture, as well as identifying areas for improvement.
- Training, coaching and workshops for all employees (approximately 1,200) focused on "Safety Leadership and Management", "Safety Auditing", "Risk Assessment", "Accident Investigation" and "Root Cause Analysis".
- Formation and operation in each region of a central "Health and Safety Committee" and respective sub-committees responsible for safety audits, safety incident investigations, safety procedures and standards, contractors management and leading indicators of safety.
- Implementation of a Safety Training Observation Program to identify and monitor safety behaviors in all operations.

The levels of improvement achieved from 2008 through 2010 (zero fatalities and a corresponding reduction of the LTIFR from 6.43 to 1.55) were indeed a "step change" towards our target. The top class performance of TITAN Usje cement plant in F.Y.R.O.M. was recognized by the Group with an award for safety performance in 2009 while the Zlatna Panega cement plant in Bulgaria was awarded the Best Safety Performance Group award for 2010 with no LTI.

TITAN Usje stakeholders engagement program

Aligned with TITAN Group strategy and priorities on corporate social responsibility TITAN Usje joined the national U.N. Global Compact Network in 2008 and issued its first Corporate Social Responsibility and Sustainability Report in 2010.

To foster a more constructive and formal dialogue with its key stakeholders, in December 2010 the company organized a Stakeholders' Communication Day in cooperation with the United Nations Development Program.

More than 120 participants representing public authorities, including the Ministry of Environment, local governments, such as the Municipality of Kisela Voda, international and regional organizations, suppliers, contractors and customers, employees and unions, as well as academics, NGOs, financial institutions, and local business, accepted the invitation for this event.

Following a short presentation, all attendees shared their experiences, information and ideas about social responsibility in the context of community development, a trend that receives increasing attention each year.

Following analysis of the consultation with stakeholders as recorded through the minutes of the Day and the evaluation feedback forms, Usje's CSR Committee is considering to:

- Take a more active and leading role in the local U.N. Global Compact Network and support the broader and better understanding of the context and the application of the ten universal principles in the local environment.
- Engage with communities and key stakeholders for the development of new skills and improvement of competencies required to apply higher standards in health and safety at work.
- Continue the effort to partner with public schools, contractors and suppliers for accident prevention.
- Support and facilitate awareness building and joint actions for the implementation of projects that reduce environmental impacts.
- Cooperate with the academic community to increase the potential for employment of young graduates through vocational guidance, training and practical training programs.



> SOUTH EASTERN EUROPE

- > F.Y.R.O.M.: Usje
- > BULGARIA
- > ALBANIA
- > SERBIA

Focused on long-term objectives

Since 2006 a partnership program aiming at providing opportunities for more advanced studies to students with high potential is implemented in F.Y.R.O.M. Last year TITAN welcomed for the 6th consecutive year the young post graduates who continue their education with the MBA scholarships offered by Usje. The program provides three MBA scholarships fully sponsored by TITAN Usje every year for the Faculty of Economics at "Ss. Cyril and Methodius" University in Skopje and for the MBA degrees at ALBA Business School in Athens, Greece.

Building on the experience gained from cooperation with the academic community, a new program was adopted in 2010. It is organized and implemented in cooperation with European Students of Industrial Engineering & Management (ESTIEM). The Company Case Show, as it is called, is focused on developing young students' skills and competencies by offering them opportunities to work and analyze specific problems faced by companies. The program brings together local companies with young students and promotes innovative thinking and cooperation among the two groups.

As reported in 2009, TITAN Usje has actively joined the "Tree Day" national campaign from its very beginning. In 2010 more than 100 employees and the company's management team continued this effort by clearing up and preparing more than two hectares of surface for planting several thousands seedlings. Moreover, the second "Family Green Day" organized by TITAN Usje brought together 180 employees with their families, friends and neighbors who in a joint effort under the motto "Together for Nature" planted 2,750 trees.

TITAN Usje partnering with schools program

Inspired by experience gained in Greece, TITAN Usje has adopted a new initiative in partnership with public schools and the Municipality of Kisela Voda. Aimed to contribute to the improvement of health, safety and environmental conditions in public schools, the program is scheduled to cover initially eight primary schools and one kindergarten in the Municipality of Kisela Voda.

TITAN Usje's management team is actively involved in the development, implementation and evaluation of the program

which provides that each manager is responsible for one of the schools and works together with the headmasters of the schools, the municipal authorities and experts in different fields to draft an action plan for improvements in health, safety and environmental conditions of the school. The program was launched early last year and the first step concerning necessary improvements in infrastructure of the school buildings was completed before the end of the year, providing a full agenda for action in 2011.



Students' study visit at TITAN Usje cement plant, 2010

Recognition for TITAN Usje

A national award for "Employee Relations" was the recognition of TITAN Usje's continuous efforts. The award was presented by the Ministry of Economy in a new program launched in partnership with the Enterprise Development Foundation, the Association of Economic Chamber and the Association Connect, the Coordinative Body for CSR.

Moreover, in recognition of the Company's long-standing contribution and engagement with the community, an award was granted by the Council of the Municipality of Kisela Voda during the celebration of the Municipality's 55th anniversary. For more than a decade, TITAN Usje works together with the local authorities and communities in the Municipality of Kisela Voda to carry out projects in the areas of education, environment, health and safety at work. This recognition has further encouraged TITAN managers and employees in Usje to support corporate social responsibility and sustainable development programs at local level.

Continuous improvement

Committed to contribute to sustainable development at local level, TITAN has so far successfully implemented in Serbia a long-term social plan focused on the smooth transition of the local company to a modern and highly efficient enterprise. Taking advantage of TITAN experience in Greece and other regions various initiatives for employees and local communities have been adopted during the last decade, aimed at strengthening and improving relations with all key stakeholders at both local and national levels, such as :

- Continuous vocational training and skills improving programs
- Wellness and health programs for employees
- Support for children at school
- Consultation and partnership building with local authorities and communities
- Open days and sponsorship programs for young students and academics

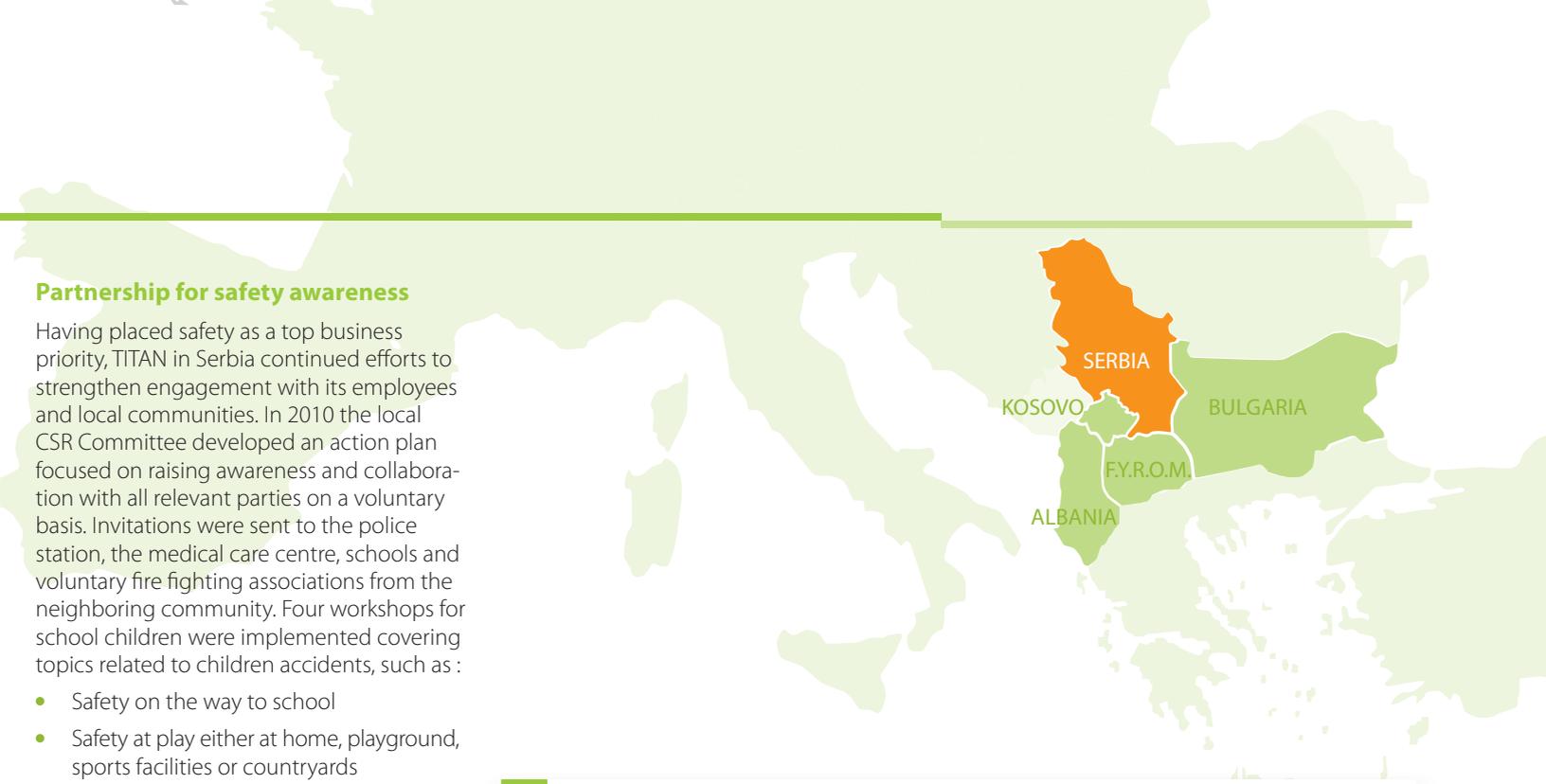
Defining local priorities and promoting stakeholder engagement aligned with TITAN Group standards started in 2008 with the implementation of the first CSR workshop attended by a broad level management team. The analysis and assessment of challenges and opportunities at both regional and local levels provided a more structured agenda for stakeholder dialogue and in 2010 the first official local stakeholders meeting was organized to report and receive feedback on the Company's social and environmental performance, as well as on its priorities set for 2011. The outcome of the consultation with stakeholders has been assessed by the local CSR Committee and incorporated in relevant action plans for 2011, aiming to increase transparency and stakeholder engagement.

Partnership for safety awareness

Having placed safety as a top business priority, TITAN in Serbia continued efforts to strengthen engagement with its employees and local communities. In 2010 the local CSR Committee developed an action plan focused on raising awareness and collaboration with all relevant parties on a voluntary basis. Invitations were sent to the police station, the medical care centre, schools and voluntary fire fighting associations from the neighboring community. Four workshops for school children were implemented covering topics related to children accidents, such as :

- Safety on the way to school
- Safety at play either at home, playground, sports facilities or courtyards
- Safety at school and fire fighting
- Safety at work

All workshops were based on interactive work with children, discussions that pointed to hazards identification and preventive measures as well as short theory tips incorporation safe behavioral rules. During all sessions, children were guided by facilitators to think about their own safety and the safety of their friends and families so as to substantiate theory with personal experience.



TITAN Kosjeric cement plant, Serbia

Engaging with Stakeholders in Bulgaria

In the broader context of the strategy of improving its stakeholder relationships, the CSR Committee in Bulgaria decided to proceed with a stakeholder engagement following experience gained in Greece.

During the last few years, TITAN Group has completely revamped the plant and its premises and has transformed it to one of the most modern facilities in the region. The development of new skills and competencies for the implementation of a standards-based stakeholder engagement plan to include both internal and external stakeholders was considered as a key priority. Thus, TITAN's initiative in Bulgaria will also serve as a pilot project for engagement and training-related activities to be conducted throughout the region.

The objectives of the program were defined as follows :

- Build trust with local communities

In the rural area where its plant operates, Zlatna Panega is among the largest and most prominent economic actors. So, local communities need to know that they are respected, that their views are valued and encouraged and that they are treated fairly.

- Meet voluntary commitments and inspire collective action at local level

TITAN in Bulgaria joined the local Global Compact network early on. As part of its task to spread CSR principles and standards throughout its sphere of influence, engaging with a key stakeholder group – suppliers – to encourage them to adopt TITAN Group's social and environmental practice or develop their own, would be a concrete way of fulfilling this commitment.

- Capitalize on the continuous improvement facilities and further improve relations with neighbors

With a long-standing presence in the region, prior to its current ownership, the plant at Zlatna Panega has not always been a leader in social and environmental responsibility. After a multi-million € investment program undertaken by the current ownership and management, the plant has become one of the most modern facilities in the region.

- Proactively mitigate risk

Engaging with stakeholders can help TITAN in Bulgaria identify potential risks and thus proactively mitigate them. For example, the company is committed to use alternative fuels (such as tires) and has received the necessary permits. By proactively engaging with groups that may have various concerns, better understanding and consensus is achieved.

- Set the foundations for identifying new opportunities and innovations to enhance sustainability

This medium-term objective is aimed at improving as a learning organization, benefitting from interaction, collaboration and synergies with other groups.

The outcomes of this detailed approach is incorporated into a five-year action plan to be launched in 2011 in order to lead business strategy and initiatives for corporate social responsibility and sustainable development in Bulgaria.



TITAN Zlatna Panega cement plant, Bulgaria

TITAN Albania's 2010 review

The construction phase of the new cement plant in Albania was completed successfully in April 2010. Along with the plant, the new road connecting it with the main Tirana-Shkodra highway was also completed. The inauguration of the plant was held in September 2010. Throughout 2010, an Environmental and Social Action Plan was carried out as follows:

- Implementation of EMS according to ISO 14000, QMS according to ISO 9000, SA 8000 framework and OHSAS 18001
- Completion of employment action plan, induction and continuous vocational training programs for all employees hired to serve Antea.
- Organization of catering service within Antea premises to provide food free of charge for all Antea employees.
- Improvement of the contractor, and driver safety management through training, introducing and explaining the Antea safety policy, identifying risks and hazards in the workplace, implementing safe work methods and disseminating CSI contractor safety guidelines.
- Clarification and resolution of all land claims raised by local stakeholders.
- Organization of more than 150 bilateral meetings with local stakeholders, i.e. Governmental and local authorities, national and local NGOs, citizens, trade unions etc.
- Organization of on-site visits for stakeholders' representatives and hosting training sessions for Environmental Inspectors from Albania and E.U. countries, in October 2010.

- Establishment of Antea employees' Union.
- Planting 31 hectares with seedlings of Mediterranean Pine, in the depleted forest areas of Boville, Kruja region.
- Support and contribution for the establishment and operation of the first local health clinic in the community of Piccrage.
- Participation in the 3rd Career Fair organized by the New York University of Tirana.

Antea has employed all means to offer new job opportunities to people at local level. This has been successful to a significant degree. After the implementation of a long-term vocational training program organized in cooperation with the Institute for Industrial Vocational Education and Training, in January 2010, all equipment of the Technical Laboratory was donated to the School of the community of Thumana.

Antea responded to a number of requests of local authorities, taking action to support among others: water supply of Borizana Village; rehabilitation of the area for the Thumana urban waste and restoration of roads and buildings damaged by rainfalls during the winter of 2010.

Reforestation project by Antea: Progress and planning for 2010-2012

Antea has launched a long-term reforestation program, in accordance to Albanian law, covering 250 hectares of land in three years. Antea coordinates the reforestation plans in close cooperation with the Regional Forestry Authorities.

In 2009, approximately 69 hectares of land were re-forested by planting at least 86,000 young trees, mostly of the species *Pinus Halepensis* (Mediterranean Pine) and *Kastanea Sativa*, in degraded old forest areas, in zones of Kraste-Kruja and Bovilla-Kruja and along road construction areas close to the Antea plant. Another 60,000 young trees were planted during 2010, in areas adjacent or close to the Antea plant and limestone quarry. The reforestation activity of Antea is recognised as "best practice and model" by the Government of Albania, which has promoted it through the local media.

Antea's rehabilitation and reforestation efforts to date have helped to accumulate knowledge and practical experience, by identifying the appropriate 'nurseries' in Albania for supplying plants and trees, as well as reliable contractors for providing resources. Experience has also been gained for evaluating costs and the time frame for implementation, establishing important contacts with the Forestry Authorities, and understanding the methodology for outsourcing work and supervising progress.



Photos from TITAN's nursery and reforestation works in Albania, 2010

> SOUTH EASTERN EUROPE

- > F.Y.R.O.M.: Usje
- > BULGARIA
- > ALBANIA: Antea
- > SERBIA

Developing a safety culture from the beginning

The construction of the new cement plant in Albania (Antea Project) started in November 2007 and was completed in April 2010.

A Chinese contractor, CBMI, was awarded this turn-key project. More than 500 technicians and workers of the contractor offered their services together with a significant number of local sub-contractors to implement successfully the Antea project. At the peak of the construction, up to 1,000 people of various nationalities, mainly Chinese, but also Albanian, Greeks and other Europeans, were working on the site. For all Chinese expatriates involved accommodation was provided on site.

