

INTEGRATED ANNUAL REPORT 2019

BUILDING OUR FUTURE TOGETHER

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About this Report

This is the 6th consecutive ANTEA Integrated Annual Report (hereinafter referred to as the 'Report'), which covers the period from January 1st until December 31st 2019 approved by independent Certified auditors. The title 'ANTEA' in this Report implies the combined and integrated operations of ANTEA Cement Plant and related quarries. It also incorporates the operation of two fully owned subsidiaries Alba Cemento Shpk and Cementi Antea Srl operating respectively the terminals of Tirana and Ortona (Italy), regarding the production and distribution of cement and cementitious products. The term ANTEA is used throughout the Report. This Report includes the consolidated figures, presenting financial and non-financial information on ANTEA's environmental performance, social performance, and governance including compliance and due diligence. This Report is prepared based on TITAN Group Data Collection Systems (CSR Databank, GHRMS, EPIs Database), as well as the Standards & Guidance according to the Sustainability Glossary & Guidelines for Environmental and Social Performance (last edition in 2019).

Since 2018, ANTEA has fully aligned with TITAN Cement International S.A. (hereinafter referred to as TITAN Group) global sectoral approach in monitoring, reporting and verifying environmental, social and governance performance. ANTEA also introduced, and further used for building its approach for reporting, the Sustainability Performance KPIs Index, covering an extensive number of performance indicators related to material issues and Sustainable Development Goals 2030. This Report complies with TITAN Group Sustainability Reporting Standards as defined in reference to the implementation of the

principles of the International Integrated Reporting Council (IIRC), the United Nation Global Compact Communication on Progress Criteria Advanced Level, the Global Cement and Concrete Association Guidelines (GCCA), and the UN Sustainable Development Goals (SDGs) 2030. ANTEA also integrated in its approach the Guidance of the United Nations Conference on Trade and Development (UNCTAD) for connecting its reporting for sustainability with Targets for the SDGs, following TITAN Group approach. For more information about TITAN Group global sector approach and standards, please visit 2019 TITAN Group Integrated Annual Report www.titan-cement.com/newsroom/annual-reports/.

In October 2019, TITAN Group updated the two internal sustainability glossaries and guidelines on the social performance, and environmental performance in order to align with the development of new internal Group wide reporting systems, specifically TITAN Group Human Resources Management System (GHRMS) and align with GGCA Sustainability Charter and Framework Guidelines. The two documents are accessible to all TITAN Group operations through the Group social and environmental data collection Systems "CSR Databank" and "Environment Databank" where health, safety, and environmental key performance indicators are managed. ANTEA has built its reporting system on disclosures based on the above. More information about GHRMS and GCCA is presented in "Social Performance" section – and "Environmental" section of this Report, and in TITAN Group IAR 2019 under: "Non-financial Statements" section. TITAN Group IAR2019 is hosted in the ANTEA's website www.anteacement.com



2019 Highlights

Financial

€3.23m

Salary & Employee Benefits

€ 14.80m

EBITDA (Earnings before interest, tax, depreciation and amortization)

€ 38.83m

Suppliers Expenditure

€54.21m

Revenue

€4.79m

Tax to Central Local Government

Non-Financial

5913

Training hours for direct employees

1

Lost Time Injuries Frequency Rate (LTIFR) for employees

638.22

Specific net direct CO₂ emissions (kg/t_{Product})

5.44

Specific dust emissions (g/t_{Clinker})

210.95

Specific water consumption (lt/t_{Cement})

We acknowledge that our parent company TITAN Group participate in the UN Global Compact, and we support the Ten Principles and advancement of the Sustainable Development Goals as well as broader UN Goals. We consolidated our support for this initiative fully under parent's commitment. Therefore, we do not participate in the UN Global Compact activities nor do we participate in activities of a Global Compact Network

2019 at a glance

ECONOMIC & SOCIAL

		2018	2019
Consolidated Revenue ¹	in m.EUR	46.65	55.45
Stand Alone Revenue ²	in m.EUR	45.81	54.21
Consolidated EBTIDA	in m.EUR	10.35	15.59
Stand Alone EBTIDA	in m.EUR	9.77	14.80
Consolidated Salaries & employees' benefits	in m.EUR	3.14	3.28
Stand Alone Salaries & employees' benefits	in m.EUR	3.10	3.23
Consolidated Suppliers' expenditure	in m.EUR	36.36	39.27
Stand Alone Supplier's expenditure	in m.EUR	35.99	38.83
Stand Alone Tax to central & local government ³	in m.EUR	2.94	4.79
Consolidated Capital Expenditures	in m.EUR	2.74	1.99
Stand Alone Capital Expenditures	in m.EUR	2.71	1.99
Donations in cash to local community and stakeholders, SP40L	in m.EUR	0.14	0.22
Donations in kind to local community and stakeholders, SP41L	in m.EUR	0.01	0.04

ENVIRONMENT

		2018	2019
Specific waste production (kg/t clinker)		23.40	7.75
Nitrogen oxides NOx (g/ton clinker) EP32L		779.1	830.2
Sulfur oxides SOx (g/ton clinker) / EP33L		41.98	15.96
Dust (g/ton clinker) / EP31L		4.23	5.44
Gross Direct Carbon Dioxide CO ₂ (kg/ton product) / EP18L		634.90	638.22
Specific water consumption (lt/ton cement)		159.48	210.95
Investments for Environment / EP40L		0.14	0.43

HEALTH AND SAFETY

		2018	2019
Fatalities / SP01L		0	0
Employee Lost Time Injuries (LTIs) / SP05L		1	1
Employee Lost Time Injuries Frequency Rate (LTIFR) / SP06L		2.90	2.93
Employee Lost Time Injuries Severity Rate (LTISR) / SP08L		8.70	321.90
Training hours for direct employees / SP38L		3.675	2.898

¹ Consolidated figures relate to the Consolidated Financial figures of Antea Cement Sha and its two Subsidiaries Alba Cemento Shpk and Cementi Antea SRL as extracted from its annual financial statements and converted to Euro Currency for the presentation in this report using the exchange rate Euro/ ALL 123.02 for the year 2019 and 127.36 for the year 2018.

² Stand Alone figures relate to the Antea Cement Sha figures standing alone as extracted from its annual financial statements and converted to Euro Currency for the presentation in this report using the exchange rate Euro/ ALL Euro/ ALL 123.02 for the year 2019 and 127.36 for the year 2018.

³ The Stand Alone Taxes to Central and Local Government have been re-presented differently from previous years aligning such amount and practice, with the same amounts presented in the company's Statutory Financial Statements following the newly introduced guidelines in these respect in article 21 of Law on Accounting and Financial Statements No. 25/2018 dated 10.05.2018, as applicable for reporting periods starting from 2019.

⁴ Defined according to TITAN Group standards for reporting, see KPIs Index for Social Performance, KPI EP40L.

Note: All financial figures represent the results of ANTEA Cement S.A. ANTEA Terminals were excluded from the scope of these specific disclosures for closing of 2019. See also 'Note' in page 25.



Message from the CEO



Dear Stakeholders,

I am pleased to share with you the results of our development efforts in 2019. We have brought together talented individuals and resources, delivered profitable and sustainable assets while upholding our core values of respect and responsibility for you as stakeholders, the local communities, their culture and the environment. Our long-term strategy for balanced growth has created a basis for a sustainable and successful business. However, we acknowledge that challenges abound and the past year could not have been more testing for our company.

Initially, 2019 unfolded as a positive year, leading to a stabilized and positive demand for cement in the Albanian market as well as in the export markets, compared to the levels of 2018. This positive market condition led to an increase in the company's consolidated turnover by 19%, which amounted to €55.45m⁵. Our company's efforts to further streamline the operations, led to a cost effective and agile organization that was able to fully capture all available opportunities coming from the market, capitalizing them into its own results.

On the early hours of 26th November 2019, a devastating earthquake with a magnitude of 6.3 Richter scale hit Albania, especially its most economically vital parts of the country such as Durres and Tirana. The disaster caused 51 fatalities, injured at least 913 people and a total of 202,291 people were displaced⁶.

Although ANTEA Cement employees and their families were not among fatalities and injured, the earthquake caused devastating humanitarian consequences with a direct impact across different areas of operation for ANTEA Cement. Immediate disruptions were caused on plant operations, sales, local supply networks, contractors and the local communities, specifically Thumana which was among the most heavily hit by the disaster.

Following the disaster our first priority was to secure support for all our employees that were affected by the earthquake. Although our plant had not faced any damage, ANTEA was in the first line providing supply of water, food, beds, and following the reconstruction of Thumana school to ensure the continuity of school year for the children of our community. Our continuous efforts led to an overall increase of the company's consolidated EBITDA for the year by 51%, amounting to €15.59m in 2019, as compared to €10.35m in 2018. Such increase was mainly attributed to the stable and positive market development, whereas costs especially for fuels and energy which are our main cost drivers, were lower during 2019 compared to the previous year. The plant's utilization rate was at 72.24% against 68.5% of the previous year.

Such increase was affected by both domestic and export demand. During 2019, the company continued to invest through a variety of projects in capital investments, allocating an approximate amount of €1.99m, to enhance and improve its operations.

March of 2020, the rapid spread of the COVID-19 virus, as in most countries across the globe, resulted in large-scale social-distancing measures to be imposed, disrupting the global economy and consequentially a demand downfall. From the emergence of the coronavirus crisis, TITAN Group and its Business Unites have undertaken immediate and comprehensive measures to protect and safeguard the health and safety of its people and to ensure operational continuity and satisfaction of customer needs. Business continuity plans have been implemented and all our cement manufacturing plants and other integrated activities' businesses remained operational throughout the crisis. Despite the fact that the 2020 Q1 sales volumes were at normal levels, we have yet to measure

any significant impact on our operations. We remain conscious that the inevitable COVID-19 crisis spread will impact our operations to a certain extent in the short term. From this perspective, the construction and building materials sectors are considered less exposed to this crisis (according to Moody's they are "low risk" sectors) but, nevertheless, we expect to suffer from reduced sales volumes, particularly and more severely in Q2.

To mitigate such risks, TITAN has created contingencies and flexibilities while also strengthening our liquidity position to €400 million in a combination of cash and committed bank credit facilities. The Group management believes that, although COVID-19 may have a significant impact on the Group's operations in 2020, such impact will be absorbable and the Group can weather the storm and temporary decline in profitability. In the light of the above, the Management of ANTEA remains vigilant. We are working closely with the Group Finance and other corporate functions of TITAN Group to explore the best strategies to mitigate the impact and ensure business continuity in all aspects, including the sustainability of our communities.

With an active profile in the construction industry and the lessons learnt so far from the ongoing coronavirus crisis, we continue to place a strong emphasis on safety as one of our leading priorities and passionately care about all our people and everyone we work with. We focus on the health and safety of our employees and contractors, we implement protection policies for the environment and we include our deep concern for human rights in our strategic planning. We are committed in preventing accidents by raising safety awareness and providing training and equipment to all our employees.

We actively foster an open work culture, promoting personal development, leadership, innovation, recognition and rewards. We have built trust by doing what is right for our employees, in compliance with Human Rights standards as described in the International Labor Organization conventions, the United Nations Convention on the Rights of the Child and the Universal Declaration of Human Rights. We encourage a corporate culture that draws

on our efforts to address social issues and bring a vision of respect, self-improvement and sustainable development. The engagement of our employees and the mutual trust that we have built during the years is the key to success for our organization. We are continuously supporting our employees by promoting and investing in their development. We strongly believe that enhancing the interpersonal skills of our employees will lead us to enlarge our business and have an even healthier workplace.

While profit generation, tax payment, and employment development are essential elements of a company's operations, we remain fully dedicated to enhancing the quality of life for the families in our local community and contributing to a healthier future. On environmental issues, we are on track on all our targets, which relate to SOx, NOx and dust emissions, water consumption and energy efficiency. In our effort for progress and innovation, we seek to build long-term and successful relationships, engage our business partners and fulfil our commitment of generating sustained growth. It is this network that inspires and enables us to be more resilient in difficult times and use the crisis as an opportunity to improve. We at TITAN Group and ANTEA Cement pursue the creation of economic, societal and environmental value as our actions affect people's lives in the present and in the future and most importantly in the generations that will inherit this world.

We are thankful for your trust, ongoing support and hard work. We are eagerly looking forward to working together to overcome challenges and achieve an even brighter future.

Mario Bracci
CEO

⁵ Figures are extracted from the annual consolidated financial statements of the company prepared in ALL and converted in Euro with the FX rate Euro/ALL 123.02
⁶ <https://reliefweb.int/report/albania/albania-post-disaster-needs-assessment-volume-report-february-2020>

Business Approach

About TITAN Group

Building on 117 years of industry experience and driven by its commitment to sustainable growth, TITAN has become an international cement and building materials producer, serving customers in more than 25 markets worldwide through a network of 14 cement plants in 10 countries, as well as quarries, ready-mix plants, terminals and other production and distribution facilities.

We serve society's need for safe, durable, resilient and affordable housing and infrastructure and create value by transforming raw materials into products - cement, concrete, aggregates, fly ash, mortars and other building materials - distributing them to customers and providing related services. Our collaboration and know-how sharing with customers, business partners, local communities and academia increase the shared value we create and contribute to the advancement of material issues relevant to us and our stakeholders at global, regional and local level.

TITAN Group demonstrated strength through 2019 by having sustained a growth performance despite challenges in the Eastern Mediterranean market. Group consolidated revenue for 2019 reached €1,609.8 million, higher by 8.0% compared to the previous year. Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) increased by 2.8% to €267.1 million. Net Profit after Taxes and minorities (NPAT) at €50.9 million declined by 5.5% compared to 2018.

After the successful outcome of the voluntary share exchange tender offer submitted to TITAN Cement Company S.A. shareholders, Titan Cement International S.A. (TCI) became the new parent company of the TITAN Group. TCI's ordinary shares were listed on 23 July 2019 on Euronext Brussels, the Athens Exchange and Euronext Paris.

TITAN is responding to the changing global landscape and the growing sustainability challenges. We are investing in research, development and innovation, with a primary focus on areas related to the long-term sustainability of the business and, in particular, climate change mitigation by reducing CO₂ emissions, the application of the circular economy model and the digital transformation. With regards to R&D, we have increased our focus on the development of low-carbon technologies, which will be key to reducing CO₂ emissions in the future. We are also engaged in key partnerships between industry and academic institutions for research on low carbon cementitious materials.

On the digital transformation front, we have started to apply the tools of the fourth industrial revolution to our business. We have introduced multiple digital and advanced analytics pilot projects and solutions, with significant impact as they are rolled out across the Group's Business Units. We consider the continuous building of capabilities in the era of digitalization as an essential part of our efforts to increase operational efficiency and competitiveness, and to develop new ways of connecting with our customers. To this end, we are continuously investing in developing the digital skills of our people and are empowering our teams with the addition of several experts with specialist skills.

By actively participating in global collaborations and international organizations, we aim to address global sustainability challenges as well, within the framework of the UN Sustainable Development Goals for 2030. We are a participant of the UN Global Compact (UNGC) and a core member of CSR Europe, the Global Cement and Concrete Association (GCCA).

Governing Objective

TITAN aims to grow as a multiregional, vertically integrated cement producer, combining entrepreneurial spirit and operational excellence with respect to its people, society and the environment. To achieve our governing objective, we focus on four strategic priorities:

Geographic diversification:

We expand our business through acquisitions and greenfield developments into attractive new markets, to diversify our earnings base and mitigate the effect of the volatility inherent in our industry.

Vertical integration:

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

Continuous competitive improvement:

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

Focus on human capital and Corporate Social Responsibility:

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

Our Values

Our values are at the core of who we are; they guide our strategy and provide the foundations for all our operations. They have provided our people with a strong bond and supported the growth that has sustained us for over a century, stemming directly from the principles, beliefs and vision of our founders.



TITAN Group Global Presence

TITAN Group Commitments

TITAN Group's CSR and Sustainability commitment* is demonstrated in its own policies and practices as well as through active participation in international initiatives. TITAN was among the first 500 companies that joined the United Nations Global Compact, which aims to safe guard human rights, labor

rights and the environment as well as to combat bribery and corruption. It is a member of CSR Europe, a member of Global Cement and Concrete Association (GCCA). TITAN is also a member of the European Alliance for CSR.

