



TITAN
ANTEA CEMENT SH.A.

CSR
INTEGRATED ANNUAL REPORT
2016

Building our future together



TABLE OF CONTENTS

04 INTRODUCTION

07 ANTEA'S PROFILE

18 ANTEA'S
PERFORMANCE

32 ANTEA'S CSR IN ACTION



38 CSR ACTIVITIES

40 ABOUT THIS REPORT

42 APPENDICES

44 LETTER OF ASSURANCE

MESSAGE FROM THE GM



Dear Stakeholders

We are pleased to introduce you with the ANTEA's externally assured integrated report, for the year 2016. This annual report, similar to the previous years, was prepared in order to guide you through the financial, environmental, social performance and governance of the company. It has been prepared in accordance with Global Reporting Initiative which helps businesses and governments worldwide understand and communicate their impact on critical sustainability issues such as climate change, human rights, governance and social well-being.

This report emphasizes our commitment to the principles of Corporate Social Responsibility, efforts that go beyond what is required by regulators and/or environmental protection groups. We want to contribute at improving the business environment in Albania by following and applying the highest international standards and practices. In financial terms, ANTEA's Earnings Before Interest Taxes Depreciation and Amortization (EBITDA) in 2016 decreased by 17%, as compared to 2015. Despite of all obstacles, ANTEA exported over 24% of its production and generated revenues from exports of about EUR 7.33 million. With all the challenges in terms of financial performance, we remain focused on our long-term sustainability targets. We are committed to continue being a responsible business as well as a social and environmentally

friendly one. Our social footprint continues to be our priority and it is a nonnegotiable target.

Our company continues to be the first and only company in Albania to implement the Social Accountability Standard 8000. This is an auditable certification standard that encourages organizations to develop, maintain and apply socially acceptable practices in the workplace. SA8000 is based on the principles of international human rights norms as described in International Labor Organization conventions, the United Nations Convention on the Rights of the Child and the Universal Declaration of Human Rights. It measures the performance of companies in eight areas important to social accountability in the workplace: child labor, forced labor, health and safety, free association and collective bargaining, discrimination, disciplinary practices, working hours and compensation.

Similar to the previous years, this year as well, we have managed to successfully increase training hours for our employees and contractors as compared to the previous year. Raising knowledge and awareness is crucial to our operations and to the long-term sustainable relation that we aim at building with our employees and collaborators. Through the continuous training program we aim not only at improving the technical skills of our employees and contractors but also at improving their working culture and behavior. Through the TITAN Group Development Platform programs, we focus on our people's development, with the aim to develop our work force and our partners, in order to ensure vigorous collaboration and continue to improve the quality of our products and services.

Health and safety continues to remain our top priority aiming to offer an accident/incident free environment to our employees, contractors and everyone else inside and outside our premises. The primary goal of our Health and Safety policy is to foster and nourish a healthy and safe work environment for all individuals in the work field. As a proof of continuous efforts on Health and Safety, we are pleased to mention that as of December 2016 we have hit 1777 days free of LTIs.

For ANTEA, it is extremely important to ensure the sustainability of its social license of operation and also to intensify the long-term relationship with all its stakeholders. Our operations environmental performance and management of natural resources is a responsibility towards all our stakeholders, which



we strive at continuously improving. We are committed to a long-term sustainable approach to caring for and safeguarding the environment. On top of our legal obligations we strive to evolve and implement our Environmental Policy in order to balance environmental considerations and social responsibility with our business goals. On the long-run, we believe that only a sustainable approach will benefit our employees, shareholders, customers and communities where we operate. We are committed at both meeting our business goals and protecting and improving the quality of the environment in which we all live.

We continue to regularly engage with the local communities and recognize their concerns. We try to improve the quality of our interaction by voluntarily providing transparent information about our policies and our operations. Our mission is to balance profit-making activities with activities that benefit society.

With the aim of building long-term, interactive relationship with our neighbors, and also contributing to improve the conditions of the community where we operate, the company voluntarily provided contributions to the local communities in cash and in kind that exceeded EUR 665,800 for the period 2010-2016. These

contributions have been focused on supporting projects that are of immediate need for the community. We have invested in the improvement of school facilities and local roads, donations to improve housing conditions of poor households, subsidies to local schools, scholarships, etc. We will carry on this practice also during the upcoming years.

For the second year we continued financing the "Family Strengthening Project". The aim of the project is to provide the necessary educational, economical, legal, psychological support to the children and their families in the community, so as to live a normal life. This project included 19 families and 49 children from the local community.

Mindfully, we continue to invest in long-term sustainability of our business, together with our partners and actively engage with our stakeholders to bring towards a leadership approach for a responsible social business. We are determined and committed to bring ANTEA's mission of pioneering a responsible and sustainable business example in Albania.

MARIO BRACCI
General Manager

TITAN Group Profile

ABOUT TITAN

TITAN is an international cement and building materials producer, with a history of more than 110 years. The Group's business activities include the production, transportation and distribution of cement, concrete, aggregates, fly ash, mortars and other building materials. The Group is headquartered in Athens, Greece and has operations in 14 countries,

which are managed under four geographic regions: USA; Greece and Western Europe; Southeastern Europe; and Eastern Mediterranean. In 2016 TITAN generated a consolidated turnover of €1,509 million and EBITDA of €279 million. At year-end TITAN employed 5,482 people in total (2015: 5,654).

ONE GOVERNING OBJECTIVE, ONE SET OF STRONG VALUES

Governing objective TITAN aims to grow as a multiregional, vertically integrated cement producer, combining entrepreneurial spirit and operational excellence with respect for people, society and the environment. This objective is translated into four strategic priorities:

TITAN'S FOUR-PRONGED STRATEGY



Geographical Diversification

We extend our business through acquisition and Greenfield development into attractive new markets, to build production scale and spread the risk of over-relying on too few markets



Continuous Competitiveness Improvement

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



Vertical Integration

We extend our business into other product areas in the cement value chain, gaining greater control over our markets and accessing new profit opportunities



Focus on Human Capital and CSR

We develop and continuously improve our good relationships with all internal and external stakeholders for mutual respect and understanding.

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

ANTEA's Profile

ANTEA Cement has a production capacity of 1.4 million ton cement yearly and 3.300 ton clinker per day. The plant is situated in the locality of Boka e Kuqe, Borizane which is located 50 km away from the capital city of Albania, Tirana. The plant serves local market demands in Albania but also exports clinker and cement to Egypt, Montenegro, Libya and Italy. Corporate social responsibility is a fundamental element of TITAN Group and consequently ANTEA's governing objectives and one of its corporate values. From the very beginning, ANTEA has been constructed to ensure energy efficiency and environmental effectiveness, while addressing society concerns.

ANTEA Cement Sh.A is one of the biggest investments with the highest standards applied in terms of construction and operation in Albania and a total value exceeding EUR 200 million. The company is 80% owned by TITAN, a Greek multinational cement company and 20% by IFC, a very well-known international financial institution. The Plant was constructed by CBMI Construction Co, a Chinese construction company. Under the supervision of Titan Engineering which implemented the highest possible safety standards, the project was completed on time, within the forecasted budget and with zero accidents.



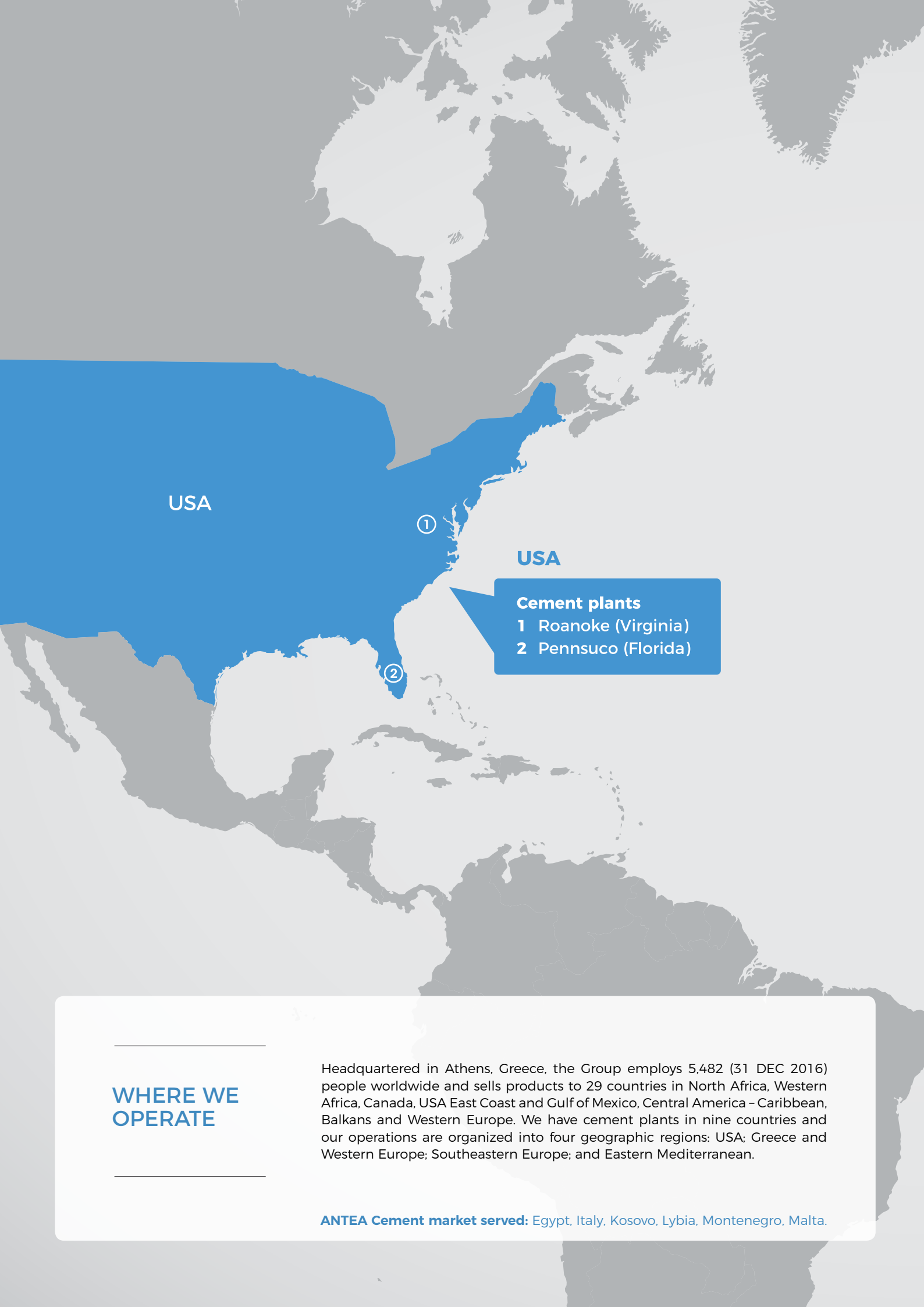
To ensure energy efficiency and environmental effectiveness the plant has been constructed with best available technologies. As an example, all transportation of materials within the plant is made via covered conveyors to decrease fugitive dust. The latest technology with vertical grinding mills which take less space is being used, ensuring a better environmental performance and higher efficiency in electricity consumption. ANTEA uses bag filters which despite having higher operational cost, guarantee a better environmental performance.

.....



To address the societal concerns, an elaborated Environmental and Social Impact Assessment Study (ESIA) has been performed by Atkins: an internationally renowned environmental consultancy company. The study included a survey of the societal concerns of the local inhabitants, resulting with a five year Social Compensation Plan.





USA

USA

Cement plants

- 1 Roanoke (Virginia)
- 2 Pennsuco (Florida)

**WHERE WE
OPERATE**

Headquartered in Athens, Greece, the Group employs 5,482 (31 DEC 2016) people worldwide and sells products to 29 countries in North Africa, Western Africa, Canada, USA East Coast and Gulf of Mexico, Central America - Caribbean, Balkans and Western Europe. We have cement plants in nine countries and our operations are organized into four geographic regions: USA; Greece and Western Europe; Southeastern Europe; and Eastern Mediterranean.

ANTEA Cement market served: Egypt, Italy, Kosovo, Lybia, Montenegro, Malta.

Southeastern Europe

Cement plants

- 1 Kosjeric (Serbia)
- 2 Zlatna (Bulgaria)
- 3 Sharrcem (Kosovo)
- 4 Usje (F.Y.R. of Macedonia)
- 5 Antea (Albania)

Greece and Western Europe

Cement plants

- 1 Thessaloniki
- 2 Kamari
- 3 Patras

Grinding plant

- 4 Elefsina

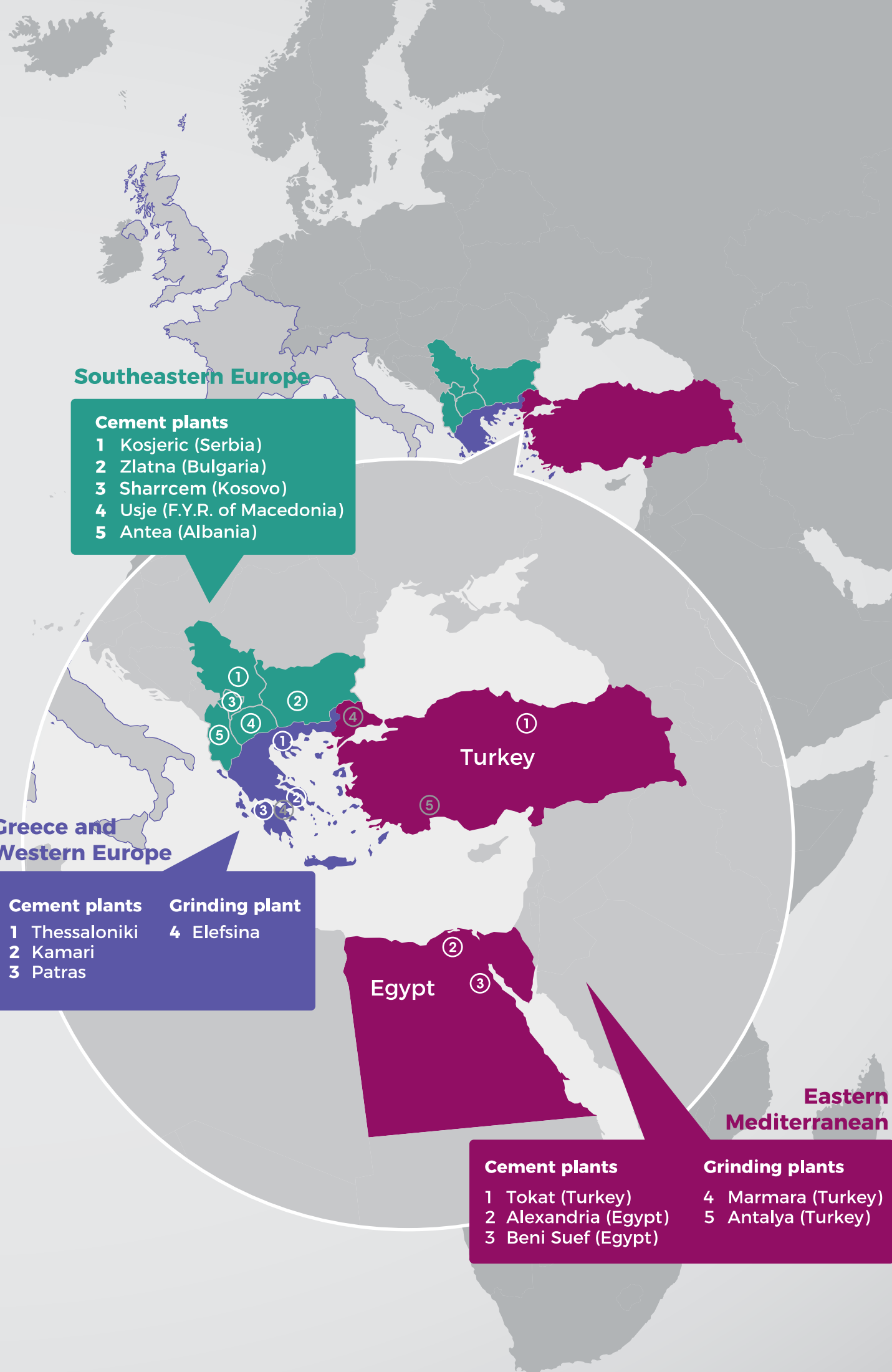
Eastern Mediterranean

Cement plants

- 1 Tokat (Turkey)
- 2 Alexandria (Egypt)
- 3 Beni Suef (Egypt)