The location chosen for the plant was approximately 35 km North-East of Tirana in the municipality of Kruja, an area without any access roads, water or electrical networks at the beginning of the project.

Apart from the construction of the cement plant, other main activities included the construction of a road connecting the site with the highway, the development of quarries, the construction of non-production buildings and internal roads, the connection of the cement plant to the electricity grid and the construction and commissioning of a 220kV main electrical substation. Drillings to secure water supply for the construction period and subsequent operation of the cement plant were also carried out successfully.

A project of this nature and magnitude involving multiple nationalities with different cultures presented among else a major health and safety challenge.

From the very beginning, a specialized firm was assigned the task of developing detailed

procedures for the construction period and these were agreed upon with the contractors. When construction started, safety expert teams were deployed as members of the project team, with continuous support from their head office to monitor all site activities. At the same time, TITAN's senior safety management developed a plan of regular site audits in cooperation with CBMI's safety management, in order to verify whether work activities in the Antea site project were carried out in accordance with the contract terms and conditions and the agreed project safety plan.

Safety training was conducted regularly by the CBMI safety department, TITAN Group managers and personnel, safety consultant, and other specialists on safe work procedures; the principles of method statement, risk analysis and confined space were applied as a matter of practice, and inspections of lifting equipment were done repeatedly.

One of the most critical and productive principles enforced was that of making all members of the project team responsible for safety monitoring of the contractors. Everybody realized that nothing was more important than safety and worked on this principle.

The project was completed within budget and schedule and most importantly without any serious incident for a total of 4,500,000 hours. This achievement was the result of a highly committed TITAN top management project team dedicated to safety as first priority, detailed safety management plans, safety rules and practices, and no compromise consequence management.



Antea's Plant Inauguration, Albania, 2010

CSR Focus* EGYPT

- Community relations
- Emissions
- Use of natural Resources
- Climate change
- Recruitment and retention

* Prioritization and Assessment took place in 2009



«Living our values»

TITAN operates two plants in Egypt: one in Beni Suef near Cairo and one in Alexandria. Both plants had been a joint venture with another cement group and in 2008 were fully acquired by TITAN. The full review and update of company policies based on the feedback received through relevant opinion surveys were identified as a key priority both by the management team and by employees. In 2010, two major Employee Communication Days were organized, focused on TITAN Group values and policies.

The first Communication Day took place in Cairo and the second in Alexandria with the participation of the top management team of the Group and the region. Following presentations regarding TITAN Group strategic initiatives, employees responded with ideas and views as well as comments on a number of topics. They also included the outcomes of the Focus Groups established for issues such as career development, performance appraisal, compensation, benefits and local initiatives for industrial training, corporate social responsibility, customer satisfaction, etc.

The full set of policies was launched by the Managing Director of TITAN Egypt and participants debated various aspects of their implementation. At the end of the whole process, participants provided directly by a digivote session focused on TITAN values their feedback on how they live corporate values and what challenges they face.

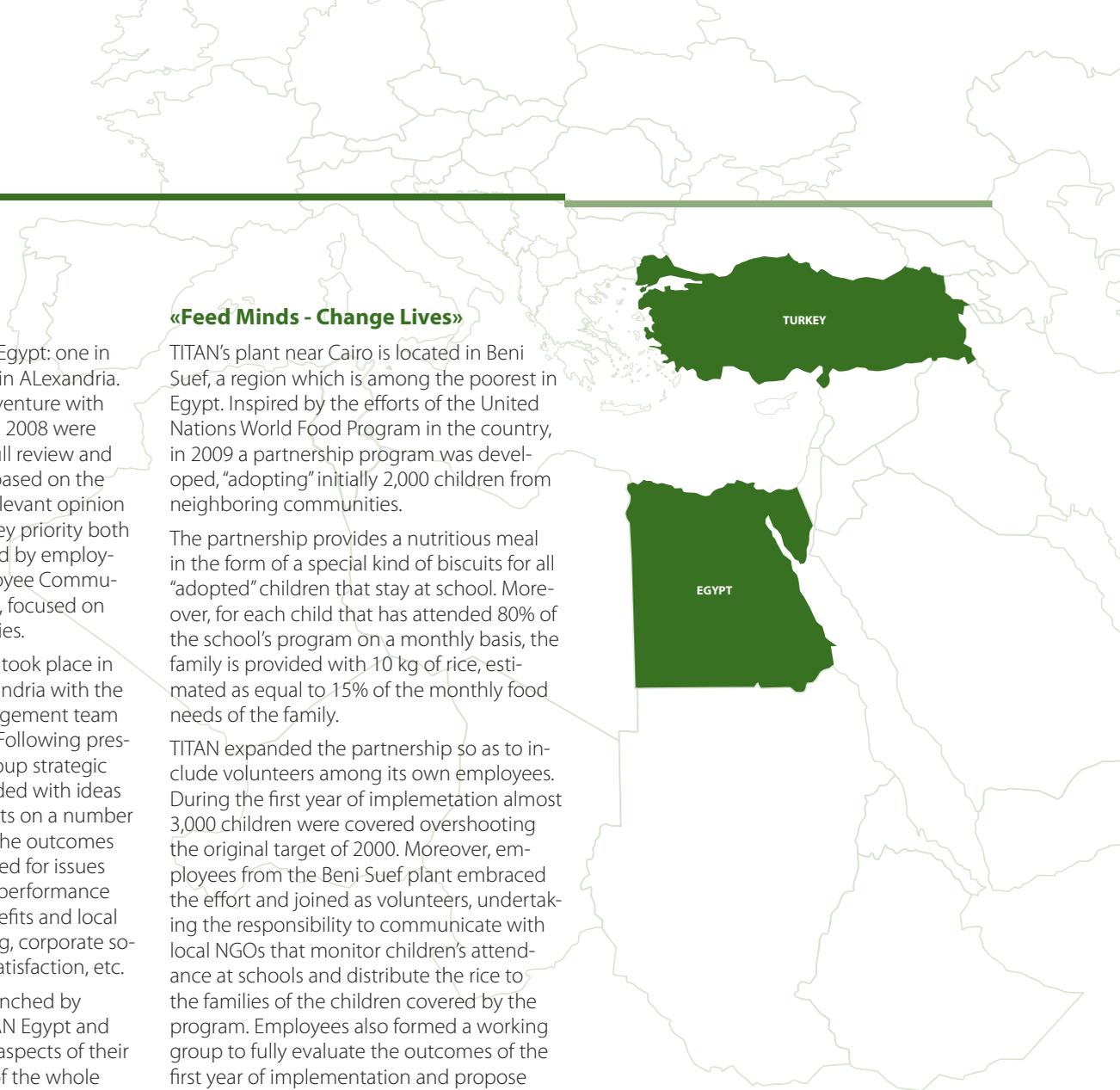
The first corporate social responsibility workshop for the management team was also implemented at the beginning of 2010. With emphasis put on prioritization of risks and innovative approaches to turning potential risks into opportunities, the outcomes were integrated by the local CSR Committee into relevant action plans.

«Feed Minds - Change Lives»

TITAN's plant near Cairo is located in Beni Suef, a region which is among the poorest in Egypt. Inspired by the efforts of the United Nations World Food Program in the country, in 2009 a partnership program was developed, "adopting" initially 2,000 children from neighboring communities.

The partnership provides a nutritious meal in the form of a special kind of biscuits for all "adopted" children that stay at school. Moreover, for each child that has attended 80% of the school's program on a monthly basis, the family is provided with 10 kg of rice, estimated as equal to 15% of the monthly food needs of the family.

TITAN expanded the partnership so as to include volunteers among its own employees. During the first year of implementation almost 3,000 children were covered overshooting the original target of 2000. Moreover, employees from the Beni Suef plant embraced the effort and joined as volunteers, undertaking the responsibility to communicate with local NGOs that monitor children's attendance at schools and distribute the rice to the families of the children covered by the program. Employees also formed a working group to fully evaluate the outcomes of the first year of implementation and propose necessary improvements to be considered for the next phase of the project.





Beneficiaries of "Feed Minds - Change Lives" program visit the TITAN cement plant in Beni Suef, 2010



Communication Day, Alexandria, Egypt 2010



Safety training, Beni Suef, Egypt



Safety training, Borg el Arab, Egypt 2010

10 years of CEMENT SUSTAINABILITY INITIATIVE

**“Several global trends,
despite important
regional differences,
are expected to impact
the cement industry
over the following
decade”**



Taking action for a global sectoral approach

The Cement Sustainability Initiative (CSI) is a global effort by 23 leading cement producers, with operations in more than 100 countries. Initiated by the World Business Council for Sustainable Development, over its 10-year history, the CSI has focused on understanding, managing and minimizing the impacts of cement production and use by addressing a range of issues, including: climate change, fuel use, employee health and safety, air emissions, concrete recycling and quarry management.

Following the 2002 Agenda for Action, CSI companies committed to take action needed to prepare their industry for a more sustainable future. The Agenda proposed both joint projects and individual company actions. The CSI has made good progress

on all joint projects, while individual companies are also on track to fulfill commitments taken and meet emissions reduction targets.

To date, the CSI remains one of the largest global sustainability programs ever undertaken by a single industry sector. In 2010 the CSI set about to review its mission, work program and structure after 10 years of successful collaborative action. Continued expansion of membership, particularly in rapidly developing regions (China, India, South America), underlines the significance of this initiative for the industry, as well as the positive outcome of collaborative action.

Key achievements related to 10 years of action

- Guidelines developed on critical topics including safety, emissions management, the use of fuels and raw materials, and environmental impact assessment. Individual companies incorporated these guidelines and set their own targets while reporting publicly on their progress.
- Good industry practices collected and distributed among all CSI members to enhance further improvements in respect to communication with stakeholders, contractors' crew management and road safety.
- A robust set of key performance indicators which track progress on major sustainability issues for the sector (CO₂ and other emissions, safety, alternative fuel use) has been agreed and used to measure progress achieved and allow benchmarking for further improvement.

- The CSI is a well-regarded platform for stakeholder engagement. Several consultations and partnerships involving individual companies evolved out of CSI-initiated engagements.

As a core member of CSI, TITAN has focused since 2003 on the implementation of the commonly agreed «Agenda for Action» where prevailing issues were how to mitigate global warming, efficiently use raw materials and fuel, reduce emissions, and ensure health and safety. Following this commitment which was created as a vision for the following twenty years, TITAN joined the CSI working groups established for each key challenge. TITAN has fully incorporated CSI tools and guidelines and continuously works on learning and disseminating best practices aiming at continuous improvement.

In 2006, environmental and safety targets at both Group and local level were set for all TITAN cement activities. External assessment and verification of performance against targets started in 2007. By the end of 2010 all wholly owned TITAN operations had been included in the scope of this assessment (see p. 66). Moreover, an invitation to lead the initiative as a co-chair from 2011 was accepted by TITAN top management. TITAN already leads the «Biodiversity and Land Stewardship» CSI task force.



Measuring our Environmental Footprint

Climate Change and Sustainable Development

Climate change remains the most significant challenge for humanity. As the population grows, demand for building materials also increases. The need to do less harm when producing our products but also more good when developing and applying new products with less carbon footprint and a longer and friendlier to environment lifecycle are two sides of the same coin.

For TITAN Group, the financial downturn has not influenced its climate mitigation strategy and the action plan for further improvement of its environmental footprint by 2015. Climate change and sustainable development remain at the core of Group corporate social responsibility policy and in 2010 the total expenditure was €27.1 million (see p. 11).

Facing the challenge of climate change, TITAN focused on both collective action through joint industry efforts and on optimization in our production processes, so as to achieve high performance standards on all fronts and particularly energy efficiency, use of raw materials, air emissions reduction and waste management. In certain areas, like substitution of carbon intensive fuels with alternative ones, further work is needed.

Reducing TITAN's environmental footprint is a challenge and an opportunity at the same time. Thus, all revised Group environmental targets agreed in 2009 have been analyzed into local action plans that are coordinated, monitored and evaluated by local Committees with the support of the Group's Engineering and Technology Department.

Reducing the carbon footprint

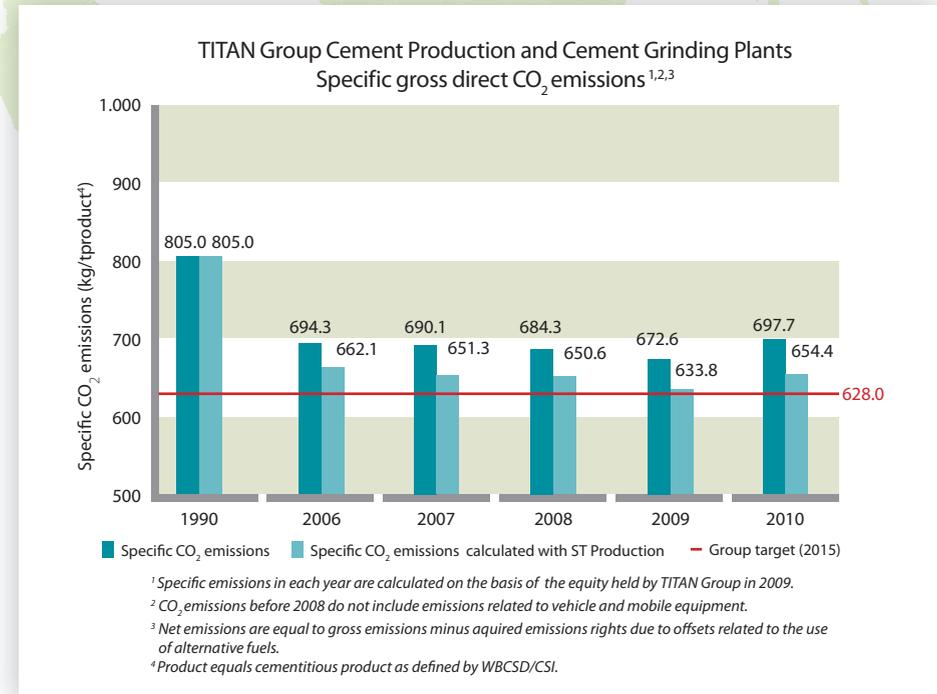
The majority of TITAN Group CO₂ emissions come from cement production. In 2010, total direct CO₂ emissions from the cement plants were 10,1 million tons. Starting from 2009, we include in our calculations emissions from on-site vehicle and mobile equipment. Following WBCSD/CSI reporting principles, CO₂ emissions were recalculated for the period 1990-2009 to take into account the changes in the equity held by TITAN Group in cement production in Egypt and Turkey.

In 2010 specific CO₂ emissions were 697.7kg CO₂ /t product. This regression is mainly due to increased trading in markets where neither legislation nor demand favor blended cements, while pressures from imports by countries without carbon footprint limitations continuously increase.

However the carbon footprint of TITAN operations is considerably improved by the positive balance created by TITAN's U.S.A.-based subsidiary Separation Technologies (ST).

Having completed a very successful innovation phase in the last ten years, ST has developed a well-proven technology that specializes in separating the fly ash produced as a by-product of power plants, generating a cementitious product (Pro-Ash™) that can be used for the production of construction materials such as concrete, further reducing CO₂ footprint. If the Pro-Ash™ production is taken into account, specific emissions come to 654.4kg CO₂ /tproduct.

TITAN's revised target for 2015 is to reduce specific CO₂ emissions to 628kg CO₂ /t product.



Moreover, TITAN Group Research and Development Department has focused on a variety of projects aiming at reducing the carbon footprint of TITAN products, as well as servicing the customer needs, taking the following actions:

- Production by the Usje plant of low heat of hydration pozzolanic cement, used for infrastructure constructions (dams).
- Marketing lower clinker content cement in the U.S.A.

- Support, justification and documentation to Egyptian authorities of European regulations regarding the use of blended cement.
- Replacement of bauxite by alternative raw materials (fly and bottom ash) in Pennsuco Plant.
- Development of new more friendly to the environment products (e.g. pervious concrete).
- Increasing the recycling of construction demolition waste by using them as aggregates in concrete production.