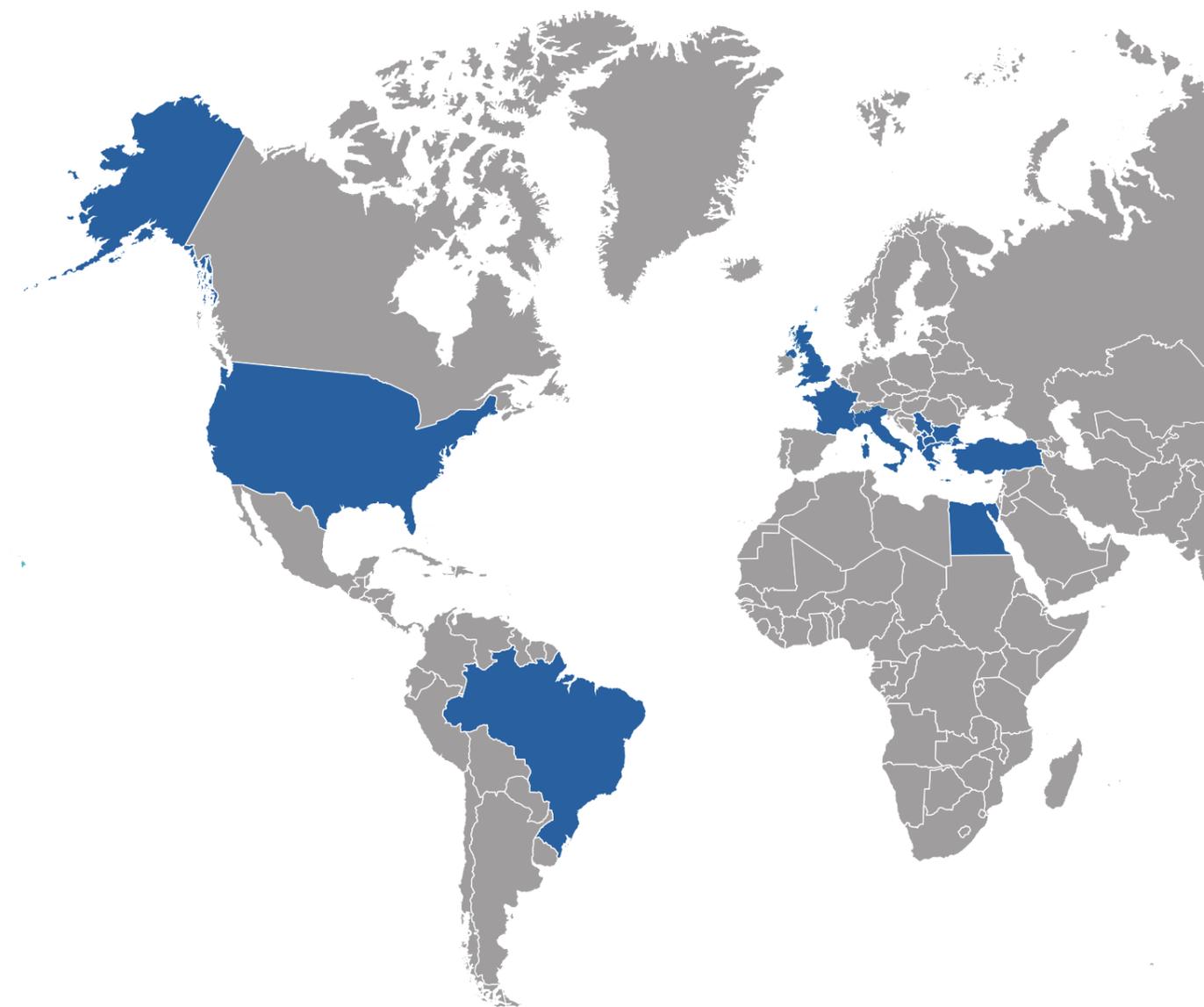
About ANTEA Cement

ANTEA has a cement plant in Albania and owns two cement terminals in Tirana and Ortona. It has a production capacity of 1.4 million/ton cement yearly and 3,300 ton/clinker per day. The cement plant is located 50 km from the capital, Tirana and is positioned in Boka e Kuqe, Borizane. The plant serves primarily local market demands and exports to other markets in the region. Since the foundation of the ANTEA cement plant, corporate social responsibility and sustainability have been embedded in business strategy and provided the framework to build relations with all key stakeholders.

ANTEA cement plant is one of the biggest 'greenfield' investments, with the highest standards applied in terms of construction and operation in Albania and a total value exceeding € 200 million.

To ensure energy efficiency and environmental effectiveness, the plant was constructed with the best available technologies. As an example, all transportation of materials within the plant is made via covered conveyors to decrease fugitive dust. ANTEA applies the latest technology, with vertical grinding mills, which occupy less space and can ensure better environmental performance and

higher efficiency in electricity consumption. ANTEA also uses bag filters which, despite their higher operational cost can guarantee improved environmental performance. Having sustainability as an integral part of our business, our commitment to corporate social responsibility goes beyond compliance; it is a voluntary pledge to make a positive impact on the world around us. We are accelerating our endeavours to promote sustainability throughout our value chain, by empowering our people to grow within an inclusive and safe environment and fostering collaborations to address local community needs.



The geographical diversification of TITAN Group is presented in the map.

ANTEA Cement markets served:
Italy, Kosovo, Lybia, Montenegro, Malta

*TITAN's values stem directly from the principles, beliefs and vision of its founders back in 1902. They are the core elements of TITAN's culture and family spirit, providing the foundations of the Group's operations and growth.

ANTEA's Milestones

- 2019** New whistleblowing policy was finalized
- 2018** H&S Award "2018 Best Initiatives & Continuous Improvement Award" across the Group
Philanthropy Award for its contribution at local level in Albania
Reconstruction of "Droja" Bridge in Fushe Mamurras
- 2017** Launched the "Learning Computer Literacy" project
Recertification of Management systems
Materiality assessment
- 2016** "Best Safety Performance Award" in TITAN Group
Launched the "Healthy Eyes for Successful Education" project
- 2015** Launched the "Family Strengthening in Thumana" project with SOS village
1st Externally Assured CSR & Sustainability Integrated Annual Report in Albania
- 2014** 1st Externally Assured CSR & Sustainability Annual Report in Albania
- 2013** Co-founded the Albanian CSR Network
Recognized by International Finance Corporation as best practice for working standards (IFC performance standard 2)
- 2012** First Company in the country to implement and certified for SA 8000
- 2011** Recognized by WBCSD as the best practice quarry rehabilitation
- 2010** Inauguration Day
1st clinker produced
Construction of the plant was completed on time & according to the budget
- 2008** Construction of the plant started
- 2007** Environmental and Social Impact Assessment (ESIA) conducted prior to plant construction. The right for mining was obtained by the government
- 2006** ANTEA was founded

“From the beginning of its operation, ANTEA has developed and implemented several independent certified integrated management systems. This set is comprised by the ISO 9001 Quality management system, ISO 14001 for the Environmental Management System, OHSAS 18001 Occupational Health & Safety Management System, and SA8000:2014 Social Accountability Standard. SA8000 encourages organizations to develop, maintain and apply socially acceptable practices in the workplace.

Sustainability targets 2020

ANTEA has further improved its sustainability performance in during 2019, in particular in the areas of local impacts, as presented in the Sustainability KPIs Index (see Annexes). Our commitment for the continuous improvement concerning Local Impacts, and our continuous engagement with our Key Stakeholders with specific initiatives and actions, which aim at strengthening the Sustainability of Local Communities, are crucial elements of our Business Strategy. In this framework, ANTEA has achieved most of its local sustainability targets with horizon 2020, for the Environmental and Social Performance, thus positively contributing to the achievement of the respective TITAN Group sustainability targets 2020.

Future outlook: A new target-setting process is ongoing in 2020 on Group level and also on BU level, intended to new Targets for Sustainability with horizon 2025. One of the key areas for the Sustainability performance of ANTEA is the contribution to the

Sustainability of our local communities. To this regard, and as published in TITAN Group IAR 2019 (page 78): "In 2019, we continued to analyze our impact at local level and we expanded the methodology provided by UNCTAD to estimate the local expenditures⁷.

Having set the criteria aligned with our business model and sustainability strategy to encourage the focus on material issues in our community engagement initiatives, we launched a new web-based platform for self-assessment of all actions already taken following stakeholders' feedback."

ANTEA will be actively participant to the assessment of our (BU) initiatives and actions for Community Engagement in 2020, by responding with input inside the Group platform, being a new module of the Groupdata collection system (TITAN Group CSR Databank)."



⁷ Defined according to TITAN Group standards for reporting, see KPIs Index for Social Performance, KPI SP45L. This new KPI, related to Value Creation, is connected with the UNGC Ten Principles, and the SDG9/Target 9.3, according to the UNCTAD Approach (ed. 2019)

ANTEA memberships and associations

- Co-founder and Member of Albanian CSR Network
- Member of Foreign Investments Association in Albania (FIAA)
- Member of American Chamber of Commerce in Albania (AmChAM)
- Member of Hellenic Business Association in Albania (HBAA)
- Member of Albanian Producer Association



TITAN Group is an active participant and contributor:

- CSR EUROPE
- Global Cement and Concrete Association - GCCA
- The United Nation Global Compact - UNGC
- Pact for youth



Our Products

Cem I /42.5 R

Portland Cement with the main constituents 95-100% Clinker and minor additional constituents 0-5% Gypsum

Cem II / A-LL 42.5 R

Portland Limestone Cement with the main constituents 80-94% Clinker, 6-20% Limestone and minor additional constituents 0-5% Gypsum.

Cem II / B-LL 32.5 R

Portland Limestone Cement with main constituents 65-79% Clinker, 21-35% Limestone and minor additional constituents 0-5% Gypsum.

Governing objective & values

Delivering value

We draw on, transform and add to our capital resources to provide our products and services and achieve sustainable business growth, creating value* for all our stakeholders and contributing to attaining global Sustainable Development Goals. Notwithstanding the industry wherein we operate has its own challenges, we strive to be a responsible company by identifying our impact in the society and by taking actions to create value for our stakeholders, by minimizing the adverse ones, while increasing care and well-being for our employees, local communities and partners.

CSR Strategy

The Environmental and Social Impact Assessment Study conducted prior to the construction of the plant identified the main stakeholders of the plant and the potential impacts of the plant's operations to these stakeholders, proposing mitigation measures for all listed impacts. We have prepared an annual CSR Action Plan designed to implement all projects, actions and activities falling under the following four pillars of the CSR Strategy:



“With the global landscape marked by accelerating shifts, we are actively monitoring the new dynamics described below. We are rising to the challenge and are participating, in collaboration with our stakeholders, in the efforts to effectively address the major challenges that the cement industry is facing today.”

*The economic value created and distributed to key stakeholders has been calculated using the United Nations – UNCTAD “Guidance on Core indicators for entity reporting on the contribution towards the attainment of the Sustainable Development Goals” (latest publication in 2019).

Stakeholder engagement⁸

Our approach to stakeholder's engagement

At ANTEA we are committed at creating value for our employees, the local community, suppliers and customers, through strengthening our core values, applying ethical business practices, ensuring an open and continuous communication with all stakeholders and addressing their most material issues in time and appropriately.

The local community remains ANTEA's main stakeholder, where throughout the years, substantial relationship and ongoing open dialogue has paved the way to different investments in the local area.

ANTEA aims at building trust with all our stakeholders by communicating openly and transparently, and seeking engagement to understand the impact of our operations and their concerns. Furthermore, we share our knowledge, experience and the best practices in the areas relevant to our business, to add value and contribute to the well-being of our neighboring communities. The development of significant relations with the key stakeholders has enriched ANTEA operations values by: reducing constraints on business, minimizing risks and enhancing opportunities, by better understanding the fast-changing context.

We believe our commitment and achievements in terms of empowerment, sustainability and good governance have allowed us to establish a good relationship with our stakeholders. Despite an ever-changing world and business environment, the investment in CSR activities has surely improved our position towards our stakeholders.

We try to communicate with our stakeholders in a direct and transparent way and ultimately succeed in carrying on and evolving together, for mutual growth and better living conditions. The most important thing to be emphasized is that we take care of our employees and invest in their development in a dedicated manner. We continue to foster different collaborations with key stakeholders, between private and public organizations for the implementation SDGs.

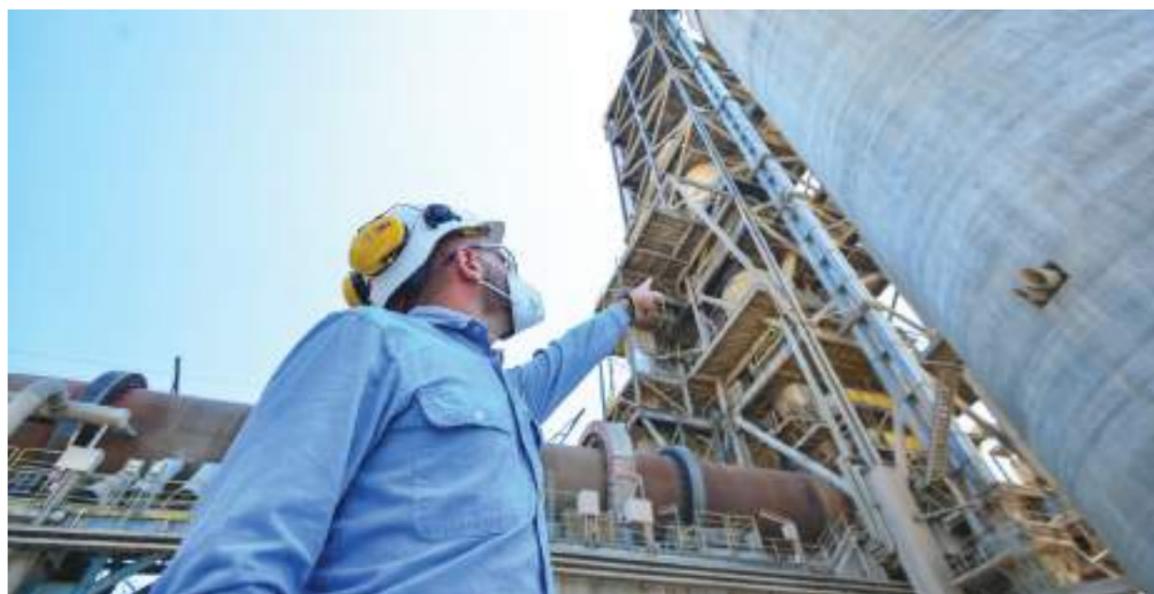
As a founding member of CSR Albania Network since 2013, ANTEA strives to contribute through its expertise to the latter by running multi-stakeholder dialogue for the implementation of the Sustainable Development Goals 2030.

Key Stakeholders

Listening and responding to our employees, local communities, customers, shareholders, suppliers and other stakeholders' concerns, is the driving force behind our efforts in meeting effectively corporate social responsibility challenges. The outcomes of our stakeholders

engagement and the actions we take to address thereof feed the ongoing dialogue with our stakeholders, enabling mutual understanding, trust and consensus, and thus collaboration in support of sustainable solutions at all levels.

Key stakeholders	Engagement process	Key issues for stakeholder groups
Employees - Unions	Employee opinion survey 2019; Communication days; Intranet; Whistleblower system; Collective agreements; Cultural activities	Corporate Social Responsibility; Occupational Health and Safety; Inclusion (Communication, participation, recognition)
Customers	Bilateral meetings; Open days; Interviews; Studies; Surveys; Grievance Mechanism	Close collaboration; Quality products and services; Sustainable construction
Contractors	Bilateral meetings; Surveys; Workshops, Trainings	Occupational Health and Safety; Close collaboration; Skills and competences
Communities	Open days; Development Programs; Interviews; Communication Days	Health and Safety; Local environmental impacts
Investors	Roadshows; Bilateral meetings; Forums; Workshops	Governance and transparency; Climate change; Future growth
Suppliers	Bilateral meetings; Interviews; Study visits; Information letters	Close collaboration; Transparency; Future growth
Local authorities	Bilateral meetings; Interviews; Open days;	Community support and development/infrastructure; Future growth and employment
Regulators	Bilateral Meetings; Interviews; Studies; Roundtables	Climate change; Transparency; Employment and economic growth



⁸ Stakeholders are all groups who affect and/or could be affected by an organization's activities, products or services and associated performance. We connect also our performance with the UNGC Ten Principles and the SDG9/Target 9.3, and SDG17/17.17, according to the UNCTAD Guidance (ed. 2019)

Materiality Assessment

Having in place open and structured communication, we engage with our stakeholders to deepen our insights into their needs and expectations. Through this process, we aim to build trusted relationships and enhance collaboration in order to create shared value and contribute to sustainable growth. ANTEA has adopted materiality assessment as an on-going process in the implementation of its Sustainability Strategy.

