



TITAN

ANTEA CEMENT SH. A.



SUSTAINABILITY REPORT

2013

Table of Contents

| | |
|---|----|
| 1. Message from the General Manager | 4 |
| 2. ANTEA Cement | 5 |
| 2.1 Our History | |
| 2.1 TITAN Group Profile | |
| 2.3 Our Governing Corporate Values | |
| 3. Our Integrated Management System | 11 |
| 4. Year 2013 at a glance | 13 |
| 5. CSR & Sustainability performance | 14 |
| 5.1 Health and Safety | |
| 5.2 Our People | |
| 5.3 Environmental and Climate change | |
| 6. Community and Stakeholder Engagement | 25 |
| 6.1 Activities | |
| 6.2 Corporate Volunteering | |
| 6.3 Community Development Programme | |
| 6.4 Promotion of CSR | |

1. Message from the General Manager

Dear partners and colleagues,

I am pleased to introduce to you our Sustainability Report for the year 2013. This publication of Antea highlights not only its financial data and how the financial proceeds from company's operations are distributed to various Stakeholders, but also presents non-monetary Corporate Social Responsibility efforts of the company.

In 2013 the Albanian construction sector companies faced serious liquidity problems due to the significant state arrears owed to them from public works, while at the same time there could hardly secure any loans from the Banks. As a consequence the cement demand in the local market after a strong first semester dropped significantly in the second half of the year and closed finally in par with 2012. Having implemented several cost cutting initiatives we managed to increase ANTEA's EBITDA in 2013 by close to 247% compared to 2012, but despite our efforts the company still registered significant financial losses (~ 5.2 million euros).

Despite the bad financial results, we have remained committed to company's values of Corporate Social Responsibility to develop our personnel, to provide quality labor standards and safe working conditions, to respect the environment and contribute to the community with targeted actions.

The company continued investing in improvements on Health & Safety, Environmental performance, Labor Standards and community development programs. We implemented a significant training program of more than 8,000 hours aiming at improving the skills of our employees and subcontractors. The company offers monetary and non-monetary benefits to its employees apart from their salaries such as performance bonus, catering, transportation, medical checkups, excursion etc. We constantly try to improve the Health & Safety culture within the company through continuous trainings and effective policies and procedures in place. As a consequence, the company had zero accidents or loss time incidents during the year 2013. Regarding environmental actions in 2013, we completed our legal obligation for the reforestation of 250 ha surface in Qafeshtame with a total number of 555,500 plantings. Furthermore we continued the rehabilitation process of our quarries by planting 3,040 endemic trees and plantings. Although NOx emissions are far below the limits set in Albanian legislation, ANTEA Cement installed a Selective Non Catalytic Reduction System in order to further reduce the NOx emissions to levels below 500 mg/Nm3 as per European legislation. Regarding the community the company contributed an amount of 50,000 Euro in cash and in kind to projects such as for the construction of local roads, rehabilitation of school buildings, provision of public services, cement donations for rehabilitation of houses of poor families, improvement of water deposits etc. Last but not least, under the initiative of ANTEA Cement, the Corporate Social Responsibility Network of Albania was launched.

In 2014 the company has the ambition to publish the first Integrated Report in Albania which will be according to GRI Guidelines serving thus as an example for transparent reporting in the country.

Sincerely,

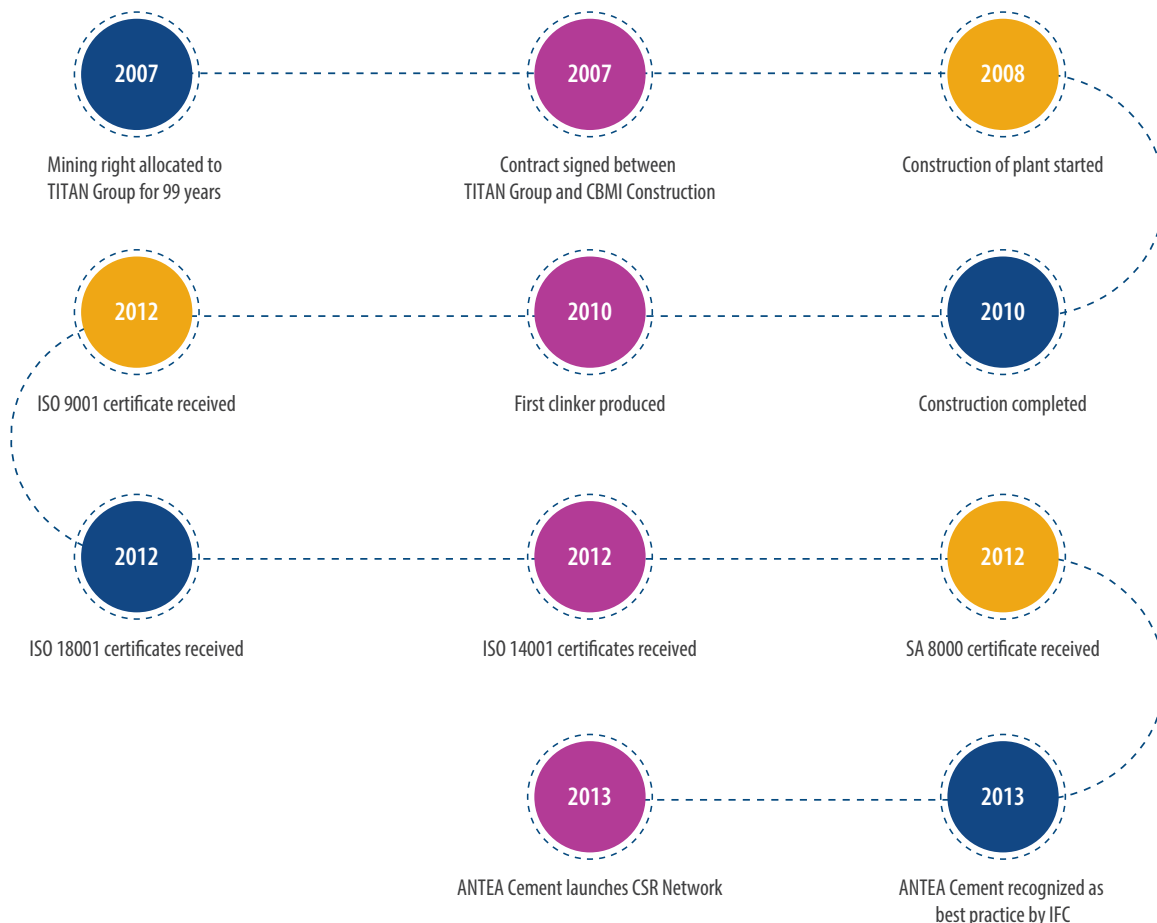
Adamantios FRANTZIS

2. ANTEA Cement

ANTEA Cement is one of the biggest Greenfield investment in Albania with a total value exceeding 200 million Euro and highest standards applied in terms of construction and operation. The investment has been made by TITAN Group, a Greek multinational cement company, the International Finance Corporation (IFC), an organization of World Bank and the European Bank for Reconstruction and Development (EBRD). In 2007, TITAN Group was awarded the right for land usage and mining work by the Albanian Government for 99 years. The plant was constructed by CBMI Construction Co, a Chinese construction company which completed the construction on time, within the forecasted budget and with zero accidents.

