Enduring commitment

Integrated Annual Report 2013

TITAN's first comprehensive and integrated Annual Report marked the start of a new era in how the Group communicates with its stakeholders. Taking into account their needs and expectations, the Group's business performance is presented in an integrated way, combining its financial and non-financial results. This report is the next stage in that journey.

Contents

About this report

Following the International Integrated Reporting Council's (IIRC) Guidelines, this year we have made further changes to the layout and structure of the Annual Report. This should make it easier for investors and other stakeholders to gain a complete and holistic view of our efforts and performance in 2013. The main theme of the Report is "An enduring commitment", which captures our approach to business. The main contents include an overview of our activities, of the challenges that we face and our strategy. Our financial and non-financial performance in 2013 is presented at a Group and a regional level and is followed by the Group's financial statements. Specific case studies demonstrate the way our strategy is implemented and adapted to the specific local conditions.

A more comprehensive version of this Report includes detailed disclosure on our performance, as well as the independed auditors' report, certifying that the Report has been rated **A+ for GRI G3.1** assurance level and has been deemed to meet the **"advanced"** level criteria for the UN Global Compact Communication on Progress.

The full version of the Report, in a PDF format, can be found online at http://integratedreport2013.titan.gr

An enduring commitment

TITAN provides building materials for homes, offices, schools and major infrastructure projects, such as highways, ports, etc.

The quality of TITAN's products, their durability and the long-term sustainability of the resulting constructions represent an ongoing responsibility. This responsibility to society has driven the progress of the Group's intellectual and technical capabilities.

Throughout its 111-year history, TITAN has lived up to many other responsibilities. These include the wellbeing of its people and the communities around its operations, the success of its customers and the satisfaction of shareholders. Meeting these diverse needs has brought about positive change, enabled resilience and continued success.

Today, these commitments are even more important. While taking pride in our achievements, we continue to improve how we operate by focusing on the most material issues. In this way, we can face the future with confidence.

Building on the past...

TITAN's history demonstrates its enduring commitment to serve the needs of society while contributing to sustainable growth with responsibility and integrity.

Caring for people

In 1922, in the midst of a humanitarian and national crisis, TITAN provided refugees from Asia Minor with clothes, bed linen, medical care, temporary accommodation and work.

Health and Safety first always

In 1951, TITAN installed the first mechanical bag filters to minimize dust emissions at the Elefsina plant. We continued investing so that in 1962 the first electrical filters replaced the old ones.
In the 1970s, we established joint Health and Safety Committees to further improve working conditions and health and safety at work. Five years later, this was adopted by national legislation.

1902
The first cement plant is opened in Elefsina, Greece

1911
The first report to shareholders is published

1912
TITAN is listed on the Athens Stock Exchange

1933
TITAN becomes international as first exports go out to Brazil

1960s–70s
TITAN expands in Greece with three more cement plants opening near Thessaloniki, Patras and Athens

Vertically integrates into ready-mix concrete

International expansion

TITAN has invested more than 3.3 billion euros in expanding its business across four geographical regions since 2000, without a share capital increase.

Engagement and synergies

In 2000, we helped found the Hellenic Network for Corporate Social Responsibility and since then have engaged in relevant initiatives in all countries where we operate. Since 2002, TITAN has been an active member of the UN Global Compact Initiative. In 2010, we committed to follow the U.K. Corporate Governance Code.

1980s

TITAN becomes Greece's largest industrial exporter

1990s–2000s

TITAN makes its first acquisition outside of Greece, in Roanoke, Virginia (U.S.A.). The strategy of geographical diversification across four regions is put into action

2000s

TITAN's commitment to sustainable development is formalized by signing the UN Global Compact, becoming a member of the WBCSD and aligning reporting with the GRI Guidelines

For more detailed information about TITAN's history and key milestones please visit our website.

Staying ahead of today's demands...

Commitment to improving on all fronts has enabled TITAN to meet new challenges whenever they arise. It also ensures that the Group continues to create value for its shareholders, customers and other stakeholders.