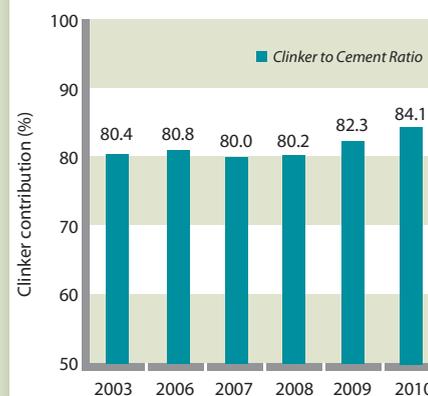
Addressing the challenges of climate change

Additional efforts to address climate change challenges are related to a variety of research and development programs in which TITAN has been involved in cooperation with key stakeholders, such as the following :

- «ECOSERVE» : focused on the identification of the needs of the European Construction Industry in its endeavor towards sustainability covering both products and production processes.
- «LABELAGRIWASTE»: utilization of agricultural wastes in the cement industry.
- «PERLITE REJECTS UTILIZATION»: utilization of mineral industry by-products as raw materials for cement production.
- «RED MUD FOR CLINKER»: utilization of an aluminum industry by-product as raw material for the raw mix of clinker production.
- «MORTARS FOR DIMINISHING EARTHQUAKE VULNERABILITY»: development of system to improve durability of existing buildings against earthquakes.
- «CALCINED CLAYS & POZZOLANAS FOR CULTURAL HERITAGE STRUCTURES»: simulate historic mortars using calcined clays and pozzolanas so as to produce appropriate restoration materials.
- «CARBON CAPTURE AND STORAGE (CCS)»: examine the technical and economic feasibility of CCS as a future CO₂ abatement option for the cement industry. A collaborative effort with universities, research organizations and specialists from cement and equipment companies in cooperation with European Cement Research Academy (ECRA) members, industrial partners as well as CSI and CEMBUREAU.

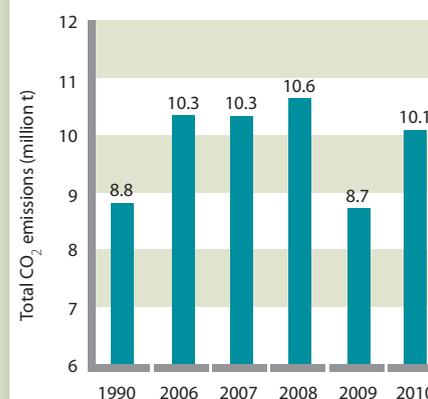
- «CLINKER MINERALS POTENTIAL AND CSH NANOSTRUCTURES»: verification of outcomes from Massachusetts Institute of Technology (MIT) in respect to modeling the nano-structure of the basic clinker minerals and their hydration in order to conclude on the parameters that influence strength and durability.
- «CAL/MOD Project»: calcium looping process simulation for CO₂ handling in a joint effort with seven European partners (academia, institutes and industry).
- «ARISTON Project»: TiO₂ integration into cement and cement-based mortar in order to activate photocatalytic action for a cleaner air environment.
- «TEFRODOS Project»: joint research effort of TITAN and four Universities aimed at delivering roads constructed with minimal CO₂ burden, utilizing alternative raw materials and hydraulic binders with minimum clinker content.

TITAN Group Cement Production and Cement Grinding Plants
Clinker to Cement Ratio ⁽¹⁾



¹ Clinker contribution is calculated on the basis of the equity held by TITAN Group in each specific year.

TITAN Group Cement Production and Cement Grinding Plants
Total gross direct CO₂ emissions ^{1,2,3}

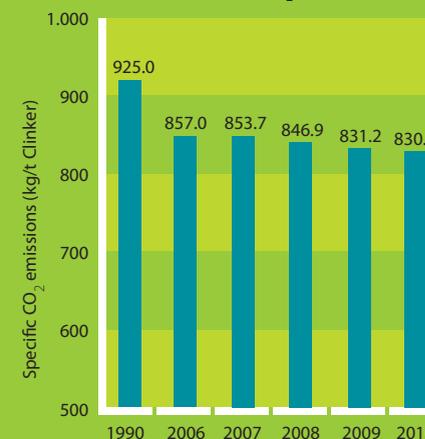


¹ Total emissions for the period 1990-2008 were recalculated in 2009, according to WBCSD/CSI, to reflect changes in equity held by TITAN Group (Egypt and Turkey).

² CO₂ emissions before 2008 do not include emissions related to on-site vehicle and mobile equipment.

³ Net emissions are equal to gross emissions minus acquired emissions rights due to offsets related to the use of alternative fuels.

TITAN Group Cement Production and Cement Grinding Plants
Specific gross direct CO₂ emissions ^{1,2,3}



■ Specific CO₂ emissions

¹ Specific emissions are calculated on the basis of the equity held by TITAN Group in each specific year.

² CO₂ emissions before 2008 do not include emissions related to vehicle and mobile equipment.

³ Net emissions are equal to gross emissions minus acquired emissions rights due to offsets related to the use of alternative fuels.

Thermal energy

In 2010 TITAN Group consumed 42,919TJ, in the form of thermal energy for clinker and cement production. The observed 15.9% increase in total thermal energy consumption, compared to the previous year, was the result of the increase of the volume of production due to the full operation of two new lines, one at Beni Suef, Egypt and one at Antea, Albania. Despite this increase, the average consumption was maintained at approximately the same level as in 2009 (3,533MJ/ton clinker).

The largest source of thermal energy (98.6% calorific basis) comes from conventional energy sources such as coal, pet coke, fuel oil and natural gas. Alternative fuels made up the remainder. Use of alternative fuels increased in all of plants that have been already using such fuels. Despite this, the percentage contribution of alternative fuels (thermal basis) decreased from 1.53% in 2009 to 1.43% in 2010 because of the new plants

that were incorporated into the Group.

Having set a revised Group target in 2009 to increase the alternative fuels substitution rate to 10% (calorific basis) by year 2017, much effort was put not only in strategic planning but also in new projects that will allow the increased use of alternative fuels based on the latest technologies. TITAN Group aims to replace as much as possible conventional fuels with alternative fuels and whenever possible with carbon neutral fuels (biomass) thus minimizing its CO₂ footprint.

In line with Group policy, our efforts will continue in the future to take advantage of available technologies. At the same time, we are upgrading operations through monitoring and systematic maintenance of equipment. In addition, at site level, frequent inspections of the equipment by plant engineers as well as performance audits by Group engineers focus on efforts related to operational improvement.

Electrical energy

In 2010 electrical energy consumption by the Group cement plants and their raw material quarries was 1,639GWh (5,900TJ). The increase of almost 9% compared to 2009 was the result of the increase in the volume of our production. The average specific consumption of electrical energy increased by 4.2% compared to the previous year, due to a regression of the clinker to cement ratio that has already been mentioned.

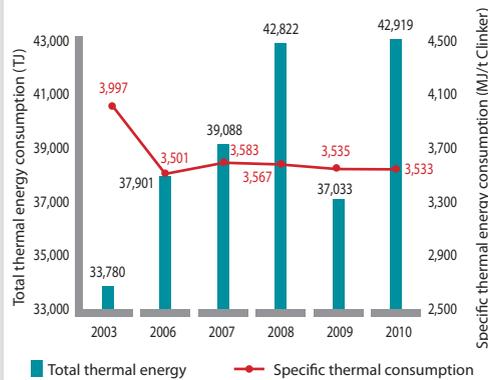
The installation of advanced equipment, like low energy vertical roller mills or motors with inverters, made possible the mitigation of the increase of the electrical consumption. As in the case of thermal energy, frequent inspections of equipment by plant engineers as well as performance audits by Group engineers sustain our focus on operational excellence.

Raw materials conservation

In 2010 we used 21.3 million tons (dry basis) of raw materials for our total cement production. Approximately 5.3% of all raw materials (about 1.1 million tons dry basis) were alternative raw materials, namely by-products and waste disposals from other industries, such as fly ash, pyrite ash, blast furnace slag and industrial gypsum.

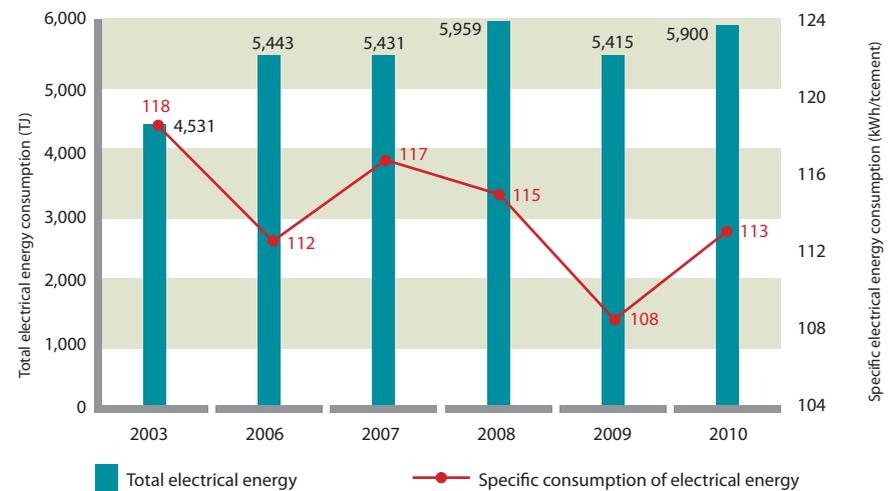
The remaining 20.2 million tons (dry basis) were natural materials from mining and quarrying activities. Compared to 2009, the consumption of alternative raw materials decreased in 2010, due to the reduction of sales in markets that favor blended cements.

TITAN Group cement production plants, cement grinding plants and attached quarries
Thermal energy consumption for clinker and cement production¹



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

TITAN Group cement production plants, cement grinding plants and attached quarries
Electrical energy consumption for clinker and cement production¹



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

Reduce – Reuse – Recycle (3R)

The reduction, reuse and recycling of raw materials, energy and waste constitute a major element in the implementation of the Group's policy to reduce its environmental footprint.

All TITAN Group facilities have developed and implemented 3R practices.

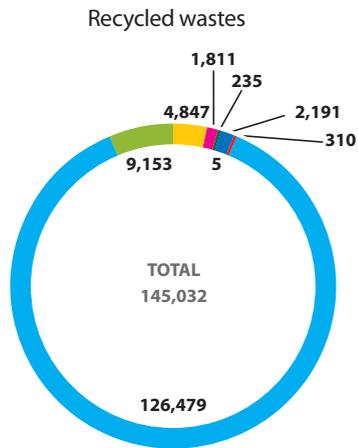
Raw materials and intermediary products which leak out of the production process are recovered with specialized equipment and, after they are appropriately processed to remove foreign particles, are reintroduced into the production line.

The recycling of materials is the third element of the 3R concept and is utilized in the entire range of Group operations through collection and recycling programs.

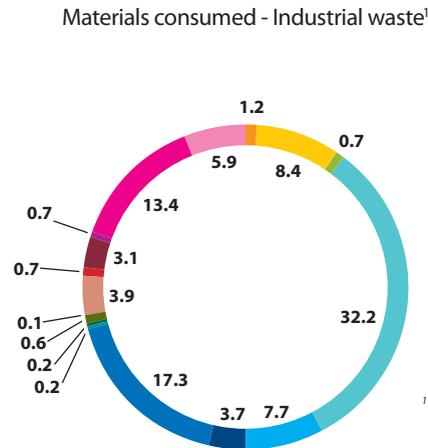
TITAN is a founding member of the Hellenic Recovery and Recycling Corporation (EEAA).

Wherever possible, materials are recycled on site at Group facilities. At Group concrete production facilities in the U.S.A. returned concrete is used to produce cement blocks or is ground and used as paving, replacing conventional construction materials.

In cases that collected materials cannot be recycled internally, they are outsourced through a collective management system or licensed contractors. Among the materials thus collected are iron and aluminum scrap metals, vehicle batteries, used lubricants, used tires, electronic and electrical equipment, paper, cardboard, household batteries, and toner used in printers and photocopiers.



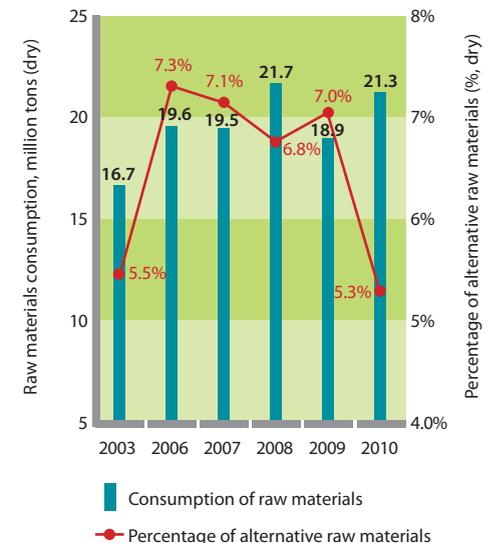
- Iron and Steel 4,847
- Waste refractories 1,811
- End-of-life tires 235
- End-of-life vehicles 5
- Other scrap (excluding iron, steel, aluminum and cables) 2,191
- Used oils (engine, gear and other lubricants) 310
- Concrete returns (ready mix units) 126,479
- Others 9,153



- Fly ash 7.7%
- Fly ash (dry) 32.2%
- Fly ash (wet) 0.7%
- Iron lamination scale 8.4%
- Pyrite-ash 1.2%
- Other 5.9%
- Limestone (waste/by product) 13.4%
- FeSO₄·7H₂O 0.7%
- Demolition wastes/concrete 3.1%
- Cement kiln 0.7%
- Industrial gypsum 3.9%
- Faylite 0.1%
- Slag (other) 0.6%
- Steel slag 0.2%
- Lead slag 0.2%
- Blast furnace slag 17.3%
- Bottom ash 3.7%

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

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



Water Consumption

In 2010 specific water consumption was approximately 362,3 lt/ton of cement. Compared to the previous year, the reported water consumption decreased by 19.1%. In 2009 a target of 350 lt/ton of cement was set to be achieved by 2015.

As part of the Group environmental policy, in 2007 we took the initiative to develop and apply an integrated water management system at all cement plants wholly owned by TITAN. Our goal is to achieve this target by 2012. The water mapping of each of our facilities is underway and will provide a reliable representation of plant's water flow diagram, water balance and areas for further improvement. This is the first step toward a reliable management, monitoring and reporting system of our plants' water balance as well as information for the complete water cycle of each plant.

As a core member in the first Water Working Group established under WBCSD/CSI, in January 2011, our efforts in this field focus on:

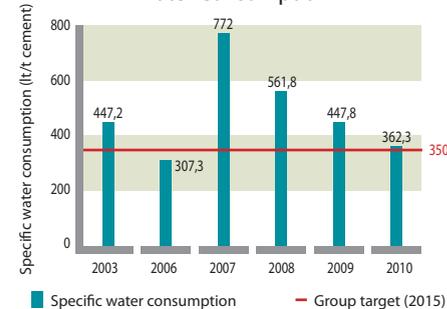
- Reviewing Water KPI's and leverage on input across sectors by using the experience of the WBCSD Water Project in an effort to make the KPI's relevant to the business, and
- Developing guidance on site-specific risk assessment for water.

TITAN is looking into learning from the experience of CSI and WBCSD members and also members of the Water Footprint Network.

It is worth mentioning that during the last few years our efforts produced the first positive results in two of our cement plants, Usje in F.Y.R.O.M. and Zlatna Panega in Bulgaria. The initiation of an improved water monitoring system and the investment on discharged water purification and recycling systems as well as on upgrading the water distribution network resulted in the reduction of water consumption by more than 60%.

At its plant in Pennsuco (Florida, U.S.A.), TITAN has followed a detailed water-use mapping. It goes beyond the apparent water consumption, and involves hydrogeology and aquifer modelling, aiming to assess the efficient 're-circulation' of water used for various operations (cement plant, aggregates, ready mix and cement block production).

TITAN Group Cement Production and Cement Grinding Plants Water Consumption^{1,2}



¹ Calculation based on the equity held by TITAN Group in each specific year
² Group target for year 2015 is calculated on the basis of equity held by TITAN Group in 2009.

Dust

Dust is a major industrial pollutant of the environment. At cement production plants the major source of dust emission is the production process. Fugitive dust is also created from transportation of materials.

Continuous monitoring of fugitive dust emissions is not possible. TITAN Group is implementing a program of periodic measurements for fugitive dust in order to safeguard the health of its employees as well as to reduce the impact on areas nearby. Further care is taken to ensure the proper maintenance and optimal functioning of machinery and equipment as well as the rigorous application of rules covering the transport of materials both within and beyond the plant site.

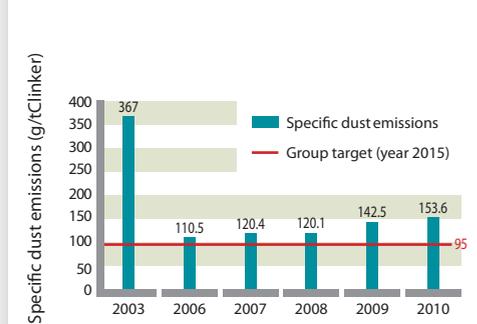
Total dust emissions in 2010 were 1,866 tons and specific emissions were 153.6g/ton clinker.

Taking into account the new acquisitions, equity changes and new kiln lines becoming operational in 2009, a revised target of 95g/t clinker was set in 2009 to be achieved by year 2015.

An increase of 10% in Group dust emissions from cement plants was recorded compared to 2009. The unusually frequent startups and shut downs of plants throughout the year prevented the optimum operation of the plants and relevant equipment for dust control creating this unfavorable side effect.