Grinding plants

- 4 Marmara (Turkey)
- 5 Antalya (Turkey)



ANTEA AS BEST PRACTICE

The environmental and social impact assessment for the plant and the quarries, as well as the subsequent Quarry rehabilitation, have been praised by the World Business Council for Sustainable Development and referred to as case studies. The Health and Safety system applied during the construction phase, as well as the working conditions established thereafter, have been mentioned by the IFC as an exemplary case for the implementation of its Performance Standard 2 on labour and working conditions.

FACTS

- » **The first quarry in Albania to be exploited according to EU standards and fully compliant with the legislation;**
- » **Two flora species included in the Albanian Red List, namely *Quercus ilex* (holly or holm oak) and *Salvia officinalis* (sage) have been incorporated in the quarry rehabilitation process.**

CASE STUDY QUARRY REHABILITATION: A TITAN EXPERIENCE

To align with the company's targets for environmental sustainability, an Environmental and Social Impact Assessment was conducted in 2008 by international consultants (ATKINS) for the ANTEA green field project for development of cement production plant and associated quarrying activities in Albania. Among the environmental issues covered, the ESIA assessed the impact of the different project phases, namely: (i) construction, (ii) operation and closure on ecology, (iii) biodiversity and (iv) landscape. The ESIA then proposed specific mitigation measures and rehabilitation plans for ANTEA quarries that will incorporate the needs of the local ecology. The quarry rehabilitation plans are an integral part of the ANTEA plant Environmental Management System (EMS), including all relevant procedures, working instructions and monitoring practices

Restoration activities

Following the ESIA, an Environmental and Social Action Plan for the ANTEA project was prepared, in line with EBRD and IFC standards, and among others included the development of quarry management and rehabilitation plans. The Quarry Management Plans (QMPs) for both quarries were completed

in 2010 and comprised 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 also conform to TITAN Group best practices for quarries development and rehabilitation*.

The QMPs included the overall (long-term) mine plans, the detailed 5-year plans and the first year of quarry operations (focus annual plan). They ensured and presented a rational plan for quarry depletion, mine scheduling and rehabilitation reforestation of benches. The quarry rehabilitation plans are today an integral part of the ANTEA plant Environmental Management System (EMS) with all relevant procedures, working instructions and monitoring practices for the quarries rehabilitation activities.

They ensure implementation of plans, progressive landscaping and reclamation for mined-out areas. Despite early stages of quarry development, rehabilitation practices are already enforced in the upper (depleted) benches of the ANTEA quarries, and the commitment is to progress in line with the quarry development benchmarks.

AT A GLANCE

The development of quarry management and rehabilitation plans for the ANTEA project, were conducted pursuant to ESIA (Environmental Social Impact Assessment) findings. The quarry rehabilitation plan has been considered as best practice from WBCSD/CSI, based on:

- » **Implemented quarry management plan before the quarry operation initiation**
- » **Implementation of a rehabilitation plan before the quarry operation initiation**
- » **Identification of the flora and endemic species of the region prior to quarry operation initiation**
- » **Rehabilitation was conducted within the first year of Quarry operation**
- » **Two Albanian endemic species were included in the quarry rehabilitation plan**



SUCCESSFUL INCORPORATION OF IFC'S PS2 REQUIREMENTS THE CASE STUDY OF ANTEA CEMENT

IFC's Performance Standard 2, which in part has been guided by core labour standards of ILO and key United Nations conventions, defines what constitutes a "good job": A job that guarantees workers' fundamental rights while paying them a decent and fair wage". The case study* of ANTEA Cement in Albania shows how the standard can be incorporated into contractual agreements with positive business results and increased access to new markets.

The emerging business case for quality jobs, emphasises the endogenous benefits for companies: higher productivity, increased profits, and access to new clients and consumers.

There is also evidence that compliant firms are more likely to survive financial crises. In our current political and economic environment, job creation is the key focus of academic institutions, international development agencies and governments alike. Not just any jobs, but jobs that are good for development and that contribute to higher global living standards, social cohesion, and productivity.

IFC provided financing to ANTEA Cement in late 2008 to help the

company build and operate a blended-cement plant with a capacity of 1.4 million tons in Albania. This project is a good example of interagency collaboration between IFC and the European Bank for Reconstruction and Development (EBRD). At the same time, it is a successful foreign direct investment (FDI) in Albania by a Greek company that was contracting Chinese workers and the successful inclusion of PS2 requirements in firm-level agreements and activities.

ANTEA used IFC and EBRD financing to construct the plant, resulting in the creation of 300 jobs and an additional 500 indirect jobs. CBMI Construction Company, was contracted to design, construct, and set up the plant. At the peak of the construction period, CBMI planned to hire approximately 800 Chinese workers and wanted to build on site worker accommodations for them. The risk assessment for labour was included in the Environmental & Social Impact Assessment process. In addition, the development and implementation of human resource policies and procedures were in line with the requirements of PS2.

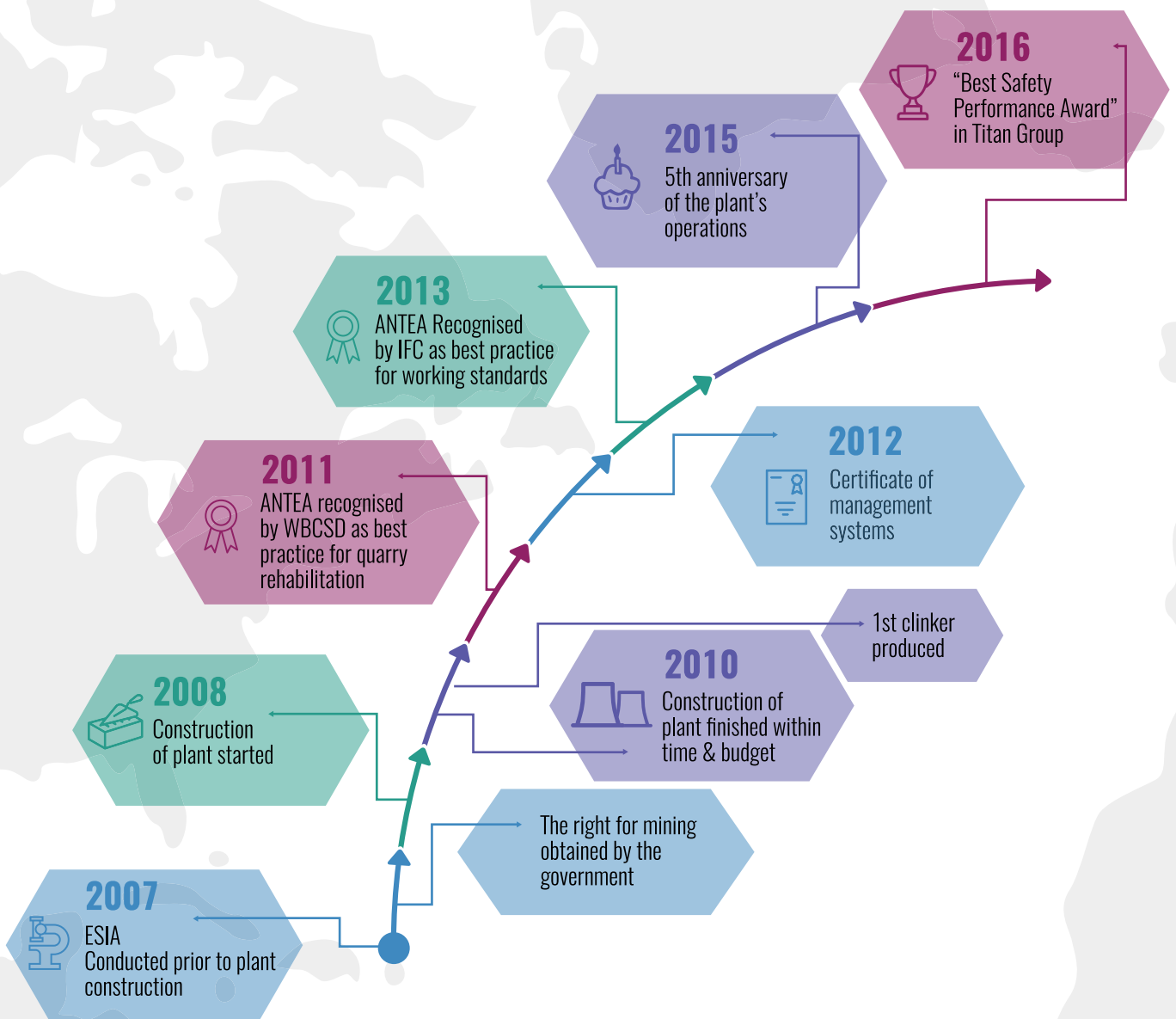
ANTEA included specific PS2 requirements as clauses into the

actual contractual agreement with CBMI and other contractors that it employed. The monitoring program for contractors, including internal and external audits, took place as planned and ANTEA was able to meet, and be audited against the widely known Social Accountability (SA8000) standard.

Convincing the sponsor of the importance of managing labour and working conditions with their contractors, was a difficult task at the beginning of the process. But after two years of implementation, the TITAN Group presents the ANTEA project as a case example of best practice. The benefits of the cooperation between TITAN and the construction company included on-time and on-budget completion of the project, zero accidents, best practice on contractor managements, and improvement of labour and working conditions at a construction company, that will create opportunities for them in new European and North American markets.

Footnote : *This case study is published in IFC Jobs Study 2013

HISTORY IN YEARS



GOVERNING VALUES

ANTEA Cement's governing objective 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.



Integrity

- Ethical business practices
- Transparency
- Open communication



Value to the customer

- Anticipation of customer needs
- Innovative solutions
- High quality of products & services



CSR

- Safety first
- Sustainable development
- Stakeholder engagement



Know-how

- Enhancement of our knowledge base
- Proficiency in every function
- Excellence in core competencies



Delivering results

- Shareholder value
- Clear objectives
- High standards



Improvement

- Learning organization
- Willingness to change
- Rise to challenges

OUR PRODUCTS

Cement is an essential construction material for the creation of social capital. Nearly all cement is used as concrete, which is made by mixing cement with sand and water. Concrete is a vital material supporting modern human life. It is used in a wide range of applications and particularly construction of:

- » **Houses, office buildings and a number of other spaces for people**
- » **Roads**
- » **Railroads**
- » **Airports**
- » **Dams and more**

Concrete has become the most wide spread building material and the second, after water in consumption, as it is a material with unique features:

- » **Easy and safe to use**
- » **Forms in any shape**
- » **With great compressive strength**
- » **Highly durable**
- » **Economic and in steady supply**

Cement is a hydraulic binder, i.e. a finely ground inorganic material which, when mixed with water, forms a past which sets and hardens by means of hydration reactions processes and which, after hardening, retains its strength and stability even under water. Cement when appropriately batched and mixed with aggregate and water, be capable of producing concrete or mortar which retains its workability for a sufficient time and shall after defined periods attain specified strength levels and also possess long-term volume stability.

CEM I /42.5 R

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

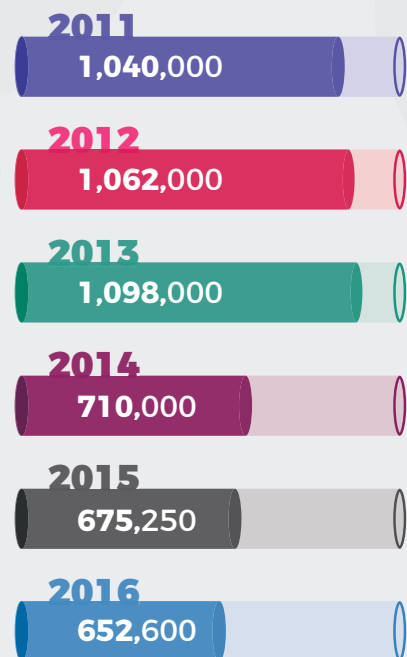
CEM II/ A-LL 42.5

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

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

Cement Production
tons/years



ALIGNING WITH THE UN SUSTAINABLE DEVELOPMENT SDGs GOALS

DEFINING OUR PRIORITIES

The Group Corporate Social Responsibility Committee has decided to utilize the SDGs to define our future priorities and areas for further improvement. We believe that they offer us a unique opportunity to strengthen collaborative action, deepen stakeholder engagement and increase the value we create at local level.

We have already begun the alignment of the Group's goals through our materiality assessment process.

Rather than setting new targets for the next three to five years, we are focusing on the "triple bottom line" taking into account financial, social and environment goals and benchmarking our performance externally.

However, as per group level we have agreed that not all the 17 SDGs are of equal importance to us, so we have defined three main categories, which are linked with the material issues of the company.

SDGs most relevant to our business



Antea will continue our assessment process throughout 2017, taking under consideration consultations with national stakeholders as we develop and promote the SDGs in the country.