Revenue growth

2013 was the first year of turnover and EBITDA improvement, at constant exchange rates, after seven years of decline. Volume growth was recorded across all main product lines. This marks the beginning of renewed growth for TITAN.

Debt halved over five years

By focusing on cash flow generation and actively managing its portfolio of assets, the Group consistently paid down debt. A further reduction of debt levels in 2013 means that total borrowings are less than half the 2008 level.

U.S. recovery

TITAN is poised to benefit from the U.S. recovery with well-positioned operations in Florida, the Mid-Atlantic and New Jersey. Extensive investments in cement production and vertically integrated activities demonstrate the Group's long-term commitment in this market.

Enabling local development

TITAN is committed to enabling the sustainable development of communities near its operations. This is expressed through the Group's long-term investment in initiatives and partnerships that promote Health and Safety issues, address unemployment and poverty, and raise environmental awareness.

In 2013, the Group invested 1,691,760 euros in community development programs representing an increase of 26.3% compared to 2012.

Accident prevention

We continue to strive for an accident-free workplace. Over the last five years we have achieved for direct employees an annual 16% reduction in LTI Frequency Rate.

Focus on people remains strong

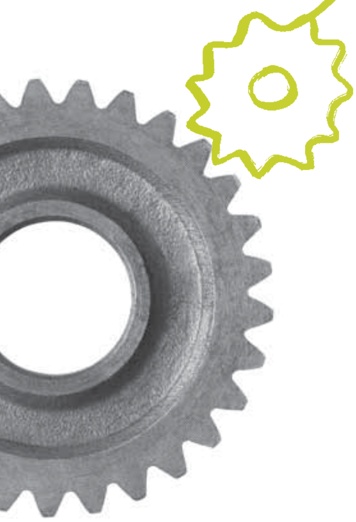
Developing our people while providing guidance on managing TITAN's operations is a strong focus. Our commitment to high standards is underlined once again by the adoption of new programs and the Employee Management Framework.

Improving our environmental footprint

Reducing the Group's environmental impact has been an important priority over the last five decades. In 2013, we spent 24.6 million on the overall improvement of our environmental footprint and the upgrading of our cement plant in Kosovo to meet high international standards.

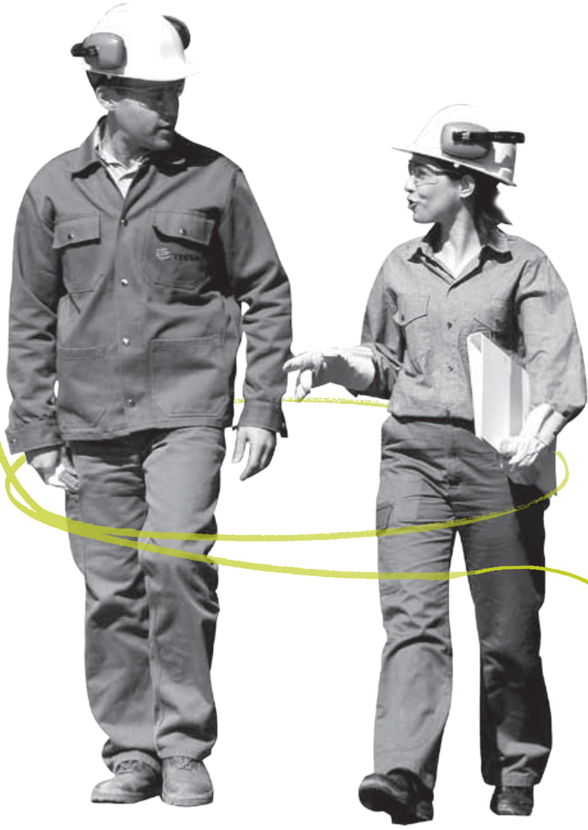
Ensuring success in the future

By taking the right decisions today, TITAN strives to ensure a prosperous future and build a more sustainable business for the benefit of all. The Group's long-term experience enables it to face tomorrow's challenges with confidence.