Stakeholder engagement is a five-step ongoing process, as illustrated in the diagram on the right.

We build trust with our stakeholders by being open, transparent and consistent in our communication. At Group level, we report our sustainability performance to stakeholders annually, including the outcomes of an independent assurance.



Outcomes of the Materiality Assessment

Aligning with the UN Sustainable Development Goals (SDGs) Defining our priorities The Group Corporate Social Responsibility Committee has decided to utilize the SDGs in order to define our future priorities and areas for further improvement. We believe that these goals offer

us a unique opportunity to strengthen joint actions, deepen stakeholder engagement and increase the value we create at local level. We have already begun the alignment of ANTEA's goals with the SDGs through our aforementioned materiality assessment process.

Material issues for ANTEA & its Stakeholders	Description	SDGs relevant to Material Issues*
Environmental	Responsible Production (Air Emissions, and Climate Change & Energy), and Responsible Consumption of Materials and Resources (Water and Waste Management, Use of Land: Quarry Rehabilitation, caring for Local Biodiversity and Landscape)	6 CLEAN WATER AND SANITATION, 7 AFFORDABLE AND CLEAN ENERGY, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION, 15 LIFE ON LAND, 17 PARTNERSHIPS FOR THE GOALS
Social	Health & Safety of our employees, business partners, and the community, People Management and Development, and Stakeholder Engagement (Suppliers, Customers, and Business Partners, Community, and Other collaborative engagement of ANTEA)	3 GOOD HEALTH AND WELL-BEING, 4 QUALITY EDUCATION, 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 11 SUSTAINABLE CITIES AND COMMUNITIES, 17 PARTNERSHIPS FOR THE GOALS
Financial	Revenue & tax transparency, financial liquidity	8 DECENT WORK AND ECONOMIC GROWTH, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 17 PARTNERSHIPS FOR THE GOALS
Governance and business ethics	Customers satisfaction, legal compliance, supply chain management, ethical code, human rights	8 DECENT WORK AND ECONOMIC GROWTH, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 17 PARTNERSHIPS FOR THE GOALS

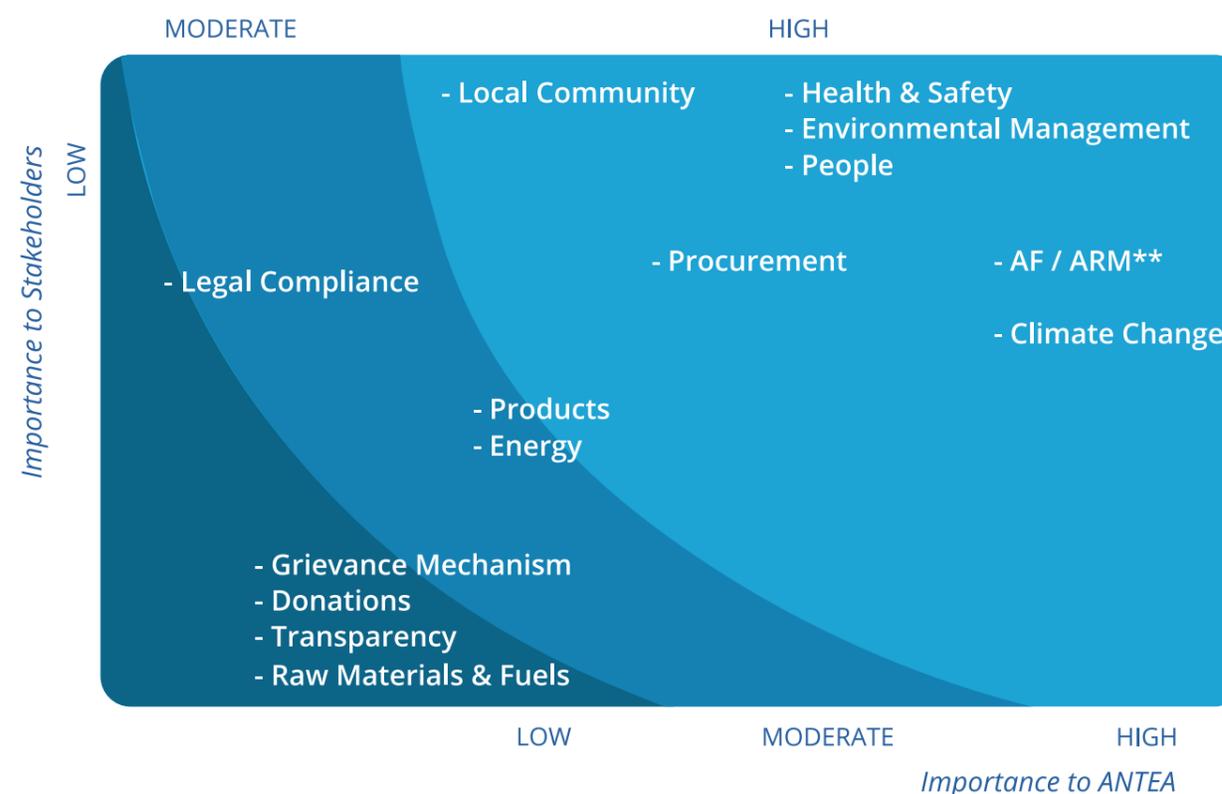
*Please note: The connection between the Material Issues and the company disclosures of ANTEA is empowered in this Integrated Report by leveraging the Targets to the SDGs, as presented in the Index of EP and SP KPIs.

However, we have agreed that not all SDGs are of equal importance to us. We have therefore defined some key categories in order to reflect, with an order of priority to our business activities.

We will continue our assessment process throughout 2020, taking into consideration the consultations with national stakeholders, as we develop and promote SDGs⁹ in every region where we are presently operating. Given the significant changes that all businesses have experienced over the last five years, we have revisited our sustainability strategy, expanded our scope and objectives while focused on the implementation of collaborative efforts. Since 2015, we have followed the key steps of the UNGC SDG Compass tool ("The guide for business action on the SDGs", issued by UNGC and GCCA, see reference in the Annexes), starting with understanding and identifying the relevant SDGs for our business and how we can meaningfully contribute to their achievement. In particular, we are addressing health, the consumption of natural resources, climate change and collaboration for sustainable development as key areas to invest in the future.

The information below summarizes the outcomes of the materiality assessment. In 2020, ANTEA will redesign the materiality assessment process, coming up with updated version that shall be crucial for its stakeholders and business continuity in 2025.

Materiality assessment and connection with the 2030 SDGs was prepared for ANTEA in 2017 and will be further validated by taking feedback from its stakeholders. Clear targets have been set in the materiality assessment following environmental, health and safety, governance supply chain and social issues. The outcomes of the yearly assessments were utilized in order to feed the on-going dialogue with stakeholders enabling mutual understanding, building trust and consensus and consequently collaboration in support of sustainable solutions at all levels. This Report was built with an aim to cover all material issues identified by the above process.



⁹ Specific Targets for the SDGs have been identified and associated with the KPIs for the Environmental and Social Performance, as part of the KPIs. Index (see Annex A1, and A2).
**AF: Alternative Fuels, ARM: Alternative Raw Materials

Key SDGs

SDGs most relevant to our business



SDGs complementary to our main priorities



“ ANTEA recognizes that conditions with respect to the identification and prioritization of Material Issues for the internal and the external Stakeholders were changed since the previous cycle of the Materiality Assessment in our BU during 2016.

Naturally, new conditions include the impacts of the public health crisis due to the COVID-19 pandemic in 2020. In 2019, the decision of TITAN Group, was to open a new cycle of materiality assessment, the outcomes of which will be presented in the Integrated TITAN Group Annual Report 2020. According to TITAN Group IAR 2019 (page 41): “...We have opened a new cycle of materiality assessment at Group level in order to incorporate up-to-date stakeholder perspectives in our strategic planning and we are going to publish our new materiality matrix and sustainability targets in 2020. Our main priority is the reduction of carbon footprint of our own operations and our

participation in the decarbonization of the construction value chain, contributing towards the global effort of climate change mitigation. We expect to meet our 2020 target of a 20% reduction of specific emissions compared to the base year 1990 with a short delay, due to regulatory and market conditions that influence product and fuel mix. Furthermore, we continue to invest in setting the foundations for continuing long-term success: mitigating the risks and leveraging the opportunities that climate change creates for our business, taking advantage of the possibilities afforded by the digital revolution, and continuing to build on our long tradition of stakeholder engagement”.

ANTEA will open the new Materiality Assessment cycle on BU level in 2020, and the outcomes for the key Material Issues will be presented in ANTEA’s 2020 Annual Sustainability Report”.



¹⁰ ANTEA Cement Consolidated comprises the Consolidated Financial Results of Antea Cement and its two subsidiaries Alba Cemento Sh.p.k - in Albania and Cementi Antea Srl in Italy

Financial Performance

The financial performance of ANTEA is monitored and assessed throughout the entire year. 2019 was characterized by a stable and solid performance for Antea Cement and its subsidiaries. ANTEA Cement, successfully addressed the challenges of cement demand both in the domestic and export markets and capitalized its result on such demand. At the same time, ANTEA remained focused on the enduring objective of balanced, responsible, and sustainable long-term growth, embracing change as an organization and innovating at an accelerated pace. Some of the key financial indicators are reviewed below, by comparing the current reporting period to the previous reporting period.

During 2019 Consolidated revenues from sales of products were increased by €8,800 thousand or 19% vs prior year. Out of €55,450 thousand of revenues from Sales of Product 68% is derived from sales in Domestic Market and 32% from sales in Export Markets. Main markets where the company is exporting are in the neighboring countries and in the Mediterranean Region. Consolidated Operating Profit increased by €4,288 thousand or 122% vs prior year, thus contributing to an

increase of the Consolidated EBITDA vs prior year by €5,245 thousand. Consolidated Profit Before Tax For the year amounted to €5,250 thousand which was lower than the previous year by €391 thousand, mainly affected by the Net Finance Cost which this year resulted in net cost due to lower FX Gain versus prior year.

The above consolidated operation results coupled with the movement in the company’s working capital led to a Consolidated Net Cash Flow from Operating activities in the amount of €11,604 thousand which was €1,957 thousand less compared to prior year. Nevertheless, the company utilized these resources to invest in new Capex in the Amount of €1,995 thousand and have Net Cash Flow used in repaying borrowings in the amount of €8,569 thousand during the period. The company closed the financial year in a satisfactory and stable liquidity position.

Our local community and stakeholders under our development programs have benefited during 2019 the amount of €257 thousand as donations¹².

Financial Performance KPIs

A highlight of the company’s main financial KPI as well as short summary of its consolidated financial performance is included as follows:

Amounts in million Euro ¹¹	ANTEA Cement Stand Alone		ANTEA Cement Consolidated ¹⁰	
	2019	2018	2019	2018
Revenues	54,21	45,81	55,45	46,65
Operating Profit	7,26	2,96	7,79	3,51
EBITDA Earnings Before Interest	14,80	9,77	15,59	10,35
Tax Depreciation and Amortization	7,53	6,80	7,80	6,84
Net Profit before Tax	4,74	5,14	5,25	5,64
Net Profit	3,86	4,21	4,32	4,64

¹¹ The amounts in the respective table and information below have been translated from the official financial statements of the company prepared in ALL utilizing the exchange rate Lek/Euro of 123.02 (2019) and 127.36 (2018)

¹² Defined according to TITAN Group standards for reporting, see KPIs Index for Social Performance, KPI SP40L

Governance

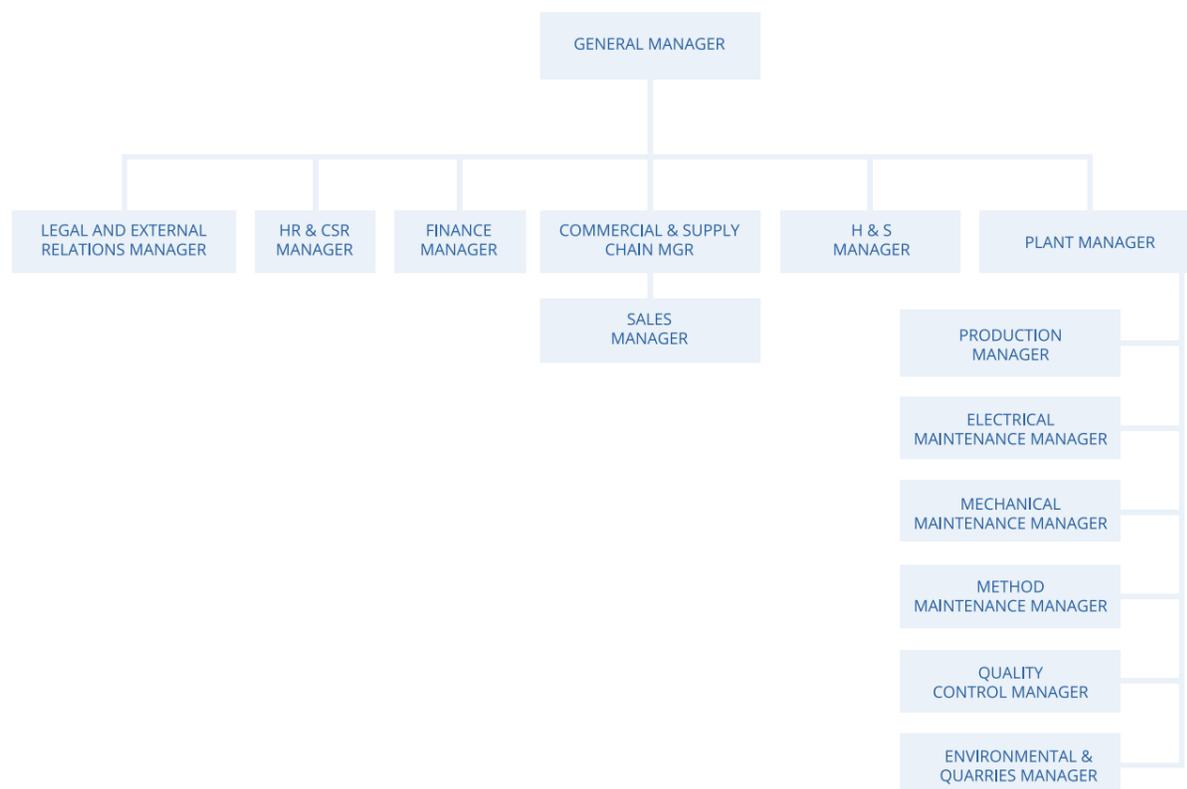
ANTEA Cement's management team assesses the social, environmental, managerial and financial risks that the company can confront given not only the issues that Albania is facing, but the challenges that are stemming from the region and further. The company manages the risks through:

- Internal and systems' audit to keep in consistency with current management systems' requirements
- Code of Conduct training to enforce anti-corruptive measures
- Creation of various committees in the company to address various challenges and issues
- Maintain communication with employees and other relevant stakeholders.
- Perform, facilitate and monitor the engagement with the local community

In December 2018, ANTEA incorporated the New Unified "Regulation on the procedure of administrative investigation on whistleblowing, protection of Confidentiality, personal data protection and protection from revenge" based on Law No. 60/2016 "On Whistleblowing and Protection of Whistleblowers".

In 2019, a new whistleblowing policy was finalized and the Company provides an expanded knowledge on practical understanding. During this year we have organized several training sessions with employees, in order to raise awareness on this matter. Pursuant to the legal framework, the Responsible Unit was established by the Administrator Decision.

ANTEA's organizational chart



ANTEA Cement Boards and Committees:

Quality Board

The Company's Management is involved in the Quality System through the Quality Board. In general, the Quality Board has the following responsibilities:
(i) Establishing the Company's Quality Policy
(ii) Adopting the Quality System's documents
(iii) Conducting the internal quality audits
(iv) Conducting reviews of the Quality System
(v) Establishing quality targets.

Environment Board

The Environment Board is responsible to identify the environmental aspects, determine the emergency situations and the need for preparing emergency plans, review the Environmental Management System on annual basis, etc.