TITAN Group has invested heavily in new technologies to reduce its air emissions footprint during the last years. Kiln electrostatic filters (ESP) were either upgraded to hybrid filters or completely replaced with bag filters (at Kamari, Patras and Zlatna Panega plants). Further upgrades have been approved and will be implemented in the next years at the Alexandria, Beni Suef and Roanoke plants. Efforts for proper maintenance of the existing dust control equipment are also intensified, ensuring that our targets for limiting specific dust emissions to 95 g/t clinker by 2015 will be achieved.

TITAN Group Cement Plants Dust emissions^{1,2}



¹ Specific emissions in each year are calculated on the basis of the equity held by TITAN Group in 2009.
² Group target was calculated on the basis of the equity held by TITAN Group in 2009.

NO_x

Combustion at high temperatures leads to the creation of NO_x. Scientific studies have indicated that NO_x emissions lead to the creation of acid rain and smog.

In 2010 TITAN's NO_x emissions were 22,561 tons while specific emissions were 1,857g/ton clinker. As with dust, these emissions were within the limits stipulated in the environmental terms of the operating permits.

A revised target of 1,670g/ton clinker on NO_x emissions, or 45% reduction compared to 2003, was set in 2009. The target year to achieve this is 2015.

SO_x

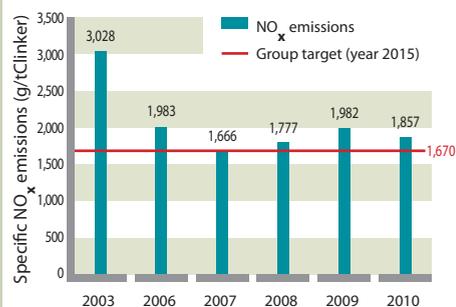
The presence of sulphur (S) in raw materials is the primary cause of SO_x emissions which have been directly linked to the appearance of acid rain. It is therefore important to keep these emissions as low as possible.

In 2010 SO_x emissions were 2,567 tons while specific emissions were 211.3g/ton clinker. For yet another year, at many Group plants SO_x emissions were negligible, while in all cases they were far lower than those allowed in the environmental terms of the operating permits.

Taking into account the new acquisitions, equity changes and new kiln lines becoming operational in 2009, a revised target of 240g/t clinker was set to be achieved by 2015. Having already reached a good level of performance in respect to SO_x emissions, we aim to retain and even improve further this performance level.



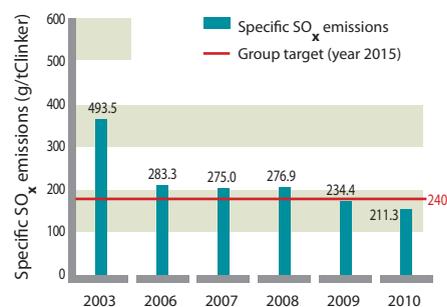
TITAN Group Cement Plants
NO_x (as NO₂eq) emissions^{1,2}



¹ Specific emissions of each year are calculated on the basis of the equity held by TITAN Group in 2009.

² Group target was calculated on the basis of the equity held by TITAN Group in 2009.

TITAN Group Cement Plants
SO_x (as SO₂eq) emissions^{1,2}



¹ Specific emissions of each year are calculated on the basis of the equity held by TITAN Group in 2009.

² Group target was calculated on the basis of the equity held by TITAN Group in 2009.

Quarry Management and Biodiversity

In today's world, biodiversity management has become the most important environmental sustainability issue after climate change. 2010 was the year dedicated to increasing awareness globally with respect to biodiversity.

TITAN is active both globally and locally in preserving and enhancing biodiversity. As a core CSI member, TITAN participates in the Biodiversity Working Group, initiated in 2009 and from October 2010 co-chairs the WBCSD/CSI 'Biodiversity & Land Stewardship' task force.

On the basis of joint work and consensus within CSI, two Key Performance Indicators (KPIs) have been developed and integrated into corporate social responsibility reporting systems.

These KPIs replace the respective GRI ones, so as to better meet societal requirements in respect to the industry and are defined as follows:

KPI 1: Number of active quarries within, containing or adjacent to areas designated for their high biodiversity value (as defined by GRI EN11) and

KPI 2: % of sites with high biodiversity value (according to KPI 1) where biodiversity management plans are implemented.

According to these indicators, the number of active quarries containing or adjacent to areas designated for their high biodiversity value has increased from 3 to 5 quarries in 2010 due to the acquisition of two new quarries in Northern Greece, located in a protected by Natura area.

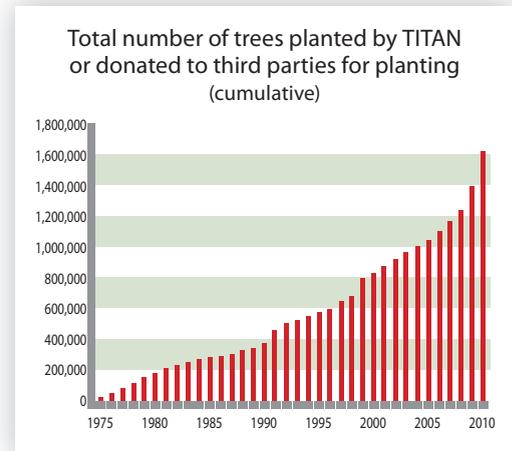
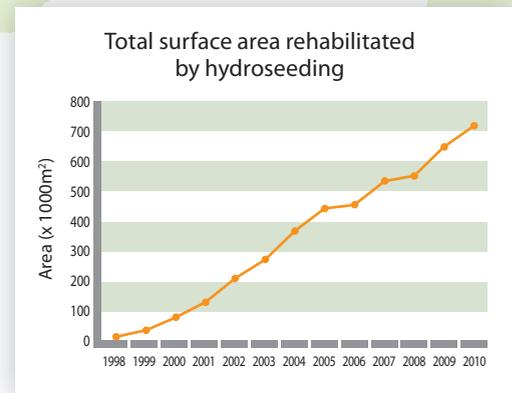
At local level, TITAN's response to tackling these issues is demonstrated in various ways:

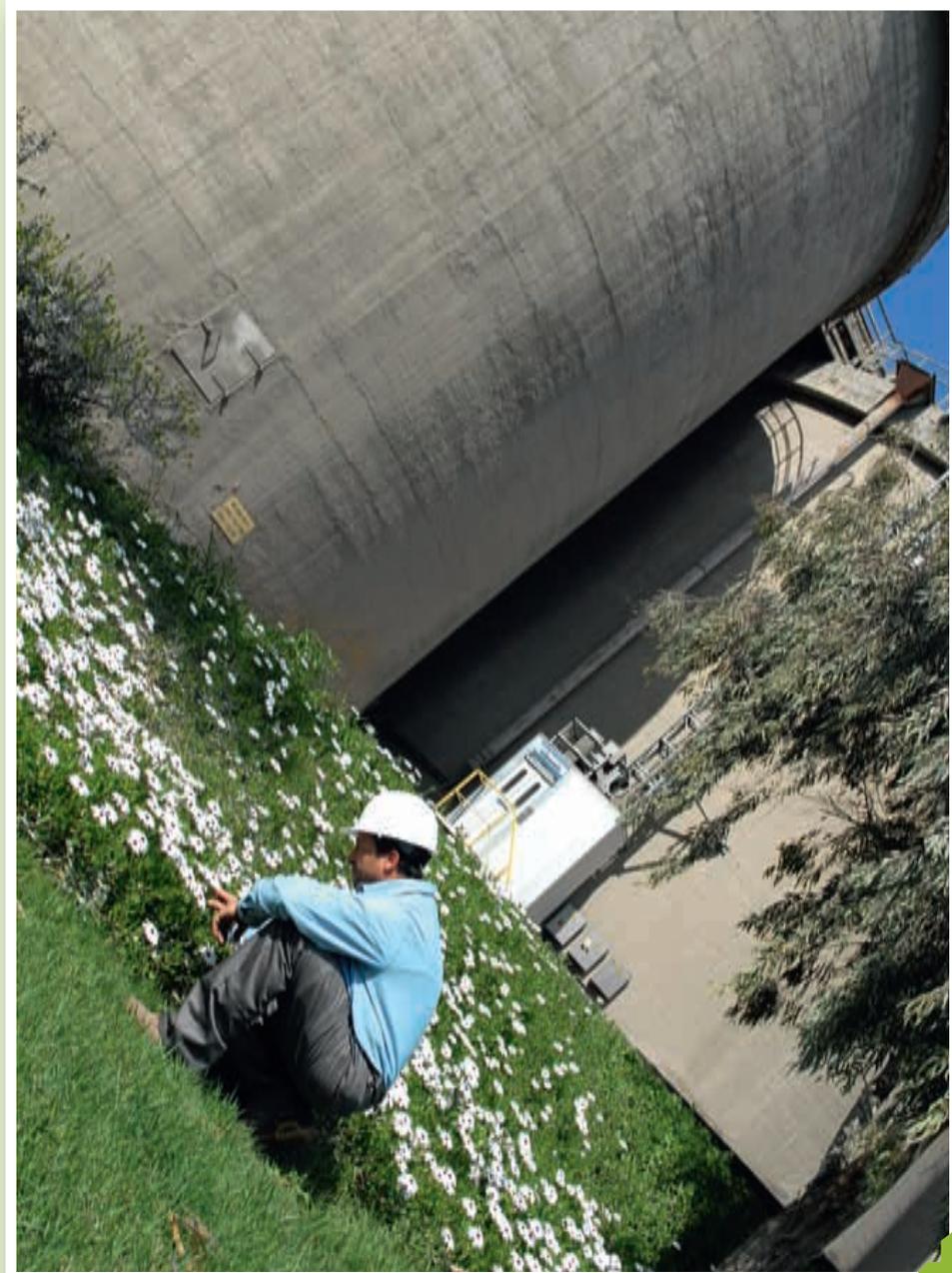
- Application of Guidelines for Environmental and Social Impact Assessment (ESIA), developing Quarry Rehabilitation Plans (QRP's), and providing case study examples of biodiversity management initiatives, among else the following:
- Pennsuco quarry, Miami Dade, Florida (U.S.A.): According to the new mining permit (April 2010) and under the Lake Belt Plan developed by the US Corps of Engineers, TITAN is systematically 'restoring Littoral Shelf Areas' within depleted quarry lakes and adjacent everglades by restoring endemic flora, while preserving the fauna species, identified and considered 'protected'.
- Center Sand quarry, Orlando, Florida (U.S.A.): TITAN has relocated the population of protected Gopher Tortoise a Red List protected species, to a newly created Conservation Area, protected from future quarry operations. Monitoring and assessment programs are on-going.
- Zlatna Panega quarry (Bulgaria): A 'baseline assessment' has been developed. The limestone and marl quarry of Zlatna Panega cement plant operates partly within a Natura-designated area.

Currently there is an on-going program for relocating a species of wild orchid, from inside a quarry expansion and into an adjacent area of future rehabilitation (wildlife sanctuary).

- Antea green field cement plant, Albania: TITAN is implementing a plan for re-foresting a total of 250 hectares and has already reforested 100 hectares.
- In quarries of puzzolanas that operate inside Natura areas, in Milos Island and in Pella (northern Greece), TITAN is planning to make a biodiversity assessment of 'base-line' conditions for bird populations.
- In the quarry of Artimes (near the Patras cement plant), TITAN recently completed a biodiversity assessment study of the current 'base line' inventory of flora, aimed at recording and improving rehabilitation by reforesting.

The cumulative number of trees planted to date, mainly for reforestation and for rehabilitation of depleted quarries in Greece, has reached 1.6 million. In addition, more than 70 hectares of surface areas have been rehabilitated to date, with the 'hydro-seeding' method.





Environmental Sustainability Initiatives and practices developing in each region are presented in this section

Joint Sustainability Initiative in cooperation with MIT for concrete structures life-cycle analysis in U.S.A.

U.S.A.



U.S.A.

- > Improving the carbon footprint of residential concrete
- > Biomass use at Roanoke Cement plant
- > TITAN America Green-Star Certification
- > Preserving and enhancing biodiversity in the wetlands of Florida

More than 360,000 trees from own nurseries have been donated for reforestation of different areas in Greece since 2007



Greece

- > Saving water
- > Reducing the carbon footprint of Kamari plant
- > Concrete sustainability
- > Saving water

2,000 tons of CO₂ emissions less due to concrete recycling initiatives in Greece



Usje

- > Protecting an ecosystem in Usje - F.Y.R.O.M.
- > The case of "Usje Canal"

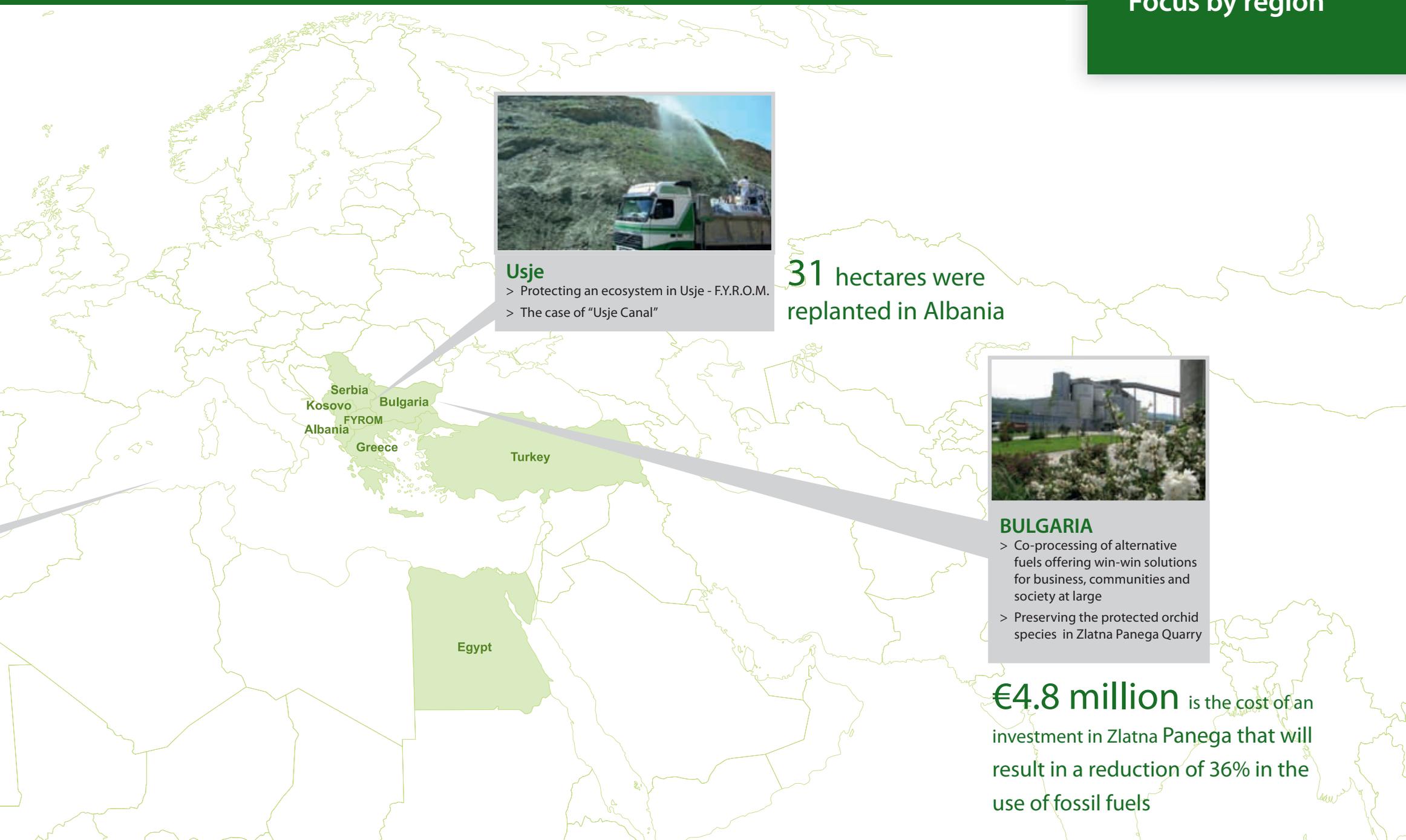
31 hectares were replanted in Albania



BULGARIA

- > Co-processing of alternative fuels offering win-win solutions for business, communities and society at large
- > Preserving the protected orchid species in Zlatna Panega Quarry

€4.8 million is the cost of an investment in Zlatna Panega that will result in a reduction of 36% in the use of fossil fuels



Reducing the carbon footprint of Kamari plant

Co-processing in the cement industry is an optimum way of recovering energy from municipal and industrial waste as a supplement to the recycling of waste. It offers a safe and sound solution to society providing a low-cost handling of waste and at the same time reduces global CO₂ emissions with no negative impact on production process emissions, or on the quality of the final product. Furthermore, it is carried out in a safe manner, thus not affecting the health and safety of employees or the communities.