Doubling capital expenditure

In 2014, we will double our capital expenditures. We will invest in our operations in the U.S.A. so as to capture market growth, and in Egypt, in order to secure our fuel supplies and thereby increase our production efficiency.



Looking after our own

The wellbeing of our employees, our communities and our partners is top of our agenda for 2014. New best-practice initiatives will also extend to contractors, suppliers and customers.

Maintaining momentum

Despite continuing uncertainties, the outlook for 2014 looks more promising, especially in the U.S.A. We must now retain the productivity gains made during the crisis, keep effective our focus on free cash flow generation, and improve our return on capital employed.

Integrated reporting

Our work in this area will increase through our participation in WBCSD working programs and CSR Europe's project on valuing non-financial performance.

Getting involved

Enabling community relations is a top priority for all TITAN operations. The valuable feedback we've received continues to influence the programs implemented in each country.
Unemployment, especially of youth, and growing inequalities worldwide will be tomorrow's key social challenges. TITAN will target programs to develop skills among the young and long-term unemployed.

Further improvement of our environmental performance

Aiming to continuously improve in all areas affected by our operations, especially those in which our goals have yet to be met, such as the utilization of alternative fuels, TITAN focuses on leveraging best practices and further intergrating management systems to address material issues, such as water, biodiversity and quarry rehabilitation.

CEO message

"We are cautiously optimistic on the outlook for 2014. In light of lingering uncertainties, we continue to focus on areas which we can control – ensuring that our business remains financially, socially and environmentally stable and demonstrating our enduring commitment to long-term sustainable development".

Dear Shareholders and Stakeholders,

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

2013: Emerging from the trough

In 2013, TITAN Group operating results improved for the first time in seven years. The recovery of the housing market in the US, resilience of demand in Egypt, and perseverance on exports enabled the Group to increase sales, generate positive free cash flow, and further reduce net debt, against a backdrop of prolonged weakness in its home market and subdued construction activity in Southeastern Europe.

Consolidated turnover in 2013 increased by 4% to €1,176 million. Earnings before interest, taxes, depreciation and amortization (EBITDA) improved marginally, reaching €196 million. At stable exchange rates, EBITDA would have been 6% higher. Bottom line results, after minority interests and the provision for taxes, amounted to a loss of €36 million, burdened by foreign exchange losses and extraordinary tax impacts.

Thanks to the strict prioritization of investments, the curtailment of working capital requirements and the reduction in costs, the Group was able to generate €142 million in positive cash flow, versus €140 million generated in 2012. This allowed the Group to further decrease its net debt by €57 million during the year.

Sustainability: at the heart of our business

On the sustainability front, we can demonstrate progress during 2013, but are still facing challenges.

Most indicators related to safety at work continued to improve. We achieved a significant reduction in the lost time injuries among both our employees and our contractors. Benchmarking our performance against the Cement Sustainability Initiative (CSI) data, indicates top quartile performance globally. However, the fact that we were unable to avoid the loss of a human life underscores the fragility of our achievements and the importance of continuing to improve.

The most notable progress on the environmental front was achieved in dust emission reduction and the use of alternative non-fossil fuels, although on the latter, we are still falling short of our goals.

We also continued to build our engagement with our stakeholders both locally and more broadly, as described in many points throughout this report.

Looking back

TITAN's recent history can be divided into two periods. During the decade prior to 2008, TITAN profited from attractive market and growth conditions. We rode the wave to transform the Group from a Greek producer with a stake in a US plant and a total capacity of a little over 6 million tons to a 25 million ton vertically integrated producer, with a diversified geographical footprint across four continents. In the process, we maintained a return on capital employed well in excess of our cost of capital, creating value for our shareholders. We achieved this while living by our values of respect for people, society and the environment. And we did so proactively, going above and beyond what was required of us: we not only tried to "do less harm", but pursued opportunities to "do more good".

Starting in 2008, we shifted priorities in order to adjust to new realities. For the past five years we have been single-mindedly and consistently focused on a few key priorities: generating free cash flow to increase financial flexibility, reducing costs to adjust to lower demand, and pursuing bolt-on growth initiatives, mostly to grow our presence in emerging markets.