The ANTEA Cement project is highlighted as best practice by IFC regarding Performance Standard 2 on Labor and Working Conditions which is awarded to companies supporting fair treatment of workers, securing safe and healthy working conditions and enabling constructive relationships between workers, management and contractors. During construction, TITAN group employed 1,100 workers both from international, domestic and local job markets. For personnel brought from China, accommodation, Internet access, health service, Chinese food and individual lockers to keep their documents were provided. Apart from plant construction, the company has invested around 8 million Euros for road reconstruction and an approximate of 30 million euro spent by local subcontractors for buildings and other services by providing not only adequate infrastructure to local community but creating job opportunities as well.

2.1 Our History

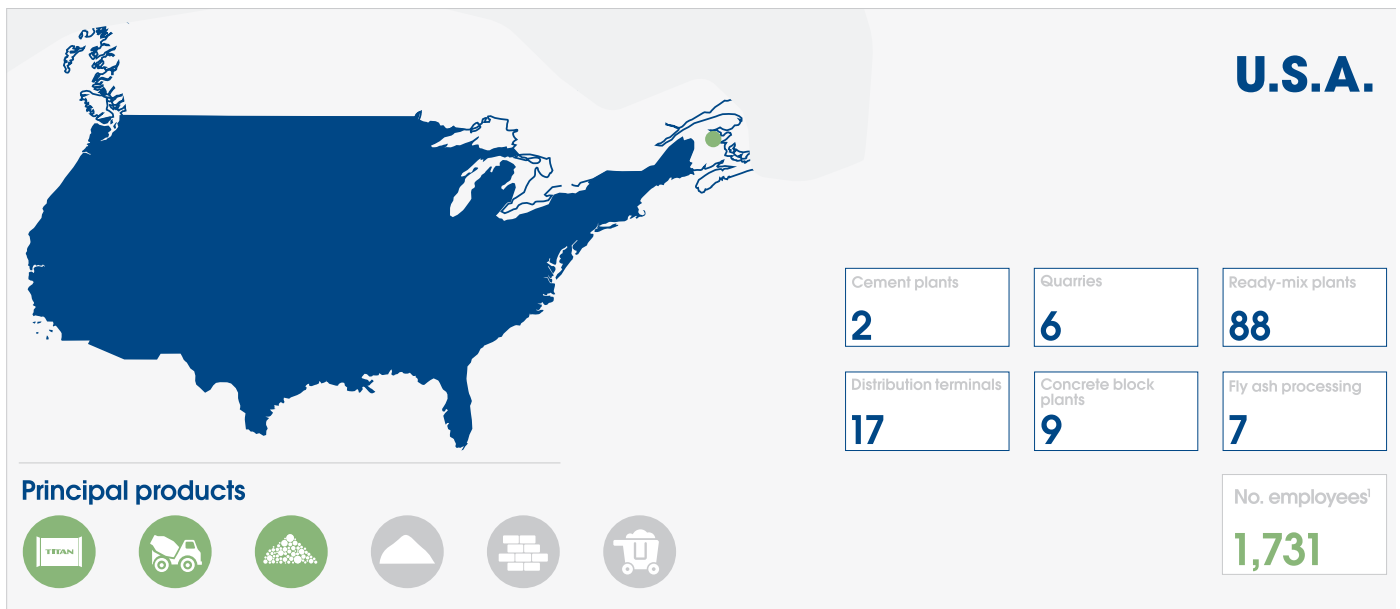


2.2 TITAN profile

TITAN Group is independent, vertically integrated cement and building materials producer with 110 years of industry experience. Headquartered in Greece, TITAN Group owns cement plants in nine countries and employs more than 5,400 people worldwide. In 2013 Group consolidated turnover was € 1,176,000,000.

- Greece and Western Europe overview
- Southeastern Europe overview
- Eastern Mediterranean overview
- USA overview

Regional overview



Performance by geographic region 2013

Revenue by region €m

| | |
|---------------------------|-------|
| U.S.A. | 411.0 |
| Greece and Western Europe | 249.8 |
| Southeastern Europe | 215.5 |
| Eastern Mediterranean | 299.7 |

EBITDA by region €m

| | |
|---------------------------|------|
| U.S.A. | 32.1 |
| Greece and Western Europe | 13.9 |
| Southeastern Europe | 62.7 |
| Eastern Mediterranean | 87.3 |

Principle products key: Map key:

| | | | |
|--|-----------------------------------|--|-------------------------|
| | Cement | | Separation Technologies |
| | Ready-mix | | Distribution terminals |
| | Aggregates | | |
| | Dry mortars | | |
| | Building blocks | | |
| | Fly ash | | |
| | Know-how on separation of fly ash | | |

¹ Employee figures are as at 31 December 2013.
Total number of employees includes joint ventures.

Greece and Western Europe



No. employees¹

1,125

Cement plants

3

Quarries

27

Grinding plant

1

Distribution terminals

4

Ready-mix plants

28

Dry mortar plant

1

Principal products



Southeastern Europe



No. employees¹

1,584

Cement plants

5

Quarries

11

Ready-mix plants

6

Distribution terminals

2

Processed

1

Principal products



Eastern Mediterranean



No. employees¹

1,015

Cement plants

3

Quarries

17

Grinding plants

2

Distribution terminal

1

Ready-mix plants

5

Principal products



2.3 Our governing corporate values

Being part of TITAN Group, ANTEA Cement shares the same governing objective which is to grow as a cement producer by combining an entrepreneurial spirit and operational excellence with respect for people, society and environment. The achievement of this objective requires a framework of agreed upon principles and values that guide our daily operations and reflect our commitment to stakeholders. The Code of Conduct, covering all these principles, is based on corporate values and core operating principles:

Corporate values:

| | | |
|---|---|---|
|  | Integrity Ethical business practices Transparency Open communication | |
| | Know-How Enhancement of our knowledge base Proficiency in every function Excellence in core competencies |  |
|  | Value to the Customer Anticipation of customer needs Innovative solutions High quality of products and services | |
| | Delivering Results Shareholder value Clear objectives High standards |  |
|  | Continuous Improvement Learning organization Willingness to change Rise to challenges | |
| | Corporate Social Responsibility Safety first Sustainable development Stakeholder engagement |  |

CORE PRINCIPLES

COMPLIANCE

While our Corporate Values form the foundation upon which we conduct business worldwide, compliance with the applicable laws and regulations in every country where we operate is a core principle that must be followed by all employees and business associates of TITAN Group.