The Psyttalia waste water treatment plant, one of the largest in Europe and the main waste water treatment plant in the greater Athens area, receives an average waste water flow of approximately 730,000 m³/day. A major issue has been the safe and reliable disposal of sewage sludge. Until recently, the only solution was to dump the sewage sludge, creating major disturbances to the neighboring communities.

However, sewage sludge can be used as an alternative fuel in the clinker manufacturing process in Kamari Plant. In November 2008 a facility for co-processing dry sludge was installed at the plant. The permit concerning the dry sludge was obtained in 2007 and is based on the Waste Incineration Directive (2000/76/EC).

The environmental impact assessment study was carried out by an independent company and before the permit was issued its content was thoroughly discussed with the local municipal authorities, the Regional Board and the plant's personnel to secure consensus. In this process, the University of Athens contributed to achieving better understanding of the impact of co-processing.

In 2010 TITAN utilized almost 15,500 tons of sewage sludge and thus reduced the requirements for fossil fuels by about 5,000 tons, while lowering by about 18,000 tons the plant's CO₂ emissions.

Furthermore this development contributed to solving a chronic social problem by offering a permanent solution for the safe and reliable disposal of the Athens waste water treatment facility sewage sludge.

This is a win-win case of contributing to the reduction of CO₂ emissions while helping solve a major environmental and social problem.



Concrete sustainability

Concrete is used in building the structures of the world we live in (houses, bridges, roads, schools, hospitals, etc.). It has proven to be a material which contributes greatly to sustainable development and has many comparative advantages over other materials (e.g. energy efficiency of buildings). Nevertheless, in building the structures and at the end of their life cycle, waste is produced for which our society has to find appropriate management solutions. According to estimates, 900 million tons of waste from building demolitions in Europe, the U.S.A. and Japan must be disposed of each year.

Over the past several years, TITAN has found an innovative solution to the disposal of returned concrete. All concrete returned to the plants of our subsidiary, INTERBETON, in the Prefectures of Attica, Thessaloniki and Achaia, is used in the production of cement as an alternative raw material, with multiple benefits:

- Saving of non-renewable mineral raw materials in the production of cement.
- Reduction of space required for landfilling waste.
- Reduction of CO₂ emissions during the production process, since a portion of the concrete produced comprises of cement with less CO₂. In 2010 alone, by using more than 50,000 tons of hardened concrete we saved over 2,000 tons of CO₂.

TITAN's objective is to find a solution to the problem of managing the waste from concrete production for other concrete companies, too.

> GREECE AND WESTERN EUROPE

Saving water

Water is broadly recognised today as one of the key issues for sustainable development. This has been acknowledged by TITAN since 2007 and specific targets have been set to improve water management and consumption.

An example of such practice is Patras plant where, since 2008, a long-term initiative has been undertaken to reduce the quantity of ground water used by the plant. Various infrastructure projects were carried out, replacing pumps which often led to overflow and wasted water, installing electronic measuring and control devices, and monitoring daily online the ground water quantities drawn.

These measures have resulted in a significant reduction of the amount of water pumped from the drills thus fixing this amount at levels which are now approximately 40% lower compared to 2007 levels.

| Bore water consumption in Patras | | | | |
|---|---------|---------|---------|---------|
| | 2007 | 2008 | 2009 | 2010 |
| Total consumption (m ³) | 668,982 | 533,547 | 382,008 | 365,735 |
| Specific consumption (m ³ /tonne cement) | 448.8 | 309.7 | 241.6 | 260.4 |



Patras Plant

Collaborative efforts

In 2010, TITAN in Greece committed to support and cooperate with the “ENVIRONMENTAL TASK FORCE” of West Thessaloniki, Northern Greece.

Responding positively to the invitation of local authorities to participate in a program co-funded by the European Union Initiative “LIFE+”, in cooperation with the Aristotle University of Thessaloniki and the Hellenic Center for Research and Technology, the task is to reduce air pollution in the area of West Thessaloniki, in accordance with the objectives set by the European Union up to 2020. To meet this task other heavy industries operating in the region like Hellenic Petroleum S.A., Sidenor S.A. and Mavisso S.A. have joined forces in this project, The program aims at achieving the following :

- > Use a mobile station to measure air pollution levels in the area and create an atmospheric pollution data base.
- > Record air emissions of the operating industries.
- > Create tools to assist identification of emission sources.
- > Provide technical knowledge to small industries so as to reduce their air emissions, too.

Joint Sustainability Initiative

In 2009 the major concrete industry associations in U.S.A. decided to work together in a collaborative sustainability program titled «Joint Sustainability Initiative». This joint effort is focused on developing a common vision of concrete industry sustainability.

In order to achieve this, a Memorandum of Understanding was signed by all parties which chartered a Joint Industry Vision for a Sustainable Future, as the beginning of this major initiative.

Concrete has many applications in today's world. It is the most important construction material. All segments of the concrete industry and societies have a vested interest in this material, but also in understanding how to produce and use it more wisely and effectively.

To increase sustainability of the industry and its products, all relevant dimensions, (technical, regulatory and marketing) will be explored under the scope of sustainable development. Working together for a common vision is agreed as the only way to lead the industry to real solutions that create sustainable value and ultimately build a clear and strong understanding for the industry and its products.

The priorities set by the Joint Sustainability Initiative include the following :

- > Develop a common industry identity («One face to the world»).
- > Create and enhance a common vision of industry sustainability.
- > Pool resources and minimize duplication to implement this vision.
- > Backup sustainability messages with facts, so as to avoid the common perception of "green-washing."
- > Coordinate communications and interact effectively with stakeholders.

All participants agreed that :

“Our integrated thinking will focus on the social values provided by concrete structures, namely resource efficiency, safety, financial responsibility, operational continuity, longevity, esthetics, societal connectivity and by products reduction”.

One of the first large scale programs launched by the Joint Sustainability Initiative in 2010 was the cooperation with the Massachusetts Institute of Technology in the foundation of the Concrete Sustainability Hub. The aim of this effort is to revolutionize the scientific basis for evaluating the environmental impact of Portland cement concrete, for optimizing the use of present materials, for modifying present materials and developing new materials designed to achieve a fully sustainable physical infrastructure, including uses in very demanding environments.

Improving the carbon footprint of residential concrete

TITAN America, BASF and K. Hovnanian Homes worked together to develop a concrete mix that meets the desired plastic properties for ease of placement by the contractor, and the hardened concrete properties to meet building codes, while reducing the mix's environmental impact. This was a special and unique concrete project in Florida, U.S.A. combining the use of concrete making materials, construction practices, application of tools and eco-efficiency analysis methodologies, and codes to provide deliverable and measurable sustainable benefits in concrete construction.

Approximately 3,000 cubic yards of concrete with 50% Pro Ash™ and 50% Type II(MH) Portland cement were used. Performance was adjusted accounting for weather, ambient, and placement conditions with the use of chemical admixtures, including accelerators in cold weather. The standard of concrete control is rated as excellent based on the standard deviation and co-efficient of variation of strength tests. This project illustrated the use of eco-efficiency analysis methodology to quantify the environmental savings in areas such as energy, emissions, land use, resource consumption, risk potential, toxicity potential, and fresh water. The reduced environmental impacts by this optimized concrete mix offers new opportunities for home builders as it provides clients with a more sustainable home from the start.

Biomass use at Roanoke cement plant

An alternative fuel system that fires biomass to both the calciner and main burner was commissioned by TITAN in Roanoke cement plant in Virginia. The goal of the project was to reduce the amount of coal consumed by the plant. These biomass materials have ranged from sawdust flour to two inch wood chips; The initial results have shown that the materials introduced through the calciner show great promise towards the ultimate goal of reducing coal consumption while at the same time not affecting clinker quality or increasing emissions. After a second test at the main burner, the company plans to install a system that will allow for simultaneous burning at both ends of the pyroprocess. The success of this project will help meeting the Group's long term environmental sustainability targets.

Green Star Certification Program in Virginia

TITAN's Virginia Ready-Mix Concrete Division in U.S.A. has partnered with the National Ready Mixed Concrete Association (NRMCA) in order to benchmark each facility's environmental performance while developing and setting continuous improvement goals. Thus demonstrates TITAN's commitment to environmental stewardship and sustainability. The NRMCA Green Star Program was created to provide the ready mixed concrete industry with an "industry specific" program and a means to support the efforts of the ready-mixed concrete industry towards environmental excellence. The Green Star program requires that each facility proposing to obtain Green Star certification develop a comprehensive Environmental Management System (EMS) comprised of a written and documented program of identified impacts, goals toward continuous improvement to reduce those impacts, specific steps and procedures to achieve those goals and the development of procedures to quantitatively measure programs toward meeting these goals contained in the written management plan. Three facilities were awarded the Green Star Certification. Future plans call for certification of additional facilities each year until all facilities become certified.

Preserving and enhancing biodiversity in the wetlands of Florida

TITAN America's Pennsuco operations are located within the Lake Belt region of Miami-Dade County in Florida. This area adjacent to the Everglades National Park and associated water conservation areas, has been historically characterized as 'wet prairie'. In addition to man-induced disturbances over the past 40 years within the Lake Belt region the wet prairie lands of the Lake Belt region have been increasingly converted to forest by the invasive tree *Melaleuca quinquenervia* (melaleuca). The wetland areas within and adjacent to Pennsuco are dominated by invasive exotics including *Melaleuca* and *Casurina equisetifolia* (Australian pine).

As part of the new mining permit and the wetland permit, TITAN will be mitigating approximately 250 acres of land around its limestone quarries, targeting at preserving and enhancing biodiversity in the wetlands developed on 'littoral shelves' of inactive quarries.

The littoral shelf area is a freshwater marsh dominated by spike rush, native species present and exotic species. The top of bank of the littoral shelf is dominated by invasive exotic Australian pine (*Casuarina equisetifolia*). The initial step was to remove all the exotic and undesirable species from the area to allow for re-colonization by native species and to increase foraging habitats for wading birds. According to the plan, all of the exotics were removed from the mitigation area during the second quarter of 2010 and TITAN will continue the maintenance until 2013.

In addition, TITAN America has volunteered to do a littoral shelf demonstration project on its property. The purpose of this demonstration project is to test the effectiveness of the alternate design before implementing it on a Lake Belt-wide basis. The new littoral shelves will have a low water feeding area for wading birds, including a refugium to provide a source of prey fish for wading birds during droughts.

TITAN will closely monitor the wading bird population within the littoral shelves. The vegetation within the demonstration project will also be monitored annually at the end of each dry season and exotic species will be treated if they exceed the 5% coverage limit specified in the permits.



Nerolina Australian



Pit B&C: On-going maintenance (January 2011).



Pit D&E South (June 2008).



Pit D&E South (June 2009).



Pit D&E South (June 2010).

> SOUTH EASTERN EUROPE

- > F.Y.R.O.M.: Usje
- > BULGARIA
- > ALBANIA
- > SERBIA

Protecting an ecosystem in Usje

The artificial lake inside the Usje marl quarry, near the TITAN Usje cement plant in F.Y.R.O.M., was gradually formed in the 1980's and 1990's, after the excavation of a since depleted closed pit inside the mine plan area. Fresh water supply to this confined water body is due to precipitation and surface rain water inflows. The natural process of population growth of plant and animal species has resulted in creating a wetland ecosystem and an eco-park.

As the 'first phase' of assessment a study was carried out to enable TITAN to improve water resources management and to formulate future management plans for the conservation and enhancement of biodiversity in and around the lake site.

According to the study's findings, the wetland vegetation of the lake has been well developed, and algae are the dominant species in the lake, both in species richness and population density. The issue of concern identified during the study was the process of eutrophication – a natural process of enrichment of the water with nutrients that is characteristic for such still surface waters - and consequently the lack of oxygen in the deep parts of the lake, which in turn does not favor the development of zooplankton, resulting gradually in an uneven population growth and affecting the ecological balance of the aquatic ecosystem. The existence of a number of fauna species, like butterflies, amphibians, reptiles and mammals, was also recorded during the investigation period.

A combined set of mitigation measures are underway, in order to maintain and enhance the quality of water and the ecological status of the lake ecosystem, mainly by slowing down the eutrophication process. These measures include aeration of the lake to add oxygen to the water, cutting of the reed-

beds, introducing silver carp fingerlings in the lake and reforestation of the area around the lake. Reforestation will also reduce the dust produced from the operating quarry to the lake ecosystem, and also improve the overall appearance of the area.

In an open, on-going dialogue with stakeholders, TITAN management has established a cooperation and monitoring process to cover all phases of this project.

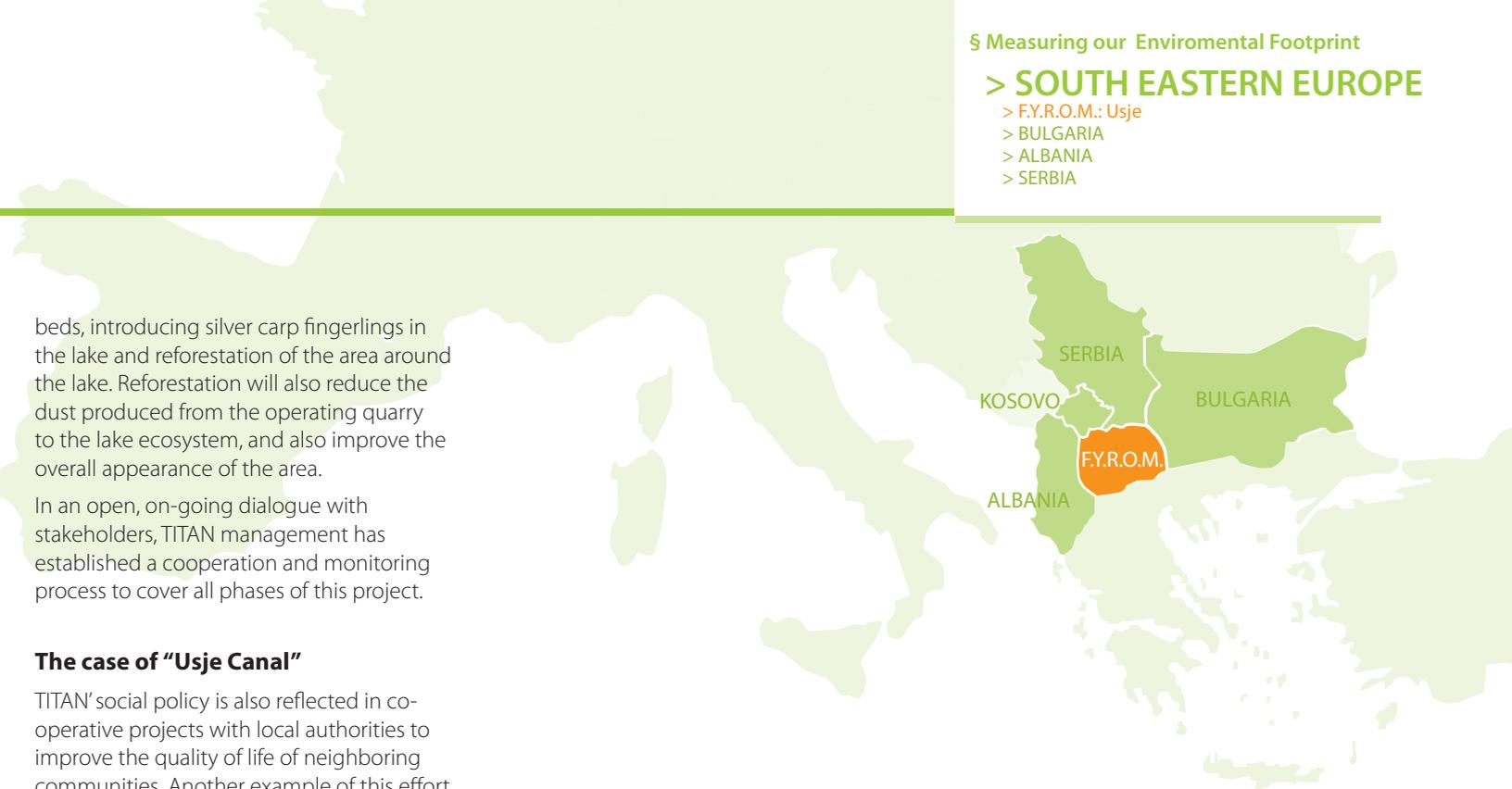
The case of "Usje Canal"

TITAN' social policy is also reflected in cooperative projects with local authorities to improve the quality of life of neighboring communities. Another example of this effort is the case of "Usje Canal", a project that TITAN Usje supported with financial, technical and human resources.

The project includes installation of reinforced concrete pipes with diameter of 1900 mm in the bed of the canal. The ground surface over the existing canal will be subjected to horticultural arrangement and used as a walking path.

Building upon its strong local partnership, good neighborly relations and community needs, TITAN Usje donated financial aid to the Municipality of Kisela Voda for the construction of a fountain in the new "Frederic Chopin Park" to memorialize 200 years from the birth of composer Frederic Chopin.