Given the significant changes all businesses have experienced over the last five years, we have revisited our sustainability strategy, expanding our scope and objectives while focusing on the implementation of collaborative efforts. In 2015, we have been following the key steps of the SDG Compass tool, starting with understanding and identifying the relevant SDGs for our business and where we can meaningfully contribute to their achievement. In particular, we are addressing as key areas to invest in the future health, the consumption of natural resources, climate change and collaboration for sustainable development.

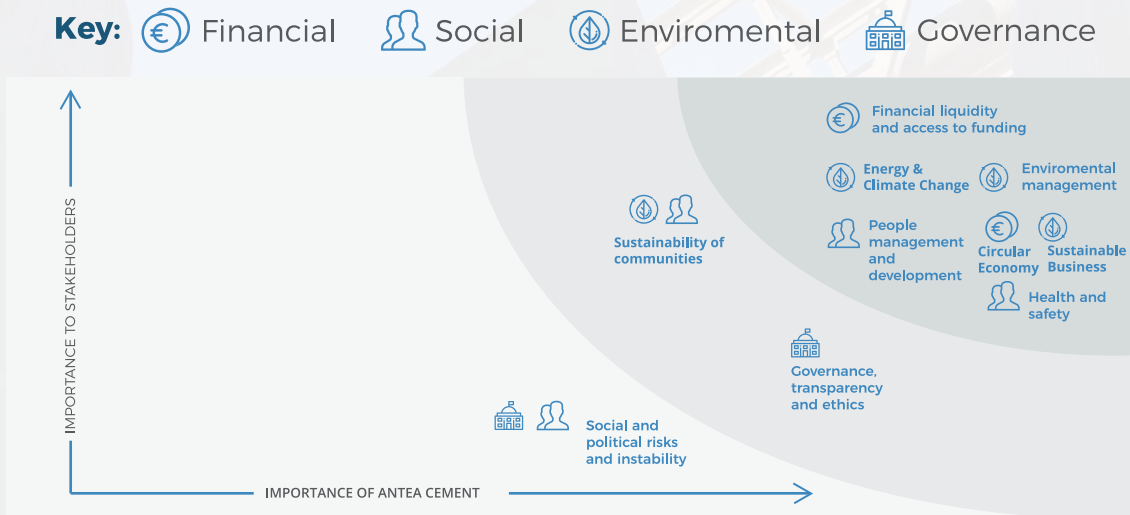
Active participation

Since 2000, we have actively contributed to the foundation of local networks to promote sustainability and corporate social responsibility within the framework of the UN Global Compact. We will work with local networks to promote dialogue for the SDGs in the areas where we operate and support the development of relevant National Action Plans.

FOCUSING ON MATERIAL ISSUES

As expectations from business are growing at all levels, focusing on material issues is becoming increasingly important in developing a coherent, inclusive and consistent sustainability strategy

Since 2007, TITAN Group has conducted materiality assessments as part of our stakeholder engagement process. The outcomes are used to shape the contents of our reports to stakeholders, align business priorities with stakeholders' expectations and improve our overall performance in the long term. In 2016, ANTEA continued the reassessment of all issues relevant to our business with respect to their impact on the Group and their significance for our main stakeholders. Following research and stakeholder feedback, as well as input from international organizations, institutional investors and business partners, we are developing issues that were prioritized according to importance and relevance.



***This matrix summarizes the most material issues for our key stakeholders.**

ENGAGEMENT PROCESS

Engaging with internal and external stakeholders is a core element of the way we do business, directly linked to our values and key priorities for sustainable growth. Assessing material issues for our significant operations and their stakeholders is a key part of enabling continuous improvement of our strategy and management systems.

We identify stakeholders according to the international AA1000 Stakeholder Engagement Standard (SES) and use its three main principles of inclusivity, materiality and responsiveness to guide the process at Group and local levels.

We use feedback from organized meetings, forums and workshops involving internal and external stakeholders to develop action plans and collaborative initiatives that enhance our enduring commitment to sustainability. This helps us to improve our know-how and expertise and it raises awareness on key issues, such as health and safety, energy and climate change.

Given the importance of ANTEA's local operations, internal & external stakeholder engagement is performed through two separate processes in setting out key material issues and actions for each material aspect boundary inside or outside the company (for more information regarding internal & external stakeholders see page 34).

2016 AT A GLANCE

WITH RESPECT TO SOCIO-ECONOMIC & SUSTAINABLE DEVELOPMENT GOALS OBJECTIVES ANTEA DISCLOSE ITS IMPACT AND CONTRIBUTION IN THE DIFFERENT LOCAL CONTEXTS.
ANTEA continues giving effort to effective ways to report on topics that drive regional or local impacts

STAKEHOLDER ENGAGEMENT



2.767.289

Salary &
Employee
Benefits



9.629.884

Tax to Central & Local
Government



23.558.154

Suppliers Expenditure



520.000

CAPEX & Expenses on
H&S and Environment



Employees training hours

9.934^{hr}

Environmental Protection

- » 64,000 m2 total rehabilitated quarries area
- » Specific waste production 62.69 kg/t clinker
- » 752.66 g/ton clinker NOx (nitrogen oxides), 23.16 g/ton clinker SOx (sulfur oxides) & 1.85 g/ton clinker dust
- » 636.17 kg/ton product CO2 (carbon dioxide)



Health & Safety



- » Zero accidents
- » 100% decrease of LTI (Lost Time Injury) since 2012
- » 100% decrease of LTIFR (Lost time injury frequency rates) & LTISR (Lost Time Injury Severity Rate) since 2012
- » 3,491 direct employees training hours and 1162 contractors training hours during 2016

Local Community Development

- » EUR 665.8 thousand donations in cash & in kinds to all stakeholders (2010-2016)
- » Public services awareness raising through continuous dialogue
- » Bilateral meetings
- » Reconstruction of schools and roads
- » Grievance mechanism implemented



Main Direct & Indirect Impacts of Operations



- » Emissions to air & Greenhouse emissions
- » Ambient air quality
- » Water consumption & waste production
- » Raw materials and fuels consumption
- » Alteration of landscape and visual impacts

ANTEFA's presence in business community

- » Albanian CSR Network BoD Member
- » Membership of several Committees and Boards of Business Associations



ANTEA's Performance

OUR PEOPLE

People and communities welfare are significant to ANTEA Cement. We take great care of our employees, viewing their contribution as vital to the functionality of the company, productively working since the construction of the plant in 2010. Joining the big family of ANTEA Cement means not only being part in one of the leading companies in the construction business, but also being part of a corporation that holds significant interests for its people. Employment with us is a reciprocal relationship in which we invest in our staff members and

retain their health and safety as the key ingredient to success. ANTEA Cement, part of TITAN multi-regional group has a continuous plan for enriching the capacities of its employees through various programs and initiatives.

The TITAN Group Code of Conduct with its values and standards leads the way on how we operate with people, here at ANTEA Cement. It is crucial for us to create a space where employees feel valued, respected and have room for personal growth. Our ambition is to have the right

people for any position and also develop and enhance their qualities on the way. It is important for us to communicate to anyone interested in joining ANTEA's family that this is a discrimination free working environment. We implement an open communication policy, committing to offer same chances to applicant and employees, regardless their gender, nationality, race, religion, family status or else.



Minimum salary required by law (DCM 573/03.07.2013) 22,000 Lekë

Minimum salary at ANTEA Cement 37,400 Lekë

.....

ANTEA Cement offers a 1.7 higher monthly salary for blue collar employees compared to the minimum wage regulated by domestic law. For the female employees it is regulated to use their maternity leave as provided by the law. To all employees are secured transportation, a free meal during working hours, as well as drinkable water.

.....



**Transportation Cost
EUR 240.153**



**Bottled water Cost
EUR 10.555**



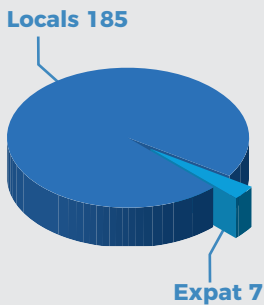
**Catering Cost
EUR 238.940**

The PDR (Performance Development Review), which was undertaken by 26% of our employees in 2016, shows that we take great commitment in gender equality in our company. This annual assessment process for white-collar employees shows 4 females in managerial positions. The industry in which ANTEA Cement operates belongs to a type that is usually male dominated. Despite this we have 23 females in our company, including the 4 engaged in managerial positions. We consider this as a beginning to our commitment in equal opportunities in our company, regardless one's gender.

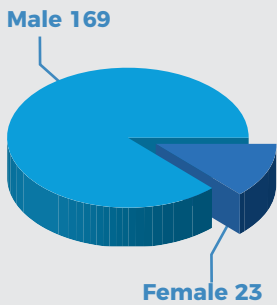


During 2016, 44% of ANTEA's employees were contracted from the local communities. Training local communities is among our top priorities, since ANTEA's objective is to be one of the biggest companies in the area.

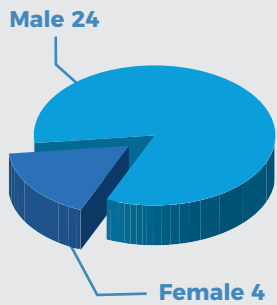
DIVIDED BY LOCATION



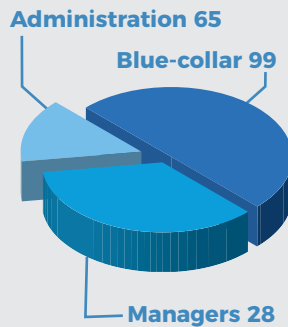
DIVIDED BY GENDER



DIVIDED BY GENDER IN MANAGERIAL POSITION



DIVIDED BY CATEGORY



Since the beginning of its operation in Albania, ANTEA Cement has considered the development and training of the local community as a matter of high importance, aiming to be recognized as one of the largest companies in the area. ANTEA Cement work-force employees divided by region in 2016 is: 86 employees from local community, (83 male and 3 female), 102 employees from Tirana (78 male and 24 female) and 6 employees expat(6 male and 0 female).

TRAININGS

Staff development is crucial to ANTEA Cement, therefore it provides its employees with continuous training in technical and managerial fields. The focus of the development process in 2016 was soft skills, delivered to staff members via the STEP program, a life-long learning method. During this year staffs were trained to enhance team work and team building, to communicate efficiently, how to present and manage.

ANTEA ACADEMY TRAINING PROGRAMME

This training programme is intended for two levels of management, supervisors and managers, and aims at enhancing and strengthening our management team skills on the selected topics below

Meaningful communication ;

Conflict Resolution ;

Providing Feedback ;

Team Management ;

Project Management ;

In 2016 we have completed the first two modules. At the end of each module participants develop an action plan for their improvement and things to follow up.

In 2016, a total of 9934 hours of training were delivered to our 192 employees, 167 male employees received 9130 training hours while 23 female employees received 804 training hours on average 55 and 32 training hours respectively.

TRAINING HOURS



9934^{hr}

*9934 hours of training to our 192 employees



9130^{hr}

167 male employees received 9130 training hours



804^{hr}

23 female employees received 804 training hours

EMPLOYEES CATEGORY	EMPLOYEE NUMBER	TOTAL TRAINING HOURS PER CATEGORY
Senior Manager	5	185
Male	4	185
Female	1	60
Manager	24	1350
Male	20	1080
Female	4	270
Administration / Technical	65	1657
Male	47	1265
Female	18	393
Semiskilled / Unskilled	99	2524
Male	98	2524
Female	1	0

AVERAGE NUMBER OF TRAINING HOURS DURING THE YEAR BY GENDER AND EMPLOYEES CATEGORY

TRAINED EMPLOYEES	FEMALE	MALE	TOTAL TRAINING HOURS
Senior Manager	1	4	5
Managers	4	20	24
Administration/technical	21	56	77
Semi-skilled/Unskilled	0	86	86
	25	167	192

TRAINING HOURS	FEMALE	MALE	TOTAL TRAINING HOURS
Senior Manager	40	248	288
Managers	206	2486	2692
Administration/technical	558	3193	3751
Semi-skilled/Unskilled	0	3203	3203
	804	9130	9934

SA 8000 SETTING STANDARDS

ANTEA Cement sets a standard in the Albanian business arena, being the only company that has successfully implemented Social Accountability 8000 Standard (here and after SA8000). After its certification in 2012, ANTEA has established in its facility a Social Accountability 8000 System. Having this certification means that you are a company that encourages socially responsible practices in the workplace as well as commit to maintain and develop them further. SA8000 is an auditable certification standard, developed by Social Accountability International, a non-governmental, non-profit organization founded in 1997. It is largely recognized as a mechanism to ensure dignified labor for cooperation's and their collaborators.

The SA8000 Standard is in line with international labour rights as foreseen in the conventions of the International Labour Organization, the UN Universal Declaration of Human Rights and the Convention on the Rights of the Child. An advisory board composed of experts from different fields and various nationalities, like from business, trade unions, government and NGOs, constantly develop the Standard. The course of forming the independent certification procedure of SA8000 is in line with the International Organization for Standardization with further supplementary materials for social auditing, incorporating feedback from workers and on performance, including an open compliance system. Cooperation that attains SA8000 has some basic requirements, such as a strong management system and agrees to be audited by an external independent and certified body.

Basic elements of SA8000 Standard

The benefits for workers, Trade Unions and NGOs from SA8000 Standard are:

- » Enhanced opportunities to bargain collectively and form trade unions
- » A tool to educate workers about their core rights
- » An opportunity to work directly with businesses on labour rights issues

The benefits for businesses from SA8000 Standard are:

- (i) Drives company's values into actions, (ii) Enhances company's brand and reputation, (iii) Improves employee recruitment, retention and productivity, (iv) Supports supply chain management and performance

Child Labour*No workers under 15***Forced Labor***No Forced Labor***Health & Safety***Provide a safe and healthy work environment***Discrimination***No discrimination based on race, age, caste, origin, religion, gender, sexual orientation, union and political affiliation***Discipline***No corporal punishment, physical or mental coercion or verbal abuse***Management System***Facilities seeking certification must integrate the Standard into their Management System and Practices***Working Hours***Overtime is voluntary and paid at a premium rate***Remuneration***Wages are sufficient to meet the basic needs of the worker and his/her family***Freedom of Association & Right to Collective Bargaining***Respect the right to form and join Trade Unions and bargain collectively*

Responsively through the SA8000 standard we commit to ensure that even our contractors comply with respecting human rights of employees. Age documentation, working hours, insurance for staff members and remuneration of our contractors are constantly monitored to comply with the standard. ANTEA uses the Social Accountability 8000 Management system to efficiently make sure to respect the standard. It is important that we, or our contractors do not provide cases of child or forced labor. As it is important to ensure freedom of association for staff members, in case employees make use of their right to assembly and form trade unions.