HUMAN RIGHTS

We are committed to protecting and advancing human rights as defined in the Universal Declaration of Human Rights (UNDHR) and the International Labor Organization's conventions on labor.

HEALTH & SAFETY

Safeguarding the health and safety of our direct and indirect employees in all our workplaces is our highest Group priority. Our employees and contractors are required to respect and comply with the health and safety policies and standards laid down by the Group as reflected in local safety policy manuals.

SUSTAINABLE GROWTH

We are committed to creating value and sustainable growth, integrating human, environmental and social elements into our business decisions. We aim to minimize the adverse impact of our activities on the environment and the communities in which we operate and contribute to the well-being of the employees, their families, neighboring communities and society at large.

FAIR COMPETITION

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

ENVIRONMENT

Mitigating and reducing the environmental footprint deriving from our operations and business activities constitutes one of the main commitments of TITAN Group.

BRIBERY & CORRUPTION

All Group transactions must be carried out lawfully and ethically, in accordance with all applicable laws and regulations and must always respect the United Nations Convention against Corruption (UNCAC)*. Employees or representatives of TITAN must not offer, provide, accept, or promise, either directly or indirectly, any undue financial or other advantage to a public and/or private official for the purpose of obtaining any favorable treatment or business advantage.

GIFTS & DONATIONS

We are prohibited from offering, soliciting or accepting gifts, donations in cash or any other form and any benefit related to the performance of our duties.

INSIDER TRADING

Employees who have access to inside information that may influence the price of the shares or other financial instruments of any listed company of the Group must keep such information confidential.

CONFLICTS OF INTEREST

We are expected to make business decisions based on the best interests of the TITAN Group as a whole and not on any personal interests, relationships or benefits.

RELATIONS WITH CUSTOMERS AND SUPPLIERS

Our relations with customers and suppliers must rest on foundations of trust, reciprocal respect, fairness and honesty, thereby ensuring long-term cooperation.

RELATIONS WITH SOCIETY

We are committed to ensuring engagement, cooperation and good neighbor relations with local communities in all areas where Group facilities operate.

EMPLOYEE RELATIONS

We are committed to having a respectful and inclusive work environment wherein different ideas, perspectives, and beliefs are respected. Along with this commitment, we do not tolerate harassment of any kind.

COMMUNICATION

We are committed to open, transparent, impartial and timely communication with our employees, shareholders and other stakeholders, with a view toward building long-term relations based on mutual trust.

CONFIDENTIALITY

All confidential TITAN Group business information must be protected. Confidential information may be disclosed only if required by law or authorized for business reasons.

GROUP ASSETS

Group assets and resources must be used only for designated business purposes and in a proper manner.

3. Our Integrated Management System

ANTEA Cement has in place an Integrated Management System (IMS) which is comprised of four management systems being:

- OHSAS 18001 for Occupational Health and Safety
- ISO 14001 for Environment
- ISO 9001 for Quality
- SA8000 for Social Accountability

Each of the four management systems has their own policies and procedures related to respective area of interest. In 2011, the Company started the design of an Integrated Management System which is the ideal scenario for any company which has various systems in place and aims to fully integrate its customers, shareholders, regulatory and other requirements into one system. Systems of Environment, Health & Safety and Quality were integrated first and in 2012 SA8000 was included as part of the system.

3.1 IMS serves as a Management Tool that Defines Mechanisms for:

- Documenting
- Memorizing
- Auditing
- Reporting
- Improvement

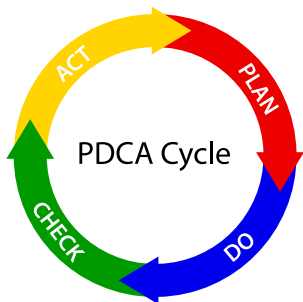
3.2 The Integrated Management System contains the following documentation:

- Policies
- Objectives
- Procedures
- Work instructions
- Forms
- Manuals

3.3 Eight principles of an Integrated Management System

- a) Stakeholder focus: in order to understand their needs and meet their requirement
- b) Leadership: to create an environment involving people and achieving company's objectives
- c) Involvement of people: to enable their abilities to be used for the benefit of the company
- d) Perspective that is based on "processes" (process approach): to achieve desired results more efficiently
- e) Perspective that is based on creating a "system" in management (system approach to management): to achieve organization's objectives efficiently
- f) Continual improvement: to implement actions necessary to achieve planned results
- g) Using data / analysis to decision making: use the data and records of company to make sound decisions
- h) Mutually relationships between the parties: all stakeholders of a company are interdependent

3.4 PDCA Cycle is the foundation of this System



PLAN: Design or review of the components to PROCESSES to improve RESULT

DO: Implement the plan and measurement of its performance

CHECK: Assess the measurements and report the results to decision makers

ACT: Decide on changes needed to improve the process

3.5 IMS has a team which takes care of the system and its subsystems:

- Manager of IMS (Ms. Eldisa Shehu)
- Quality Management System (Ms. Eldisa Shehu)
- Environmental Management System (Ms. Stela Pepa)
- Health and Safety Management System (Ms. Majlinda Mishaxhiu)
- SA8000 Standard (Ms. Gentiana Brahja)

4. Year 2013 at a Glance

HEALTH AND SAFETY

- » Zero fatalities and zero accidents
- » 100% decrease in the number of LTI since 2010
- » 100% decrease in the LTIFR and LTISR since 2010

ENGAGING WITH OUR STAKEHOLDERS

- » Care about wellbeing of our employees through medical examinations
- » 203 trained employees trained with a total investment of 30,963 Euro
- » 193 Contractors' employees with a total of 1978 hours training

ENVIRONMENTAL PROTECTION

- » 250 ha of reforested surface outside the plant
- » 18,700 m² rehabilitated surface of quarries
- » Decrease of NOx emissions with the installation of SNCR

COMMUNITY DEVELOPMENT

- » 50,000 euro donations in cash and kind
- » Provision of public services
- » Reconstruction of school
- » Reconstruction of water deposits
- » Cleaning of school by ANTEA employees and children

CSR IN BUSINESS COMMUNITY

- » Launch of CSR Network
- » Presidency and Secretariat of the NGO

5. CSR and Sustainability Performance

ANTEA Cement has had an active Corporate Social Responsibility Action Plan directed to its employees, community and environment since 2010 which is the first year of our operations. This Sustainability Report serves as a tool for monitoring our sustainability performance as well self-improvement process. Apart from giving values in numbers of locally employed people or donated tons of cement, we would like to mention also the directly or indirectly created values for all of our stakeholders. Ultimately, this report shall also serve as best practices sharing manual for business community in Albania of various sectors including cement and mining.