In addition, the company donated trees to enrich the greenery in the surrounding area and to embellish the park itself. The whole project is expected to contribute to the overall improvement of this area and encourage interest for classic music and culture in general.



> SOUTH EASTERN EUROPE

- > F.Y.R.O.M.
- > BULGARIA: ZLATNA PANEGA
- > ALBANIA
- > SERBIA

Providing win-win solutions

Waste management remains a critical issue for both mature and developing countries. The construction of an installation for pre-treatment and feeding of process engineered fuel (PEF) started in TITAN's Zlatna Panega cement plant in June 2010. The project is part of TITAN Group's alternative fuels development program which aims at a 36% replacement of fossil fuels in Zlatna Panega plant in Bulgaria by 2015.

TITAN Zlatna Panega cement plant has two kilns with a total production capacity of 1,100,000 tons annually. It currently utilizes used tires achieving up to 10% fossil fuel replacement (heat basis).

Processed engineered fuel is a mixture of different solid waste materials like plastics, paper, textile, rubber, oil sludge, biomass, etc. PEF is not waste, but a marketable product that must meet the strict end-user requirements of a solid fuel.

TITAN Zlatna Panega has applied according to the Integrated Pollution Prevention and Control Directive to proceed with the use of a variety of alternative fuels. The construction of an installation for pre-treatment and feeding of process engineered fuel will enable the separation of the solid municipal waste, non-recyclable packages and other production waste streams from various sources.

This facility will process 25,000 tons of separated material from Sofia Municipality and from the packaging companies. At a second stage, TITAN Zlatna Panega will co-operate with local municipalities like Troyan, Lovech, Pleven, Lukovit and Veliko Tarnovo which are planning to develop municipal waste separation programs. Following EU directives, local communities in Bulgaria are seeking ways to achieve totally efficient management in the utilization of municipal wastes.

The PEF pre-treatment installation consists of several units: receiving station, primary shredder, separators and secondary shredder. Capital investment for this program is € 4.8 millions. It has been estimated that it is feasible to reach a 15% replacement of coal with PEF, based on light fraction of municipal waste, and to use it together with used tyres without considerable effects on production.

This effort will decrease the carbon footprint of Zlatna Panega and its products. At the same time, it will offer a significant service for efficient waste management to the citizens of Sofia and other big cities in the country.

Recognizing stakeholders' concerns on issues related to the use of alternative fuels, TITAN has incorporated Best Available Technology, in the design and implementation of this initiative and engaged in relevant consultation with all stakeholders to safeguard that all relevant issues and concerns have been addressed accordingly.

Preserving the protected orchid species in Zlatna Panega Quarry

Since 2009, TITAN has launched a new program to examine potential impacts to biodiversity in its Zlatna Panega Quarry (Bulgaria). Following the outcomes of the Initial Ecological Scoping Study, two specific plant species found in the area of the east expansion of the quarry were considered to be endangered: the orchid species "Spiranthes Spyralis", which is cited as one of the protected species and "Chamaecytisus Kovacevii", a Bulgarian endemic species of an endangered category protected according to the Bulgarian Biological Diversity Act.

A plan to remove these two species from the quarry areas and relocate them in other areas, in order to best preserve them, was decided before any type of quarry exploitation starts.



In November 2010, a team consisting of TITAN Group and local experts together with a local orchid specialist conducted a preliminary test and removed about 20 pieces of *Spiranthes Spyralis* which were re-planted in other areas both in the gardens of the cement plant and inside the old depleted quarry that will not be exploited or affected in the future. Removing and re-planting of the orchids was made with special care so as not to damage the tubers and the stems of the plants.

This experiment proved that relocation of the plants can be done effectively and after being planted in their "new residence" the plants can grow and flourish without any additional care.

10 years of



Taking action at the local level

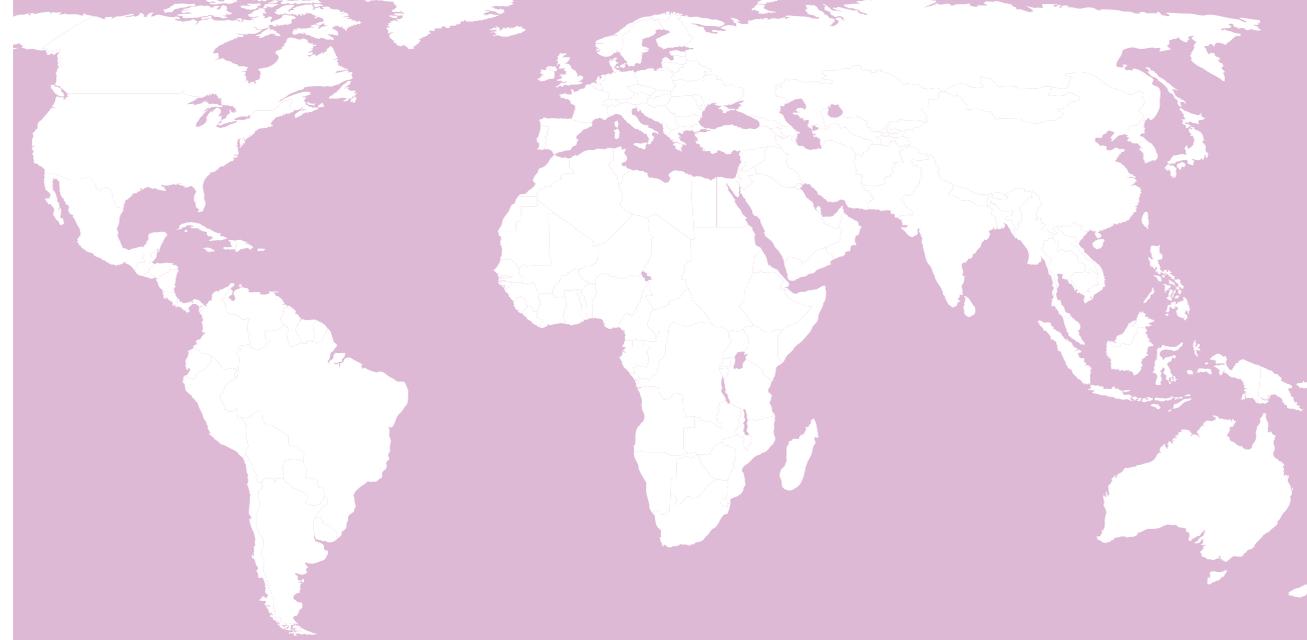
TITAN's social policy is based on supporting community groups, NGOs and other key stakeholders and sharing know-how, human and technical resources instead of offering only financial assistance. This entails careful selection of social groups and NGOs that are best-suited to maximize their own effectiveness through this form of "all-inclusive" support. It also calls for concentration on those areas where TITAN has acquired, over the years, relevant experience and expertise, namely:

- Accident prevention
- Environmental sustainability
- Education

Considering that building safety awareness at early stages is an opportunity to cultivate an accident prevention mentality which will last an entire lifetime, the "Accident Prevention at School - FAOS" Program was launched in 2000 by TITAN as a local partnership initiative.

The idea was introduced at a public meeting attended by a Government Minister, local authorities, parent's associations, the press etc. The idea caught on quickly, especially among school teachers, who had at last found members of the community willing to listen to their problems, frustrations. Built on this new-found understanding and mutual trust a FAOS goals were the following :

1. Engage and expand collective action with volunteers from both public and local authorities and local companies.
2. Introduce in volunteering schools the idea to cooperate with experts and undertake inspections related to possible dangerous defects or potential causes of accidents.
3. Develop experienced task forces among teachers to act as training facilitators inside schools.



4. Motivate parents' associations and society at large to support the development of a "preventing accidents mentality".
5. Build a sustainable partnership at local level that could be transferred and re-produced in other communities and regions.

The program was presented as an example of good practice at the U.N. Global Compact International Learning Forum in Bello Horizonte in 2004 for meeting both the need to take joint action and for applying the Global Compact Principles in respect to human rights. It was also evaluated in 2006 by the European Agency for Safety and Health at Work as one of the 17 best practices in promoting the safety and health of young people.

A multitude of actions was undertaken over the ten-year period such as inspecting and eliminating unsafe conditions at schools, recording and analyzing the root causes of school accidents, building awareness and training school headmasters and teachers organizing first aid workshops as well as safety and health campaigns for the families and the general public. As a result the schools that were part of the FAOS initiative recorded a 50-70% reduction in school accidents over the first 6-year period of implementation.

In 2005 a new effort to share lessons learnt through this endeavor was launched with public schools in the area of Western Thessaloniki where TITAN has also operations. Moreover, the sharing of experience and best practices within the sphere of TITAN's influence helped to

disseminate the FAOS partnership concept in other countries like F.Y.R.O.M. and Serbia where similar programs were launched the last few years.

Reviewing the effectiveness of this initiative in respect to all five goals set initially an updated action plan was developed in 2010 to meet more effectively all of them and particularly engaging more actively the education community in recording and monitoring safety performance indicators like incidents and benefit from their analysis.

¹ "FAOS" in Homer's language meant "light" but it also combines the initials of the Greek words for "Care", "Education", "Organization" and "Cooperation".



Report Structure, Scope and Methodology

Background

TITAN Cement S.A. produced its first Social Report in 1983 and continued in the same reporting format till 2002. In 2003 TITAN Group adopted the Global Reporting Guidelines and proceeded to produce of its first Group-wide Corporate Social Responsibility and Sustainability Report aligned with international standards and best practices. Since 2005, TITAN has followed the Communication on Progress guidelines issued by U.N. Global Compact Initiative and its Report is registered accordingly to the U.N. Global Compact electronic platform. In 2010 TITAN received an invitation to register the annual report as an "Advanced level" Report and thus, it will follow the relevant procedure.

Independent Assessment and Verification

TITAN has been committed voluntarily to extend continuously the level of transparency and improve reporting to stakeholders. Accordingly, in 2007 TITAN was among the first companies in the industry and the first one in Greece ever to achieve full independent verification of its CSR and Sustainability Report. Since then, this process has continued and expanded, so that today all wholly owned TITAN Group companies have been included and audited through this process. The 2010 Report has been independently verified by Det Norske Veritas (DNV) and the detailed verification statement is included in this section of the Report.

Scope of the 2010 Report

Data from all TITAN Group subsidiaries form the basis of this Report. The scope of the Report addresses the full range of economic, social and environmental impacts of TITAN

operations. More details on economic, governance as well as principal subsidiaries are included in the 2010 Annual Report and Financial Bulletin. Thus, in the contents of this Report direct references to relevant sections are cited.

TITAN Group operates as a joint venture in Turkey and has acquired a new cement plant in Kosovo at the end of December 2010. In this Report, data from Turkey have been incorporated to the Group Report, while references made to data related to the Kosovo plant are limited and defined in the relevant texts.

Structure of the Report

The structure of this Report is similar to previous ones. It starts with a short introduction about the Report and the message from TITAN Group's Chief Executive Officer. A more detailed presentation of TITAN's footprint is related with an additional effort to better understand the industry and the social values of TITAN products, while all case studies regarding to social and environmental footprints are presented by region to allow a broader and more locally focused view of TITAN Group efforts and practices. This has been underlined as an expectation of our stakeholders and in this Report we try to go deeper in the analysis of our performance. Aligned with this change, new information particularly in respect to our engagement with suppliers and our efforts to improve sustainability of our products are presented in relevant sections of the Report.

The final section of the Report includes the Auditors' Report. Progress achieved according to WBCSD/CSI goals the GRI Table of Disclosures.

Materiality and data accuracy

TITAN has made continuous efforts to develop all necessary tools that will secure both availability and accuracy of data included in the Report. This helps us, to meet our commitments from year to year, although there is always room for further improvement. For the environmental data all performance indicators measuring emissions from cement plants are calculated in line with the CSI reporting principles, that is 100% emissions from cement plants in which TITAN has the majority share and the emissions of joint ventures or partnerships according to equity basis. For the safety data TITAN reports 100% for all activities over which it has operational control, including Turkey.

Data are calculated on the basis of the equity held by TITAN Group in each specific year except for CO₂ emissions, both total and specific for years 1990-2008 that were recalculated in year 2009 to reflect changes in equity held by TITAN Group (Egypt and Turkey).

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.

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

Assurance of the "accuracy", "completeness" and "relevance" of the Report as well as "materiality" as defined by GRI was commissioned to DNV. Both the printed and the on-

line version of the Report's content as well as relevant chapters of the Annual Report and Financial Bulletin have been included in this independent review.

Reporting to stakeholders

This Report is directed to our key stakeholders, namely our employees, shareholders, customers, suppliers, government and regulatory authorities, local communities and NGOs. It is also directed to potential investors, analysts and any other interested party. Feedback from all is welcomed in the following web address: csr@titan.gr.

Reference to Global Reporting Initiative

As in its previous Reports, TITAN has voluntarily adopted the "G3" Sustainability Reporting Guidelines developed by the GRI, including the guidance on defining report content and materiality. TITAN declares that this Report fulfils GRI (2006, G3) requirements for application level "A+" and this has also been verified by external independent Auditors. TITAN is not including the GRI logos in this Report due to a recent change in policy by GRI, applicable to reporting organizations. However, TITAN is considering to continue applying the GRI (G3) guidelines as a framework for reporting on corporate social responsibility and sustainability.

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

DNV Assurance Statement

Titan Group CSR and Sustainability Report 2010

Introduction

Det Norske Veritas (hereafter 'DNV') has been engaged by the management of TITAN Cement Company S.A. (hereafter 'TITAN') to provide assurance services in connection with the English version of TITAN's Corporate Social Responsibility (CSR) and Sustainability Report 2010 (hereafter 'the Report'). This engagement focused on the information provided in the Report and the underlying management and reporting processes. It also included an assessment of the Report's alignment with the WBCSD CSI performance measurement and reporting guidelines for CO₂ and H&S. Moreover, it includes an assessment of the Report against the criteria of the Global Compact for a Communication on Progress of Advanced Level.

This Assurance Statement is aimed at the readers of the Report. The management of TITAN is responsible for all assertions and information provided in the Report, as well as the processes for collecting, analysing and reporting that information. DNV's responsibility regarding this assurance engagement is to the management of TITAN only, in accordance with the scope of work commissioned. DNV disclaims any liability or responsibility to a third party for decisions, whether investment or otherwise, based on this Assurance Statement or the detailed Assurance Statements on the WBCSD CSI initiative or the Global Compact Communication on Progress criteria, available at <http://report2010.titan.gr/en/>

Scope

The scope of DNV's assurance engagement included the verification of data management processes and reported information. This was carried out in the context of TITAN's CSR and Sustainability strategy, management processes and performance in the 12 month period ending on 31 December 2010. The scope of work included a review of:

- CSR and Sustainability policies, objectives, initiatives, practices and achievements in

2010, described in the Report. These were verified at Group and regional levels, and in the following countries: Greece, Serbia and the United States of America (U.S.A);

- Extent to which Group, regional and country-level policies, practices and procedures are known, understood and implemented at the following sites: Patras (Greece), Kosjeric (Serbia), and Campostella Ready Mix Plant and Norfolk Terminal (USA);
- Processes for identification and prioritization of material issues in the U.S.A;
- Processes for defining the boundary, focus and content of the Report;
- Processes and tools for collecting, analysing, aggregating and reporting quantitative and qualitative data in the Report;
- Adherence to WBCSD CSI performance measurement and reporting guidelines for CO₂ and H&S;
- Reliability of CO₂ and H&S performance data for 2010, presented in the WBCSD/CSI table on page 66 of this Report, and associated assertions in the relevant sections of the Report;
- Adherence to the principles set out in the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (2006), as well as the application level declared by TITAN;
- Extent to which the Report meets the Global Compact criteria relating to an Advanced Communication on Progress;
- Adherence to the principles of Materiality, Inclusivity and Responsiveness established in AA1000 APS (2008);
- Reliability of information relating to TITAN's management approach and achievements;
- Reliability of performance data presented in the Environmental and Social Footprint sections of the Report, and associated assertions.

This assurance engagement included an assessment of the quality of data, information and assertions made in the Report. It did not include a detailed assessment of the adequacy, effectiveness or efficiency of Titan's strategy or management of CSR and Sustainability issues. It also excluded an assessment of CSR and Sustainability management, performance and reporting practices by Titan's suppliers and other third parties mentioned in the Report.

Statement of Independence

DNV states its independence and impartiality regarding this assurance engagement. In 2010, DNV did not work with TITAN or any of its stakeholders on any engagements which could compromise the independence or impartiality of our findings, conclusions or recommendations. Moreover, DNV was not involved in the preparation of any text or data provided in the Report, with the exception of this Assurance Statement and the detailed Assurance Statements relating to the WBCSD CSI initiative, and the Global Compact Communication on Progress criteria, provided online.