Employees' working environment is one of the outmost concerns at ANTEA. Hence, overcoming minimum domestic requirements regulated by the law and guided by the SA8000 standards, workers representatives can easily bring any matter of concern to management level. SA8000 standards are in line with Albanian Labor Code, specifically for trade union rights, bargaining agreement standard and when it comes to the wellbeing, safety and health in the working environment and for the employee. The President of the Union of employees at ANTEA cement can address any concern on the subject of labor circumstances and individual satisfaction. During 2016 for fresh employees in the family, there were spent considerable hours of training in human rights matters.

The main purpose of SA8000 Standard are:

The benefits for workers, Trade Unions and NGOs from SA8000 Standard are:

- » Ensure that labor standards for workers are respected
- » Improve working conditions
- » Treat in a fair and ethical way the workers
- » Avoid practices that violate human rights

SA8000 standard applied by ANTEA Cement and the Albanian Labour Code are in full compliance with each other in relation to the bargaining agreement standard and health & safety working conditions.

- » 38 training hours were dedicated to human rights presentation, only for new hires during 2016
- » 19 new hires employees attended the human rights training

HEALTH AND SAFETY

ANTEA Cement's goal is to be on the highest rankings in the industry of construction materials in the international level, thus has employees health and safety amongst its most important objectives. We operate with a zero-injury goal in mind, hence ANTEA has sought the most efficient procedures and guarantee to achieve and maintain this in the working environment. To attain avoidance of accidents managerial staff examines cases of near misses, incidents and accidents in order to understand what can be done better in an effective a timely fashion. This "accident free culture" at ANTEA is not only maintained for plan employees, but also for contractors, transporters and drivers. The "accident free culture" is kept through a daily routine including

training programs in accordance with Health and Safety needs and through safety inspections that aid workers to identify danger and reinforce the adequate safety measures.

In 2010 we started to implement a program that is specifically designed for this industry, with the goal to prevent injuries and manage follow up in case of occurrences. STOPTM for Each Other is a DuPont Program that includes on-the-job field activities, video demonstration, group discussions as well as safety study work books. This program, which was fully implemented in 2011, help us understand how people behave and how can we better communicate in order to reach common goals on safety in the

workplace.

ANTEA has in place a 6 membership Health & Safety Council, which is in total accordance with domestic legislation on the matter. Three members of this council are ANTEA's employees, last elected in 2015 and the rest is appointed from the management. The manager of H & S following the procedure, "Incident Report and Investigation", as well as TITAN's Group's Guidelines on Incident Classification, Investigation & Reporting, is responsible to monitor, track and report statistics on the matter. In 2016 ANTEA had Zero fatalities and Lost Time Injuries, but there were reported 40 cases of near misses and there were undertaken 89 corrective actions.

PERFORMANCE INDICATORS

DESCRIPTION	2012	2013	2014	2015	2016
Fatalities (directly employed)	0	0	0	0	0
Fatalities (indirectly employed)	0	0	0	0	0
LTI (direct employee)	1	0	0	0	0
LTIFR	2.54	0	0	0	0
LTISR	853.79	0	0	0	0
Near Misses	23	39	41	43	40
% of Investigated NM	91.3	92.3	95.1	100	100
Number of corrective actions	55	110	77	77	89
Proposals by employees*	26	18	29	9	9
Training Hours (direct employees)	1894	3420	2603	2974	3491
Training Hours (indirect employees)	773	1760	596	854	1162

HEALTH AND SAFETY TRAININGS

Health and Safety measures are reinforced and enhanced through annual trainings, provided to all personnel, including daily contractors as well. Covered materials are picked regarding the domestic legislation on Health and Safety at Work.

KPI HOURS 2012 - 2016

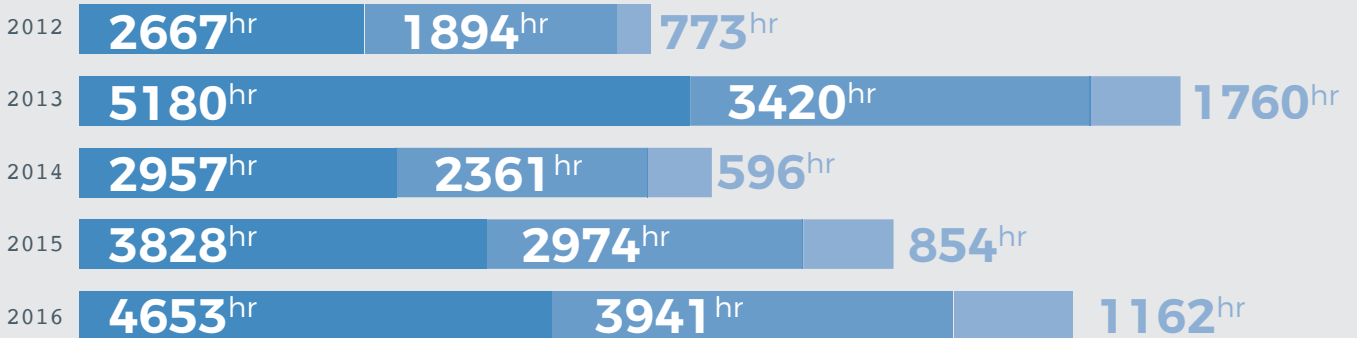
Key Performance Indicators (KPI's) are the measurement instruments that the company has set to monitor its performance on Health and Safety. They are measured and reported periodically and serve as a basis for the company to set priorities for building a "zero accident" safety culture.



- TOTAL HOURS
- Direct Employees
- Indirect Employees

TRAINING TOPICS

- Technical know-how
- Foreign Languages
- Non - Technical skills & normalisation
- Environmental & Health and Safety
- Code of conduct
- Human Rights
- Care & Management
- Management & Managerial skills



ENVIRONMENT

IMPROVING ENVIRONMENTAL PERFORMANCE

We at ANTEA, strongly believe that environmental protection should go hand in hand with business practices. We are all responsible to protect the environment and mitigate our impacts. A number of measures and projects developed under the motto "Environmentally Sustainable Business", make ANTEA Cement a social responsible company using innovative and voluntary acts for the sake of environment and community.

Our environmental management system includes:



SOME FACTS

- » **First Green Field project with an ESIA prior to construction and constructed according to BAT guidelines**
- » Detailed environmental impacts identification and mitigation measurements. (applied mitigation measures since construction phase)
- » **First CEMS (Continuous Emission Monitoring System) in Albania**
- » First and only PRTR (Protocol on pollution release and transfer register) reporting operator for three consecutive years
- » **Best practice for the quarry management and rehabilitation according to WBCSD (World Business Council on Sustainable Development)**
- » Full hydrological study of the region's aquifer for assuring water supply for the operational needs of the plant without impacting on communities water reserves
- » **Surface and rain storm water treatment facility in Albania**
- » First SNCR (Selective Non Catalytic Reduction) installation in Albania for further reduction of emissions (voluntarily), although emission levels are in compliance with local legislation
- » **Monitoring for air quality in the nearby habituated areas to assure no adverse impacts to community from the plant's operation**
- » Respect for the landscape and visuals of the community by progressive environmental rehabilitation and reforestation
- » **Assuring more than 60% of water recycling for further decreasing water consumption**
- » Verification of data monitored and reported by independent accredited laboratories.
- » **Implementation of a waste management system for waste management according to EU legislation**
- » Continuous activities on environmental awareness raising among different stakeholders and voluntary acts by the employees to the community
- » **On voluntary basis in 2015 ANTEA has conducted a Social Impact Assessment Survey in order to be able to evaluate the contribution and actual needs of society. This survey was conducted from a specialized social studies institute**



Climate change and Alternative fuels: raw materials and carbon dioxide generated by the cement industry contributes in the "greenhouse effect". TITAN group is focused on improving energy efficiency in industrial processes and developing eco-effective products. A big role is played by the substitution of fossil fuels with alternative fuels. To this purpose, ANTEA has put a lot of efforts. ANTEA has conducted an Environmental impact assessment study prepared for the usage of AF. The designed installation allows their usage and the license for AF co-processing has been approved. Small quantities of AF have been co-processed during 2015 and the industrial test has been completed successfully. Currently, intensive market research for possible sources is taking place. At the moment, the substitution rate of fossil fuels with Alternative Fuels is almost zero. Antea applies the WBCSD/ CSI Cement CO₂ and Energy protocol: CO₂ and energy accounting and Reporting standards for the Cement Industry to calculate total CO₂ emissions. In accordance to this protocol, calculation and reporting of CO₂ and energy is done on a regular basis, despite the fact that this is not a legal requirement in Albania.



***Noise & Vibration:** A management system for the monitoring of noise and vibration is in place. Monitoring is performed internally and through accredited laboratories. Vibration and noise measurements are made at least quarterly internally and externally at specified locations. The monitoring takes place in the quarries and plant. These locations are defined by the Environmental Manager and they are carefully selected to include all the significant vibration receptors related to the activities, including at least four locations around the perimeter (North, East, West, and South).



Legal compliance: Through its continuous monitoring of legislation, ANTEA assures full compliance with the legal requirements. Since the start of its operation, ANTEA has showed commitment in complying and also extending compliance beyond the legislative requirement. As the last year for this year as well, no fines from noncompliance in regard to the Environmental performance have been taken during 2016.

- » Make a Biodiversity Inventory Scoping Study for the identification of potential issues of high biodiversity value in the general area of the plant and both limestone and flysch quarries.
- » Develop possible biodiversity management actions in case that biodiversity issues are designated.

The Biodiversity Specialist and the Environmental Manger are responsible for preparing a biodiversity study, designing and updating a biodiversity Action Plan. Apart from the above, two species from the red list of Albania are being included on a yearly basis in the quarry rehabilitation processes, such as quercus ilex and salvia officinalis. The area nearby the plant and associated quarries are open scrubland that is being used partly for grazing, hunting and as a source of wood for fuel. No protected zones have been identified in the vicinity of the Plant and associated quarries and the locations itself including also the radius of 1 km, from the borders are not considered to be of exceptional ecological value, with habitats of

similar composition and quality being found in the surrounding area. Scanning of the Plant and associated quarries area for identifying possible high biodiversity zones is a continuous process and was lately performed in the second trimester of 2014 via IBAT (Integrated Biodiversity Assessment Tool) application. The assessment through IBAT has shown that there are no protected areas or areas of high biodiversity value within, containing or adjacent to ANTEA quarry sites.



Ambient air: Apart from the continuous monitoring system that monitors the emissions from point sources, ANTEA monitors on a regular basis its' ambient air quality in order to assure that it does not affect it due to its operation.

For the monitoring of ambient air quality, antea has subcontracted a reputable accredited laboratory according to ISO 17025:2005. Apart of the third party monitoring Antea has establish also an internal monitoring system for the ambient air. The graphs below show the ambient air quality in regard to SO₂, NO₂, O₃ and noise.



Emission management: Beyond legislative requirements, the company has established and operates a Continuous Emission Monitoring System (CEMS) in compliance with the EN 14181 Standard. In order to assure and validate the data collected from the CEMS it is annually calibrated and tested for the validity of the data monitored from third party accredited laboratories. Additional investments to the CEMS are made by installing the MEAC 2000 (Acquisition and Evaluation of Emissions data) system which every day generates statistical data on emissions, automatically and independently from the operators. This assures the quality and authenticity of the values. ANTEA operates according to BAT (Best Available Technique), in accordance with industrial Emissions Directive 2010/75/EU, although not an Albanian legislation requirement. The plant has closed storages for over 100.000 tons of raw materials, and all transportation of materials within the plant is via covered conveyors to decrease fugitive dust. Hybrid filters are installed in all point sources and emissions are maintained regularly. The latest technology vertical grinding mills are used since they have better environmental performance and improved efficiency in electrical consumption. As an example of the commitment of the company to lower emission limits compared to Albanian standards, the case of the installation of an SNCR plant (Selective non-catalytic reduction). The facility practically allows a company to decrease its NO_x emissions. Although our NO_x emissions were within the Albanian limits, the company invested EUR 500,000 in an installation to further decrease emissions even to lower levels than the EU standards. The annual operational cost of the installation is estimated to EUR 300,000 - 500,000 per year.



Quarry management: Based on the approved Mining Projects, the Environmental Impact Assessment Studies and the Quarry Management Plans which cover both quarries and according to the progress of quarry development, the Quarry Manager and Environmental Manager identify the specific location/sites within the quarries which need to be restored during a given period. The "Annual Rehabilitation Planning", a suitable annual



rehabilitation plan/budget is made at the beginning of each year by the Forestry Specialist in cooperation with the Quarry Manager and the Environmental Manager, taking into account specific parameters such as: the choice and quantity of species, the volume of filling, the required planting material, the irrigation and fertilization needs, the protection of the area etc.

The Quarry Management Plans (QMPs) for both quarries were completed in 2010 and comprised 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 also conform to TITAN Group best practices for quarries development and rehabilitation. The QMPs included the overall (long-term) mine plans, the detailed 5-year plans and the first year of quarry operations (focus annual plan). They aimed at ensuring and presenting a rational plan for quarry depletion, mine scheduling and rehabilitation reforestation of benches. Two flora species that are included in the Red List of Albania, namely *Quercus ilex* (holly or holm oak) and *Salvia officinalis* (sage) have been introduced in the quarry rehabilitation process.



Environmental management system:

performance has been in place during 2016. ANTEA Cement implements an environmental management system certified from a third party certification body. The system has been certified as of July 2012 according to ISO 14001:2004. The system includes air emissions, quarries, landscapes, groundwater, wells and water waste, liquid and solid waste, natural resources & energy consumption, noise, etc. The system is maintained and audited on yearly basis for its compliance.



***Waste management:** A waste management system is in place. Based in the best practices, the waste is separated at source, collected and temporarily stored to a waste collection unit and then sent out for treatment through licensed contractors. Further improvements to the industrial waste collection unit have taken place during 2016. Its performance assessment has been completed successfully during 2016.



***Water management:** The "hydro-drilling" project was initiated by the Production Technology (PT) in March 2007 with a preliminary study conducted by the ANTEA Geo-Team in cooperation with experts from Tirana University of the hydro geological conditions of the Borizana area. The target was to identify promising locations for drillings and developing water wells for supplying 60 m³/h, to cover the needs of ANTEA Cement plant. The aim of the study was to "study the hydraulic characteristics of the system of aquifers in the general area of Borizane and suggested actions for the sustainable management of the groundwater potential for the needs of the future ANTEA Cement Plant, by evaluating the rate of influence of the aquifer with reference to the surrounding areas". After a thorough study that lasted for 9 months, the experts concluded that: "Based on the calculated Cement Plant needs (at maximum), the annual rate of pumping from the Borizane aquifer is hardly 3% of the total annual potential of the replenishment of the aquifer, i.e. the "fresh" water supply/recharge in the aquifer for the general area". Although the initial study showed no significant impact on ANTEA water withdrawing in the aquifer of the region, continuous efforts have been made in order to increase the water recycling/reusing and decreasing water demand. YTD Antea demand for water is less than 1/3 of the initial amount predicted and taken in consideration during the period when the Hydrogeological study took place.