Since 2008, and despite the collapse of our two most important markets, Greece and the USA, we have reduced debt by over 50% to just €539 million at the end of 2013. We have expanded capacity by almost 20%, mostly in emerging markets. We have reduced fixed costs by 16%, SG&A by 24%, and we achieved this without making a capital call on our shareholders.

As importantly, throughout this crisis, we have also retained our focus on the triple bottom line: we have accelerated our efforts to improve our safety culture; we have invested to reduce our carbon footprint; we have taken a number of – often innovative – initiatives to engage our stakeholders at the local level; and we have intensified our engagement at the global level, in particular through our own commitment to the Cement Sustainability Initiative within the WBCSD and to the UN Global Compact.

	2008	**2013**	**Variance**
Cement Capacity, million tons [1]	20.9	**24.9**	19%
% Cement Capacity in Emerging Markets	45%	**53%**	+8 points
Cement Sales, million tons [2]	17.2	**17.2**	0%
Revenue, € million	1,579	**1,176**	-26%
EBITDA, € million	380	**196**	-48%
% EBITDA in Emerging Markets	45%	**77%**	+32 points
Fixed Cost, € million	254	**213**	-16%
SG&A Cost, € million	145	**110**	-24%
Employees (like-for-like) [3]			-29%
Net Debt, € million	1,114	**539**	-52%
Total Equity, € million	1,434	**1,539**	+7%
Total Assets, € million	3,194	**2,701**	-15%

	31 Dec '08	**31 Dec '13**	**Variance**
Share Price (TITK)	13.90	**19.80**	+42%
ATHEX General Index	1,787	**1,163**	-35%
Share Capital (Number of shares excl. treasury shares)	81,353,158	**81,565,194**	

[1] Cement capacity includes cementitious materials
[2] Cement sales include clinker and cementitious materials
[3] For employees in production activities in 2008

CEO message
continued

Looking ahead

Recent trends in the Group's markets justify a certain degree of reserved optimism for 2014, despite lingering uncertainties.

Cement consumption in the U.S.A. is expected to continue growing at a robust pace, largely owed to the recovery in the residential market. According to the estimates of the Portland Cement Association (PCA), all construction segments are expected to expand in 2014 and cement consumption should grow by at least 8%. The PCA estimates that cement consumption will grow at an even higher rate in the Southeast of the country where the majority of TITAN's US operations are located. In Florida, cement consumption is forecast to grow by double-digit figures over the next four years.

In Greece, cement demand is expected to increase for the first time since 2006, from the extremely low levels of 2013. The anticipated improvement is largely owed to infrastructure spending, including road works. Prospects for the residential market remain muted.

The outlook for construction in Southeastern Europe is stable, without expectations for meaningful growth in the current year, as the region continues to be held back by the crisis in neighboring European countries.

The Group's biggest challenges are anticipated in the Eastern Mediterranean. Egypt, and to a lesser extent Turkey, are facing uncertainty and heightened economic risks. Although demand has remained resilient, it is a difficult backdrop against which to make a forecast. Furthermore, obtaining sufficient fuel to operate the production facilities in Egypt has evolved into a key challenge.

The improvement in Group operating profitability during 2013, in conjunction with a more optimistic outlook for 2014, allows the Board of Directors of TITAN Cement S.A. to propose to the Annual General Meeting of Shareholders, scheduled for June 20, 2014 the distribution of €0.10 per share from the Contingency Reserve.

Our enduring commitment

As we gradually move from crisis management to positioning ourselves for renewed growth, we need to make sure we hold on to the productivity gains made during the crisis, keep our effective focus on free cash flow generation and improve our return on capital employed.

At the same time, we are developing a roadmap to guide our sustainability ambitions for the next five years. Our enduring commitment to economic, social and environmental sustainability is a core element of our overall business approach – and the theme of this year's integrated report.

Our people face very different challenges and opportunities across the Group. We are all united, however, by a clear set of strategic priorities and a common set of values. Our employees have shown remarkable creativity and resilience over the years in supporting our shareholders and stakeholders alike. I would like to thank them for their enduring commitment.