Approach

This assurance engagement was carried out between December 2010 and June 2011, by a multi-disciplinary team of suitably qualified and experienced professionals. It was carried out in line with the DNV Protocol for Verification of Sustainability Reports, which is based on the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (2006), AA1000AS (2008) and AA1000APS (2008). Moreover, the Global Compact Communication on Progress criteria for 'Advanced Level' were also used as a basis for this engagement.

The verification of CO₂ performance information was carried out in accordance with the criteria established in ISO14064 (Part 3), the

verification protocol developed by the International Emissions Trading Association and the WBCSD CSI CO₂ Accounting and Reporting Standard for the Cement Industry (June, 2005). The verification of H&S performance information was carried out in line with the WBCSD CSI Safety in the Cement Industry: Guidelines for Measuring and Reporting (October, 2008). All elements of this assurance engagement were carried out in accordance with the requirements of AA1000AS (2008) for Type 2, moderate level of assurance.

This assurance engagement comprised the following tasks:

- Interviewed over 10 management representatives at Group level, focusing on the following functional areas: CSR and Sustainability; Human Resources; Environmental Management; Health and Safety Management; Internal Audit; Research and Development; Procurement; Finance; Investor and External Relations;
- Facilitated a half day workshop at TITAN America's headquarters in Norfolk, Virginia, aimed at verifying TITAN's perceptions of material issues in the country. This workshop was attended by representatives of Titan America's senior management team and senior executives. This was followed by interviews and a half day visit to Campostella Ready Mix Plant and the Norfolk Terminal, to further discuss and verify the issues highlighted during the workshop. This enabled DNV to perform a comprehensive verification of the Report's content, particularly regarding its materiality. It also enabled an assessment of the adequacy of materiality assessment processes and their consistent application across the Group. This reflects TITAN's commitment to demonstrating transparency and ensuring an adequate adoption of relevant reporting principles;

- Carried out a three day visits to the Patras (Greece) and Kosjeric (Serbia) plants, focusing mainly on the management of Environmental, Health & Safety, Human Resources and Community Engagement/ Relations. These visits also included a detailed assessment of data management processes and the verification of data relating to Health & Safety and CO₂ performance. The visits also enabled an assessment of alignment of on-site practices with Titan Group's strategy, policies and processes. They included: interviews with plant, operations and functional area managers (mainly Plant Management, H&S, Environment and Human Resources), observation of plant operations, review of documentation, records, data, data management processes and practices. These sites were selected on the basis of their significance from a CSR & Sustainability perspective and following TITAN's programme for external assurance;
- Analysed corporate data management systems (for Human Resources, Social, Health & Safety, and Environmental data, including CO₂ emissions), assessing the materiality, reliability and completeness of selected data reported by TITAN in accordance with the requirements of AA1000AS (2008) and AA1000APS (2008), WBCSD CSI and Global Compact Communication on Progress criteria. The assessment of reliability (including completeness and accuracy) of data and information was based on explicit assertions regarding sustainability performance on material issues. It included a review of the methods, practices and tools used in collection, management, internal quality control and reporting of data and information, as it is transferred and managed at different levels in the organisation. DNV's assessment also included: high-level trend analysis, the identification and analysis of causes behind significant changes in performance, compared to 2009, a review of data traceability, and record checks at different stages in data flows from source to Group level;

- Challenged data, assertions and claims made in the Report and reviewed supporting information;
- Reviewed a selection of internal communications, external stakeholder engagement plans and reports, and external media reports relating to TITAN's CSR and Sustainability management and performance.

Conclusions

In DNV's opinion, based on the work carried out, the Report provides a reliable and fair representation of TITAN's CSR and Sustainability-related policies, objectives, initiatives, practices and performance in 2010. DNV also believes that the Report generally meets the content and quality requirements of CSI, Global Compact, GRI (2006) and AA1000AS (2008) and AA1000APS (2008). The Report also fulfils the requirements for the GRI (2006) application level of A+ declared by Titan, and meets the criteria for a Communication on Progress of Advanced Level, according to the Global Compact.

Regarding the alignment of reported information with the WBCSD CSI guidelines and other relevant standards mentioned above, DNV concludes that, based on the work undertaken, the information provided is reliable and:

- CO₂ - 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 and reporting of CO₂ performance data at Group level and in the countries and sites visited. No material errors or omissions were found. There was good evidence of an improved process for internal verification and revision of reported data;
- H&S - Robust corporate procedures and 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 well known and implemented in the countries and sites visited. There was good evidence of an improved process for internal verification and revision of reported data.

Further conclusions and observations on the adoption of reporting principles and specified performance information are made below.

Inclusivity and Responsiveness

- TITAN has continued to adopt a structured approach to stakeholder consultation and engagement, described in detail in the Report (mainly in connection with specific internal and external stakeholder consultation events);
- The Report has been informed by the results of stakeholder consultation and feedback received in previous versions of the Report. There is strong evidence of Titan's efforts to respond to the main concerns and interests of stakeholders and increased efforts to demonstrate how these have been addressed.

Materiality

- In addition to the stakeholder engagement initiatives mentioned above, TITAN has continued to engage with SRI rating agencies, WBCSD CSI groups, academia and industry working groups in order to identify and better understand the CSR and Sustainability issues which are most material to the sector, operations and regions within which the Group operates;
- The scope of TITAN's materiality assessment has increased, with greater focus being placed on TITAN's operations in Eastern Europe and the U.S.A. Most of the countries where TITAN operates have now been subject to external verification of their materiality assessments (except for Turkey and Kosovo);
- TITAN's materiality assessment results have been adequately used as a basis for the

preparation of the Report, guiding the identification of issues and ensuring that the emphasis given to assertions and information on various topics is proportionate to their relative materiality.

Reliability

- The data measurement techniques and basis for calculations have been adequately described to DNV. No systematic or material errors have been detected for data and information verified in accordance with AA1000AS (2008), WBCSD CSI or other relevant guidelines. When potential errors or omissions were identified in CO₂ or H&S performance data, these were promptly justified or corrected by Titan;
- There is evidence of an improved process for internal control of the quality of data. This enabled data to be checked and corrected by TITAN, improving the reliability of the Report;
- A structured and robust performance monitoring and reporting system is in place for CO₂, H&S, SO_x, NO_x and dust performance data, which is believed to be capable of providing consistent and reliable performance information;
- The Report covers all entities that meet the criteria of being subject to control or significant influence of the Reporting organisation;
- There has been an improvement in reporting on biodiversity and water use. Robust processes and tools have been adopted, which will facilitate the measurement and reporting of performance on these topics in the future;
- Reporting on socio-economic impact and the sustainability performance of products has improved but continues to be a challenge. However, these are areas which Titan is committed to improve on in future Reports.

Neutrality

- The report generally provides a fair and balanced representation of TITAN's CSR and Sustainability management approach, performance and challenges in 2010, both in terms of content, tone and emphasis.

Comparability and Clarity

- Progress has been made in presenting information in a format which facilitates understanding and the comparison of performance with previous years, highlighting the key efforts and achievements over the last 10 years. Moreover, issues are increasingly being presented in a lifecycle perspective, which makes it easier for the reader to consider TITAN's performance in the overall context of the cement industry and associated industries/activities;
- Ensuring the comparability of Titan's performance over time continues to be a challenge on a number of CSR and Sustainability issues (e.g. environmental performance and employment) mainly due to changes in product output and the composition of the Group in recent years. It is not always easy to establish whether changes in reported performance are the result of changes in actual performance, the composition of the Group, or due to changes in efficiency of production activities. However, TITAN has made some improvements in this aspect of its performance reporting, and is committed to continually refine its approach to measuring and reporting on its CSR and Sustainability performance.

Overall, DNV commends Titan for its commitment and achievements in continually improving their understanding of material issues, the concerns and expectations of stakeholders, and addressing these in a constructive manner, minimising detrimental impacts from its operations and seizing opportunities to benefit its stakeholders. TITAN has also demonstrated its commitment to continually improve the quality and credibility of its Report and underlying processes, and harmonizing CSR and Sustainability management and reporting practices across the Group.

Opportunities for improvement

Based on the findings of this assurance engagement, the following recommendations are made to encourage continual improvement:

- Undertake a detailed assessment of CSR and Sustainability management processes, practices and performance at TITAN's operations in the more recently acquired plants (Turkey and Kosovo). Ensure the harmonisation of CSR and Sustainability management and reporting practices with TITAN Group;
- Undertake a more detailed assessment of the materiality of CSR and Sustainability issues relating to TITAN's aggregates and Ready Mix activities. Detailed materiality assessments are also recommended for the U.S.A (adding detail to the assessment in 2010) and Greece (revising the assessment carried out in 2007);
- Continue to raise awareness and internally verify compliance with Group data management processes and reporting guidelines, mainly regarding the aggregation and reporting of data at regional and country levels;
- Better define Titan's approach to Stakeholder Engagement at local level, identify and disseminate good practices;
- Develop a more structured approach to measuring and reporting performance on the following aspects: socio-economic impact of TITAN's activities and voluntary initiatives; sustainability performance of products; and sustainability performance of TITAN's supply chain;
- Continue to investigate the level of interest in the CSR and Sustainability Report of various stakeholder groups in the countries where Titan operates. This should also consider the role of the Report as part of a suite of channels and strategies for communication on CSR and Sustainability, supplementing other stakeholder or locally-appropriate communication methods.

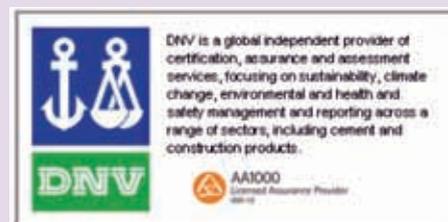


Antonio Ribeiro
Lead Sustainability Verifier
Project Manager



Sven JP Starckx
Lead Environmental and GHG Verifier

Det Norske Veritas, Oslo, 3 June 2011



TITAN Group cement plants WBCSD/CSI Progress Review

| Description | | 2007 | 2008 | 2009 | 2010 |
|---------------------------------|---|--------------|--------------|-------------|--------------|
| Climate change | Total direct CO ₂ emissions ⁽¹⁾ (gross), metric tons ⁽²⁾ | 10.3 million | 10.6 million | 8.7 million | 10.1 million |
| | Total direct CO ₂ emissions ⁽¹⁾ (net), metric tons ⁽²⁾ | 10.3 million | 10.6 million | 8.7 million | 10.1 million |
| | Direct CO ₂ emissions ⁽¹⁾ (gross), kg per metric ton of product | 690.1 | 684.3 | 672.6 | 697.7 |
| | Direct CO ₂ emissions ⁽¹⁾ (gross) including ST Pro-Ash™ production | 651.3 | 650.6 | 633.8 | 654.4 |
| | Direct CO ₂ emissions ⁽¹⁾ (net), kg per metric ton of product | 690.1 | 684.3 | 672.6 | 697.7 |
| | Direct CO ₂ emissions ⁽¹⁾ (net) including ST Pro-Ash™ production | 651.3 | 650.6 | 633.8 | 654.4 |
| Alternative fuels and materials | Energy efficiency, kcal per kg of clinker | 855.9 | 852.0 | 844.4 | 843.9 |
| | Alternative fuel substitution for conventional fuels, % | 1.37 | 1.07 | 1.53 | 1.43 |
| | Biomass in kiln fuel, % | 0.8 | 0.6 | 0.9 | 0.9 |
| | Alternative raw materials (clinker & cement), % | 7.1 | 6.8 | 7.0 | 5.3 |
| | Clinker to cement ratio | 0.80 | 0.80 | 0.82 | 0.84 |
| Emissions | Total dust particulates, metric tons | 928 | 1,268 | 1,493 | 1,866 |
| | Dust particulates, g per ton of clinker | 85.1 | 108.8 | 142.5 | 153.6 |
| | Total NO _x , metric tons | 19,106 | 20,979 | 20,767 | 22,561 |
| | NO _x , g per tonne of clinker | 1,752 | 1,799 | 1,982 | 1,857 |
| | Total SO _x , metric tons | 3,263 | 3,356 | 2,456 | 2,567 |
| | SO _x , g per tonne of clinker | 299.1 | 287.8 | 234.4 | 211.3 |
| | Clinker produced with monitoring of major and minor emissions, % | 100 | 100 | 100 | 100 |
| Local impacts | Active quarry sites with biodiversity issues ^(3,5) | 3 | 3 | 3 | 5 |
| | Active quarry sites with biodiversity management plans ^(4,5) | 0 | 0 | 1 | 2 |
| | Active quarry sites with biodiversity management plans ^(4,5) , % | 0 | 0 | 33 | 40 |
| | Sites with quarry rehabilitation plans ⁽⁵⁾ , % | 79 | 79 | 48 | 48 |
| Health and Safety | Employee fatalities | 0 | 0 | 0 | 0 |
| | Employee fatality rate | 0 | 0 | 0 | 0 |
| | Contractor fatalities | 1 | 3 | 0 | 0 |
| | Third-party fatalities | 0 | 1 | 0 | 0 |
| | Employee lost time injuries | 20 | 22 | 18 | 18 |
| | Employee lost time injuries Frequency Rate | 2,85 | 3.26 | 2.81 | 2,49 |
| | Employee lost working days | 964 | 718 | 714 | 1,234 |
| | Employee lost time injuries Severity Rate | 137 | 106 | 111 | 171 |
| Contractor lost time injuries | 7 | 8 | 4 | 11 | |

⁽¹⁾ CO₂ emissions before 2008 do not include emissions related to on-site vehicle and mobile equipment.

⁽²⁾ Total emissions for the period 1990-2008 were recalculated in year 2009, according to WBCSD/CSI, to reflect changes in equity held by TITAN Group (Egypt and Turkey).

⁽³⁾ Active quarries within, containing or adjacent to areas designated for their high biodiversity value.

⁽⁴⁾ Sites with high biodiversity value where biodiversity management plans are actively implemented.

⁽⁵⁾ Refer to wholly owned active quarries that are attached to our cement plants (according to WBCSD/CSI).

TITAN Group - Cement Plants Performance (additional KPIs)

| Description | 2007 | 2008 | 2009 | 2010 |
|--|--------------|--------------|--------------|--------------|
| Total heat consumption, TJ | 39,088 | 42,822 | 37,033 | 42,919 |
| Total alternative fuels, metric tons | 25,500 | 21,160 | 30,570 | 32,290 |
| Total electrical energy consumption, GWh | 1,509 | 1,655 | 1,504 | 1,639 |
| Total water consumption, m ³ | 10.5 million | 8.2 million | 6.3 million | 5.3 million |
| Total raw materials consumption, metric tons | 19.5 million | 21.7 million | 18.9 million | 21.3 million |
| Total alternative raw materials consumption, metric tons | 1.4 million | 1.5 million | 1.3 million | 1.1 million |

TITAN Group - All activities

| Description | 2007 | 2008 | 2009 | 2010 |
|---|--------------|--------------|--------------|--------------|
| Raw materials extracted, metric tons (wet) | 38.7 million | 36.6 million | 29.6 million | 31.0 million |
| Raw materials consumed | | | | |
| For cement production, metric tons (dry) | 19.5 million | 21.7 million | 18.9 million | 21.3 million |
| For ready mix, dry mortar and block production, metric tons (wet) | 13.0 million | 11.3 million | 7.9 million | 7.7 million |
| Total heat consumption, TJ | 39,176 | 42,924 | 37,257 | 43,155 |
| Total electrical energy consumption, TJ | 5,803 | 6,305 | 5,797 | 6,252 |
| Total direct CO ₂ emissions ⁽¹⁾ (gross), metric tons ⁽²⁾ | 10.3 million | 10.6 million | 8.7 million | 10.1 million |
| Total direct CO ₂ emissions ⁽¹⁾ (net), metric tons ⁽²⁾ | 10.3 million | 10.6 million | 8.7 million | 10.1 million |
| Total water consumption, m ³ | 41.6 million | 35.4 million | 32.4 million | 16.7 million |
| Recycled (externally) waste material, metric tons | 374,717 | 550,775 | 146,533 | 145,032 |

⁽¹⁾ CO₂ emissions before 2008 do not include emissions related to on-site vehicle and mobile equipment.

⁽²⁾ Total emissions for the period 1990-2008 were recalculated in year 2009, according to WBCSD/CSI, to reflect changes in equity held by TITAN Group (Egypt and Turkey).