ANTEA Cement as part of TITAN Group shares the same vision regarding Corporate Social Responsibility which is: 'Pursue at all times our business goals and create value, in an ethical and socially responsible manner, doing less harm, and endeavoring to do more good'. This statement's translation in practice is based on four important pillars around which ANTEA Cement's philosophy and action plan is based. These pillars are:

1. Provide health and safety for our workers
2. Reduce environmental footprint
3. Engage with our community and stakeholders
4. Promote Corporate Social Responsibility in business community

5.1 Health and Safety

As stated in the Code of Conduct, Safeguarding the Health and Safety of our direct and indirect employees in all our workplaces is our highest Group priority. Following the H&S policy and guidelines, and as per standard OHSAS 18001, our system follows the circle Plan-Do-Check-Act.

The behavior based program of DuPont, STOP (Safety Training Observation Program) was completed during the year, and scheduled safety walks started. Considering recommendation and proposals received by all stakeholders: direct and indirect employees, internal and external auditors, inspectors etc., several improvements have followed and made safer the working place. All findings are recorded and then corrective actions are planned within the department.

Our Health and Safety Council, which represents 3% of our workforce, submitted proposals to top management, based on the concerns related to Health and Safety. All transportation contracts and service contracts have been amended with Health and Safety requirements, after the meeting with all representatives. As one of our challenge for the year, safe working methods were prepared and submitted for the risky tasks.

In May 2013, the Progressive Discipline procedure aiming the improvement of employees' performance, entered in force. The audit confirmed our weak point on reporting incidents, and improvement at the Risk assessment element.

Table No.1: LTI Rates 2010-2013

| Year | LTI | | SAFETY RATES | |
|------|-----------------|-------------------|--------------|--------|
| | Direct Employee | Indirect Employee | LTI FR | LTI SR |
| 2010 | 2 | 1 | 5.75 | 48.9 |
| 2011 | 3 | 0 | 7.56 | 554 |
| 2012 | 1 | 0 | 2.54 | 854 |
| 2013 | 0 | 0 | 0 | 0 |

Table No. 2: Training hours 2010-2013

| Year | TRAINING HOURS | | NM | | No. corrective actions | NM investigation % |
|------|-----------------|-------------------|-----------------|-------------------|------------------------|--------------------|
| | direct employee | indirect employee | direct employee | indirect employee | | |
| 2010 | 2495 | 97 | 1 | 3 | 1 | 75 |
| 2011 | 3034 | 398 | 14 | 4 | 19 | 50 |
| 2012 | 1894 | 773 | 12 | 11 | 55 | 91.3 |
| 2013 | 3420 | 1760 | 18 | 21 | 110 | 92.3 |

Health and Safety has been, and remains, the top priority of governance in our company. This is clearly committed in company's policies. The Group's zero-injury objective and its efforts to be in the top performers in the international building materials industry, have both led ANTEA's continuous pursuit of safety excellence. The vision of Occupational Health and Safety has led the company also to seek certification in order to ensure that proper procedures and controls are in place.

In addition to the training it ensures, ANTEA also implements measures for keeping a 'zero' accident culture in the plant not only for direct employees, but also for contractors, drivers and transporters. Management is focused on identification of leading causes of near misses, incidents, or accidents and implementation in timely manner of corrective actions in order to prevent reoccurrence of incidents. Daily safety inspections are part of the daily routine job such as talking with the employees at work place on identification of hazards, improving the workplace and setting a continually training program following the plant needs for Health and Safety. All these efforts send the trend to zero.

5.2 Our people

Antea Cement recognizes the human capital as the resource that drives the organizational success. Human resources have everything the company needs to improve its image; therefore, strengthening employer – employee relations, creating an employer of choice is a goal that's well within the capabilities of a focused Human Resources department.

Antea's HR Policy goes in line with TITAN people management that serves as the pathway towards the accomplishment of our vision and is based on the fundamental pillar of TITAN Values: Integrity - Know-How - Value to the Customer - Delivering Results - Continuous Improvement – Corporate Social Responsibility. These values describe how we behave and, along with the principles set forth in our Code of Conduct, constitute the basis for all our business relationships and practices in every geographical area that TITAN operates, creating a distinct TITAN identity that also respects local cultural elements.

The company's policy also includes the implementation of an effective compensation and benefits system based on performance, that achieves maximum internal equity, takes into consideration market conditions and complies with local labor legal framework.

Employment

Employment in Antea is focused on creating long- term relations with the employees by investing in them through the development of their technical and soft skills. During 2013 the total number of direct employment was 198 while indirect employment was 336. Indirect employment includes all contractors who provide services such as maintenance, transportation, catering, security, greening, cleaning etc.

Human Rights

Our Values

ANTEA Cement Sh.a, as a part of the Greek owned TITAN Group, is involved in the cement manufacturing and it is aspired to effectively manage and promote the TITAN Group corporate values including integrity, know-how, value to its customers, delivery results, continuous self-improvement, as well as the corporate responsibility for the impacts of the decisions and activities on society and the environment, through transparent and ethical behavior that:

- contributes to sustainable development, including health and the welfare of society;
- takes into account the expectations of stakeholders;
- is in compliance with applicable law and consistent with international norms of behavior; and
- is integrated throughout the organization and practiced in its relationships, through the application of the TITAN Group Code of Conduct and the CSR metrics.

Our Commitment

ANTEA Cement Sh.a is committed to managing its operations in a way that complies with all relevant employment legislation. In order to support implementation to its values, ANTEA Cement Sh.a applies the TITAN Group Code of Conduct and adopts the SA 8000 international standard for managing social accountability throughout its operations.

SA 8000 is a standard for improving working conditions around the world and it covers 8 labor standards as outlined by the International Labor Organization (ILO), the Universal Declaration of Human Rights (UDHR) and other International Conventions

Table No 3: SA8000 Standard

| | | |
|---|----------------------------------|---|
| 1 | Child Labor | The company does not engage Child Labor |
| 2 | Forced Labor | The company does not engage Forced Labor |
| 3 | Health & Safety | Health & Safety System in place |
| 4 | Freedom & Association | People have the right to be organized and heard at work through collective bargaining |
| 5 | Discrimination | No discrimination |
| 6 | Disciplinary practices | No abuse at work and personnel free of all corporal punishment. |
| 7 | Working Hours | Overtime is voluntary and paid at a premium |
| 8 | Remuneration | Personnel earn enough to live on during a regular work week |
| 9 | Management System | There is a management system in place to ensure compliance with the standard |

Communication and Grievance Mechanism

Open and direct communication between management and employees is promoted through company meetings, publications and written announcements forwarded to all ANTEA employees.