Dimitri Papalexopoulos
Chief Executive Officer

Our governing objective and values

A clear strategy supported by core values

During our 111-year existence, we have expanded beyond our Greek roots to become international. Through good and bad times, we have been sustained by the values at the heart of our culture.

Our governing objective

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

Our values

Corporate Social Responsibility
- Safety first
- Sustainable development
- Stakeholder engagement

Continuous improvement
- Learning organization
- Willingness to change
- Rise to challenges

Integrity
- Ethical business practices
- Transparency
- Open communication

Value to the customer
- Anticipation of customer needs
- Innovative solutions
- High quality of products and services

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

Commitment to results
- Shareholder value
- Clear objectives
- High standards

What we do

A commitment to serving society's most fundamental needs

TITAN Group products provide the materials to build structures and infrastructures which, in turn, provide shelter, enable commerce and foster connectivity. Our enduring commitment to quality ensures the safety, durability and resource efficiency of our products and services.

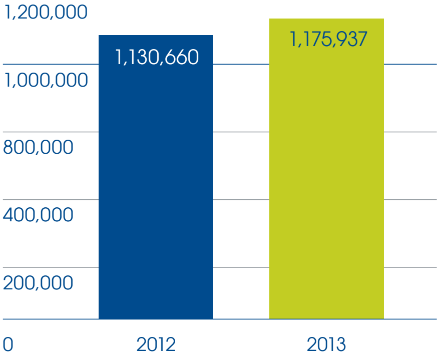
Our vision

To be one of the most economically, environmentally and socially responsible providers of construction materials.

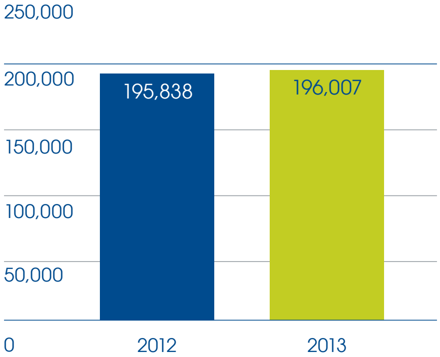
Who we are

TITAN is an independent cement and building materials producer with more than 110 years of industry experience. Based in Greece, the Group employs approximately 5,400 people worldwide, owns cement plants in nine countries and is organized in four geographic regions: Greece & Western Europe, the U.S.A., Southeastern Europe and the Eastern Mediterranean. Throughout its history, TITAN has aimed to combine operational excellence with respect for people, society and the environment. In 2013, our Group turnover was +4.0% vs 2012 and Group EBITDA was flat vs 2012.

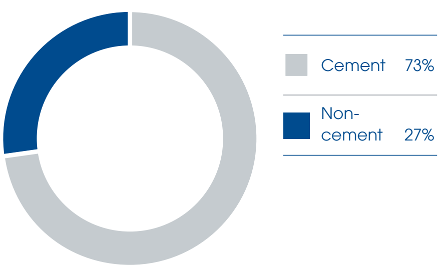
Group turnover €000



Group EBITDA €000



Sales by principal product type 2013 %



What we make

Our principal products are cement, ready-mix concrete and aggregates. We also produce concrete building blocks and dry mortars, we process fly ash (ProAsh®), and we provide alternative fuel and waste management services.

About TITAN's principal products

Cement

Cement is a binding substance and the main component in ready-mix concrete. It is made by grinding clinker, gypsum and other cementitious materials to a fine powder.

Ready-mix concrete

Ready-mix concrete is made from cement, aggregates and water to produce a durable product that can be set in a variety of formats. It is typically mixed at the production plants to specification and then transported to construction sites.

Aggregates

Aggregates are coarse materials such as sand, gravel, crushed stone and recycled concrete used in construction. They are the most mined materials in the world and are used as a raw material in cement and as a strengthening agent, for example, in asphalt and concrete. They can also be used in foundations for roads and railways.