Health & Safety Central Committee

H&S Central Committee provides strategic and tactical guidance to Health and Safety improvement initiatives at ANTEA plant. It shall establish effective business processes to promote the full implementation of TITAN's Group Health & Safety Policy.

Social Accountability Board

The Social Accountability Board, is responsible to identify SA8000 Standard's issues, determine the required preventive or corrective actions and review the SA8000 Standard on annual basis.

Credit Control Committee

This Committee is in charge of the receivables and debts from the Clients and its main tasks include: (i) Evaluation and approval of credit (ii) Customer's Appraisal forms/customer rating (iii) Settlement of customers' debts (iv) Debt coverage / Guarantees (v) Credit Monitoring and Control (vi) Definition of provisions linked to credit risk.

CSR Committee

The main task of CSR Committee is to prepare and implement the CSR Action Plan which reflects the material issues of the company and their proper management. CSR Committee has also the following tasks: (i) Propose, draft and approve CSR related policies and procedures (ii) Assess and decide upon CSR Projects (iii) Prepare the Annual Integrated Report (iv) Prepare other publications such as fact sheets, newsletters etc. (v) Engage with Local Community through grievance mechanism (vi) Actively participate in Albanian CSR Network through seminars and activities.

Compliance and due Diligence

Overview

The TITAN Group Executive Committee is responsible for setting Group policies and ensuring that they are implemented throughout the Company. In parallel, the ethics and compliance programs implemented throughout TITAN's operations, ensure that the Group's principles and values are integrated in the day-to-day operations and the risk management culture is reinforced across the TITAN Group. The effectiveness of the systems and policies implemented at Group and business unit level are systematically reviewed by the TITAN Group Executive Committee and the business units' management, including in terms of compliance with relevant standards of the Group. All compliance processes are supervised by the TITAN Group Internal Audit Department, taking over responsibility for risk and compliance, in addition to internal audit. The TITAN Group Internal Audit is an independent department reporting directly to the Audit and Risk Committee.

- Internal Audit's scope of responsibilities also includes:
- monitoring implementation and compliance with the Company's Internal Regulation, Code of Conduct and applicable laws in all jurisdictions in which the Group operates
 - providing consulting services (e.g. new procedures review, new IT systems post-implementation reviews)
 - undertaking special assignments (e.g. fraud investigations)

An additional element of TITAN Group integrated approach and the established practices in ANTEA, is the continuous efforts to record, assess, and report to the larger audience, the incidents and related penalties and fines for the areas of:

- Laws and Regulation (incl. breaching of regulations of Health and Safety, and others for Human Rights, Anti-corruption)
- Laws and Regulation related to the Environment
- Law and Regulations related to the provision of products and services

In this respect, no incidents and no fines or other penalties related to human rights and corruption or legal action for anticompetitive behavior, breaching of anti-trust or anti-monopoly practices, were recorded in 2019. TITAN has reported this info – consolidated on Group level – inside the TITAN Group Integrated Annual Report 2019.

TITAN Group has developed a series of Group-wide policies that cover all strategic areas and material issues to the Group and apply in all TITAN operations, in ANTEA as well. TITAN Group also records and reports on the Political contributions by Country and Recipient/ Beneficiary. Antea had no such amounts paid in 2019, and this was reported under the TITAN Group IAR 2019.

Grievance mechanisms and Complaints from external interested parties

Since the beginning of its operation ANTEA had in place a Grievance mechanism for its employees, making available to all our people but not only, a safe mechanism to report the concerns and grievances. ANTEA has developed a procedure related to Complaints from external interested parties. The TITAN Group CSR Databank is used regularly as a 'horizontal' (Group level) data collection system for recording and reporting for any complaints of the local community and individual local citizens, as also recorded – in the case of Antea – by the management systems for Environmental Management, Occupational Health & Safety, and the SA8000. In 2019, two (2) cases were reported through the "Complaints from external interested parties" mechanism for CSR Committee review by various stakeholders. Both cases were investigated by the departments and management teams and were addressed accordingly; one (1) case was reported through the Grievance mechanism, the case was investigated by the departments and management teams and addressed accordingly.

The benefits of effective internal and external communications include the demonstrating of ANTEA's commitment and efforts to improve its overall performance, as well as the results of such efforts and raising awareness and encouraging dialogue about various issues and concerns of stakeholders pertinent to ANTEA's operation. In early 2020 a Group-wide platform (Ethics Point) was launched. All our employees have access to this new platform.

Audits of ANTEA's Non-financial performance

The Group Internal Audit performed in 2019 a follow-up audit in HR Department related to all Human Resources processes, including Human Rights and there were no non-compliances identified

We monitor a variety of Human Rights related issues, such as Gender Equality and participation in union and relevant KPIs are presented in detail in the Non-financial Statements section, in the table of Social Performance KPIs Index.

Further, the ERM Certification and Verification Services Ltd. (ERM CVS) ERM CVS performed a complete audit of Antea's sustainability performance, and also management systems and practices, according to the agreement with TITAN Group to provide assurance in relation to the information presented in TITAN Group's Integrated Annual Report 2016.

Other Audits for the areas of H&S and Environment: The (internal) TITAN Group resources of Group Engineering & Technology have an established process of annual and 3-year Audits for the areas – correspondingly – of Health & Safety, and Environment .

The Group Health & Safety annual audit includes all the plant operation and the permanent contractors as well. The focus is to ensure the accuracy of H&S procedures, equipment integrity, new projects etc. As part of the program of Group environmental audits undertaken by GET, ANTEA Cement Production Plant and its associated quarries were audited during the period of November 2019.

Regarding the exploitation of raw materials, during the period of the audit ANTEA plant was operating three (3) quarries, Boka e Kuqe limestone quarry (Quarry I in the audit toolkit), Brett flysch quarry (Quarry II in the audit toolkit) and the newly opened Kojlika limestone quarry (Quarry III in the audit toolkit). The overall site score (cement plant and associated quarries) arises to 93,5%, which is considered to be an excellent performance. Compared to the previous audit that took place in June 2016, performance showed a definite improvement (from 86,2% to 93,5%) due to the higher plant operation performance (from 81,7% to 93,2%) related mainly to the better operational performance, which however is connected to the less strict targets imposed. Last, but not least about Audits, on country level, the Competent Authorities make regular audits whereby no non-compliances or fines related to noncompliance of Antea operations with labor by Labor Inspectorate, environmental by National Agency of Environment, by National Agency for Natural Resources -National Authority for Safety and Emergency in the Mines regarding the mining activities or competition laws were indicted. Public Local Health authorities performs a yearly basis inspection monitoring the legal compliance in regards of health legislation. Also, local firefighting inspector performs an annual inspection to ensure that all firefighting means of Antea are fully operational.

Management systems

Since 2012, Antea has in place an integrated management system and has been certified for

- SA 8000:2014 that covers all core international labor rights contained in the International Labor Organization conventions, The International Declaration of Human Rights and the United Nations Convention on the Rights of the Child ensure the compliance to all requirements of the standard. Through SA8000 standard we are ensuring that Antea is in compliance with all requirements of the standard. we monitor and assist our contractors in fulfilling their human rights obligations.

Each of our contractors is inspected as well as on the requirement related to non - engaging child labor, since ANTEA is very sensitive and focuses most of its controls in relation to age documentation. Significant contractors are being inquired on the requirement of forced and compulsory labor, where working hours, remuneration and insurance contributions payments are monitored. The Company actively promotes the freedom of employee association not only by creating its employee union but also going beyond legal requirements by applying SA 8000 working standard, where the workers representatives have access to management levels. Union's President and employee representatives can freely discuss with the management every possible issue related to obligations, improvements and suggestions on health and safety, and any other topic affecting employees working conditions.

ANTEA is audited by an independent auditor Eurocert twice per year, ensuring the correct implementation and monitoring the above standard.

- ISO 9001 Quality management system aiming to have as final objective the application of total quality principles in all Company's activities. The satisfaction of the Company's customers by effective communication and feedback on their requests and complaints it's one of the main objectives. The range of application of the Company's Quality System is extended to all factors contributing in the Company's activities (personnel, equipment, materials), including all of its suppliers aiming to form mutually beneficial relationships between them and the Company.

- ISO 14001:2004 for the Environmental Management System covering and handling all environmental aspects. The system includes air emissions, quarries, landscapes, groundwater, wells and water waste, liquid and solid waste, natural resources & energy consumption, noise, etc. We aim at promoting environmentally responsible attitudes and behaviors to all employees and encouraging suppliers, customers and other business associates to adopt similar practices.

- OHSAS 18001 Occupational Health & Safety Management System providing a framework for the effective management of OH&S including all aspects of risk management and legal compliance. It addresses occupational health and safety rather than any specific product safety matters.

ANTEA is audited every year by an independent auditor (Eurocert) ensuring the correct implementation and monitoring the above standards.



Environmental Performance¹³

ANTEA is continuously focusing on improving the environmental performance by sustainably managing natural resources and landscape, improving the energy efficiency and contributing to the circular economy* (see the table on page 33). Investments in research, technology development and innovation for new products and processes have accelerated our efforts to reduce our CO₂ footprint¹⁴ and contribute to the global efforts to tackle climate

change. The performance of ANTEA is monitored and reviewed throughout the entire year. The review addresses all the material issues of our operations, accordingly and timely. A framework of key performance indicators is presented in this report and divided in two main sets of KPIs: Financial, and Non-financial. Through the Non-financial KPIs we report on our environmental and social performance.

At a glance:	2018	2019
Total rehabilitated quarries area (m ²)	77,000	89,000
Specific waste production (kg/t clinker)	23.40	7.75
Nitrogen oxides NOx (g/tClinker) EP32L	779.1	830.21
Sulfur oxides SOx (g/tClinker) / EP33L	41.98	15.97
Dust (g/tClinker) / EP31L	4.22	5.44
Gross Direct Carbon Dioxide CO ₂ (kg/ton product) / EP18L	634.90	638.22
Specific water consumption (lt/ton cement)	159.48	210.95
Investments for Environment / EP40L	0.14	0.43

About our Environmental Performance:

Since the beginning of its operation, ANTEA has exerted its activity in accordance with ISO 14001 environmental management system certified by independent third party. The certification covers the quality and the adequacy of all applicable systems enforced to control and reduce air emissions, quarry rehabilitation and landscape aspects, groundwater, wells and wastewater aspects, liquid and solid waste, natural resources & energy consumption, noise and other environmental aspects. Albeit, difficult financial conditions in the country, ANTEA's Environmental expenditures, accounting for the investments in equipment, processes & systems, and projects for the impact mitigation, remained high in 2019, reaching 0.4 million €(see Annex A1).

Responsible Production

Air Emissions¹⁵ and Emissions management: Beyond national legislation requirements, the company has established a Continuous Emission Monitoring System (CEMS), in compliance with EN 14181 Standard. In order to assure and validate the data which are continuously collected, CEMS is annually calibrated and tested for validity of the monitored data from third party accredited laboratories.

Additional investments to the CEMS: ANTEA has installed a new MEAC 300 system (Acquisition and Evaluation of Emissions data according to EU directives), which – daily - generates statistical data on emissions, automatically and independently from the operators of the plant, thus assuring the quality and reliability of the values and strengthening the aptitude and transparency of ANTEA's reporting.

Although it is not required under the Albanian legislation, ANTEA operates according to BAT (Best Available Technique), in alignment with industrial Emissions Directive 2010/75/EU. The plant has covered storages for over 100,000 tons of raw materials and all transportation of materials within the plant is carried out via covered conveyors, aiming at decreasing the fugitive dust. Hybrid filters were installed at all point sources and emissions are monitored and controlled regularly. Furthermore, the decision was to install the latest technology of vertical grinding mills, for grinding raw materials and cement, because of their superior environmental performance and improved efficiency in electrical consumption. The dedusting system has been maintained and monitored continuously while the quantity of 5,850 bag filters were replaced during the year. An example of company's commitment to decrease the emission levels under the limits required by the legislation, was the installation of an 'SNCR' system (Selective Non-Catalytic Reduction). This equipment allows the company to control its NOx emissions. Although our NOx emissions were within the limits imposed by national legislation, the company invested €500,000 in equipment that allows to decrease our emissions to even lower levels, equivalent to EU standards.

Beside the existing monitoring measurement system, recently an integrated Gas Analyzer (Sick MCS100FT), which costs around 155 thousand € is installed. New Gas Analyzer is measuring the following gases: H₂O, SOx, NO, NO₂, N₂O, NH₃, CO₂, CO, HCl, HF, CH₄, and O₂. The device has QAL1 certificate according to

relevant European standards in place. For the AF usage as per our legal and shareholders obligation we need to measure continuously SOx, CO and NO₂. If all these parameters will be introduced separately as analyzers, the cost it will be more than 100 thousand € and again will be limited only to those gas measurements.

Upgrading alternative raw materials, (iron ore) open storage: Regarding our obligation for storing the materials designated for the recuperation, final disposal and co-processing as alternative fuels/alternative raw materials especially, which are considered hazardous, we managed to perform the improvement of the open storage. The existing surface was paved with concrete, while concrete walls and suitable drainage channels were built on the sides. In this way, any possible spillage of materials was avoided and has been ensured that soil and water contamination does not occur.

Sulfur dioxide (SO₂) was formerly viewed as the most important phytotoxic pollutant and for this reason is one of the most monitoring indicators relating to the environmental performance of cement industry activities. It presents a potential threat to vegetation. Continues measurements of SOx showed an average level of show 9.94 mg/Nm³ compered to 400 mg/Nm³ which is the Albanian and EU standards (Graph. below).

In addition, from the field investigations, no signs of leaves damage or leaf necrosis of sulfur dioxide were detected and much less of the sulfuric acid rains.

*Circular Economy KPIs and metrics for the cement production (integrated cement plant and quarries of Antea):
AFRMs (Energy Efficiency)
Management of resources overall (Resources Efficiency)
Management of Water (recycling and reuse, minimizing/zero Discharge)
Management of Waste (recycling and reuse, minimizing/zero Waste).

All above as Performance Review KPIs/metrics are supported by the EP KPIs Index.

The Sector, and TITAN, do not follow yet a specific (standardized) life cycle assessment model or methodology, except the above performance metrics.

¹³ Overall for our Environmental Performance, see KPIs Index (EP01L-SP40L), Annex A1. We connect also our performance with our commitment to the UNGC Ten Principles and the UNCTAD Guidance (ed. 2019).

¹⁴ Emissions CO₂ - See KPIs Index (Annex A1), EP18L-EP20L, connected with the GCCA Charter, Guidelines and Sector KPIs, and the SDG9/Target 9.4.

¹⁵ Air Emissions: See KPIs Index (Annex A1), EP30L-EP33L, connected with the GCCA Charter, Guidelines and Sector KPIs, and the SDG3/Target 3.9, and SDG9/Target 9.4.

Emissions Performance

ANTEA measures and reports on all required air emissions, in accordance with the GCCA Guidelines for Emissions Monitoring and Reporting.

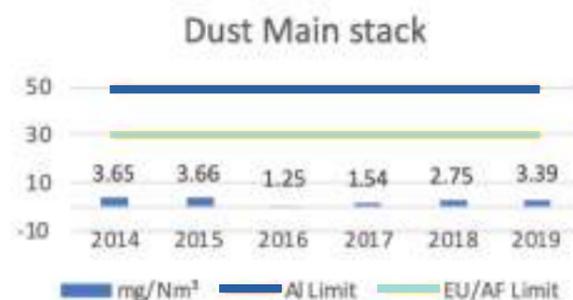
High levels of NOx: can have a negative effect on vegetation, including leaf damage and reduced growth. It can make vegetation more susceptible to disease and frost damage. Measurements through EMS by ANTEA of NOx level show 516.8 mg/Nm³ of 800 mg/Nm³ and 600 mg/Nm³, which are Albanian and EU standards (Graph below). No leaf-staining symptoms on broadleaved species or burn type on coniferous species were found from the field investigations.

Dust particles: Dust particulates have a eutrophication effect on nearby soils and causes ecosystem destruction. Continuous measurements of dust emission showed an average level of 3.39 mg/Nm³ compared to 50 mg/Nm³ and 30 mg/Nm³, which are the Albanian and EU standards respectively (Graph below). During the field investigations, no symptoms were found related to leaf morphology, on photosynthesis through deposition, and on stomata functions.