How this has been achieved?

- A water management system is in place.
- The water from wells is being monitored for the quality and quantity by independent accredited laboratories (although not a requirement from legislation).
- Water level measurements are taking place in the water drills on monthly basis in order to assure sustainable water withdrawal
- Closed system for water recycling in place
- A well-defined network of flow-meters in place in order to identify and easily track possible water leakages
- Water consumption by destination it is monitored

FINANCIAL PERFORMANCE

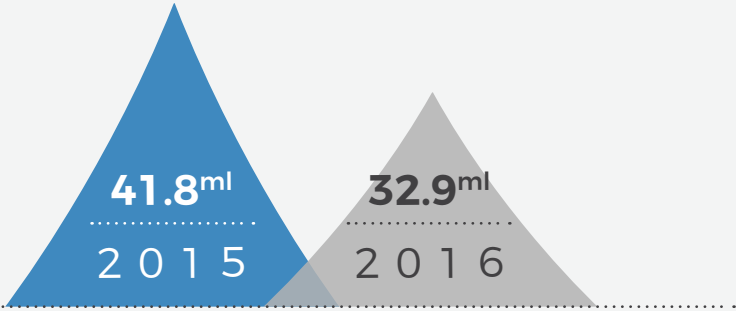
The financial performance of ANTEA is measured and assessed throughout the entire year. Our performance review takes place on a yearly basis. It accordingly addresses all the material issues of our operations in a timely manner. A set of Key performance indicators are shown in this report and divided into two main KPI-s: financial and non-financial. In the non-financial KPI-s, we report our environmental and social performance.

FINANCIAL

TOTAL REVENUES IN MILLIONS €

EBITDA: Earnings Before Interest Tax Depreciation and Amortisation

9.27mln

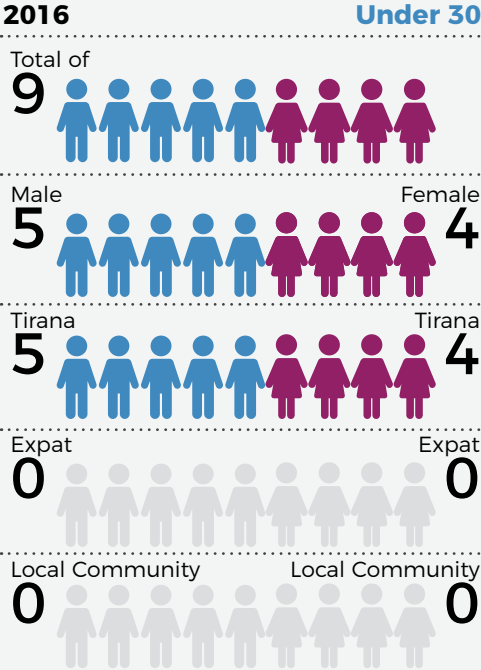


EXPORT REVENUES



NON-FINANCIAL

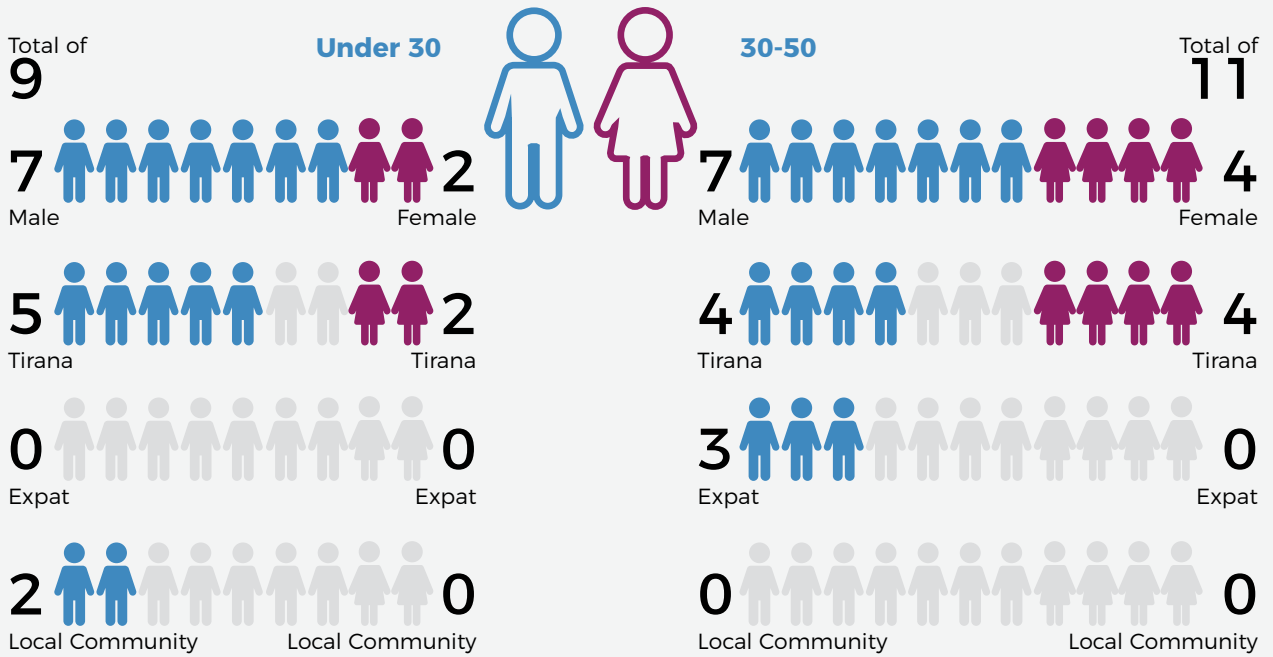
New Hires 2016



30-50



TURNOVER



Percentage of LTIFR = 0% (2016) vs 0% (2015)

ENVIRONMENTAL

	2016	2015
Gross direct specific CO2 emissions kg/t product	636.17	661.71
Specific dust emissions (g/t clinker)	1.85	5.36



FINANCIAL RESULTS

ANTEA managed to maintain a utilization rate of 47% based on its export activities

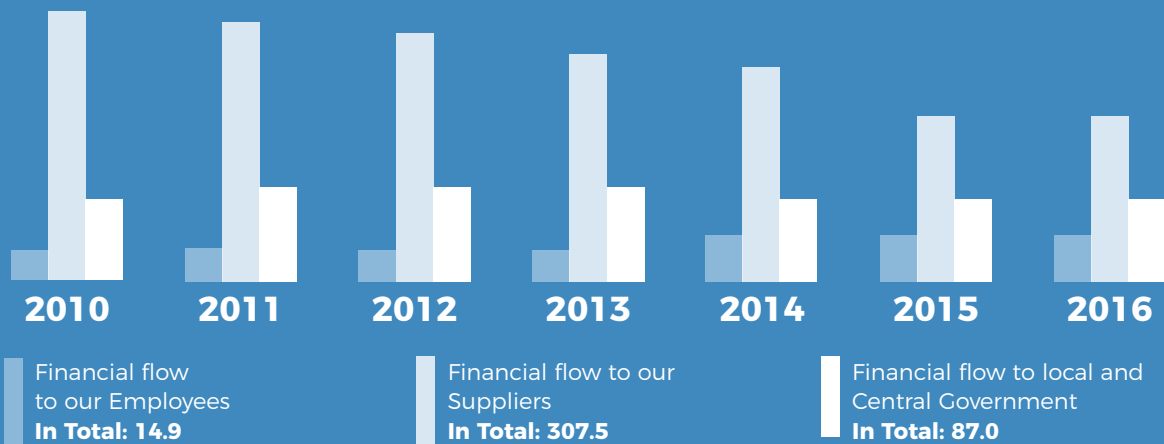
2016 continued to be a challenging and difficult year for the company in different perspectives.

Demand for cement in the Albanian domestic market continued to drop during 2016, compared to the levels

of 2015, due to the following reasons: i) lack of liquidity in the market, ii) low level of public projects and iii) high stock of non-sold residential projects. The plant utilization rate was at its lowest levels of 47% which was affected both by the lower

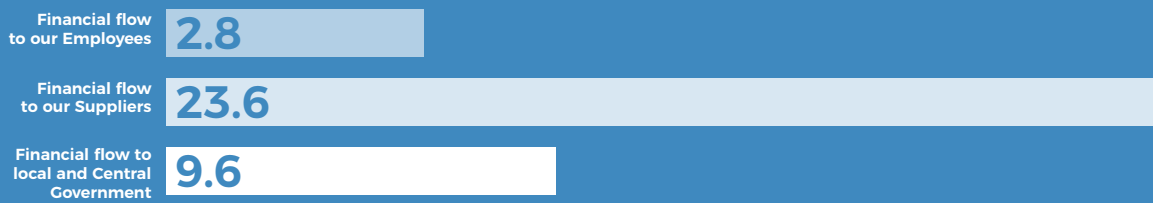
domestic demand as well as low export activities, due to international competition, particularly from countries with low energy costs, developed export infrastructure and export incentives.

DURING 7 YEARS OF OPERATIONS, OUR FINANCIAL FLOWS TO OUR STAKEHOLDERS



in millions EUR

ONLY FOR 2016



in millions EUR



in thousand EUR

Our local community together with other stakeholders have benefited from a total of EUR 665.8 thousand from our development programs for the period 2010 - 2016

Financial information regarding the operations of the plant during throughout this 7 years period



in millions EUR

Key Financial Indicators

	Year 2016 / EUR	Year 2015 / EUR
Revenues	32,908.1	41,666.3
Cost of sales	(26,006.6)	(31,976.1)
Gross Profit	6,901.4	9,690.1
Administrative expenses	(3,425.6)	(3,364.1)
Selling and Marketing Expenses	(656.4)	(1,008.6)
Other expenses	(22.4)	(426.6)
Other income	688.5	654.4
Operating Profit	3,485.6	5,545.3
Financial gains	4,172.1	3,975.3
Financial costs	(11,486.3)	(6,452.6)
Profit / (Loss) before Income Tax	(3,828.7)	3,068.0
Income Tax expense	(192.4)	(639.5)
Net Profit / (Loss) for the Year	(4,021)	2,428

Total turnover of the company decreased by 21% and amounted at € 32.9mIn. Despite the decrease in revenues the company made significant efforts to maximize the efficiency of its operations, achieving a stable variable cost and savings in its fixed costs. Despite the stabilized variable cost and the various cost saving initiatives of the company, the EBITDA for the year decreased by 17% amounting to € 9,27 mln in 2016 compared to € 11,14 mln in 2015.

As a result of all these, the Operating Profit before Interest, taxes and impairment generated during the period was not sufficient to cover for the finance costs and the various impairments therefore leading to an overall negative results for the period of a loss amounting to 4.02mIn Euro. The company's debt to equity ratio has decreased from 21.3% to 18.9% in 2016.

CUSTOMERS AND SUPPLIERS

We ask to our customers to be part of the solution, and don't view them as part of the problem.

Our vision is to see customers as collaborators and together enhance the relationship we share. Customer gratification to the product can make a difference in this highly competitive global market. Hence we at ANTEA endeavour to present new and innovative products to the consumer. We need customers' feedback in order to enhance at maximum products quality, employees comportment and especially recommendations for the future from the customer. Through "Customer Satisfaction Questionnaire" we have customers' opinion yearly.

Our sales agent brought feedback on customers' satisfaction on the quality for bulk and bag cement (Quality of Bulk Cement: 78% "excellent" and 22 % "good", whereas for bag cement 69% "excellent" and 31% "good") through engaging with this yearly survey. For 2016 the customer satisfaction survey was conducted on 47 major local market clients.

Safety being a core value is transmitted in the product that clients receive. A Material Safety Data Sheet (MSDS) is compiled for cement products and in contains information for possible risks as well as safe product utilization,

management when package instructions are not followed, handling accidents and recognition of overexposure symptoms. MSDS is certified by EuroCert according to ISO 9001, hence contains information on safety regarding health, fire, radioactivity and environment.

MSDS is vital to implement an accident free culture. But being better safe than sorry, cement bags contain illustrative pictures on how to handle the product correctly. During this reporting period we had zero accident regarding non-compliance with product safety. In order to clearly identify steps and responsibilities in terms of ANTEA's safety policy, it was initiated a Progressive Discipline Procedure with our contractors and their subcontractors. This was introduced in 2014 for 35 of our contractors, including transportation companies.

Through random inspections and supervision of contractor's behaviour, ANTEA's personnel systematically monitors behaviour related to occupational health and safety.

CSR IN ACTION

CORPORATE SOCIAL RESPONSIBILITY

To make progress we have build a multi-stakeholder process, harnessing the appropriate energies.

People, community, our employees, suppliers and clients are crucial to our values and that is why we at ANTEA Cement are motivated to practice ethical business, have efficient communication with stakeholders and be a responsible company through clearly understand our impact in the society. Although our operation poses several challenges, we do not lose focus of our main objective, to be a company that

values people.

The main stakeholders of the plant have been identified through the Environmental and Social Impact Assessment Study, which was conducted before the plant construction. The study also shows how the plant will affect stakeholders and what the best courses of action are. Hence, ANTEA has an annually Corporate Social Responsibility Action Plan, with project and initiatives in line with the 4 pillars of CSR Strategy.

CSR STRATEGY



ENGAGE
with stakeholders



PROVIDE HEALTHY AND SAFE
working place for our workers



REDUCE
environmental footprint



PROMOTE SUSTAINABLE
development through networking

MANAGING RISK & OPPORTUNITIES

ANTEA Cement's management team assesses the social, environmental, managerial and financial risks that the company can face in the framework of the challenges arising in the country, the region and further. The company manages the risks through:

- » **Internal and Systems' audits to keep in consistency with Management Systems requirements in place**
- » **Creation of various committees in the company to address various challenges and issues**
- » **Code of Conduct trainings to enforce anti-corruption measures**

ANTEA is the first and the only company in Albania to have implemented the Social Accountability Standard 8000, which provides for an auditable system, setting out the voluntary requirements to be met in the workplace by employers, including workers' rights, workplace conditions and management systems. In 2011, the Company started the design of an Integrated Management System: the ideal scenario for any company which has various systems in place and aims to fully integrate all of their requirements into one system.

Systems of Environment, Health & Safety and Quality were integrated in 2012 while SA8000 was included as part of the system one year later.