Other products and activities

Fly ash

Fly ash is used to improve the quality and durability of concrete. Separation Technologies, a subsidiary of Titan America, is a leader in the processing of fly ash and develops commercial applications through its proprietary electrostatic separation process.

Building blocks

We manufacture many different types of concrete blocks for use in a variety of construction projects. They provide a practical, durable and sustainable building solution.

Dry mortars

We manufacture mortars, generally used for laying stones and bricks (masonry mortars) and for coating walls (rendering mortars). We have established a specialized company in Greece (INTERMIX, www.intermix.gr) to provide dry mortar and related services to its customers.

Alternative fuel and waste management services (GAEA)

Our joint venture business in Bulgaria provides low-cost waste management and alternative fuel services to Group companies and third parties.

Case study
Enduring commitment in action: U.S.A.

Key facts

7.3%
Unemployment rate

$52,800
GDP per capita

Material issues

- Health and Safety
- Sustainability of concrete and future economic development
- Environmental performance and biodiversity
- Community relations

For more information, please visit:
www.titanamerica.com
www.stiash.com

Context

TITAN began cement production in the U.S.A. in 1992, following the acquisition of a controlling stake in Roanoke Cement. Since then, these operations have grown to include cement, building blocks, ready-mix concrete, fly ash and aggregates. Today, the Group employs over 1,700 people across nine states.

The downturn in the U.S. economy following the 2008 financial crisis had a significant impact on TITAN's operations. Despite faltering demand, we continued implementing our action plan to improve social and environmental performance, particularly those initiatives that create long-term added value for the business and its stakeholders. This is an ongoing commitment to ensure long-term sustainability.

How TITAN is responding

TITAN Group aims to be a leading enterprise on sustainability and environmental stewardship within the United States cement industry.

The Group is providing customers with more environmentally advanced concrete solutions. This year, TITAN became the first concrete company in Florida (and only the second in the U.S.A.) to produce EPDs (standardized reports of concrete life cycle assessment) using the Carbon Leadership Forum's Product Category Rules (PCR). This set out a clearer understanding of the Group's operations for customers. TITAN also received the NRMCA Green Star certification for several of its ready-mix plants. We will continue our efforts to further reduce energy consumption, water use and waste – all areas of growing concern for our stakeholders.

Many of the communities surrounding TITAN's operations are close to areas of high biodiversity value. That's why the Group's environmental initiatives focus on preserving and protecting America's wildlife. Over the past year, the Wildlife Habitat Council certified six of our sites. The Roanoke and Pennsuco plants were certified as "Corporate Lands for Learning," demonstrating the Group's commitment to long-term wildlife habitat enhancement.

While pleased with last year's achievements, in 2014 TITAN is committed to further promoting biodiversity and water resource protection. This will include work on a large water quality project in Troutville, Virginia.

Preserving wildlife

Over the past year, the Wildlife Habitat Council certified six of our sites.

A key element of TITAN's community work involves raising environmental awareness – especially among young people. Working in local elementary schools, our "Green Team" representatives from Roanoke Cement regularly meet with schoolchildren to provide lessons on the environment, wildlife preservation and techniques for energy efficiency in their own lives.

Given the nature of TITAN's business, the Health and Safety of employees remains paramount. So we are very proud that our Front Royal Terminal won first place in the 2013 Cement Industry Terminal Awards following 12 consecutive accident-free years.

In addition, we continue to actively encourage our people to be active and healthy citizens by raising awareness of health issues such as obesity.

Safety first

Front Royal Terminal won first place in the 2013 Cement Industry Terminal Awards, following 12 consecutive incident-free years.

Creating value

Delivering value far beyond the cement plant

From the quarrying of raw materials to the distribution of finished products, TITAN provides a complete solution for its customers. In doing so, the Group generates value for a wide range of stakeholders.

Key business activities

Quarrying

At our 61 quarries, we extract raw materials such as limestone, clay, aggregates and gypsum.