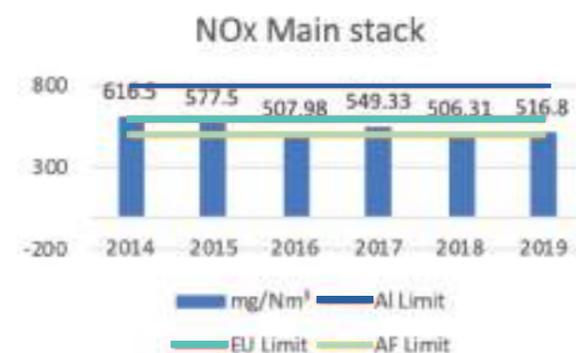
SOx emissions (mg/Nm³)



Dust emissions (mg/Nm³)



NOx emissions (mg/Nm³)



Climate Change and Energy¹⁶: Carbon dioxide generated by the cement industry contributes to the “greenhouse effect”. TITAN Group is focused on improving energy efficiency in industrial processes and developing eco-effective products. In this improvement, the substitution of fossil fuels with alternative fuels plays a central role.

Intensive market research for possible sources is taking place today, as part of a continuous effort plan. Till today, the substitution rate of fossil fuels with alternative fuels was negligible which leaves a large space for improvement.

For this purpose, ANTEA has already made many efforts, which consist of:

- An environmental impact assessment study was prepared for using Alternative Fuels (AFs)¹⁷. The existing cement plant installations allow using AFs.
- The license for the AFs co-processing has been approved.
- Small quantities of AFs were co-processed during 2019, and the industrial test has been completed successfully.

ANTEA implements the best principles and practices of GCCA, and makes use of the CO₂ and Energy Protocol: CO₂ and Energy Accounting and Reporting Standard for the Cement Industry. In accordance with this protocol, ANTEA calculates and reports CO₂ emissions and energy consumptions on regular basis, even though it does not constitute a legal requirement in Albania. For this reason and considering the principles and practices applied in monitoring and reporting of the air emissions, ANTEA is a pioneer in the country and a model of responsible industrial Operator.

Responsible Consumption of Materials and Resources

Water Management¹⁸: Water is an essential part of everyday life. Water can be viewed from many perspectives: (a) scarcity, (b) flooding, (c) drinking and (d) transformation into energy. Water management is multi-faceted and requires a delicate balance between social and economic needs. We understand current water concerns and translate our hydrology, ecology and environmental knowledge into solutions that support efficient use of this natural resource, protecting the livelihoods of future generations.

manufacturing (published in 2019). Only because the plant monitors continuously and keeps a detailed base of data collected on monthly basis, we were able to notice an increase in the water consumption. For this purpose, ANTEA invested around € 250,000 in 2017 to upgrade its water distribution and management network. The project was concluded successfully in October 2017. Although only three (3) months in operation during 2017, the water consumption was reduced by 15%, while in 2018 we managed to reduce our specific water consumption by 35 % compared to year 2016. The specific water consumption for 2019 was 210.95 liters water/t cement that was higher than the previous year.

ANTEA has implemented a water management system, since the first day of its operation. Data on water consumption and discharge by every production unit are collected on monthly basis. Water management is monitored through monthly measurements. These measurements consist of the piezometric water level measurement performed in the four (4) water drills that supply water to the plant. Through this regular monitoring plan, we aim at achieving a high level of responsible operation of the water wells and the ability to identify and manage any potential losses. Proof of successful water management by ANTEA is also the identification of water losses in/along the water circulation network, which require – on regular basis – maintenance. ANTEA applies the best principles and practices according to GCCA Sustainability Guidelines for monitoring and reporting water in cement

The main factors that have led to higher water consumption used by wells are as follows:
a) Due to prolonged drought, higher amount of water for dust we proceeded to at the plant and quarries roads “was used”. b) Due to the high ambient temperature, we proceeded to emptying of the amount of water from the main water tank of the process and refreshment with cold water. c) Since the new green areas were increased by 4500 m², during the summer was increased the consumption because additional water used for the irrigation of the trees in the plant as well as in the rehabilitated area in the quarry.

¹⁶ Energy and Climate Change: See KPIs Index (Annex A1), EP18L-EP22L, and EP34L-EP37L, connected with the GCCA Charter, Guidelines and Sector KPIs, and the SDG7/Targets 7.2, 7.3, and 7a, SDG9/Target 9.4, and SDG12/Target 12.2.

¹⁷ Use of Alternative Fuels: See KPIs Index (Annex A1), EP22L, EP36L, and EP37L, connected with the GCCA Charter, Guidelines and Sector KPIs, and the SDG7/Targets 7.2, 7.3, and 7a, and SDG12/Target 12.2.

¹⁸ Water: See KPIs Index (Annex A1), EP07L-EP09L, and EP29, connected with the GCCA Charter, Guidelines and Sector KPIs, and the SDG6/Targets 6.3, 6.4, and 6.5.

Use of Land: Biodiversity²⁰, quarry rehabilitation and land stewardship: ANTEA's environmental protection, care and rehabilitation policy is complex, multi-dimensional, that involves a series of actions as: quarries rehabilitation, reforestations, greening of the Plant area, maintenance and improvement of the surrounding degraded vegetation and agricultural activities. Following the initial stage of the Environmental and Social Impact Assessment (ESIA), for the establishment of the cement plant and related quarries' raw materials and based on the findings and recommendations of this assessment, ANTEA conducted all necessary strategies for the development, sustainable management of natural resources, and rehabilitation of the quarries. The assessment was in accordance with the principles of the International Finance Corporation (IFC). In addition, for this purpose, ANTEA followed the principles of the WBCSD/CSI Guidelines for the ESIA (first ver. 2005).

The case study for the quarry rehabilitation was awarded as best practice from the WBCSD/CSI, for the following actions:

- (a) A quarry management plan in place prior to quarry operation.
- (b) A rehabilitation plan in place prior to quarry operation.
- (c) Identification of flora, endangerment, and endemic species of the region prior to quarry operation.
- (d) Rehabilitation actions place within the first year of quarry operation.
- (e) Three Albanian endangerment species (based in IUCN categorization) were included in the quarry rehabilitation.
- (f) The first quarry in Albania to work according to EU standards, beyond compliance to the national legislation.

The Quarry Management Plans (QMPs) for both quarries were completed in 2010 and reviewed in 2015 and comprised of a structured and practical desk study, providing planning outlines aligned with the existing (and officially approved) quarry mining projects and environmental impact assessment studies. In this respect, the QMPs had to align with country legislation and conform to TITAN Group best practices for quarries development and rehabilitation. In the second QMPs that were prepared in 2016 were included the overall (long-term) mine plans, the detailed 5-year plans (2016-2021) of quarry operations (focus annual plan), and aimed at ensuring and presenting a rational plan for quarry depletion, mine scheduling & rehabilitation/reforestation of benches. Three plant species included in the Red List of threatened species of Albania, namely *Quercus ilex* L. (Holly or Holm oak), *Laurus nobilis* L. (Laurel) and *Salvia officinalis* L. (sage) have been introduced in the quarry rehabilitation process.

The filling of the depleted benches was carried out progressively as the quarries developed and depleted parts were being created, by using soil/humus according to the specifications (thickness, type of soil and filling with inert materials) described in the environmental impact assessment studies and the specific needs of the site under rehabilitation. To date, more than 117,000 m² quarries and plant area have been rehabilitated through planting more than 18,770 trees and seedlings. The area near the plant and the associated quarries is open scrubland, used partly for grazing and hunting, and as a source of wood for fuel. No 'red-listed' (IUCN-listed) species for protection, and no

habitat or other elements of high biodiversity value were identified, neither inside the ANTEA areas, nor and in the vicinity of the plant and the associated quarries, and not even in a radius of 1 km from the area's borders. This is proof – to date - that the areas are not considered of important ecological value or high biodiversity value, compared to habitats of similar composition and quality, which are abundant in the surrounding area.

Scanning the plant and associated quarries area for possible high biodiversity zones is a continuous process and it was last performed in the period 2013-2014 via the Integrated Biodiversity Assessment Tool (globally acclaimed tool for business use, in assessing for biodiversity value, according to the WBCSD/Natural Capital Protocol and Toolkit) application. ANTEA operating sites will be part of the Group project in 2020 for the assessment of status and value of biodiversity in all Group quarries, again with the use of the Integrated Biodiversity Assessment Tool (IBAT). Although our sites have not been recognized for high biodiversity value so far, this assessment will help ANTEA update the status and potential risks, so as to decide specific actions where appropriate²¹.

Waste Management¹⁹: In ANTEA we operate a waste management system following the waste hierarchy and trying to reduce, reuse and recycle as much of our waste as possible. Based on the best practices, the different types of waste are being separated at the source, collected, and temporarily stored to a waste collection unit and then sent out for treatment through licensed contractors. ANTEA is putting effort to recycle and reuse internally as much as possible waste generated from its activities.

Examples of this practice are: (a) The reuse of waste pallets as benches, fencing of yards, waste bins, in the school of Thumana (b) raw materials from quarries as alternative raw materials for our production processes; and (c) Thousands of tons of materials coming out from the preparation of quarries are stored internally, and reused in the rehabilitation of quarry areas. At ANTEA, we follow the requirements on the waste management of our Environmental Management System, certified according to ISO 14001:2015.

Map of the nearest by protected area is shown below, updated with the protected areas acc. to the IBAT.



Since 2011, ANTEA applies the best principles and practices of WBCSD/CSI, specifically for the rehabilitation of quarries (ref: CSI Guidelines on Quarry Rehabilitation, published in 2011). ANTEA also makes efforts to manage all issues that relate with the process of rehabilitation; by using local species, in order to enhance the local biodiversity, according to the respective Guidelines of the CSI (Biodiversity Management Plan Guidance, published in 2014). The CSI Guidelines are still referenced in the absence of any such superseding or equivalent documents of the GCCA. The total rehabilitated area in the limestone quarry is 77 ha, in the clay quarry is 12 ha while 11.623 seedlings have been planted in total. The types that were planted are *Pinus halepensis* Mattf. (Alepo pine), *Quercus ilex* L. (Holm oak), *Laurus nobilis* L. (Laurel), *Salvia officinalis* L. (Sage) etc.

¹⁹Waste Management: See KPIs Index (Annex A1), EP06L, EP38L, and EP39L, connected with the GCCA Charter, Guidelines and Sector KPIs, and the SDG12/Targets 12.4, and 12.5.

²⁰Biodiversity Preservation: See KPIs Index (Appendix X), EP10L-EP15L, connected with the GCCA Charter, Guidelines and Sector KPIs, and the SDG15/Targets 15.3, 15.4, 15.5, 15.9, and 15.a.

²¹For historical data of ANTEA's "Local Impacts", see Annex A1, Environmental Performance Index - KPIs EP01L-EP05L, and EP10L-EP15L.

Green activities

In 2017 the government decided to approve the request of ANTEA regarding the removal from Forestry Fund of the surface of Kojlika Quarry. According to the legislation, ANTEA was obliged to perform the reforestation of 24 ha at the location "Mali i Krujes" in Kruja region. The reforestation activity was performed during 2018 and were planted more than 60,000 seedlings.

Green activity: Greening the areas within the territory of Cement Plant has been an important activity in terms of environmental performance. Aiming at soil protection, erosion control, air dust capturing, creating attractive environments for the employees, there are planted c.a. 160 tree species, within the territory of plant as: Narrow Leaved Ash (*Fraxinus angustifolia* Vahl.), Spanish Broom (*Spartium junceum* L.) Italian Cypress (*Cupressus sempervirens* L) and decorative ones like Blue Gum (*Eucaliptus globules* Roxb), Deodar Cedar (*Cedrus deodara* (L.) G. Don), Oriental arborvitae (*Tuja orientalis* (L.) Franco.), Arizona cypress (*Cupressus arizonica* Greene), Weeping Willow (*Salix babylonica* L.), Chestnut (*Castanea sativa* L.) and many others.

Reforestation activities: to fulfill the legal obligation for environmental compensation, due to plant construction, providing for the damages caused in vegetation by building and implementation of the project. The reforestation activity on the table below is presented: In the framework of environment performance, Biodiversity conservation and land stewardship is extended in all Management Territory (MT). There are encompassed on the MT, Plant's area itself, limestone and clay quarries and surrounding semi natural vegetation areas (c.a. 275 ha). The activities undertaken in this context are:

Maintenance activities: The plant area and the associated quarries, before the Plant construction, were degraded and were used partly for firewood production, grazing and hunting. Our action plan encompassed on the maintenance measures for the rehabilitation of degraded vegetation areas within the plant territory, to reduce the erosion, increase carbon sequestration level and improve biodiversity. It encompasses the strict protection measurements of the existing natural vegetation and undertaking some thinning to promote progressive succession of the vegetation, soil protection, mitigation of the erosion, air dust capturing and carbon sequestration. As the result of strict protection and maintenance activities of the surrounding area there is an improvement of vegetation state in volume and especially on the carbon sequestration level.

Agriculture activity: Encompasses agricultural activities such as cultivation of vineyards, olive trees and other fruit trees for monitoring, consumption, sustainable development, and education purposes. The purpose was not production itself, but through chemical analyses to see if any soil contamination exists. In this context there are not use fertilizers, pesticides, and insecticides at all.

Location of forested area	Species used for the reforestation process	Reforested area in hectares
Kraste (Krujë)	Mediterranean Pines	29
Bovillë (Protected area)	Mediterranean Pines	74
Plant roads (State forest found)	Mediterranean Pines	7
Bovillë (Protected area)	Chestnut (<i>Castanea sativa</i> Miller.)	40
Qafë Shtama (National Park)	Black Pine (<i>Pinus nigra</i> Arn.)	100
Mali i Krujës	Black Pine (<i>Pinus nigra</i> Arn.)	24
Total		274



Social performance

At ANTEA we are committed to create value for our employees, local community, contractors, suppliers and customers, through strengthening our core values, applying ethical business practices, ensuring an open and continuous communication with all stakeholders and addressing their most material issues in time and appropriately.

Health & Safety

Our engagement for striving to embed safe and sound behavior through-out the organization in our everyday activities and to create an environment wherein each of us is responsible for our own and our colleagues' safety. We ensure identifying all the legal obligations with respect to Health and Safety (H&S) and address them in a satisfactory manner and defining all necessary Health and Safety functions required by national and local legislation. Health and Safety²² is the first priority for our company, as it is for our mother company as well, thus, the efforts of our company are focused on raising awareness, so as to do our best to safeguard the Health and Safety of all of our direct and indirect employees in all activities.

In November 26th 2019, a devastating earthquake hit Durrës & Thumana regions, causing tens of fatalities and hundreds of buildings seriously damaged. ANTEA Cement plant has not faced any damage in none of the structures and did not stop its operations, while in parallel has given its contribution to the locals. We keep continuously close contacts with our stakeholders. The yearly meeting with community representatives took place at ANTEA facilities. Representatives of neighboring villages of Thumana, Borizana, Fushë-Mamurras, Shpërdhet etc., were invited by ANTEA for the presentation of the Integrated

Although the context within which we operate has its own challenges, we strive to be a responsible company through identifying our impacts to society and taking actions to minimize the adverse ones, while increasing the care and well-being for our employees, local communities and partners.

Annual Report for the year 2018. And as the discussion goes on, necessary clarifications were given by ANTEA Department Managers to all local representatives. No fatalities for direct employees and none for contractors were recorded in 2019. There were two (2) Lost Time Injuries (LTIs) recorded, one (1) for direct employee and one 1 for indirect employee. Nonetheless in 2019, we continue our effort in Health and Safety and we have achieved the expected results by completing 90% of Health and Safety 2019 targets. Health and Safety training programs for the employees and personnel has always been in forefront by providing NEBOSH* executive program.

In 2019, one of the company's Manager, two Heads of Departments and two Health and Safety Engineers attended NEBOSH HSE this program which was about Process Safety Management held in Tirana. Hazard Hunting Training was another initiative in 2019 provided by TITAN Group, firstly delivered to Electrical Maintenance Manager and then to all related ANTEA's personnel and departments in charges in several dedicated sessions.