ANTEA Cement has in place an Integrated Management System (IMS) which is comprised of three management systems and one standard, as follows:

- » **OHSAS 18001 for Occupational Health & Safety**
- » **ISO 14001 for Environment**
- » **ISO 9001 for Quality**
- » **SA 8000 for Social Accountability**



TITAN Group signed the European Pact for Youth, alongside 50 other leading companies, and collaborated to accelerate our efforts throughout our operations to provide employment opportunities and address the skills gap.

csreurope.org/pactforyouth



TITAN Group joined CSR Europe in 2004, and also participates in national partner organizations operating in Albania, Greece, Kosovo and Serbia

GRIEVANCE MECHANISM

ANTEA Cement is committed to continuously have various meetings and dialogue with the community by building trustful and good neighborhood relationships so as building our future together. With this approach, ANTEA has established since 2012 a procedure so-called "Grievance Mechanism" that is an efficient and quick process to receive complaints or expressions of concern from stakeholders potentially impacted by its construction or operation activities. The Grievance Mechanism allows ANTEA to identify the community concerns in order to take actions as well as to respond to all concerns that the stakeholders may have. ANTEA will address all grievances as per the UN Guiding Principles based in eight effectiveness criteria as well as in a transparent and fair manner.

At ANTEA Cement, we have the following Boards and Committees which address various challenges and issues:

QUALITY BOARD

The Company's Management is involved in the Quality System through the Quality Board. The responsibilities of the Quality Board are in general the following:

- » **Establishing the Company's Quality Policy**
- » **Adopting the Quality System's documents**
- » **Conducting the internal quality audits**
- » **Conducting reviews of the Quality System**
- » **Establishing quality targets**

CREDIT CONTROL COMMITTEE

This Committee is in charge of the receivables and debts from the clients and main tasks include:

- » **Evaluation and approval of credit**
- » **Customer's Appraisal forms/customer rating**
- » **Settlement of customers' debts**
- » **Debt coverage / Guarantees**
- » **Credit Monitoring & Control**
- » **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 effective management. CSR Committee has also the following tasks:

- » **Propose, draft and approve CSR related policies & procedures**
- » **Assess and decide upon CSR Projects**
- » **Prepare the Annual Sustainability Report**
- » **Prepare other publications such as fact sheets, newsletters etc.**
- » **Engage with Local Community through grievance mechanism**
- » **Actively participate in Albanian CSR Network through seminars and activities**

ENVIRONMENT BOARD

The Environmental Board is responsible for identifying the environmental aspects, determining the emergency situations and the need for preparation of emergency plans, reviewing on an annual basis the Environmental Management System etc.

HEALTH & SAFETY CENTRAL COMMITTEE

ANTEA H&S Central Committee provides strategic and tactical guidance for the Safety and Health improvement initiatives at ANTEA Cement Plant. It establishes effective business processes to pro-mote the full implementation of the TITAN's Group Health & Safety Policy.

THE SOCIAL ACCOUNTABILITY BOARD

The Plant has also appointed the Social Accountability Board, which is responsible for identifying SA8000 Standard's issues, determining the required preventive or corrective actions and reviewing on annual basis the SA8000 Standard.

STAKEHOLDER ENGAGEMENT

Thoughtful and apprehensive of our stakeholders' needs and necessities, we at ANTEA are committed to continuously develop the fulfilment of stakeholder requirements. Our corporate social responsibility is driven through listening and responding to concerns of our employees, local communities, customers, suppliers and so on, based in management approach or procedures for external as well as for internal stakeholders.

One of our foremost concerns has been to increase stakeholders' engagement, by:

- **Putting people first through constantly developing them through programs that raise their capacities**
- **Improvement of our Local Communities Action Plan through efficient communication with local authorities and associations regarding education, culture, transportation, society and environment**
- **Building bridges of communications with stakeholders, aiming to an transparent and efficient collaboration to increase performance and proper address their needs**

ANTEA CEMENT KEY STAKEHOLDERS

» **Our employees**
» **Shareholders**

» **Media**
» **Local community**

» **Local and central government**
» **Business community**

» **Suppliers**
» **NGOs**

Stakeholder	Type of Engagement	Intended outcome
EMPLOYEE	<ul style="list-style-type: none"> • Performance Improvement • Communication of internal changes, policies • Communication days • Trainings • Events • Volunteerism 	<ul style="list-style-type: none"> • Employee assessment and career promotion • Safeguard a working environment • Information provision, transparency • Employees skills & competence development • Celebration of important dates & team-building • Ensure employee engagement
COMMUNITY	<ul style="list-style-type: none"> • Contributions in cash & kind • Events • Public meetings • Newsletters Trainings • Impact assessment 	<ul style="list-style-type: none"> • Provision of social services • Ensure community engagement & celebrate • Promote transparency & communication • Awareness on environment and H&S • Address material issues
CUSTOMERS	<ul style="list-style-type: none"> • Customer surveys 	<ul style="list-style-type: none"> • Customer satisfaction
SUPPLIERS	<ul style="list-style-type: none"> • Procurement standards • Trainings • Best practice share 	<ul style="list-style-type: none"> • Provide best practice & sustainability principles • Offer equal opportunities to all suppliers • Improve quality of services
GOVERNMENT	<ul style="list-style-type: none"> • Site visits • Multistakeholder forums Agreements 	<ul style="list-style-type: none"> • Promote transparency & best practice • Engage in partnerships with local & national governments
SHAREHOLDERS	<ul style="list-style-type: none"> • Supervisory meetings 	<ul style="list-style-type: none"> • Provide information & reporting
BUSINESS COMMUNITY	<ul style="list-style-type: none"> • CSR Network/ FIAA/ AmCham/ HBAA 	<ul style="list-style-type: none"> • Share best practices on CSR Lobby for important issues
MEDIA	<ul style="list-style-type: none"> • Press releases 	<ul style="list-style-type: none"> • Provide information regarding various activities & initiatives
NGO	<ul style="list-style-type: none"> • Public meetings 	<ul style="list-style-type: none"> • Seek opportunities for collaboration

Only for the years 2010 - 2016, our local community together with other stakeholders have benefited from a total of EUR 665.8 thousand from our development programs.

NETWORKING AND PARTNERSHIP

ANTEA Cement has been chairing the CSR network in Albania since almost two years now. CSR networks are a common practice in European countries with the objective to promote good business practices, including socially responsible programs that consider the wellbeing of customers and stakeholders. ANTEA has conducted an active and energetic chairmanship during these years, reflecting the need of Albanian businesses to include CSR in their companies' cultures. Several and numerous activities and programs have been undertaken under this objective, to mention a few:

"Corporate social responsibility is not just about managing, reducing and avoiding risk, it is about creating opportunities, generating improved performance, being profitable and leaving the risks far behind."

- » **The First Carpathian Congress of Geology in Albania hosted by the Geological Association of Albania the Congress, which gathered the most renowned researchers in the field of geology, was organized for the first time in Albania.**
- » **The Conference on Green Energy hosted by the Agriculture University Not only did the company support the conference financially, but it also participated with a study and a presentation on the topic "Waste to Energy Recovery". ANTEA was selected as a best practice regarding the environmental management and study visit was paid to the plant.**
- » **ALBEITI Project This project aims at the preparation and release of a report regarding mining industry performance in Albania.**

SOME FACTS

- » **Afforestation Campaign**
- » **Fundraising Campaign**
- » **Conference on CSR**
- » **CSR Awards**
- » **Seminars on Environment, H&S and Human Rights**
- » **Workshop on CSR**
- » **Roundtable on Corporate Governance**

PARTNERS



ALBANIAN CSR NETWORK

In 2013 in Tirana was launched for the first time a CSR network from the business community, whereas GM of ANTEA was appointed President of the network until 2015. ANTEA together with other businesses saw it important to build a network to promote CSR in Albania. It was vital to cultivate a culture of human right, safety at works and responsibility for the environment among businesses and was especially important to enforce such a network in the business atmosphere in Albania.

Since the creation of the network joint initiatives with UNDP Albania and the Ministry of Economy have led to the Multi-Stakeholder Forum of CSR. This forum holds monthly meeting with the participations of network members as well. Moreover, seminars and other activities have been organized on the themes of Health & Safety, Environmental Care and Human Rights. For two years in a row now CSR in Albania has fruitfully organized CSR Awards in Albania, awarding best practices on flora. The Network has recently become part of the largest CSR Network in Europe with 46 National Partner Organizations and 50 corporate members. ANTEA continues to cultivate an active approach in the CSR Network Albania so as to pave the way of a proper CSR culture in the country.

WE CARE ABOUT OUR LOCAL COMMUNITIES

Mutual trust and open communication are at the core of ANTEA Cement relation with the local community. Community engagement is real and touchable through awareness raising activities conducted by ANTEA.

In the past 6 years we have created value through creation of local suppliers, job possibilities, contributing to local authorities and so on. 481.900 EUR went to the local community from the period 2010-2016, out of 665.8 overall that ANTEA has distributed in cash or in kind through various projects and initiatives. Without any doubt the local community is in our top priorities.



COOPERATION WITH LOCAL COMMUNITY

ANTEA Cement holds the ties with communities as on the most important components that lead the way we do business. As it is situated in Boke e Kuqe, it is surrounded by four main villages: Picrrage, Brret, Thumane and Borizane. With these communities ANTEA has in place complaint apparatus as per Integrated Management System that ANTEA Cement implements. Sustainability and social corporate responsibility are not just tools to reach our objectives, but principles of doing good business. We see the local communities as partners with which we share common goals, especially in regard to the environment that we co-exist and share. Open dialogue and active communication is developed with these communities and various levels of ANTEA Cement employees.

ANTEA also gives best practices to the community in all level of procedures in order to develop the local business so as to be able for those local businesses to participate in procurement procedures of the company by being competitive and offer services with good standards. ANTEA has helped different local businesses to adapt their practices and-or procedures so as to gain ISO standards since the culture of the company is to provide priority line to the local businesses once they apply good standards and have competitive prices.

Throughout 2016 ANTEA Cement has organized various meetings with local community members in order to address education, sports, health care, infrastructure, socially excluded persons and culture. These are also primary targets for ANTEA Cement for the development of programs that would ensure wellbeing and safety for local community members.

Bilateral

- » Head of Commune of Thumane
- » Inspectorates
- » Governmental agencies
- » Trade Union
- » EU Project CEMSA

Public Meetings

- » Commune of Thumane
- » NGOs
- » Local representatives

Multilateral

- » Elders of Borizane
- » Ministry of Economy
- » CGIA
- » CSR Network GA & BoD
- » Ministry of Environment
- » Media
- » UNDP
- » GIZ
- » Minister of Welfare

Other Forums

- » AMCHAM
- » Inspectorates
- » FIAA
- » Roundtables
- » Multi-stakeholder forums
- » Academic conference
- » Seminars
- » HBAA
- » Workshops

ANTEA Cement promotes Sustainable Development and public policy development through active participation in the following business associations and their committees:



American Chamber of Commerce

www.amcham.com.al

Being an AmCham Albania member empowers business to lobby in a group with leading companies, to extend networking to influential circles and to participate in events tailored to their needs. Through its work and services, AmCham Albania seeks to be the leading representative for U.S. and international business in Albania.



Foreign Investment Association of Albania

www.fiaalbania.al

FIAA serves as a platform to improve the Investment and Business climate in Albania by working concrete reform proposals on legislation and product development as well as to promote dialogue between the FIAA Members and the Albanian Authorities.



Hellenic Business Association

www.hbaa.al

This Association is membered by all active Greek companies in Albania and it aims the strengthening of Greek – Albanian business relations and increase of Greek investment in the country.



CSR Network Albania

www.albaniancsrnetwork.org

This Association aims the promotion of Corporate Social Responsibility in Albania among business community. ANTEA Cement holds the Presidency and Secretariat until 2015.



CSR ACTIVITIES

SOME ACTIVITIES OF ANTEA IN LOCAL COMMUNITIES

ACTIVELY ENGAGING WITH LOCAL STAKEHOLDERS IN ORDER TO CONTRIBUTE TO THE LONG-TERM SUSTAINABILITY AND WELLBEING OF NEIGHBORING COMMUNITIES



ANTEA JOINED THE “ADOPT A KINDERGARTEN” INITIATIVE

“ADOPT A KINDERGARTEN” ACKNOWLEDGED ANTEA’S INVOLVEMENT IN THE INITIATIVE WITH A SYMBOLIC AWARD FOR THE EFFORT DEMONSTRATED IN THE PROCESS OF KINDERGARTEN CONSTRUCTION IN TIRANA



OPEN DAY

THE PLANT WAS OPEN TO FAMILIES AND WORKERS FROM THE SURROUNDING AREA TO VISIT AND LEARN MORE ABOUT ANTEA CEMENT



BLOOD DONATION CAMPAIGN

UNDER THE MOTO “YOU ARE SOMEBODYS TYPE” ANTEA EMPLOYEES HAS JOINED RED CROSS ALBANIA TO DONATE BLOOD FOR THALASSEMIC CHILDREN



FIRE DRILL SCENARIO IN ANTEA PLANT

“ANTEA HAS CONDUCTED A FIRE DRILL SCENARIO TO PROVIDE AN OPPORTUNITY FOR OUR PLANT EMERGENCIES TEAM WITH KRUJA DEPARTMENT OF FIRE FIGHTERS





WORLD STANDARDS DAY

ANTEA WAS INVITED TO BE PART OF THE PANEL, PRESENTING THE EXAMPLE OF COMPANY'S HIGH STANDARDS

FOOTBALL GAME

WITH THE ORGANISATION OF MUNICIPALITY OF KRUIA AND ANTAES SUPPORT, TEAMS OF THE SURROUNDING AREA ENCOUNTERED IN A FOOTBALL CHAMPIONSHIP



ANTEA'S VINEYARD

ANTEA'S EMPLOYEES JOINED THE VINEYARDS IN THE OUTER PREMISES OF THE PLANT IN ORDER TO COLLECT GRAPES.

CELEBRATING EARTH DAY

CELEBRATING EARTH DAY WITH OUR EMPLOYEES. MORE THAN 250 TREES WERE PLANTED IN OUR QUARRIES BY OUR DIRECT AND INDIRECT EMPLOYEES



ISTITUTIONAL VISITS

VISIT OF THE MINISTER OF ENERGY AND INDUSTRY H.E. MR. DAMIAN GJIKNURI AT THE ANTEA CEMENT PLANT

ABOUT THIS REPORT

According to G4 guidelines, the Integrated Report 2016 is the 3rd Annual Sustainability Report that the Company is issuing. It incorporates data from 01 January 2016 until 31 December 2016. The basis of this Report is composed by performance data from ANTEA Cement's facility (the plant and its surrounding quarries). The Report incorporates the full range of economic, social and environmental impacts and performance of ANTEA Cement operations. Relevant indicators are estimated following definitions provided by the Cement Sustainability Initiative Guidelines. Following the update of the CSI Guidelines in 2013 regarding safety performance, all references to previously mentioned as "contractors" are now references to "indirect employees" or "indirect employment". Indicators referring to "direct employment from the local community" and "local suppliers or contractors", have been estimated with the following definition of local: "Local" refers to the administrative region within which lies the cement plant, RM unit, a quarry, a terminal, company offices or other premises that belong to the Group or one of its subsidiaries.