TITAN Group pledges

Aligned with TITAN Group Values and Code of Conduct are the following pledges and international standards :

- U.N. Global Compact
- AA1000 Accountability Principles Standard
- ISO 14001: 2004 Environmental Management System Certification
- OHSAS 18001
- SA 8000 Social Accountability
- GRI (reporting guidelines)
- WBCSD/CSI (sectoral initiative)
- E.U. Business Alliance for CSR (European initiative)

All the above are closely related to ISO 26000 CSR principles and particularly the following:

- Accountability
- Transparency
- Ethical behavior
- Respect for stakeholder interests
- Respect for the rule of law
- Respect for international norms and behavior
- Respect for human rights

| GRI G3 Disclosure Section | GRI G3 Disclosure | TITAN Reference |
|---|--|---|
| Strategy and Analysis | 1.1 – Statement from the most senior decision-maker of the organization | Annual Report (AR) p. 6 - 7 |
| | 1.2 – Description of key impacts, risks, and opportunities | p. 6, 14 - 15, 18 - 21, 30 - 40 |
| Organizational Profile | 2.1 – Name of the organization | TITAN Group |
| | 2.2 – Primary brands, products, and/or services | p. 18 - 20 |
| | 2.3 – Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures | p. 12, 14 |
| | 2.4 – Location of organization's headquarters | 22A Halkidos st., 111 43 ATHENS, GR |
| | 2.5 – Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report | p. 2 |
| | 2.6 – Nature of ownership and legal form | TITAN Group parent company is TITAN Cement Co. S.A. |
| | 2.7 – Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries) | p. 2, 10 - 11, AR p. 16 - 26 |
| | 2.8 – Scale of the reporting organization | AR p. 16 - 26 |
| | 2.9 – Significant changes during the reporting period regarding size, structure, or ownership | p. 10, 11; AR p. 8 |
| | 2.10 – Awards received in the reporting period | p. 11, 17, 35; @ |
| Report Parameters | 3.1 – Reporting period (e.g., fiscal/calendar year) for information provided | 1.1.2010 - 31.12.2010 |
| | 3.2 – Date of most recent previous report | 18. 5. 2010 |
| | 3.3 – Reporting cycle (annual, biennial, etc.) | AR |
| | 3.4 – Contact point for questions regarding the report or its contents | p. 62 |
| | 3.5 – Process for defining report content | p. 15, 62 |
| | 3.6 – Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers) | p. 12, 62 |
| | 3.7 – State any specific limitations on the scope or boundary of the report | p. 62 |
| | 3.8 – Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations | p. 62 |
| | 3.9 – Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report | p.13, 62 |
| | 3.10 – Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement | p.12 - 13, 62 |
| | 3.11 – Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report | p. 12, 62 |
| | 3.12 – Table identifying the location of the Standard Disclosures in the report | p. 68 - 72 |
| | 3.13 – Policy and current practice with regard to seeking external assurance for the report | p. 14, 25, 62 |
| Governance, Commitments and Engagement | 4.1 – Governance structure of the organization, including committees under the highest governance body responsible for specific tasks | p. 14 - 15; AR p. 36 - 44; @ |
| | 4.2 – Indicate whether the Chair of the highest governance body is also an executive officer | The Chairman of the Board is a non executive member |
| | 4.3 – State the number of members of the highest governance body that are independent and/or non-executive members | AR p. 36 - 44 |
| | 4.4 – Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body | AR p. 48 - 50 |
| | 4.5 – Linkage between compensation for members of the highest governance body, senior managers, and executives and the organization's performance | AR p. 45 |
| | 4.6 – Processes in place for the highest governance body to ensure that conflicts of interest are avoided | AR p. 41, 48 - 49 |
| | 4.7 – Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics | AR p. 42 |

| GRI G3 Disclosure Section | GRI G3 Disclosure | TITAN Reference |
|--|---|--|
| Governance, Commitments and Engagement (continue) | 4.8 – Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation | p. 14 - 15, 67 |
| | 4.9 – Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence to or compliance with internationally agreed standards, codes of conduct, and principles | p. 14 - 15, 25, 26; AR p. 32 |
| | 4.10 – Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance | AR p. 36 |
| | 4.11 – Explanation of whether and how the precautionary approach or principle is addressed by the organization | TITAN's CSR policy is focused on doing less harm as well as doing more good, embedded in both management systems and practices, as presented in relevant case studies p. 30 - 41 and 54 - 59 |
| | 4.12 – Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses | p. 8 - 9, 22 - 23, 42 - 43, 56, 60 - 61, 67 |
| | 4.13 – Memberships in associations (such as industry associations) and/or national/international advocacy organizations | p. 8 - 9, 22 - 23, 42 - 43, 56, 60 - 61 |
| | 4.14 – List of stakeholder groups engaged by the organization | p. 15 |
| | 4.15 – Basis for identification and selection of stakeholders with whom to engage | p. 14 - 15 |
| | 4.16 – Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group | p. 14 - 15 |
| | 4.17 – Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting | p. 14 - 17 |
| Economic | Disclosure on Management Approach | p. 6, 14 - 17; AR p. 6 - 7 |
| | EC1 – Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments | p. 10 - 11 AR p. 8 - 10 |
| | EC2 – Financial implications and other risks and opportunities for the organization's activities due to climate change | p. 14 - 15, 44 - 46 |
| | EC3 – Coverage of the organization's defined benefit plan obligations | p. 26 |
| | EC4 – Significant financial assistance received from government | No financial support was received in 2010 |
| | EC5 – Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation | p. 26 |
| | EC6 – Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation | Approx. 60% of total expenditures is directed to locally based suppliers at Group level |
| | EC7 – Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation | p. 26 |
| | EC8 – Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement | p. 16 |
| | EC9 – Understanding and describing significant indirect economic impacts, including the extent of impacts | p. 15, 18 - 19 |
| Environmental | Disclosure on Management Approach – Environmental | p. 12 - 13 |
| | EN1 – Materials used by weight or volume | p. 20 - 21, 46 - 47 |
| | EN2 – Percentage of materials used that are recycled input materials | p. 46 - 47 |
| | EN3 – Direct energy consumption by primary energy source | p. 46 |
| | EN4 – Indirect energy consumption by primary source | p. 21, 46 |
| | EN5 – Energy saved due to conservation and efficiency improvements | p. 46, 59 |

| GRI G3 Disclosure Section | GRI G3 Disclosure | TITAN Reference |
|--|--|--|
| Environmental (continue) | EN6 – Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives during the reporting period | p. 44, 46, 54, 59 |
| | EN7 – Initiatives to reduce indirect energy consumption and reductions achieved | p. 44 - 46 |
| | EN8 – Total water withdrawal by source | p. 48 |
| | EN9 – Water sources significantly affected by withdrawal of water | p. 48, 55 |
| | EN10 – Percentage and total volume of water recycled and reused | p. 48, 55 |
| | EN11 – Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | p. 50 |
| | EN12 – Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas | p. 50, 57, 58 - 59; @ |
| | EN13 – Habitats protected or restored | p. 50, 57, 58 - 59; @ |
| | EN14 – Strategies, current actions, and future plans for managing impacts on biodiversity | p. 42 - 43, 50, 58 - 59; @ |
| | EN15 – Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk | p. 50 |
| | EN16 – Total direct and indirect greenhouse gas emissions by weight | p. 21, 44 - 45 |
| | EN17 – Other relevant indirect greenhouse gas emissions by weight | p. 44 - 45 |
| | EN18 – Initiatives to reduce greenhouse gas emissions and reductions achieved | p. 44 - 45, 54 |
| | EN19 – Emissions of ozone-depleting substances by weight | Not relevant to TITAN Group operations |
| | EN20 – NO _x , SO _x , and other significant air emissions by type and weight | p. 48 - 49 |
| | EN21 – Total water discharge by quality and destination | p. 48 |
| | EN22 – Total weight of waste by type and disposal method | p. 47, 54 |
| | EN23 – Total number and volume of significant spills | No significant spills have been recorded throughout the year |
| | EN24 – Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally | Not relevant to TITAN Group operations |
| | EN25 – Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly | Relevant data under development see p. 48 |
| EN26 – Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation | p. 20, 44 - 45 | |
| EN27 – Percentage of products sold and their packaging materials that are reclaimed by category | All packaging materials used for bagged cement (i.e. bags, pallets) are reclaimed at delivery or reused and recycled by customers. | |
| EN28 – Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations | The monetary value of all fines related to environmental issues were €96.000 | |
| EN29 – Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce | All transportation means used by TITAN Group are monitored and controlled so as to reduce at minimum environmental impacts. Priority is given to transportation of goods with train and boats that allows better optimization of resources and less impacts to the environment. TITAN operates relevant terminals and railways to meet this aim. | |
| EN30 – Total environmental protection expenditures and investments by type | p. 11 | |

| GRI G3 Disclosure Section | GRI G3 Disclosure | TITAN Reference |
|--|--|---|
| Labor Practices and Decent Work | Disclosure on Management Approach | p. 6, 16, 24 - 27 |
| | LA1 – Total workforce by employment type, employment contract, and region | p. 26 - 27 |
| | LA2 – Total number and rate of employee turnover broken down by age group, gender, and region | p. 26 - 27 |
| | LA3 – Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations | p. 26 |
| | LA4 – Percentage of employees covered by collective bargaining agreements | p. 27 |
| | LA5 – Minimum notice period(s) regarding operational changes, including whether specified in collective agreements | p. 16 TITAN Group follows E.U. and national legislation in respect to notice period |
| | LA6 – Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs | p. 24 - 25 |
| | LA7 – Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities by region | p. 24 - 26 |
| | LA8 – Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases | p. 15, 25, 33 |
| | LA9 – Health and safety topics covered in formal agreements with trade unions | p. 16, 24 - 27 |
| | LA10 – Average hours of training per year per employee by employee category | p. 27 |
| | LA11 – Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings | p. 27, 31 - 33 |
| | LA12 – Percentage of employees receiving regular performance and career development reviews | p. 26 |
| | LA13 – Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity | p. 26 - 27 |
| LA14 – Ratio of basic salary of men to women by employee category | Ratio of basic salary by employee category is specified in each country according to legal standards and collective bargaining agreements. No difference between male and female is possible for the same job. | |
| Human Rights | Disclosure on Management Approach | p. 6, 8 - 9, 14 - 15, 26 - 27 |
| | HR1 – Percentage and total number of significant investment agreements that include human rights clauses or that underwent human rights screening | TITAN Group Code of Conduct and Code for Procurement provide guidelines for safeguarding human rights in the supply chain. The CoC is fully integrated in all major contracts like in the case of the construction of the new cement plant in Albania |
| | HR2 – Percentage of significant suppliers and contractors that underwent screening on human rights and actions taken Principles 1, 2, 3, 4, 5, and 6 | A system to monitor suppliers and contractors' performance with information from internal audits and self-assessment procedures is currently under development. Relevant data will be disclosed in future reports |
| | HR3 – Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained | More than 5,000 training man-hour for 40 % of TITAN managers and employees were related to corporate values, Code of Conduct and csr covering also human rights aspects |
| | HR4 – Total number of incidents of discrimination and actions taken | 1 case reported through Employee Direct Line and resolved with internal consultation |
| | HR5 – Operations identified where the right to exercise freedom of association and collective bargaining may be at significant risk, and actions to support these rights | Unions are established and operate freely in all countries including Albania and Egypt |
| | HR6 – Operations identified as having significant risk for incidents of child labor and measures to contribute the elimination of child labor | p. 14 TITAN Group employs only people over 18 years old. All contractors are screened for child labor. |
| | HR7 – Operations identified as having significant risk for incidents of forced or compulsory labor and measures to contribute the elimination of compulsory labor | No such risk has been identified from relevant assessments at TITAN operations including long-term contractors. |
| | HR8 – Percentage of security personnel trained in the company's policies or procedures concerning aspects of human rights relevant to operations | All security personnel is appropriately trained |
| HR9 – Total number of incidents of violations involving rights of indigenous people and actions taken | No violations have occurred at any TITAN operations related to indigenous people. | |

| GRI G3 Disclosure Section | GRI G3 Disclosure | TITAN Reference |
|--|---|---|
| Society | Disclosure on Management Approach — Society Provide a concise disclosure on the following Management Approach items: goals and performance; policy; organizational responsibility; training and awareness; monitoring and follow-up; additional contextual information. | p. 12, 14 - 15 |
| | SO1 – Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting | p. 16 |
| | SO2 – Percentage and total number of business units analyzed for risks related to corruption | The risk of corruption is considered in all business units and is one of the topics discussed as part of TITAN's CSR and Sustainability materiality assessment process. A formal risk management system is currently under development and it is aimed to comply with international standards and the UK Code of Corporate Governance. Corruption and business ethics will be within the scope of TITAN's risk management system. |
| | SO3 – Percentage of employees trained in the organization's anti-corruption policies and procedures | TITAN follows a holistic approach in communicating and training employees to engage and anticipate to social, environmental and governance risks. Accordingly, facing bribery and corruption, as well as business ethics are topics integrated in the CSR training modules both for new hirings and for managers and employees, either direct or indirect. Approximately 40% of direct employees have attended relevant training courses. |
| | SO4 – Actions taken in response to incidents of corruption | No such incident has been recorded in 2010 |
| | SO5 – Public policy positions and participation in public policy development and lobbying | p. 6, 8 - 9, 22 - 23, 42 - 43, 60 - 61 |
| | SO6 – Total value of financial and in-kind contributions to political parties, politicians and related institutions by country | Contributions to political parties, politicians and related institutions are not permitted according to TITAN Group Code of Conduct apart from U.S.A. where is accepted by law and TITAN follows relevant legal framework it. |
| | SO7 – Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes | None |
| | SO8 – Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations | No fine or non-monetary sanction has been imposed for non-compliance |
| Product Responsibility | Disclosure on Management Approach – Product Responsibility | p. 17, 44 |
| | PR1 – Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and service categories subject to such procedures | All products are assessed accordingly for health and safety impacts during development, production, transportation and use |
| | PR2 – Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes | None |
| | PR3 – Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements | Material Safety Sheets are following all TITAN Group products and for bagged cement health and safety information are printed on the bag. Relevant information for ready mix concrete loads are included in the invoice issued and delivered to each customer |
| | PR4 – Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes | None |
| | PR5 – Practices related to customer satisfaction, including results of surveys measuring customer satisfaction | p. 17, 44 |
| | PR6 – Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship | TITAN follows relevant developments in legislation, international standards and voluntary codes, so as to continuously adopt its practices and ensure compliance with best practice |
| | PR7 – Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes | None |
| | PR8 – Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data | None |
| PR9 – Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services | None | |

2010 Report reference to Global Compact and GRI

The TITAN Cement Group has been a signatory of the Global Compact since 2002. In 2003, TITAN Group expanded its Social and Environmental Report to cover all Group activities and aligned with GRI Guidelines (2002). The Group annual CSR and Sustainability Report is also complying with UN Global Compact guidelines regarding Communication on Progress. Since 2007, TITAN Group CSR and Sustainability Report has been independently verified and follows the G3 Guidelines issued in 2006 by GRI. In this section a combined Table with GRI and Global Compact references is presented with all relevant information included either in this Report, or in the Annual Report and our website.

| | Global Compact Principles | Relevant GRI Indicators | TITAN References |
|------------------------|---|--|--|
| Human rights | Principle 1 - Business should support and respect the protection of internationally proclaimed human rights | EC5, LA4, LA6 - LA9, LA13 - 14, HR1 - 9, SO5, PR1-2, PR8 | p. 14 - 17, 24 - 27, 30 - 40, 60 - 61 |
| | Principle 2 - Business should make sure that they are not complicit in human rights abuses | HR1 - 9, SO5 | p. 8 - 9, 14 - 17, 22 - 23, 60 - 61, 67, 71 |
| Labor | Principle 3 - Business should uphold the freedom of association and the effective recognition of the right to collective bargaining | LA4 -5, HR1 - 3, HR5, SO5 | p. 8 -9, 14 - 17, 22 - 23, 60 - 61, 67, 71- 72 |
| | Principle 4 - Business should uphold the elimination of all forms of forced and compulsory labor | HR1 - 3, HR7, SO5 | p. 8 -9, 14 - 17, 22 - 23, 60 - 61, 67, 71- 72 |
| | Principle 5 - Business should uphold the effective abolition of child labor | HR1 - 3, HR6, SO5 | p. 8 -9, 14 - 17, 22 - 23, 60 - 61, 67, 71- 72 |
| | Principle 6 - Business should uphold the elimination of discrimination in respect or employment and occupation | EC7, LA2, LA13 - 14, HR1 - 4, SO5 | p. 8 -9, 14 - 17, 22 - 23, 60 - 61, 67, 71- 72 |
| Environment | Principle 7 - Business should support precautionary approach to environmental challenges | EC2, EN18, EN26, EN30, SO5 | p. 12 - 17, 42 -43, 44 - 51, 66, 67 - 69 |
| | Principle 8 - Business should undertake initiatives to promote greater environmental responsibility | EN1 - 30, SO5, PR3 - 4 | p. 10 -11, 12 - 15, 42 -43, 44 - 51, 66 - 69 |
| | Principle 9 - Business should encourage the development and diffusion of environmentally friendly technologies | EN2, EN5 - 7, EN10, EN18, EN26 - 27, EN30, SO5 | p. 10 -11, 12 - 15, 42 -43, 44 - 51, 52 -59, 66 - 69 |
| Anti-corruption | Principle 10 - Business should work against corruption in all its forms, including extortion and bribery | SO2 - 6 | p. 14 - 15, 27, 72 |



TITAN CEMENT COMPANY S.A.

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

2010 Annual Report

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