The Management of the company informs within reasonable time all employees on issues that may affect their employment with ANTEA.

Human Resources Development

Cornerstone of our HR policy is the development of our people. Growth and continuous improvement be it personal or professional comes from both formal training and informal mentorship and guidance, subject to the drive and ambition demonstrated by each individual employee. As part of our annual management review process, we will evaluate performance and potential and use the outcome as the basis for crafting individual development plans to sharpen our capabilities and knowledge, to embrace new skills and competencies, as well as to formulate our succession planning.

Table No. 4: Training subjects

| Subject Categories | 2013 6,101 hr |
|--|------------------|
| Management / Managerial Skills | 474 |
| Interpersonal Skills | 32 |
| Technical Know-How and Core Competence | 376 |
| Non-Technical Skills & Specialization | 250 |
| Health & Safety | 3,420 |
| Environment: Care & Management Systems | 299 |
| Information Technology | 0 |
| Foreign Languages | 915 |
| Other | 335 |

EMPLOYEE BENEFITS

The company's policy also includes the implementation of an effective compensation and benefits system based on performance, that achieves maximum internal equity, takes into consideration market conditions and complies with local labor legal framework.

- Free Transportation
- Free catering
- International Woman Day celebration for the plant ladies
- New Year's party for employees and employee's children's
- Excursions
- Medical checkup for plant employees
- Specific medical checkup for women employees
- Employee Performance Bonus
- Health care after work accident

5.3 Environmental protection

Prior to the construction of the plant, an Environmental and Social Impact Assessment Study was conducted in 2007 by Atkins International. Both TITAN and ANTEA Cement are committed to environmental protection and ANTEA adheres not only to the environmental limits set by the Albanian legislation but also by international standards and limits. Per the commitment it undertook from the beginning of the project, ANTEA has already completed the reforestation of an area of 250 ha, while it has consistently rehabilitated its quarries, having planted more than 3.056 trees between 2011-2013. The quarry rehabilitation plan of ANTEA was recognized as a case study by the World Business Council on Sustainable Development. Added to this, ANTEA has implemented various systems to monitor and reduce its waste, such as the waste water management system to reduce its use of water, while large and investments are made continuously to reduce the emissions of pollutants. ANTEA Cement has been featured as best practice in Albania for its monitoring system during the CEMSA-PRTR project of the European Union which is being implemented for the consolidation of the environmental monitoring system in the country.

Table No. 5: Reforestation process

| Location of the reforested area | Type of tree used in the forestation process | Reforested Surface in hectares |
|------------------------------------|--|--------------------------------|
| Kraste (Kruje) | Mediterranean pine | 29 |
| Boville Protected area | Mediterranean pine | 74 |
| Plant roads (state forestry found) | Mediterranean pine | 7 |
| Boville Protected area | Chestnuts | 40 |
| Qafe shtame National park | Black pine | 100 |
| TOTAL | | 250 |

Quarry rehabilitation:

ANTEA progressively rehabilitates its quarries. Parallel with the exploitation process also the rehabilitation process in the two quarries takes place.

Table No 6: Rehabilitation process

| Year | Type of planted trees | Number of trees | Surface | Type of planted trees | Number of trees | Surface |
|------|-----------------------|-----------------|----------------------|-----------------------|-----------------|---------------------|
| | Limestone Quarry | | | Flysch Quarry | | |
| 2011 | Pinus alepensis | 400 | 9200 m ² | 0 | 0 | 0 |
| | Quercus Ilex | 520 | | | | |
| | Laurus nobilis | 300 | | | | |
| 2012 | Pinus alepensis | 215 | 4334 m ² | 0 | 0 | 0 |
| | Quercus Ilex | 215 | | | | |
| | Laurus nobilis | 216 | | | | |
| 2013 | Pinus alepensis | 440 | 14400 m ² | Pinus alepensis | 41 | 3000 m ² |
| | Quercus Ilex | 430 | | Quercus Ilex | 70 | |
| | Laurus nobilis | 430 | | Laurus nobilis | 59 | |
| | Salvia officinalis | 1000 | | Cupressus | 64 | |
| | Cercis silicestrum | 150 | | Acacia | 175 | |
| | Ginestra | 150 | | Chestnut | 30 | |
| | | | | | | |

Related to Quarry management

- A rehabilitation plan is prepared and is in place for both quarries (limestone and Flysch Quarry).
- Rehabilitation is taking place on yearly basis
- Based on the exploitation plan of the quarry rehabilitation and management plans are in place every year.
- Endemic species are being introduced on every rehabilitation process.

Rehabilitation process 2013.

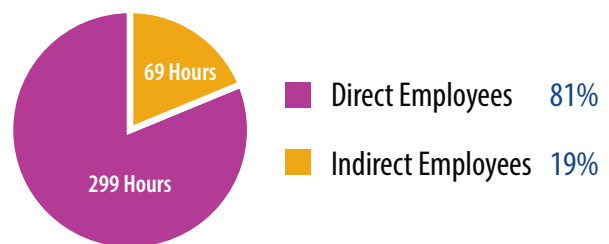
Two flora species that are included in the Red List of Albania¹, namely *Quercus ilex* (holly or holm oak) and *Salvia officinalis* (sage) have been introduced in the quarry rehabilitation process.



TRAINING SUBJECTS

1. Waste management
2. Environmental performance of ANTEA
3. Environmental Emergency situations

TRAINING HOURS



¹ Red list of Albania includes all of the floras in Albania that are endangered.