Locally-based suppliers are the providers of materials, products, and services that are based in the same geographic market as the reporting organization (i.e., no trans-national payments to the supplier are made). Information regarding OH&S and environmental protection complies with Cement Industry standards and relevant Protocols of the World Business Council for Sustainable Development (WBCSD) - Initiatives for Sustainability in the cement industry (CSI).

All questions and/or suggestions regarding this report are to be submitted to ANTEA Cement's CSR and Communication Officer Mr. Klajdi Gjondedaj or to the following email address: csr@antecement.com For more information please visit our website at: www.antecement.com





APPENDICES

WASTE MANAGEMENT

There have been no spills and/or accidental releases during 2016.

Specific total wastes produced (excluding printing toner and cartridges)	kg/t^{Clinker}	62.69
Specific wastes disposed externally	kg/t ^{Clinker}	29.34
Specific wastes disposed internally	kg/t ^{Clinker}	33.35
Total wastes production (excluding printing toner and cartridges, per sub unit)	%Total	100.00
Wastes disposed externally	%Total	46.80
Wastes disposed internally	%Total	53.20
Total wastes production (excluding printing toner and cartridges, overall)	%Total	100.00
Wastes disposed externally	%Total	100.00
Wastes disposed internally	kg/t ^{Clinker}	62.69

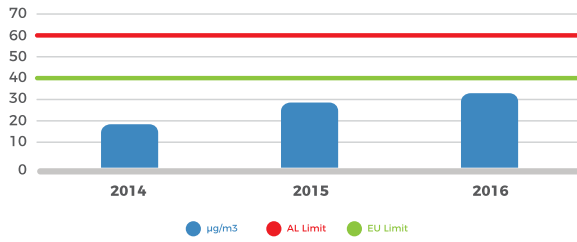
STATISTICAL DATA IN REGARD TO WATER WITHDRAWAL

WATER			
Water withdrawn	Total water withdrawn (by course)	m³/y	168,712
	Surface water	m ³ /y	0
	Ground water	m ³ /y	168,644
	Rain water	m ³ /y	0
	Waste water	m ³ /y	0
	Municipal water	m ³ /y	68
	Ocean or sea water	m ³ /y	0
Water use	Total water use (by destination)	m³/y	168,712
	Process water	m ³ /y	29,101
	Non recycled water for mechanical cooling	m ³ /y	51,458
	Water for environmental purposes	m ³ /y	19,360
	Potable water (for drinking, cleaning, hygiene, etc.)	m ³ /y	49,469
	Losses	m ³ /y	19,324

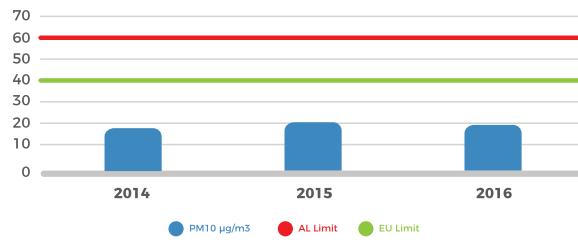
Water discharge	Total water discharge (by destination)	m³/y	17,602
	Surface water (river, lake)	m ³ /y	17,602
	Sub-surface water (well)	m ³ /y	0
	Off-site water treatment	m ³ /y	0
	Ocean or sea water	m ³ /y	0
Water consumption	Total water consumption	m³/y	151,110
Recycled water	Total recycled water		258,466
	Recycled water for mechanical cooling		258,466
	Other (washing of vehicles, etc.)		0
Water demand	Total water demand		409,576



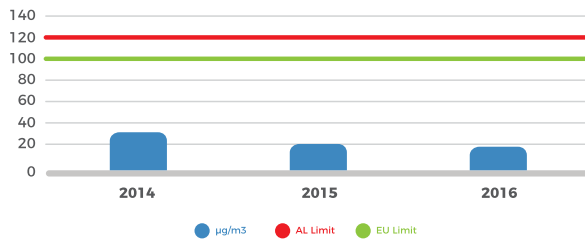
Nitrogen Oxide concentration in Ambient Air



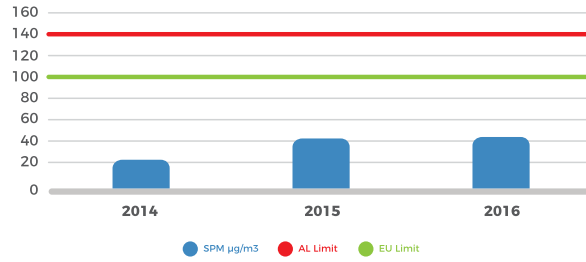
Ambient air quality PM10 concentration



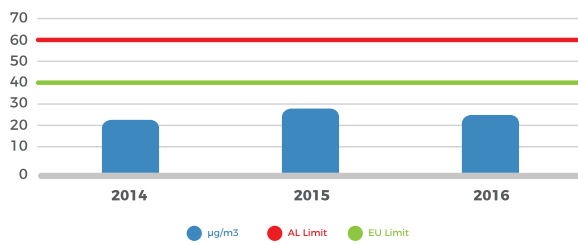
Ground level ozone concentration in Ambient air



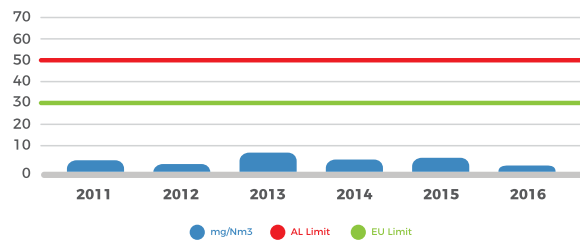
Ambient air quality Total particulates concentration



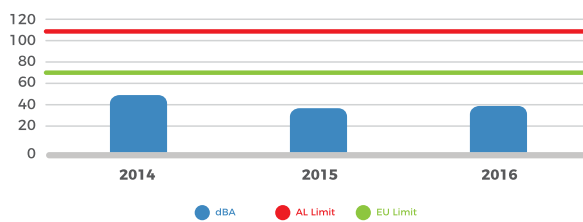
Sulphur dioxide concentration in Ambient Air



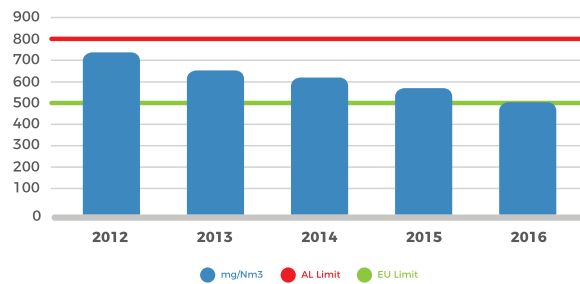
Particulates matter emissions Main stack



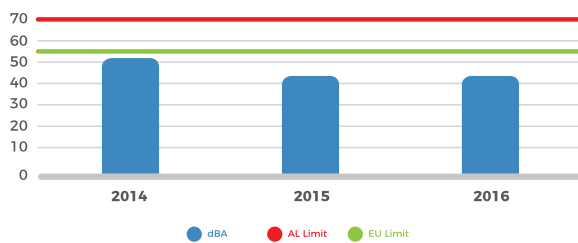
Environmental Noise in the quarries perimeter



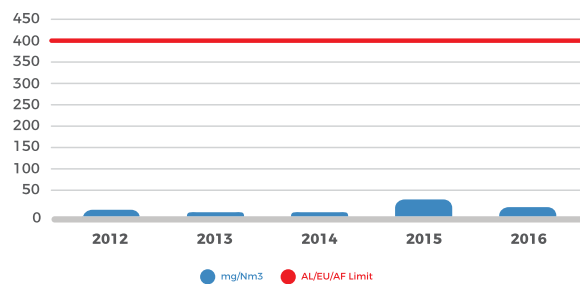
NOx emissions main stack



Environmental Noise in the cement plant perimeter



Sulphur oxides emissions main stack



INDEPENDENT ASSURANCE STATEMENT

TO THE MANAGEMENT OF ANTEA CMENT SH.A

The 2016 Corporate Social Responsibility Report (“the Report”) of Antea Cement Sh.A (“the Company”) has been prepared by the Company’s management which is responsible for the collection and presentation of the information contained therein. Our responsibility is limited in carrying out a limited assurance engagement on specific scope on the Report, which is prepared in compliance with the “In accordance - Core” option level of the GRI G4 Sustainability Reporting Guidelines (“GRI G4”). Our responsibility in performing our assurance engagement is solely to the management of the Company and in accordance with the terms of reference agreed between us. We neither accept nor we assume any responsibility and for any other purpose to any other person or organization. Any reliance any third party may place on the Report is entirely at its own risk and responsibility.

The Company’s management is responsible for the preparation of the Report in accordance with the GRI G4. In particular, the Company’s management is responsible for internal controls being designed and implemented to prevent the Report from being materiality misstated. In addition, the Company’s management is responsible for ensuring that the documentation provided to us is complete and accurate. The Company’s management is also responsible for maintaining the internal control system that reasonably ensures that the documentation described above is free from material misstatements, whether due to fraud or error.

WORK SCOPE AND CRITERIA

The assurance engagement has been planned and performed in accordance with the International Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (“ISAE3000-revised”), in order to provide a limited level assurance opinion on:

1. The accuracy and completeness of quantitative data and the plausibility of qualitative information related to the GRI G4 General Standard Disclosures, required for the “In accordance - Core” option.
2. The accuracy and completeness of quantitative data (performance indicators) and plausibility of statements (GRI G4 Disclosures on Management Approach) related to the GRI G4 Specific Standard Disclosures, which correspond to the five most material issues, as presented in the Company’s materiality analysis.
3. The Report’s “In accordance - Core” adherence against the related GRI G4 requirements.

WHAT WE DID TO FORM OUR CONCLUSIONS

In order to form our conclusions we performed (but were not limited to) the steps outlined below:

- Performed interviews with Management executives in order to understand the Company’s corporate responsibility processes, policies and activities during the reporting period.
- Reviewed information in order to substantiate data and statements regarding the Company’s sustainability performance in 2016, as these are presented in the Report.
- Reviewed the Company’s processes for determining material issues to be included in the Report, as well as the coverage of these material issues within the Report.
- Interviewed specialists responsible for managing, collating and reviewing data related to the GRI G4 General and Specific Disclosures under the scope of our engagement, for internal and public reporting purposes.
- Reviewed the Report for the appropriate presentation of the GRI G4 General and Specific Standard Disclosures under the scope of our engagement, which included discussions of limitations and assumptions relating to the way data are presented.
- Reviewed the GRI G4 Content Index and the references included therein, against the GRI G4 requirements for the “In accordance - Core” option.

LEVEL OF ASSURANCE

Our procedures were designed in order to obtain a limited level of assurance (as set out in ISAE 3000 - revised) on which we formed our conclusions. The extent of these procedures is less than those designed to obtain a reasonable level of assurance and therefore a lower level of assurance is obtained.

LIMITATIONS OF OUR REVIEW

- Our review was limited to the English version of the Report. In the event of any inconsistency in translation between the English and Albanian versions, as far as our conclusions are concerned, the English version of the Report prevails.
- We do not provide any assurance relating to future information such as estimates, expectations or targets, or their achievability.
- The scope of our work did not include any review of third party activities or performance, nor attending any stakeholder engagement activities.
- Our review did not include testing of the Information Technology systems used or upon which the collection and aggregation of data was based by the Company.

CONCLUSIONS

Based on our review and according to the terms of reference and the limitations of our work, we report the following conclusions. Our conclusions are based on the appropriate application of the selected criteria and should be read in conjunction with the "What we did to form our conclusions" section above.

1. How complete and accurate are the quantitative data and how plausible is the qualitative information related to the GRI G4 General Standard Disclosures under the scope of our engagement?
 - Nothing has come to our attention that causes us to believe that any reporting unit, according to the set boundary and time period stated in the Report, is not included in the quantitative data of the Report related to the GRI G4 General Standard Disclosures under the scope of our engagement.
 - Nothing has come to our attention that causes us to believe that errors or inaccuracies exist in the collation of the qualitative data related to the GRI G4 General Standard Disclosures under the scope of our engagement, or in the transposition of these data to the Report, that would materially affect the way they are presented.
 - We have reviewed information and explanations on selected Management statements (qualitative information) related to the GRI G4 General Standard Disclosures, as these are presented in the Report and no material misstatements came to our attention.
 - Nothing has come to our attention that causes us to believe that materiality analysis is inaccurately presented based on the procedures followed by the Company.
2. How complete and accurate are the quantitative data (performance indicators) and how plausible are the statements (GRI G4 Disclosures on Management Approach) related to the GRI G4 Specific Standard Disclosures under the scope of our engagement?
 - Nothing has come to our attention that causes us to believe that any reporting, according to the set boundary per material issue and the time period stated in the Report, is not included into the quantitative data (performance indicators) of the Report related to the GRI G4 Specific Standard Disclosures under the scope of our engagement.
 - Nothing has come to our attention that causes us to believe that errors or inaccuracies exist in the collation of the data related to the GRI G4 Specific Standard Disclosures under the scope of our engagement, or in the transposition of these data to the Report that would materially affect the way they are presented.
 - We have reviewed information and explanations on selected Management statements (GRI G4 Disclosures on Management Approach) related to the GRI G4 Specific Standard Disclosures, as presented in the Report and no material misstatements came to our attention.
3. Does the Report meet the GRI G4 requirements of the "In accordance - Core" option?
 - Based on our review, nothing has come to our attention that causes us to believe that the Report does not meet the requirements of the "In accordance - Core" option, as presented in the GRI G4 Content Index.

INDEPENDENCE

We conducted our assurance engagement in accordance with International Assurance Standards, particularly ISAE 3000 (revised). These regulations require that we comply with ethical standards and plan and perform our assurance engagement to obtain limited assurance about the specific scope explained above.

We apply International Standard on Quality Control 1 (ISQC 1), and accordingly, we maintain a robust system of quality control, including policies and procedures documenting compliance with relevant ethical and professional standards and requirements in law or regulation.

We comply with the independence and other ethical requirements of the IESBA Code of Ethics for Professional Accountants, which establishes the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Ernst & Young - Ekspertë Kontabël të Autorizuar
Albanian Branch

Ernst & Young Certified Auditors

20 November 2017
Tirana, Albania

Mario Vangjeli
Certified Auditor



GRI CONTENT INDEX

THIS REPORT HAS BEEN PREPARED IN ACCORDANCE WITH THE GLOBAL REPORTING INITIATIVE'S (GRI) G4 SUSTAINABILITY REPORTING GUIDELINES AT "CORE" LEVEL.