Health and Safety training programs for 2019 at a glance

- Health and Safety training program was a combination of two TITAN Guidelines "Health and Safety training" and "Operations Safety training". Additional sessions, not specified in the normal schedule, were delivered. The aim was to achieve the maximum participation of ANTEA workers and contractors.
- After each session, a test was done for attendees to evaluate the level of knowledge achieved.
- Health and Safety personnel attended on site process training delivered by Production department. Aim was to increase the level of knowledge to Health and Safety department in regards of process and operations.
- ISO 45001 training delivered to H&S, HR, IMS, Environmental Department personnel
- Training for "burns at preheater" delivered by nurse of Kamari plant. Training was attended by First aid team and production personnel which are mostly exposed.
- Driving Safety training was delivered to main transporter companies. Training was held on contractor premises.
- Fall from height training delivered covering issues of guideline "Fall Protection Training Outline"

As this year showed, emergency response has to be on the highest level of readiness. And as per every year ANTEA Cement dedicated lot of energy and efforts on the emergency preparedness. Below detailed list:

- Refresh training to auto-ambulance drivers about equipment's on the vehicle.
- Periodical fire extinguisher refilling
- Extinguishers older than 10 years were replaced with new ones, to ensure their operational readiness.
- Auto ambulance drivers license (category D is required). To a selected group of workers ANTEA supported the driving school, aiming the increase of their driving license category from "C" to "D" to cover the present need and from "B" to "C" for future needs. In this way, those workers will be able to drive Auto-Ambulance and watering trucks which are equipped with additional diesel firefighting pump.
- Fire assessment for new installations
- 11 Drills performed:
- Evacuation of building aiming the verification of sirens operation and personnel response
- Installations of additional evacuation sirens to cover all areas of the plant.
- Improvements to the fire detection system of packing plant. There are installed new InfraRed smoke detectors to fully cover the space where cement pallets are stored. The new sensors are integrated into the central fire detection system to CCR.
- Fire detection system at the Crushers Electrical Substation. Owing to that the distance of this substation with the central control room is large, a local Fire Detection panel is installed. Through fiber optic the local panel is connected to central fire detection panel at CCR
- New safety switches are installed at the Access Controlled Doors of all electrical substations. The purpose of these switches is to allow personnel safely escape the room by pressing the panic bar and bypassing the access control system in case of any emergency. This way, door will be open immediately.

Driving Safety is one of the main objectives from several years. A special focus is kept and lot of new projects were completed for improving the internal traffic. Some of the projects are listed:

- One-way traffic for cement trucks was put into force. Following the internal traffic improvements, a new road is constructed which makes possible that cement trucks (bulk and pallets) to have only one-way direction.
- Installation of road signs & markings (road and information signs), cat eyes inside the plant to quarries
- Installation of grabber cones for visual marking of the road
- Visual inspection at the main entrance for trucks. Security and H&S Engineer perform visual inspection to truck prior entering the plant. The aim is not to allow trucks with critical problems to enter and get loaded. This is continuation of efforts in regards of Driving Safety

²²Health and Safety (SP1L-SP12L) See Annex A2. We connect also our performance with our commitment to the UNGC Ten Principles and the SDG8/Target 8.8, according to the UNCTAD Guidance (ed. 2019).

*National Examination Board in Occupational Safety and Health

People management and development²³

The key of our governing objectives and strategy rely on our people performance and development of ANTEA as part of TITAN multi-regional leading Group in the cement industry and has as primary focus to attract retain and motivate the best people that contribute to the sustainable growth of our organization. Since 2012 the company was certified in and has developed the Social Accountability 8000:2014 Standard.

In 2019, TITAN Group conducted the Employee Engagement survey, across all countries, using a common questionnaire. 96% of Antea's employees participated in the survey completing it digitally. The survey assessed employee engagement and enablement, and the factors driving them, allowing the Group to identify and improve on the areas than can impact employees experience, commitment and performance. Antea's results highlighted strengths in almost all the dimensions compare to general market and industrial benchmark. Although the management will develop an Action Plan for the area to be improved. In 2019, the headcount of ANTEA at the end of the year reached 193 people. We had 15 new employees in the company.

Meanwhile, the annual turnover dropped at a lower rate (reaching 8.81%). The minimum monthly salary provided by ANTEA for semi-skilled or unskilled personnel is 1.5 times higher, compared to the minimum wage established by the domestic applicable legislation. The company provides other additional benefits for its staff, such as a free meal, transportation and drinkable water for each of its employees. For the first time the company has established a new Medical, Life Insurance & Work accident Plan for all its employees. The company is continuing its collaboration with the largest Private Hospital in Albania to offer medical care to our employees. During 2019, all the employees received a Performance Appraisal; 26% of them were included in the annual

performance and personal development reviews which is a Performance Development Process designed from Titan Group. The development of our people is responsibility, which helps us in retaining high-qualified personnel. ANTEA contributes to the development of our employees, by providing continuous training in technical and management skills. The focus of our training (beyond what we provided above under the chapter of Health & Safety) was to continue develop and enhance the soft skills of our employees, the technical competences contributing in the best way of collaboration within the organization.

During 2019, 5,913 hours of training were delivered to our employees, and the ratio was approximately 31 hours per employee. The investment for Training programs per employee reached €181. ANTEA's employees are required to adhere to Group policies and safeguard them, and are encouraged to report any policy violation through the existing grievance mechanisms. The reporting mechanisms include telephone lines, written letters, or personal meetings. All employees are informed about the Group policies in their local language. This communication is an ongoing process, implemented through TITAN's intranet and premises monitors, or announcement boards.

In 2019, TITAN initiated the development of policy e-learning modules to be uploaded to its Learning Management System. The necessary pre-work and preparation have been completed and the e-Learnings will be available in 2020. The new courses are designed to help employees to better understand each policy's context, support their further dissemination and track the learning participation rates.

Health risk due to COVID-19

As everywhere worldwide, Albania was affected by spread of COVID-19. The new circumstances required fast adaptation on the way of living, behaviors, operations and approaches. ANTEA Cement management reacted with highest responsibility as the situation. Operations and maintenance activities were aligned based on the authority's restrictions and in additions to other preventive measures taken by Plant Management. Frequent communications were kept with epidemiology task force. Necessary information was exchanged with the employees regarding any identified COVID-19 positive individual.

Strive to achieve gender equality

The world has achieved progress towards gender equality and women's empowerment. Gender equality refers to the right of women and men to have the same opportunities in achieving important goals in society such as education, employment and income and to contribute at all levels. It is of high significance that all employees should have equal salary, equal opportunity and not to be subject to any kind of discrimination and harassment in the workplace. This applies to all persons, whether they are men or women, as gender equality is promoting the reasonable and respectable advancement of men and women together.

It is considered a highly desirable reachable objective for employers like ANTEA that is consistently seeking to establish and consolidate social and economic structures that facilitate progress. In the end of 2019, ANTEA counted 21 females employed, which accounted as per 11% of the total number of employees while the share of female employees in company's management was 8%. Considering the important indicators of gender equality in the workplace, ANTEA is committed to have a workplace that pursue gender equity among its employees and to apply equal compensation and benefits between genders²⁴. ANTEA has implemented a payroll system that is well organized and includes all the respective data related to remuneration package for the entire workforce, in full accordance with the applicable legislation and Labor Code in force.

Therefore, being transparent gives a positive message to all the employees about the Company's values and the way that it operates. The focus of ANTEA is to advance and measure progress in key areas, such as women in managerial positions; women specialized and involved in technical fields and to build a workplace that has a gender balance as well as demographic labor shifting. Through its actions ANTEA is eager to provide qualitative trainings, by having its focus on growing demand for skills to all employees.

In 2019, we continued the implementation of Human Resources Management System. The implementation of this system started in 2017 and was a big change for the Human Recourses activities shifting from transactional/administrative task to strategic activity. The system paved the way to a standardized way of working and ensuring harmonization in Talent Management processes, in bringing seamless integration, sharing information and encouraging collaboration. In 2019 were introduced new modules, such as Recruitment and Onboarding and Compensation and Benefits.

²³ See ANTEA's Social performance with respect to Employment, as historical data between 2017-2019, in Annex A2, Social Performance Index - KPIs SP29L-SP38L. We connect our performance with our commitment to the UNGC Ten Principles and the SDG4/Target 4.3, according to the UNCTAD Guidance (ed. 2019).

²⁴ See ANTEA's Social performance with respect to Employment, as historical data between 2017-2019, in Annex A2, Social Performance Index - KPIs SP23L-SP26L. We connect also our performance with our commitment to the UNGC Ten Principles and the UN SDGs/Target 5.5, according to the UNCTAD Guidance (ed. 2019).

Stakeholders Engagement in action

Society expects that all those who are responsible for building the world of tomorrow will respond and play their part today. Cement use is set to rise and the cement industry has a significant role to play, contributing through innovation to the shaping of sustainable and livable cities, in collaboration with all relevant stakeholders; local authorities, regulators, communities, business partners and customers.

On the 26th November 2019, a devastating earthquake with a magnitude of 6.3 Richter scale hit Albania and it was described by the national authorities as the strongest earthquake in the country in 30 years. According to the Post Disaster Needs Assessment conducted by the Government of Albania with the UN, World Bank and the European Union, a total of 202,291 people were affected in the country, 47,263 directly, and 155,029 indirectly.

The earthquake caused 51 fatalities and injured at least 913 people. Moreover, up to 17,000 people were displaced due to the loss of their homes. Overall, first responders rescued 48 people from collapsed houses. It caused extensive damage in 11 municipalities, including the two most populous, urbanized and developed municipalities (Tirana and Durres). The worst affected municipalities were: Shijak, Durres, Kruja, Tirana, Kamza, Kavaja, Kurbin, and Lezha.

While ANTEA Cement plant did not face any significant damage in none of its operating structures allowing for continuation of operations, the effects of such natural disaster affected our local employees whose houses were damaged. ANTEA Cement immediately mobilized a full-scale intervention approach that aimed at offering immediate humanitarian aid

for our employees and the community of Thumane which was one of the most heavily hit by the devastating earthquake. Assistance was offered in form of shelter, food and water supply as well as temporary housing conditions such as beds and blankets. In coordination with local authorities, ANTEA Cement was able to set up in record times a temporary canteen equipped with heating, and warm meals were offered for the affected people. ANTEA's first humanitarian response was followed by a series of measures that aimed at contributing to the reconstruction phase with longer term interventions mainly in public infrastructure and services.

Such project includes the reconstruction of the school in Thumana, which was heavily damaged after the earthquake. The intervention consisted in the replacement of windows by providing thermic and acoustic sealing and the repairing of inner structures such as walls, columns and surfaces, which were fortified and revamped, including corridors and staircases. Interventions were conducted in the entire water supply pipeline, discharging pipes and the electrical installations. The full electrical network and the grounding protection are still in progress and close to finalization.

Despite the severity of the devastating earthquake, ANTEA Cement has continued its commitment towards the community and offered its support in good and difficult times, by keeping contact with the community and their needs and offering immediate response to short and long-term solutions. Throughout 2019, ANTEA Cement organized open consultations with the community in presenting its Annual Report and necessary clarifications were offered by ANTEA Department Managers.



"Aiming to stand by the local communities, who are still trying to recover after the devastating earthquake of 6.4R that hit Albania on 26th November"

Local Community Collaborations

We care for and develop our employees, and continuously improve our good relationships with all internal and external stakeholders, always aiming for mutual respect and understanding. During 2019 our impact in local community was improved and more linked with SDGs.

"Presentation of Study on Corporate Social Responsibility in Albania": As the pioneer on the implementation of best practices in Corporate Social Responsibility, ANTEA Cement, in collaboration with the Albanian non-governmental organization ACIT (Albanian Centre for Competitiveness and International Trade), partnered to present a study on the status of development of Corporate Social Responsibility in Albania.

"Study visit of Polytechnic University of Tirana students to the plant": A group of students from the Polytechnic University of Tirana, enrolled in the Materials Engineering Master's Program, chose the premises of ANTEA Cement to learn about cement and its manufacturing process. Construction materials and their quality, are one of the main elements in this branch of studies and the study visit to the plant proved to be very effective. Among others, students were inter alia able to get a first-hand insight on the series of processes that the plant performs, which is directly linked to their area of studies. Through an open lecture, experts and engineers of the company explained in detail the entire process, from raw materials up to the qualitative production of the final product.

The "Hygiene in School" program, a new initiative by ANTEA. Personal hygiene is not only the act, habit or routine through which we keep ourselves clean, but also a fundamental factor in keeping good health. The correct application of personal hygiene will also affect the people in our immediate environment. The primary objective of this initiative is to improve the behavior of students as regards the personal and food hygiene in their private surroundings and in public spaces. This program also aims at educating children on environmental factors in the sustainable exploitation of natural resources. Selected health officials were involved in this initiative and worked closely with school directors by generating great interest in the local community.

"Safety at Home", is an educational program implemented in the local community schools. The "Safety at Home" program, as part of the annual action plan initiative of corporate social responsibilities of ANTEA Cement, was held from October 2019 to February 2020, with the participation of pupils from the local schools. More than 580 students from the local communities of the villages of Borizanë, Thumanë, Fushë Mamurras and Shpërdhet benefitted from educational sessions that were developed in cooperation with our partner, SSC DDAER organization. The aim of this program is to create a culture of awareness and education for the safety of children in their domestic environment and at school. The program is divided into information and awareness sessions with interactive and alternative lessons for primary school and kindergarten children's by combining informative materials with various games and counseling presentation with educational figures and videos. ANTEA's Manager for Health and Safety was present and held educational safety talks for the pupils of local community schools, explaining to them the importance of "prevention".

"Passion for Architecture: ANTEA Cement Summer School Program" ANTEA Cement supports high school graduates from Fushë Kruja community and Kamza Village who aspire to study architecture by organizing a Summer School program focused on recycling, aesthetics and creativity. The REC initiative ("Recycling-Esthetics-Creativity") was the first of its kind in Albania and was launched by ANTEA Cement during a presentation held in Marin Barleti University and is organized by our partner DEP organization. The main objective of this launching workshop, was to raise awareness on the importance of recycling, esthetics and creativity among youngsters who have a passion for architecture, including high school students. A key component of this activity was to inform the audience on the application of these concepts in the community they live in.

“Aiming to stand by the local communities, who are still trying to recover after the devastating earthquake of 6.4R that hit Albania on 26th November” Aiming to stand by the local communities, who are still trying to recover after the devastating earthquake of 6.4R that hit Albania on 26 November, TITAN immediately responded to the urgent call for support with emergency supplies and volunteering work. Just a few hours after the earthquake, our first priority was to secure support for all our colleagues at ANTEA Cement in Albania who were affected by the earthquake. Nonetheless, we helped with heavy equipment and rescue teams, to the operations sustained at Thumana village, which is our neighboring local community.

“Meeting with Community Stakeholders” As every year, ANTEA gathered the key stakeholders of the community, to present the annual integrated report and to share with them the achievements of the year. This meeting is held to further discuss their needs as a community in order to design the appropriate development programs and to closely cooperate with them. Of course, an important task of the discussion is to collect feedback from the community representatives in order to improve our actions and maximizing the impact in the upcoming year. In the next days, we provided tents, blankets and inflatable mattresses as well as in collaboration with the Association of Albanian Producers we set up a camp canteen for the distribution of hot meals. Almost a month after this disastrous event, our supporting efforts continue. The reconstruction of damages at Thumana’s school, to make it safe to operate again, is one of more initiatives to follow, with primary focus on contributing to the endeavors of local authorities to restore daily life in the region.

Our main stakeholders are:

Employees - Unions	Customers	Contractors	Communities
Investors	Suppliers	Local authorities	Regulators

Local Employment and People Development

Local Employment²⁵

Since the beginning of its operation in Albania, ANTEA Cement has considered the employment development and training of the local community as a matter of high importance, thus aiming to be recognized as one of the largest companies in the area. Almost half of its employees came from local communities while key contractors and many suppliers are local businesses. By the end of 2019, 48 % of ANTEA’s workforce is reported to be from the local communities.

Traineeships/Internship²⁶

During 2019, ANTEA provided Internship to 10 students mainly from Polytechnic University of Tirana at Maintenance Department, Quality Department, Production Department, Methods Department and only one from Logos University at Sales Department. The Guideline "Quality of Internships" established by the Group, is followed by ANTEA to monitor the internships made available.

* For more elaborate information regarding the above initiatives visit the company's website www.anteacement.com

²⁵See ANTEA's Social performance with respect to local employment, as historical data between 2017-2019, in Annex A2, Social Performance Index – KPI S27L.