PRTR

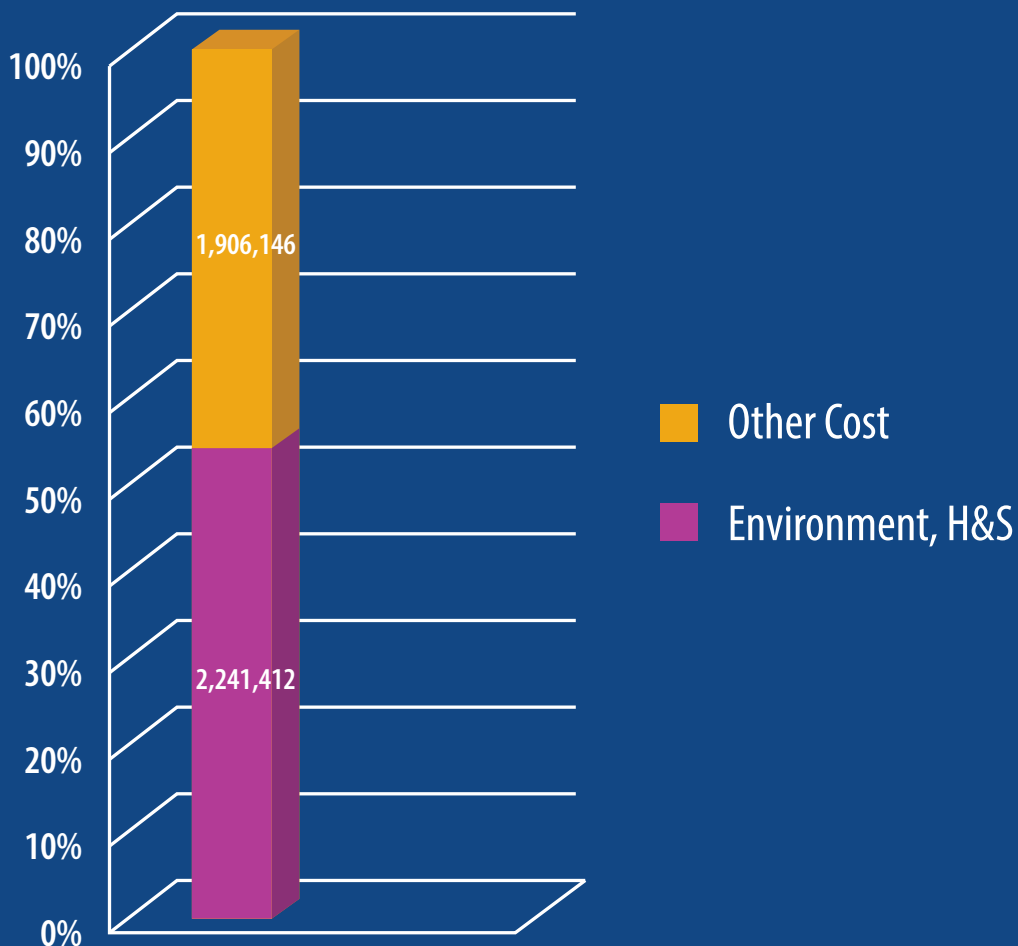
ANTEA has shared its experience in PRTR (Pollution Release and transfer register) with environmental authorities and has been the first industrial operator in Albania to voluntarily report according to this protocol its environmental KPI-s. In the beginning of 2013 Antea hosted the representatives of the Ministry of Environment and Regional environmental agency of Durres and Tirana and held training on the way the releases to air, water & land were monitored and reported. We have been chosen as a pilot project for the implementation of the PRTR reporting. On March 2013 Antea voluntarily submitted to the ministry of Environment according to Protocol on Pollutant Release and Transfer Registers (PRTR Protocol), two reports on the 2011 and 2012 monitoring data, and has been acknowledged as the best Industrial operator in Albania in regard to the Environmental monitoring and reporting, and was invited to participate and share its' experience with other industrial operators on the calculation and reporting of release to air, water and land, which was held on April 2013. Additionally we were invited to attend to the SEE workshop on PRTR protocol organized on

28-29 May 2013 Sarajevo, Bosnia and Herzegovina Organized by the secretariat of UNECE Protocol on Pollutant Release and Transfer Registers to the Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (Aarhus Convention) and the Organization for Security and Co-operation in Europe (OSCE), where we attended with a presentation on " Operators' (Industry's) experience of using PRTRs: Problems and Challenges"

Investments in Environment Health and Safety and Reforestation

More than 55 % of CAPEX budget of 2012 & 2013 was spent for investments and improvements for Health & Safety & Environment. Although ANTEA is a newly constructed plant, it still invests to improve and better monitor the Environment and working conditions for its employees and the community. Improvement is an on-going process in ANTEA cement plant.

Graph No 1: Investment in Environment, Health & Safety and Reforestation (CAPEX)



Related to emissions

Antea has voluntarily installed a Selective non-catalytic reduction (SNCR) that is a method to lessen nitrogen oxides emissions. Although the performance of the plant in regard to NOx emissions is well within the limits provided from the legislation and Environmental permit conditions, ANTEA management decided to install a Selective Non Catalytic Reduction System in order to ensure lower committed levels of the oxides of nitrogen emission. SNCR is being operated at any time when the emissions tendency shows that there are possibilities to exceed the EU limits in regard to Nitrogen oxides.

- SNCR installation was completed on July 2013
- NOx emissions were further decreased with the use of SNCR

Further improvements were done in regard to emissions

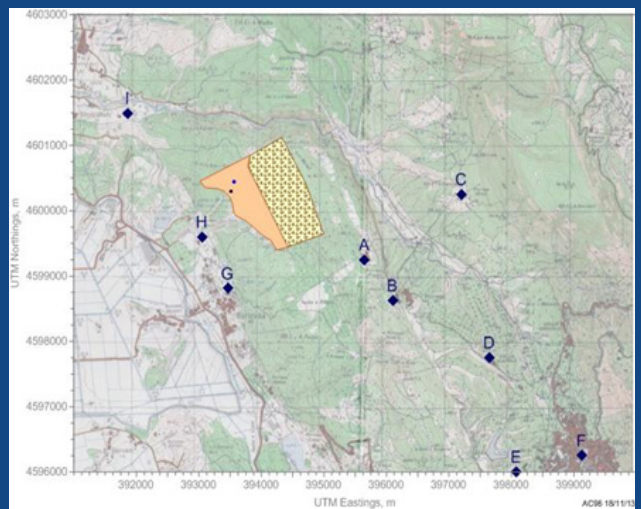
- Installation of MEAC 2000, software that records and stores the CEMS data accurately and increases the reliability of the data generated from the CEMS was installed on June 2013.
- All emissions data are automatically generated and reported
- CEMS Continuous Emission Monitoring System is a system that operates 24 hours/day 365 days/year and measures the emissions in real time. It is the best way to monitor the environmental performance of the plant in regard to its emissions.

Accuracy of the data taken from CEMS

- Since the beginning of the operation ANTEA has installed a CEMS which monitors the emissions from each stack continuously
- Calibration of all CEMS devices were done according to EN 14181 Standard, by accredited laboratories according to ISO 17025.
- SPOT measurements are being done on yearly basis by third parties to verify the accuracy of the CEMS data and apart from that additional parameters are being monitored for their compliance to EU and Albanian legislation limits.
- A BAT assessment was performed on the issue of emissions management in order to evaluate the performance of ANTEA in regard to the Best Available Technique performances.