General Standard Disclosures	Description	Pages	
STRATEGY AND ANALYSIS			
G4-1	GM Statement	GM Message (page 4)	<input checked="" type="checkbox"/>
ORGANIZATIONAL PROFILE			
G4-3	Name of the organization	ANTEA Cement SH.A	<input checked="" type="checkbox"/>
G4-4	Primary brands, products and / or services	Strategic review about us (page 7, 13)	<input checked="" type="checkbox"/>
G4-5	Location of organization's headquarters	Headquarters: Tirana, Albania (page 7)	<input checked="" type="checkbox"/>
G4-6	Number of countries where the organization operates, and countries with major operations or relevant to sustainability issues	Strategic review ANTEA Cement profile (page 6)	<input checked="" type="checkbox"/>
G4-7	Nature of ownership and legal form	ANTEA Cement SH.A	<input checked="" type="checkbox"/>
G4-8	Markets served	Strategic review: Where we operate (page 8)	<input checked="" type="checkbox"/>
G4-9	Scale of the reporting organization	(page 7, 13, 19)	<input checked="" type="checkbox"/>
G4-10	Information on employee and other workers	(page 18, 19)	<input checked="" type="checkbox"/>
G4-11	Percentage of employees covered by collective bargaining agreements	34 % of all Antea employees, are covered by collective bargaining agreements	<input checked="" type="checkbox"/>
G4-12	Description of supply chain	(page 31)	<input checked="" type="checkbox"/>
G4-13	Significant changes to size, structure, or ownership	No changes have been recorded during the reporting period in the equity base of ANTEA Cement	<input checked="" type="checkbox"/>
G4-14	Whether and how the precautionary approach or principle is addressed	Environment (page 25, 26, 27)	<input checked="" type="checkbox"/>
G4-15	Externally developed economic, environmental, and social charters, principles, or initiatives the organization subscribes or endorses	SA8000 Setting Standards (page 21) Working and partnership (page 35)	<input checked="" type="checkbox"/>
G4-16	Association memberships	We co-lead both the CSR Europe's portal for buyers and suppliers and the Cement Sustainability Initiative's Task Force 10. See G4-15 for details of our membership with UN Global Compact, Cement Sustainability Initiative and CSR Europe. The Company Charter of the Cement Sustainability Initiative ANTEA Partners (page 35)	<input checked="" type="checkbox"/>

IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			
G4-17	Entities included in consolidated financial statements and if any are not covered in the report	ANTEA Cement issues consolidated financial statements only consolidated at group level. Annual Financial Statements: Note 14 – http://integratedreport2016.titan.gr/financial-results/notes/14.principal-subsidiaries	<input checked="" type="checkbox"/>
G4-18	Process to define report content and aspect boundaries. How Defining Report Content principles was implemented	(pages 15)	<input checked="" type="checkbox"/>
G4-19 G4-20 G4-21	Material aspects and boundaries	We have attributed each of our material issues to a relevant material aspect outlined in the Global Reporting Initiative (GRI) G4 Guidelines. The table on page 14 describes the boundary for each of these aspects, indicating where the impacts of each one is felt, inside and outside of our business. The stakeholders who form the external boundaries are those nearby or with a close interest in ANTEA's operations, such as governments and local communities in the country.	<input checked="" type="checkbox"/>
G4-22	Effect of restatements	None	<input checked="" type="checkbox"/>
G4-23	Significant changes from previous reporting period	Energy - Was not deemed material by our stakeholder	<input checked="" type="checkbox"/>
STAKEHOLDER ENGAGEMENT			
G4-24 G4-25 G4-26 G4-27	Stakeholder groups engaged by the organization; how stakeholders are identified and selected; approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group; and key concerns raised through stakeholder engagement, and how the organization responded	Engagement process (pages 13-14). Meetings with external and internal stakeholders are organized from time to time in quarterly basis. No new concerns from the stakeholder engagement.	<input checked="" type="checkbox"/>
REPORT PROFILE			
G4-28	Reporting period	01 January 2016 – 31 December 2016	<input checked="" type="checkbox"/>
G4-29	Most recent report	November 2016 for the calendar year 2015	<input checked="" type="checkbox"/>
G4-30	Reporting cycle	Annual Basis	<input checked="" type="checkbox"/>
G4-31	Contact point for questions regarding the report or its content's	This Report is directed at key stakeholders, namely shareholders, employees, customers, suppliers, government and regulatory authorities, local communities and NGOs. It is also directed at potential investors, analysts and any other interested party. We welcome feedback via our website: www.anteacement.com For more information, please visit our website: or contact: Mr. Klajdi Gjondedaj CSR & Communication Officer at: csr@anteacement.com	<input checked="" type="checkbox"/>
G4-32	GRI Content Index "in accordance" options	(page 46)	<input checked="" type="checkbox"/>
G4-33	External assurance	Appendices: Report assessment and verification (page 42)	<input checked="" type="checkbox"/>
GOVERNANCE			
G4-34	Governance structure	(page 33)	<input checked="" type="checkbox"/>
ETHIC AND INTEGRITY			
G4-56	Organization's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics	Governing values (page 12)	<input checked="" type="checkbox"/>

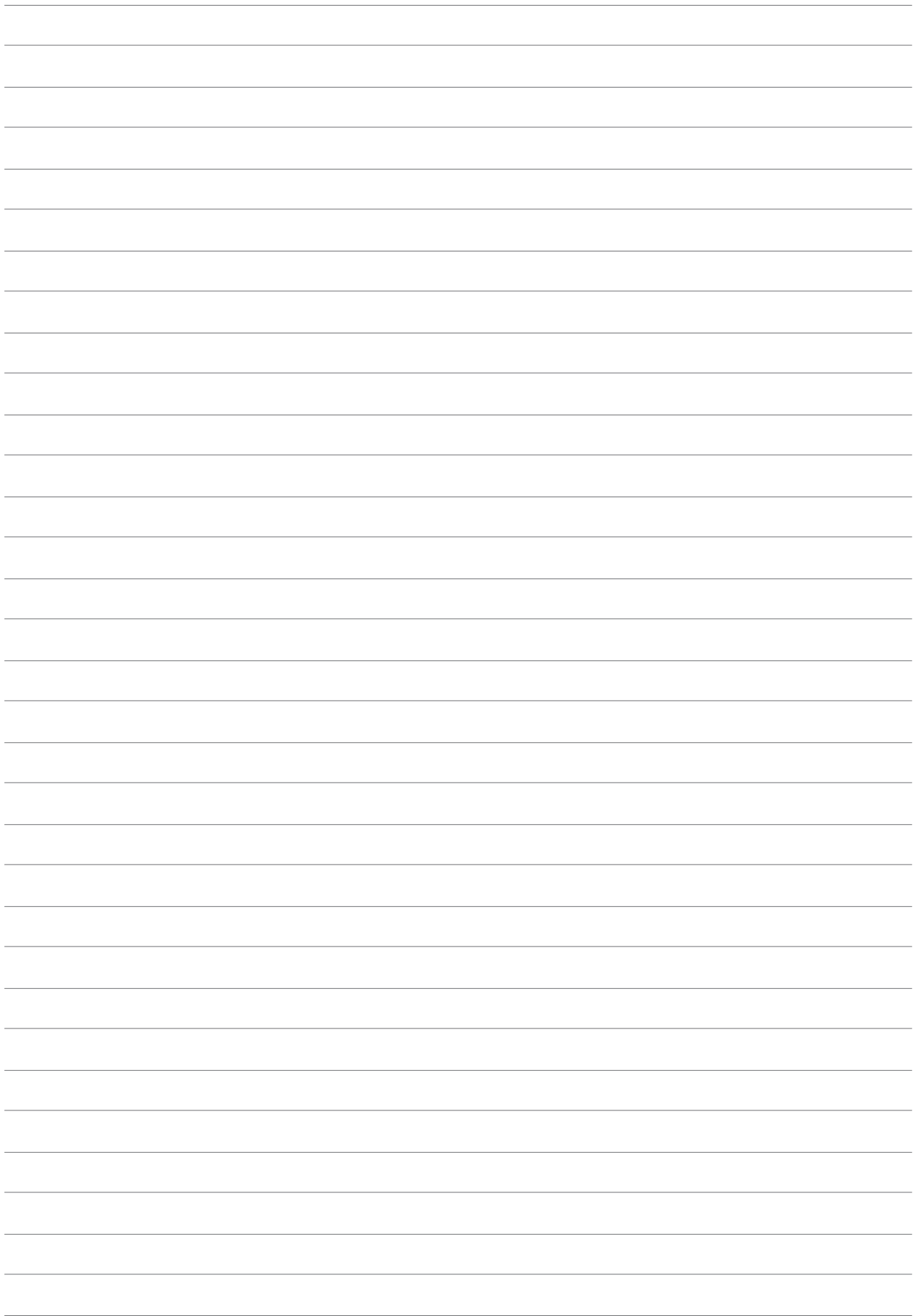
Specific Standard Disclosure	Indicator	Page in this Report
MATERIAL ASPECTS: ECONOMIC PERFORMANCE		
G4-DMA	Generic Disclosures on Management Approach	28-31
G4-EC1	Direct economic value generated and distributed	13,16
G4-EC4	Financial assistance received from government	none
ASPECT: MARKET PRESENCE		
G4-DMA	Generic Disclosures on Management Approach	13
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	18
MATERIAL ASPECT: INDIRECT ECONOMIC IMPACTS		
G4-DMA	Generic Disclosures on Management Approach	30
G4-EC7	Development and impact of infrastructure investments and services supported	30
G4-EC8	Significant indirect economic impacts, including the extent of impacts	30, 38-39
CATEGORY: ENVIRONMENTAL		
MATERIAL ASPECT: WATER		
G4-DMA	Generic Disclosures on Management Approach	25, 27
G4-EN8	Total water withdrawal by source	42
G4-EN10	Percentage and total volume of water recycled and reused	42
ASPECT: BIODIVERSITY		
G4-DMA	Generic Disclosures on Management Approach	25, 27
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	The company doesn't own any sites as referred
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	27
MATERIAL ASPECT: EMISSIONS		
G4-DMA	Generic Disclosures on Management Approach	25-27
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	25-27
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	44
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	44
G4-EN18	Greenhouse gas (GHG) emissions intensity	29
G4-EN19	Reduction of greenhouse gas (GHG) emissions	44
G4-EN20	Emissions of ozone-depleting substances (ODS)	44
G4-EN21	NOX, SOX, and other significant air emissions	44
ASPECT: EFFLUENTS AND WASTE		
G4-DMA	Generic Disclosures on Management Approach	25-27
G4-EN22	Total water discharge by quality and destination	42
G4-EN24	Total number and volume of significant spills	42
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	none
ASPECT: COMPLIANCE		
G4-DMA	Generic Disclosures on Management Approach	25-27
G4-EN27	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	none
ASPECT: TRANSPORT		
G4-DMA	Generic Disclosures on Management Approach	25-27
G4-EN27	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	no impact
ASPECT: OVERALL		
G4-DMA	Generic Disclosures on Management Approach	25-27
G4-EN31	Total environmental protection expenditures and investments by type	16
ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT		
G4-DMA	Generic Disclosures on Management Approach	25-27
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	31
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	no impact



ASPECT: ENVIRONMENTAL GRIEVANCE MECHANISMS		
G4-DMA	Generic Disclosures on Management Approach	33
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	none
CATEGORY: SOCIAL		
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK		
ASPECT: EMPLOYMENT		
G4-DMA	Generic Disclosures on Management Approach	18-19
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	28-29
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	19
ASPECT: LABOR/MANAGEMENT RELATIONS		
G4-DMA	Generic Disclosures on Management Approach	18
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	Eight Days
MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY		
G4-DMA	Generic Disclosures on Management Approach	21-24
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	100%
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	23
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	none
G4-LA8	Health and safety topics covered in formal agreements with trade unions	24
MATERIAL ASPECT: TRAINING AND EDUCATION		
G4-DMA	Generic Disclosures on Management Approach	19-21
G4-LA9	Average hours of training per year per employee by gender, and by employee category	20,24
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	19-20
ASPECT: DIVERSITY AND EQUAL OPPORTUNITY		
G4-DMA	Generic Disclosures on Management Approach	23
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	33
ASPECT: LABOR PRACTICES GRIEVANCE MECHANISMS		
G4-DMA	Generic Disclosures on Management Approach	33
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	none
SUB-CATEGORY: HUMAN RIGHTS		
ASPECT: INVESTMENT		
G4-DMA	Generic Disclosures on Management Approach	22
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	none
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	22
ASPECT: NON-DISCRIMINATION		
G4-DMA	Generic Disclosures on Management Approach	21-22
G4-HR3	Total number of incidents of discrimination and corrective actions taken	none
ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING		
G4-DMA	Generic Disclosures on Management Approach	22-23
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	22
ASPECT: SECURITY PRACTICES		
G4-DMA	Generic Disclosures on Management Approach	21-22
G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	100%
ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT		
G4-DMA	Generic Disclosures on Management Approach	21-24
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	36
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	none



ASPECT: HUMAN RIGHTS GRIEVANCE MECHANISMS		
G4-DMA	Generic Disclosures on Management Approach	33
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	none
SUB-CATEGORY: SOCIETY		
ASPECT: LOCAL COMMUNITIES		
G4-DMA	Generic Disclosures on Management Approach	36
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	36, 38-39
G4-SO2	Operations with significant actual and potential negative impacts on local communities	none
ASPECT: ANTI-CORRUPTION		
G4-DMA	Generic Disclosures on Management Approach	7
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	24
G4-SO4	Communication and training on anti-corruption policies and procedures	24
G4-SO5	Confirmed incidents of corruption and actions taken	none
ASPECT: ANTI-COMPETITIVE BEHAVIOR		
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	none
ASPECT: COMPLIANCE		
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	none
ASPECT: SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY		
G4-DMA	Generic Disclosures on Management Approach	32-35
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	32-35
G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken	none
ASPECT: GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY		
G4-DMA	Generic Disclosures on Management Approach	34
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	none
SUB-CATEGORY: PRODUCT RESPONSIBILITY		
ASPECT: CUSTOMER HEALTH AND SAFETY		
G4-DMA	Generic Disclosures on Management Approach	31
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	All products are accompanied by HS Manuals
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	none
ASPECT: PRODUCT AND SERVICE LABELING		
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	All products are accompanied by HS Manuals
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	none
G4-PR5	Results of surveys measuring customer satisfaction	31
ASPECT: MARKETING COMMUNICATIONS		
G4-PR6	Sale of banned or disputed products	Our Products are not in the banned list in the markets where we operate
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	none
ASPECT: CUSTOMER PRIVACY		
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	none
ASPECT: COMPLIANCE		
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	none



CONTACT



+355 (0) 44502350



info@anteacement.com



www.anteacement.com