²⁶See ANTEA's Social in Annex A2, Social Performance Index – KPI S27L. We connect also our performance with our commitment to the UNGC Ten Principles and the European Pact for Youth.



“Passion for Architecture: ANTEA Cement Summer School Program”



“Study visit of Polytechnic University of Tirana students to the plant”



“Safety at Home” an educational program implemented in the local community schools



“Presentation of Study on Corporate Social Responsibility in Albania”



The “Hygiene in School” program, a new initiative by ANTEA.



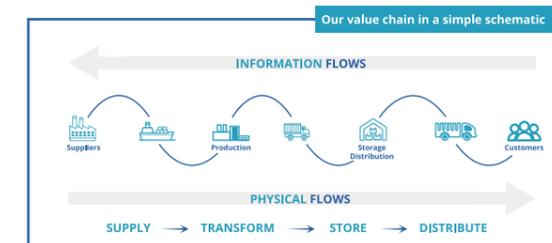
“Anti-Bribery, Anti-Corruption, Sanction & Conflict of Interest Group Policies Training at Antea Cement Sh.a”

Our Value Chain: Suppliers, Customer and Business Partners

Applying ethical business practices and having an open and continuous interaction with key Stakeholders along all of our value chain has been our motivation. Although the context in which we operate has its own challenges, we strive to be a responsible company through identifying our impacts to society and taking actions for our stakeholders, minimizing the adverse ones while increasing the care and well-being.

forecasts through to orders of raw materials and components, and physical flows, from the supply of raw materials, machineries, engines and packaging, through to the distribution of the finished product.

As such, successful supply chain management hinges on a good synchronization of all the players involved, and has a strong positive impact on the value chain of our organization.



Customer engagement is the ongoing interactions between company and customers, provided by the company, chosen by the customers. Customer satisfaction is an essential component of doing business in this global competition environment. ANTEA strives to address customer needs by providing innovative products and services. We engage with customers regularly through annual customer surveys, using the form "Customer Satisfaction Questionnaire". This form includes questions related to our products quality, employees' attitude towards customers and recommendations for future improvements. A Material Safety Data Sheet (MSDS) is filled-out for cement products and certified by EuroCert according to ISO 9001, which contains information on the potential hazards (health, fire, reactivity and environmental), information on the use, storage, handling and emergency procedures related to product hazards.

The agility and performance of the supply chain at Antea is based on four key areas:

- A robust sales forecast
- A reliable pool of partners
- A flexible production base
- An efficient logistics network

The operational excellence and performance of the supply chain are vital to our competitiveness and concern all the business lines involved in the availability of our product for customers: Production, Purchasing & Logistics, Sales, Finance, IT, Human Resources. To ensure that availability, the supply chain teams manage information flows, from sales

By developing real partnerships with our suppliers, we can involve them in our progress processes and competitiveness targets. ANTEA implements procedures related to the evaluation and audit of the Suppliers and Contractors delivering materials, equipment, spare parts, and services affecting the quality of the Company's products. The objective of this procedure is to ensure that we evaluate Suppliers/Contractors, aiming to continually improve their Quality, Environmental, Occupational Health and Safety and Social Accountability performance of its Management System".



"Summer School" Learning Foreign Language



"Summer School" Learning Computer Literacy



The "Hygiene in School" program, a new initiative by ANTEA.



"Safety at Home" an educational program implemented in the local community schools



The "Hygiene in School" program, a new initiative by ANTEA.



The "Hygiene in School" program, a new initiative by ANTEA.

Independent Limited Assurance Statement

To the Board of Directors of Antea Cement sh.a

The Board of Directors of (the "Company") engaged "GRANT THORNTON sh.p.k." ("Grant Thornton") to review the non-financial disclosures presented in the 2019 Integrated Annual Report for the fiscal year ended on December 31st, 2019 ("selected data"), in order to provide limited assurance in relation to the criteria as described below (Scope of work). For the purposes of this Statement, the selected data relate to the Company's activity in Albania and do not include information pertaining to other cooperating companies or third-party activities / performance.

Scope of work

The assurance engagement has been planned and performed in accordance with the International Standard on Assurance Engagements 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information ("ISAE 3000"), in order to provide limited level assurance opinion on:

- The consistency of qualitative and quantitative non-financial disclosures presented, with regard to the UN Global Compact principles and specifically to the Advanced Level of Communication on Progress Report criteria.
- The completeness and accuracy of qualitative and quantitative non-financial disclosures, in specific for the areas of Environment and Health & Safety and regarding the criteria applicable in 2019, which are aligned with the sectoral guidelines and reporting standards (Global Cement and Concrete Association (GCCA), Sustainability Charter, GCCA Sustainability Framework Guidelines, and other relevant and applicable GCCA Guidelines, and the guidelines of the WBCSD/CSI only as applicable in 2019) and with the TITAN Cement International ("TITAN Group") Standards for Reporting on Group level and Business Unit level
- The methodology of materiality assessment with regard to the guidelines of AA1000 Standard

Management Responsibility

Antea Cement sh.a is responsible for the preparation, presentation, completeness and accuracy of the non-financial data provided to us, as incorporated in the 2019 Integrated Annual Report. Furthermore, the Company's Management is responsible for maintaining records and adequate internal controls that are designed to support the reporting process. In particular, the Company's Management is responsible for internal controls being designed and implemented to prevent the Report from being materially misstated.

Grant Thornton Responsibility

We have performed a limited assurance engagement. Our responsibility is to express our conclusions based on the procedures carried out for the selected data, as described above in the "Scope of work" section.

Our responsibility is limited to the non-financial information related to the fiscal year that ended on December 31, 2019, as these were presented in the 2019 Integrated Annual Report.

To the extent it is permitted by the legislation in force, we neither accept nor assume any responsibility for our engagement or this Statement towards anyone other than the Company and the Group, unless the terms have been agreed explicitly in writing, with our prior consent.

We conducted our work so as to collect all the data, relevant documentation, information and explanations we considered necessary as to the selected data described above, in the "Scope of work" section. The procedures followed with regard to the selected data included:

- Interviews with executives and key personnel responsible for the relevant information and assumptions.
- Visits to the Company premises.
- Review and assessment of the processes and controls used to collect, aggregate, validate and report the data;
- Sample tests on collected data, conversion factors and formulas, where required.

Level of Assurance

The procedures we carried out were designed to provide limited assurance, as specified in ISAE 3000, based on which we shaped the conclusion to our engagement. These procedures are not as extensive as those required for providing reasonable assurance; consequently, a lower level of assurance is obtained.

Limitations

To conduct our work, we relied exclusively on the information provided to us by the Company's executives, which we accepted in good faith as being complete, accurate, real and not misleading.

- Therefore, we did not submit it to any verification procedures, apart from the procedures explicitly stated in our Statement and which arise from our mutually agreed methodology.
- No additional work has been conducted on data for previous reporting periods, as well as on data related to forecasts and targets.
- No work has been conducted on anything other than the agreed scope and consequently, our opinion is limited to that scope.

Independence

Grant Thornton implements the requirements of International Standard on Quality Control 1. Based on this, it maintains an integrated quality control system that includes policies and procedures for compliance with moral principles, professional standards and relevant legal and regulatory requirements. We comply with the Independence requirements and other ethical standards of the IFAC Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of integrity, impartiality, professional adequacy, confidentiality and professional conduct. In this context, the assurance team is independent from the Company and has not participated in the preparation of the 2019 Integrated Annual Report.

Conclusions

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that there are any errors or misstatements that would materially affect the non-financial disclosures (including explanatory notes and relevant references) as presented in the Integrated Annual Report of Antea Cement sh.a for the year ended 31 December 2019. Moreover, nothing has come to our attention that causes us to believe that the non-financial data presented, are not prepared, in all material aspects, in accordance with the criteria mentioned above, in the "Scope of work" section. The Report meets the UN Global Compact criteria relating to a Communication on Progress (COP) Advanced Level.

Tirana, 16/09/2020

The Chartered Accountant



Kledian Kodra



Summary of the basic terms

Absentee: A worker who is absent from work

Apprenticeship: A form of Initial Vocational Education and Training

Award and/or recognition: Prizes or other marks of acknowledgement, or recognition, awarded to ANTEA.

Child: Reference to the ILO Convention 138.

Contractor: A company or an individual, who is not a TITAN direct employee, and contracted to carry out specified works. The term contractor is equivalent to the term supplier for all matters regarding the management of the supply chain of the company. In specific, contractors are suppliers who offer services to the company, as opposed to offering goods. It is possible that some contractors can offer both services and goods, under certain conditions and with certain contractual terms

Subcontractor: A company or an individual, who is not a TITAN direct employee, but has been engaged by a Contractor to carry out a specific work.

Supplier: A person or organization providing goods or services.

Local suppliers: Suppliers are considered local when they provide goods or services to the company within a limited scope of geographic area.

Third party: Any person not categorized as direct employee, or Contractor/ Subcontractor.

Donations and/or community investments: Voluntarily investments in the community.

Employees: An employee is an individual who is, according to national law or practices, recognized as employees of the reporting organization.

Employees' category: A categorization or breakdown of employees by level and function.

Employee turnover: The number of employees who leave the organization voluntarily, or due to dismissal, retirement or death in service.

Local employee: Individual who is employed and lives in the same location with the facility.

Local community: Individuals or group of individuals who live and/or work in any areas that are impacted economically, socially, environmentally both positively and negatively by the operation of the facility.

Stakeholders: Individuals or group of people who have an interest in any decision or activity of an operation.

Annex A1

Environmental Performance

		2017	2018	2019	SDGs & Targets	TITAN Codes
1. All Activities - Environmental Performance (acc. to the Sectoral Approach adopted by TITAN)						
Local Impacts						
Impact on natural raw materials resources						
Natural raw materials extracted (total, wet)	million t	1,6	1,3	1,5	SDG 12 Target 12.2	EP01L
Raw materials extracted for clinker and cement production	million t	1,6	1,3	1,5		EP02L
Raw materials extracted for aggregates	million t	0,0	0,0	0,0		EP03L
Raw materials consumed (total)						
Raw materials consumed for clinker and cement production (dry)	million t	1,6	1,3	1,4		EP04L
Raw materials consumed for ready mix, dry mortar and block production (wet)	million t	0,0	0,0	0,0		EP05L
Externally recycled waste materials (total, wet)	t	1 567	110	8	SDG 12 Targets 12.4 and 12.5	EP06L
Recycled	t	1 267	110	8		
Reused	t	301	0	0		
Recovered	t	0	0	0		
Impact on water resources						
Water consumption (total)	million m ³	0,22	0,15	0,21	SDG 6 Targets 6.3, 6.4 and 6.5	EP07L
Water withdrawal (total, by source)	million m ³	0,22	0,16	0,21		EP08L
Ground water	million m ³	0,22	0,16	0,21		
Municipal water	million m ³	0,0	0,0	0,0		
Rain water	million m ³	0,0	0,0	0,0		
Surface water	million m ³	0,0	0,0	0,0		
Quarry water used (from quarry dewatering)	million m ³	0,0	0,0	0,0		
Ocean or sea water	million m ³	0,0	0,0	0,0		
Waste water	million m ³	0,0	0,0	0,0		
Water discharge (total, by destination)	million m ³	0,01	0,0	0,0		EP09L
Surface (river, lake)	million m ³	0,01	0,0	0,0		
Ocean or sea	million m ³	0,0	0,0	0,0		
Off-site treatment	million m ³	0,0	0,0	0,0		
Impact on biodiversity and land stewardship						
Active quarry sites with biodiversity issues ^(1,3)		0	0	0	SDG 15 Targets 15.3, 15.4, 15.5, 15.9 and 15.a	EP10L
Active quarry sites with biodiversity management plans ^(2,3)		0	0	0		EP11L
Active quarry sites with biodiversity management plans	%	0,0	0,0	0,0		EP12L
Sites with community engagement plans ⁽⁴⁾	%	100,0	100,0	100,0		EP13L
Sites with quarry rehabilitation plans ⁽³⁾	%	100,0	100,0	100,0		EP14L
Active quarry sites (wholly owned) with Environmental Management System (ISO14001 or similar)	%	100,0	100,0	100,0	EP15L	
Fuels and Energy						
Impact on energy resources						
Thermal energy consumption (total)	TJ	2.852	2.419	2.588	SDG 7 Target 7.2	EP16L
Electrical energy consumption (total)	TJ	352	315	336		EP17L
2. Cement Activities - Environmental Performance						
(acc. to the Sectoral Approach adopted by TITAN)						
Climate change - Impact on Green House Gas Emissions						
Specific gross direct CO ₂ emissions	kg/t	672,1	634,9	638,2	SDG 9 Target 9.4	EP18L
Specific net direct CO ₂ emissions	kg/t	670,7	633,7	637,6		EP19L
Indirect CO ₂ emissions (total) ⁽⁵⁾	million t	0,0	0,0	0,0		EP20L

		2017	2018	2019	SDGs & Targets	TITAN Codes
Alternative fuels and materials						
Alternative fuel substitution rate	%HeatBasis	0,5	0,6	0,3	SDG 7 Targets 7.2, 7.3 and 7.a	EP21L
Biomass in fuel mix	%HeatBasis	0,0	0,0	0,0		EP22L
Clinker to cement ratio		0,777	0,764	0,772		EP23L
Impact on energy resources						
Thermal energy consumption						
Cement and grinding plants and attached quarries	TJ	2,852	2,852	2,588	SDG 12 Target 12.2	EP24L
Alternative fuels consumption (total)	t	534	673	356		EP25L
Electrical energy consumption (total)						
Cement plants and attached quarries	GWh	97,9	87,5	93,4		EP26L
Local Impacts						
Impact on natural raw materials resources						
Materials consumption (total, dry)	million t	0,58	1,33	1,43	SDG 12 Target 12.2	EP27L
Extracted (natural) raw materials consumption (dry)	million t	0,56	1,31	1,41		
Alternative raw materials consumption (dry)	million t	0,02	0,02	0,02		
Alternative raw materials use (of total raw materials consumed) %Dry		1,25	1,20	1,22		EP28L
Impact on water resources						
Water consumption (total)	million m ³	0,22	0,15	0,21	SDG 6 Targets 6.4 and 6.5	EP29L
Other air emissions						
Coverage rate continuous measurement	%	100,0	100,0	100,0	SDG 3 Target 3.9	EP30L
Specific dust emissions	g/tClinker	2,3	4,2	5,4		EP31L
Specific NOx emissions	g/tClinker	804,0	779,1	830,2	SDG 9 Target 9.4	EP32L
Specific SOx emissions	g/tClinker	31,5	42,0	16,0		EP33L
3. All Activities - Disclosures concerning materials, fuels and wastes						
Impact on fuels and energy resources						
Fuel mix, energy consumption for clinker & cement production	%Heat Basis	100,0	100,0	100,0	SDG 7 Target 7.2 SDG 12 Target 12.2	EP34L
Conventional fossil fuels	%Heat Basis	99,5	99,4	99,7		EP35L
Coal, anthracite, and waste coal	%Heat Basis					
Petrol coke	%Heat Basis	80,9	72,7	76,0		
Lignite	%Heat Basis					
Other solid fossil fuel	%Heat Basis	18,2	26,3	23,3		
Natural gas	%Heat Basis					
Heavy fuel (ultra)	%Heat Basis	0,4	0,4	0,4		
Diesel oil	%Heat Basis	0,1	0,0	0,0		
Gasoline, LPG (Liquified petroleum gas or liquid propane gas)	%Heat Basis					
Alternative fossil and mixed fuels	%Heat Basis	0,5	0,6	0,3		
Tyres	%Heat Basis					
RDF including plastics	%Heat Basis					
Impregnated saw dust	%Heat Basis					
Mixed industrial waste	%Heat Basis	0,5	0,6	0,3		EP36L
Other fossil based and mixed wastes (solid)	%Heat Basis					
Biomass fuels	%Heat Basis	0,0	0,0	0,0		
Dried sewage sludge	%Heat Basis					
Wood, non-impregnated saw dust	%Heat Basis					
Agricultural, organic, diaper waste, charcoal	%Heat Basis					
Other	%Heat Basis					

Annex A2

Social Performance Index

		2017	2018	2019	SDGs & Targets	TITAN Codes
Management of waste						
Waste disposal (total, wet)	t	556	242	227	SDG 12 Targets 12.4 and 12.5	EP38L
Waste disposal, break down by destination-usage (wet)	%By mass	100,0	100,0	100,0		EP39L
Reuse	%By mass	54,1	0,0	0,0		
Recycled	%By mass	2,3	45,6	3,5		
Recovered (including energy recovery)	%By mass	0,0	0,0	0,0		
Incineration	%By mass	0,0	0,0	0,0		
Landfilled	%By mass	10,2	22,5	22,6		
Other (incl. storage)	%By mass	33,4	32,0	74,0		
4. All K170Activities - Investments for the Environment						
Environmental expenditures across all activities	million €	0,2	0,1	0,4	SDG 7 Target 7.b	EP40L
Environmental management	million €	0,2	0,1	0,4		
Reforestation	million €	0,0	0,0	0,0	SDG 9 Target 9.4	
Rehabilitation	million €	0,0	0,0	0,0		
Environmental training and awareness building	million €	0,0	0,0	0,0		
Application of environmental friendly technologies	million €	0,0	0,0	0,0		
Waste management	million €	0,0	0,0	0,0		

Notes for the external verification, standards, guidance, and terms used

TITAN follows the GCCA Sustainability Framework Guidelines (last edition 2019), and the Sustainability Guidelines for the monitoring and reporting of CO₂ emissions from cement manufacturing, co-processing fuels and raw materials, monitoring and reporting of emissions, and monitoring and reporting of water in cement manufacturing (for all documents the reference is to the last edition in 2019). The above Guidelines had superseded in 2019 the previous – and respective – Guidelines of the WBCSD/CSI, which were the guidance for measuring, reporting and verifying environmental performance until (and including) year 2018. Further, TITAN has used in 2019 the Guidelines of the (previously) WBCSD/CSI for the monitoring and reporting of our performance in the areas of: quarry rehabilitation, biodiversity management, and environmental and social impact assessment. This was necessary because of the absence of any such (superseding or equivalent) documents of the GCCA. For the Sector standards see details in the Annex A3 Table. 'Sector Standards for the Non-financial disclosures'.