Update of the dispersion modeling initially prepared by ATKINS

- Update of the dispersion modeling took place on December 2013
- Reputable company was contracted to perform the dispersion modeling
- Dispersion modeling took place to assure no adverse impact on the nearby receptors can take place due to ANTEA's emissions



Air emissions (dust ,CO2,SOX,NOx) + other KPIs

a) Air emissions

Beyond legislative requirements, which requires spot measurements of spot emissions the company decided voluntarily to established and operate a Continuous Emission Monitoring System (CEMS) since the beginning of the facility operation.

- CEMS is being verified for the quality assurance of the data by third parties, periodically.
- All instruments for the CEMS are calibrated and controlled according to EN 14181 standards.
- The laboratories that perform the controls and calibration of the CEMS are accredited according to ISO 17025.

Additional investments to the CEMS are made by installing the MEAC 2000 (Acquisition and Evaluation of Emissions data) system which every day generates automatically and independently from the operators the Emissions values and which assures the quality and the independency of the values.

As it may be seen from table below, all measured parameters are well within applicable limits.

Table No. 7a: Emissions

| Parameter | 2013 Average mg/Nm ³ | EU Limit mg/Nm ³ | AL Limit mg/Nm ³ |
|------------------|------------------------------------|--------------------------------|--------------------------------|
| Kiln dust | 4.8 | 30 | 50 |
| Coal mill dust | 4.7 | 30 | 50 |
| Cement mill dust | 4.8 | 30 | 50 |
| Cooler dust | 1.4 | 30 | 50 |
| NOx | 667 | 600 | 800 |
| SOx | 4.7 | 400 | 400 |

Table No. 7b: Emissions

| Pollutant | 2013 | Group Target 2015 |
|-----------|----------------------|--------------------|
| Dust | 9.42 g/ton clinker | 95 g/ton clinker |
| SOx | 9.17 g/ton clinker | 240 g/ton clinker |
| NOx | 1302.7 g/ton clinker | 1670 g/ton clinker |

b) Water consumption

The water needs of ANTEA are being covered by 4 boreholes located in the plant premises. Prior to the borehole exploitation Antea in collaboration with National and International experts undertook a Hydro geological Study, to assure that the water consumption of the cement plant would not affect the water reserves of the aquifer.

Actual water consumption Hardly reaches to 1% of the total annual potential of the aquifer replenishment²
 As explained above Antea has 4 wells which are being monitored on monthly basis as per below:

- Wells are monitored for quantity and quality (Monthly Basis)
- Antea recycles up to 70 % of the total amount of the water it uses.
- Apart from ground water management surface and waste water are being managed as well.

Table No 8: Water consumption

| Water consumption | Specific water consumption 2013 | Group Target 2015 |
|-------------------|---------------------------------|----------------------|
| | 214.5 liter/ton cement | 350 liter/ton cement |

ANTEA Cement consumption of water for the year 2013 was well below the target set by the Group.

c) CO2 Emissions

Antea monitors and reports the CO2 emissions according to WBCSD/CSI guideline although it is not yet a legislative requirement. There is a system in place for monitoring and reporting CO2 emissions data which is part of the EMS and it is being audited every year. All the reported data are being verified from external verifiers.

Table No 9: CO2 emissions

| CO ² Emission | Specific CO ² emissions 2013 | Group Target 2015 |
|--------------------------|---|---------------------------------|
| | 677.9 kg/t cementitious products | 628 kg/ t cementitious products |

Albania is not part of Annex 1 countries under the KYOTO protocol, therefore it does not have any restriction/obligation that arise from this in regard to CO2 emissions. Nevertheless, ANTEA voluntarily monitors and reports its CO2 emissions.

² Aquifer replenishment is the capability of the water body to substitute the water taken (exploited and used via wells, fountains etc)

6. Community and Stakeholder Engagement

Stakeholder engagement is a continuous process by means of which ANTEA Cement wants to build trust based relationships with the community and other stakeholders. During this process operational issues and concerns by different stakeholders shall be identified and consequently strategies as well as action plans will be developed or improved aiming to address those issues and concerns.

ANTEA Cement’s stakeholders fall in various categories with different involvement importance:



Key issues of concern for ANTEA Cement’s main stakeholders are:

- Employment and employability
- Working conditions and well-being of employees
- Health and Safety (for employees, communities and contractors)
- Environmental concerns (climate change and emissions, use of land, noise, dust and other emission)
- Quality of life
- Product quality and safety for customers and end-users

Cooperation with the local community

In pursuing its objectives, ANTEA Cement, incorporates the principles of corporate social responsibility and sustainability in its business operations in line with the belief that it is not only ethical responsibility but also good business practice.

ANTEA Cement is situated in Boke e Kuqe and is surrounded by four main villages: Picrrage, Brret, Thumane and Borizane. Local community is the main stakeholder of ANTEA Cement and we aim to have great relationship with our neighbors by having a continuous transparent dialogue and by investing in the community. The development programs that we implement focus on

provision of safe and improved qualities of living standards by contributing to the well-being of the local community members. Key focus areas of ANTEA Cement are education, sports, health care, infrastructure, socially excluded persons and culture. All stakeholders including the management, employees, local community and beneficiaries of ANTEA Cement, participate in the development and implementation of our corporate responsibility strategy

In order to manage the stakeholder engagement process, we use the following focus areas as instruments for better involving and engaging with community and other stakeholders:

- Activities which aim to increase awareness on various topics and issues among stakeholders
- Corporate volunteering which are targeted to employees
- Community development program which are targeted to local community
- Promotion of CSR in business community in Albania

6.1 Activities

- Open Day

In its mission to engage with stakeholders, while also celebrating its work and relationships with people, ANTEA decided to organize in October a second Open Day, and expand the number of invitees. The Open Day had sections on safety on the roads for children, environmental and health and safety disclosure presentations for the adult participants, tours of the plant, and games with animators for children, was very successful in bringing the community of employees, neighbors, schools and other stakeholders closer to the plant for a day of pleasure and information. That day, the plant was completely closed for sales, allowing the free movement of visitors. At the end, a survey was conducted in order to evaluate the usefulness of this event, where it was evidenced that the Open Days, visits and other close interaction and disclosure of information, were the preferred modes of communication for our stakeholders.



- Road Safety training – TITAN ANTEA

Within the context of the UN Global Road Safety Week and aiming at further increasing drivers' safety awareness, ANTEA Cement plant with the assistance & expertise of the Automobile Club Albania & the Institute of Road Safety, held a four-day training course for more than 140 heavy vehicle drivers working for ANTEA contractors. This course took place in ANTEA cement plant's premises. Over 200 heavy vehicles enter the plant every day, driving mainly in the Fushe Kruje-Lac-Lezhe roadway, where frequent and often tragic heavy vehicle accidents occur, due to poor road quality & lack of warning signs, drivers' speeding and heavy traffic.

During this training course, road safety specialists and ex-Traffic Police directors discussed about the legal responsibilities of heavy vehicle drivers, the Road Code, technical inspections of vehicles, respect for traffic signs and speeding. Additionally, the Fédération Inter-nationale de l'Automobile (FIA) golden rules of road safety were presented, along with the traffic rules for ANTEA. Moreover, real accidents, where heavy vehicles were involved, were analyzed.

- Earth Day Celebration

On 22.04.2013, Earth Day was celebrated at ANTEA Cement premises with a focus on activities which raise awareness on waste management.

Short training was performed to all participants in the activity and different colored bags were distributed in order to stress on the importance of waste separation at source whilst cleaning the plant premises. At the end of the activity a flower pot was given to the participants.

- Excursion for ANTEA employees & their families

Within the context of further enhancing ANTEA's working climate, a one-day trip was organized to the city of Shkodra, located at the northern part of Albania for ANTEA employees and their families. This trip was a joined cooperation between ANTEA and the Employee Union. During this excursion, ANTEA employees and their families had the opportunity to tour around Rozafa Castle, a castle known for its legend of a woman being walled in during the construction of a bridge or castle in order to stabilize the foundations. This story is well known in Albania, the Balkans and elsewhere.

- World Environmental Day celebration

On the occasion of World environment day ANTEA's staff held a short visit at the school of Thumana on 05.06.2013, one of the nearest communities to the plant, regarding the protection of the environment. The different sources of pollution were discussed, with the emphasis put on each person's responsibility to make efforts to reduce his or her environmental footprint. Additionally, students from two classes also discussed what they can do to be safer both at school and at home.

This short visit was also accompanied by a cleaning activity of the school yard where in a short 20 minutes; more than 50 students gathered a big pile of waste.

In September 2013, this school was equipped with waste bins for waste disposals. New trees were planted around the school and the walls were painted in order to offer children a warm and friendly environment.



ANTEA organized the Green Week from 3rd to 7th of June 2013 in respect to World Environment Day. The aim of this initiative was to raise awareness by having an “environmental message” every day.

1. It's Make a Start Monday!



2. It's choose right Tuesday!



3. Think about Waste this Wednesday!



4. Think about Water this Thursday!



5. Feel Good this Friday!



- Biodiversity day celebration

Under the motto of “One tree per employee”, 200 trees were planted in the plant premises by ANTEAs employees on 22.05.2013. At the end of the planting pins buttons with the message “help the planet, plant a tree” were distributed to the employees.



6.2 Voluntary Involvement

Clean Albania in one Day

Environmental Ministry of Albania appointed 22nd of November as a day when cleaning activities along all Albania were planned to be performed. Anteas employees and contractors together with Borizana school, undertook the initiative to clean the school and the village. Many students and employees gathered in front of the school were equipped with sacks and gloves and were divided in groups to clean different areas of Borizana village.



6.3 Community development programs

ANTEA Cement, apart from awareness raising activities among local community, strives as well to provide financial support for the infrastructure and public service provision where it is necessitated. For the year 2013, the company has provided a total of 36,000 Euro support in cash and in kind to various stakeholders.

Table No. 10a: Contributions to the local community

| No. | Institution/ Company | Type of contribution | Quantity | Amount in Euro | Amount in Lek | Purpose |
|----------------|-----------------------|----------------------|------------------|----------------|------------------|--|
| 1 | Commune of Thumane | in cash | | 3,200 | 448,000 | Cleaning and planting of trees for the school of thumane + trashbins donation + painting |
| 2 | Commune of Thumane | in kind | 54 ton of cement | 3,132 | 438,480 | Help for 11 families whose houses are in bad condition |
| 3 | Commune of Thumane | in cash | | 2,600 | 364,000 | Provision of cleaning services for the school of thumane for the year 2013-2014 |
| 4 | Commune of Thumane | in kind | 80 ton of cement | 4,640 | 649,600 | Reconstruction of water deposits in Borizana |
| 5 | Municipality of Kruja | in kind | 44 ton of cement | 2,552 | 357,280 | Reconstruction of the secondary roads of Kruja city |
| 6 | Brret village | in cash | | 286 | 40,040 | Rehabilitation of the road of Brret Village |
| 7 | Shperdhet Village | in cash | | 3,000 | 420,000 | Replacement and insulation of the windows of the Shperdhet primary school |
| 8 | Commune of Thumane | in cash | | 15,000 | 2,100,000 | Service of waste removal |
| TOTAL 1 | | | | 34,410 | 4,817,400 | |

Table No. 10b: Contributions to the other stakeholders

| No. | Institution/ Company | Type of contribution | Quantity | Amount in Euro | Amount in Lek | Purpose |
|----------------|--------------------------------------|----------------------|------------------|----------------|------------------|------------------------------------|
| 1 | Finiq Commune | in kind | 60 ton of cement | 3,480 | 487,200 | Road construction |
| 2 | AmCham | in cash | | 3,000 | 420,000 | Celebration of New Year |
| 3 | Greek Embassy | in cash | | 2,000 | 280,000 | Greek national holiday sponsorship |
| 4 | Albanian Association of Blind People | in kind | 60 ton of cement | 3,480 | 487,200 | Rehabilitation of the building |
| 5 | Sofratike village | in kind | 80 ton of cement | 4,640 | 649,600 | Reconstruction of roads |
| TOTAL 2 | | | | 16,600 | 2,324,000 | |

6.4 Promotion of CSR in business community

On 11 April 2013, with the initiative of ANTEA Cement and other eight large businesses in Albania, “Albanian CSR Network”, a non-profit organization was created and presented to the business community. The founding companies of “Albanian CSR Network” are: AMC, Antea Cement, Banka Kombetare Tregtare, Bankers Petroleum, Boga & Associates, Intracom Telecom Albania, Kalo & Associates, ProCredit Bank and Vodafone Albania. The ceremony of presentation was attended by representatives of the Albanian government, the European Union and UNDP.

The focus of the organization is Corporate Social Responsibility. The network was created as a response to the growing need for companies to make CSR part of their practices and to promote CSR in Albania. Similar networks exist in all European countries, but this is the first network for CSR in Albania. The mission of the network is to promote the importance of corporate social responsibility in the business community and the social environment in order to promote sustainable business practices for companies. Antea Cement holds the presidency of the Albanian CSR Network.