Notes for specific Environmental Performance indicators

- Active quarries within, containing or adjacent to areas designated for their high biodiversity value.
- Sites with high biodiversity value where biodiversity management plans are actively implemented.
- Coverage includes both quarries attached to cement plants and quarries for aggregates production.
- Indicator on "Sites with community engagement plan" is related only to quarries and is reported for 2019.
- Indirect CO₂ emissions are related to emissions released for the production of the electrical energy consumed at TITAN's facilities. For their calculation, we use emission factors provided by the supplier of the electrical energy or other publicly available data sources.
- Biomass rate corresponds to the percentage of total thermal energy consumption that comes from renewable energy sources.

	2017	2018	2019	SDGs & Targets	TITAN Codes	
Health and safety^(SG)						
All activities performance acc. to the TITAN Global Sectoral Approach						
Employee fatalities	0	0	0	SDG 3; Target 3.6	SP01L	
Employee fatality rate	0,00	0,00	0,00		SP02L	
Contractors fatalities	0	0	0		SP03L	
Third-party fatalities	0	0	0		SP04L	
Employee Lost Time Injuries (LTIs)	2	1	1		SP05L	
Employee Lost Time Injuries Frequency Rate (LTIFR)	5,62	2,91	3,99		SP06L	
Employee lost working days	188	3	110		SP07L	
Employee Lost Time Injuries Severity Rate	527,90	8,74	325,03		SP08L	
Contractors Lost Time Injuries (LTIs)	1	1	1		SDG 8; Target 8.8	SP09L
Contractors Lost Time Injuries Frequency Rate (LTIFR)	2,04	2,16	2,03		SP10L	
All activities performance leading indicators						
Near misses ⁽¹⁾	39	38	26		SP11L	
Training man-hours on health and safety per employee ⁽²⁾	3606,00	3671,00	2340,00		SP12L	
Employment						
Number of employees as of 31 December	193	195	193	SDG 5; Targets: 5.1, 5.4, and 5.5	SP13L	
Employee turnover (%)	15,54%	9,23%	8,81%			
Employees left	30	18	17			
Employee new hires (%)	11,40%	10,26%	7,77%		SP14L	
Employee new hires	22	20	15		SP15L	
New hires per age group						
Under 30	14	13	10		SP16L	
Between 30-50	6	7	5		SP17L	
Over 50	2	0	0		SP18L	
New hires per gender						
Females	3	4	4	SDG 8; Targets: 8.5, 8.6, and 8.8		
Males	19	16	11		SP19L	
Employment per age group						
Under 30	52	47	44	SDG 10; Target 10.3		
Between 30-50	121	122	114		SP20L	
Over 50	20	26	35		SP21L	
Employment per type⁽³⁾						
Full time	195	193	192			
Part Time	1	1	1			
Temporary	0	0	0		SP22L	
Employment per category⁽³⁾						
Managers	22	25	21			
Senior managers	8	8	3			
Administration/technical	61	62	74			
Semi skilled/unskilled	104	99	95			
Employment per gender⁽³⁾						
Females	22	20	21			
Males	174	174	172			

* Local Spend % is extracted by dividing the Local Expenditure with the Total Spend of the two companies Located in Albania i.e Antea Cement Sha and its Subsidiary Alba Cemento shpk. The Spendings of the Italian Subsidiary Cementi Antea SRL are not included in this calculation since they are incurred abroad.

	2017	2018	2019	SDGs & Targets	TITAN Codes
Employment					
Share of women in employment (%)	11,00%	10,31%	10,88%	SDG 5; Targets: 5.1, 5.4, and 5.5 SDG 8; Targets: 8.5, 8.6, and 8.8 SDG 10; Target 10.3	SP24L
Share of women in management (%)	10,00%	9,09%	8,33%		SP25L
Share of women in Senior Management (%)	25,00%	25,00%	0,00%		SP26L
Employees from local community (%)	44,00%	45,36%	47,15%		SP27L
Unionized employees (%)	49,00%	41,54%	45,60%		SP28L
People Development					
Training investment per employee (Euros)	353	359	181	SDG 4; Targets: 4.3, 4.4, and 4.5	SP29L
Training investment per gender (Euros)	75,438	73,192	35,772		SP30L
Females	11,277	16,594	8,266		
Males	64,161	56,599	27,506		
Trained employees	214	204	198		SP31L
Share of trained employees (% in total workforce)	100%	100%	100%		SP32L
Share of trained female employees (% in total trained)	100%	100%	100%		SP33L
Trained employees per category					SP34L
Managers	24	27	22		
Senior managers	8	8	3		
Administration/technical	74	72	78	SDG 5; Targets: 5.1, and 5.5	
Semi skilled/unskilled	108	97	95		
Trained employees per age group					SP35L
Under 30	57	52	47		
Between 30-50	132	127	116		
Over 50	25	25	35	SDG 8; Target 8.5	
Training hours	10,538	7,190	5,913		SP36L
Average training hours per employee & breakdown per gender	54	37	31		SP37L
average female	34	53	36	SDG 10; Targets: 10.2, and 10.3	
average male	56	35	30		
Training hours per subject					SP38L
Company on-boarding				SDG 16; Target 16.5	
Compliance (previously : TITAN Group Code of Conduct)	20	159	366		
CSR and Sustainability (previously: Human Rights)	199	289	113		
Digital					
Environment (previously: Environment: care and management systems)	187	262	278		
Foreign languages	452		65		
Functional competence (previously: Non-technical skills and specialization)	644	937	293		
Generic competence (previously: Non-technical skills and specialization)					
Health and safety	3,619	3,675	2,898		
Management and managerial skills	1,878	936	152		
Other		27	206		
Security		75			
Technical know-how and core competence	3,539	830	1,542		
Stakeholder Engagement					
Donations (Euros)	103,076	119,268	257,231	SDG 2; Targets 2.1, and 2.3 SDG 4; Targets: 4.3, and 4.4 SDG 8; Targets: 8.5, and 8.6 SDG 9; Targets: 9.1, and 9.5 SDG 11; Target 11.4 SDG 16; Target 16.5 SDG 17; Target 17.17	SP39L
Donations in cash (Euros)	82,038	100,324	215,809		SP40L
Donations in kind (Euros)	21,038	18,944	41,422		SP41L
Internships	16	5	10		SP42L
New entry level jobs from internships/traineeships	1	1	1		SP43L
Local Spend (%)	n/a	n/a	62,84%		

Notes for the external verification, standards, guidance, and terms used

(SG) Health and safety performance indicators for 2019 was reported following the GCCA Sustainability Guidelines for the monitoring and reporting of safety in cement manufacturing (last edition in October 2019), which had superseded in 2019 the Guidelines of the WBCSD/CSI. This document has been agreed within the GCCA to have extended application to concrete and other related activities. For the Sector Standards see details in Annex 3 Table. 'Sector Standards for the Non-financial disclosures'

Notes for specific Social Performance indicators

- The reported figures of 'Near misses' are the total figures for both direct employee and contractors. This should be clear to All involved in the Social Performance, and in conjunction with the last revised and communicated Guidance by the Group Corporate Department for H&S.
- KPI calculated on the basis of the 'Average' number of Employees. No change in this Index for the 2019 data, compared to previous practices, either on Group level or BU level.
- KPIs calculated on the basis of 'Average' number of Employees for years 2017 and 2018. As of 2019, the specific KPIs are calculated on the basis of the number of employees as of 31 December. Figures for the KPI SP33L which were calculated above 100% (because of the Turnover, or other reasons) needed to be reported as 100% (adjusted), for avoiding confusion of the larger audience of this report.
- KPIs based on the new definition(s) of TITAN Group (according to the Sustainability Glossary & Guidelines for Social Performance, ed. 2019). The figures for the KPI "Share of trained female employees" and KPI "Training hours per subject" were adjusted by re-calculation for years before 2019, in order to reflect the performance according to the new definition.
- For the definition of Training Investment, Donations, and Local Spend see 'Glossary' (required). Note in specific for the Local Spend: TITAN launched an improved methodology in 2019, following the approach of the UNCTAD (see Glossary), and building on bench strength and the technical capacity of internal systems (coordinated by the Group Procurement). It is implied that comparable figures for the Local Spend were not available for years before 2019. This KPI represents data of Antea Cement SA and Albacemento SA
- Local Spend % is extracted by dividing the Local Expenditure with the Total Spend of the two companies Located in Albania i.e Antea Cement Sha and its Subsidiary Alba Cemento shpk. The Spendings of the Italian Subsidiary Cementi Antea SRL are not included in this calculation since they are incurred abroad.

Annex A3 Sector Standards for the Non-financial Disclosures

Sector Association or Initiative	Guidelines and other documents of reference	Published
GCCA	GCCA Sustainability Charter	
	GCCA Sustainability Framework Guidelines	
	GCCA Sustainability Guidelines for the monitoring and reporting of safety in cement manufacturing. This document has been agreed within the GCCA to have extended application to concrete and other related activities [Pillar 1]	
	GCCA Sustainability Guidelines for the monitoring and reporting of CO2 emissions from cement manufacturing [Pillar 2]	Latest edition in October 2019
	GCCA Sustainability Guidelines for the monitoring and reporting of water in cement manufacturing [Pillar 4]	
	GCCA Sustainability Guidelines for the monitoring and reporting of emissions from cement manufacturing [Pillar 4]	
	GCCA Sustainability Guidelines for co-processing fuels and raw materials in cement manufacturing [Pillar 5]	
(Previously) WBCSD/CSI	Guidelines for Environmental and Social Impact Assessment (ESIA)	2016
	Biodiversity Management Plan Guidance	2014
	Guidelines on Quarry Rehabilitation	2011
	Recommended Good Practices for: (a) Contractor Safety, and (b) Driving Safety	2009

NOTES

The GCCA has built its Sustainability Charter around five (5) Sustainability Pillars
Pillar 1: Health and Safety, Pillar 2: Climate Change and Energy, Pillar 3: Social Responsibility, Pillar 4: Environment and Nature and Pillar 5: Circular Economy

Annex A4

UNGC 10 Principles Progress Review Index

UNGC Area	UNGC Related Principle(s)	Our Commitments	Reference in 2018 ANTEA Corporate Social Responsibility and Sustainability Report
Human Rights	<p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights within the scope of their influence.</p> <p>Principle 2: Business should make sure that they are not complicit in human rights abuses.</p>	<p>a. TITAN Corporate Values b. TITAN Group Code of Conduct c. TITAN Group CSR Policy d. TITAN Group Code of Conduct for Procurement e. Occupational Health and Safety Policy and guidelines f. TITAN Group Anti-Bribery and Corruption policy g. SA 8000:2014</p>	<p>Strategic Review and Assessment of Material Issues: Timeline History, TITAN Values, TITAN Group CSR Policy, Material Issues, Sustainability through our Certified Systems, Focus of ANTEA on Material Issues and SDG's HEALTH and SAFETY: Occupational Health and Safety and SP KPIs (SP01L-SP12L). PEOPLE DEVELOPMENT: SP KPIs (SP13L-SP38L). ENGAGING WITH LOCAL COMMUNITIES: SP KPIs (SP39L-SP43L). HUMAN RIGHTS: Code of Conduct, Policies and Procedures, SA 8000, TITAN Group Code of Conduct for Procurement, Governance within ANTEA, TITAN Group Anti-Bribery and Corruption Policy, Whistleblowing Policy, European Investors Council, Albanian CSR Network ANNEXES: Environmental Performance Index of KPIs (EP KPIs), and Social Performance Index of KPIs (SP KPIs). The SP KPIs Index includes the KPIs for Health & Safety.</p>
Labor Standards	<p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p> <p>Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labor</p> <p>Principle 5: should uphold the effective abolition of child labor</p> <p>Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation</p>	<p>a. TITAN Corporate Values b. TITAN Group Code of Conduct c. TITAN Group CSR Policy d. TITAN Group Code of Conduct for Procurement e. TITAN Occupational Health and Safety Policy and guidelines f. TITAN Group Anti-Bribery and Corruption policy g. OHSAS 18001 h. SA 8000: 2014</p>	<p>STRATEGIC REVIEW: Timeline History, TITAN Values, TITAN Group CSR Policy, Material Issues, Sustainability through our Certified Systems, Focus of ANTEA on Material Issues and SDG's, Non-financial Performance, HEALTH and SAFETY: TITAN Group Health and Safety Guidelines, OHSAS 18001, and SP KPIs (SP01L-SP12L). PEOPLE DEVELOPMENT: Human Rights Labour Issues and Equal Opportunities, Trade Union, SA 8000, Continuous Education, Employee Benefits, Group Code of Conduct ENGAGING WITH LOCAL COMMUNITIES: Our Stakeholders and Engagement, SP KPIs (SP13L-SP43L). ANNEXES: Social Performance Index of KPIs (SP KPIs). The SP KPIs Index includes the KPIs for Health & Safety.</p>
Environment	<p>Principle 7: Businesses should support a precautionary approach to environmental challenges</p> <p>Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility</p> <p>Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies</p>	<p>a. TITAN Corporate Values b. TITAN Group Code of Conduct c. TITAN Group CSR Policy d. TITAN Group Environmental Policy e. ISO 14001 f. IPPC Permit</p>	<p>STRATEGIC REVIEW: Timeline History, TITAN Values, TITAN Group CSR Policy, Material Issues, Sustainability through our Certified Systems, Focus of ANTEA on Material Issues and SDG's, Non-financial Performance PERFORMANCE HIGHLIGHTS: Non-financial Performance ENVIRONMENTAL PERFORMANCE, ISO 14001, IPPC and EP KPIs (EP01L-EP40L). ENGAGING WITH LOCAL COMMUNITIES: Increasing the awareness through Environmental Education by planting trees for Earth Day, and SP KPIs (SP13L-SP43L). ANNEXES: Environmental Performance Index of KPIs (EP KPIs) and Social Performance Index of KPIs (SP KPIs). The SP KPIs Index includes the KPIs for Health & Safety.</p>
Anti-corruption	<p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery</p>	<p>a. TITAN Corporate Values b. TITAN Group Code of Conduct c. TITAN Group CSR Policy d. TITAN Group Code of Conduct for Procurement e. TITAN Group Anti-Bribery and Corruption policy g. Antea's Whistleblowing Policy</p>	<p>STRATEGIC REVIEW: Timeline History, TITAN Values, TITAN Group CSR Policy, Material Issues, Focus of ANTEA on Material Issues and SDG's, OUR CONTRIBUTION TO: Participation & Memberships in Albanian Associations.</p>



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