Cement production

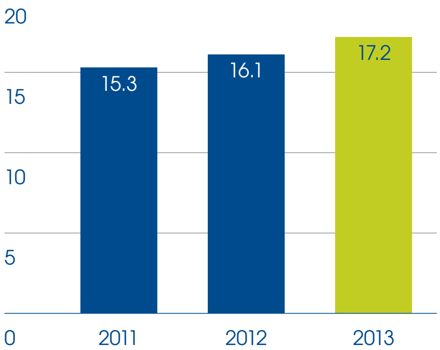
At our nine cement plants and grinding plants, we crush, grind, heat and cool raw materials to produce clinker, which is then processed further to produce cement.

Ready-mix concrete

We combine cement, water and aggregates at our 127 ready-mix concrete plants. At seven of our plants, we also process fly ash which is used as an ingredient to make concrete denser, stronger and more durable.

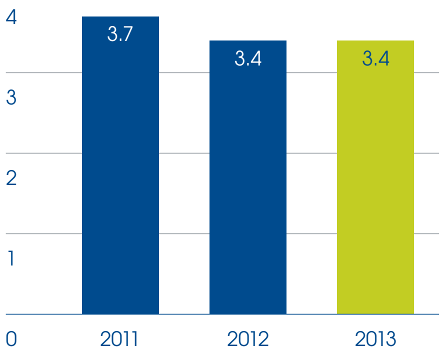
Key facts

Group sales – Cement* million metric tons

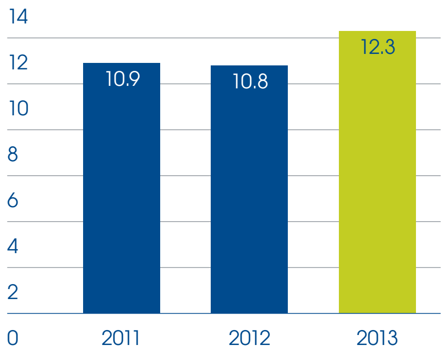


* Joint venture sales and cementious materials included

Group sales – Ready-mix concrete million m^3



Group sales – Aggregates million metric tons



Value created in 2013

High quality of products and services to customers

Stable and secure long-term employment

Concrete structures for society

Financial benefits to stakeholders

To employees[1]
202.1 million euros

To local and international suppliers
781.4 million euros

For taxes to state and local authorities
65.8 million euros

For capital expenditures
50.4 million euros

For environmental expenditures[2]
24.6 million euros

Return to shareholders and minorities
2.3 million euros

[1] To employees for salaries, pensions and social benefits, including additional benefits beyond those provided by law.
[2] Environmental expenditures are part of capital expenditures.

Creating value

A long-term strategy that balances financial growth with broader interests

TITAN Group believes that its financial and sustainability considerations are intertwined. This approach has enabled us to perform well – even through six years of crisis in key markets.

TITAN's strategy is inclusive, focusing on strategic priorities, while always considering stakeholder needs over the longer term. This helps the Group achieve its governing objective (see page 11).

TITAN Group strategy

Strategic aim: to enhance sustainable growth

Geographical diversification
Extending our business and strengthening our asset portfolio through acquisitions and greenfield development in attractive new markets.

Continuous competitive improvement
Striving to continuously improve our cost structure and enhance our competitive position by investing in our asset base and implementing new methods and processes throughout our business.

Vertical integration
Extending our footprint into all products of the building materials value chain, gaining greater diversification, accessing new business opportunities and addressing the needs of the end customer.

Focus on human capital and CSR
Developing and continuously improving our good relations with all internal and external stakeholders based on mutual respect and understanding.

Convey best practice and leverage expertise

We are committed to sharing best-practice learnings and leveraging expertise across the Group in order to improve our ability and efficiency in delivering our strategic priorities.

Collaborating for sustainability

UN Global Compact

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

TITAN is also involved in local UN Global Compact networks. For example:

- In 2013, we helped found the CSR Network of Albania, encouraging participation in the newly-established UN Global Compact CSR Awards.
- TITAN Serbia joined the national UN Global Compact Network in 2013.

In Greece, we chair the national UN Global Compact Network and have helped define post 2015 Millennium Goals. We also introduced the ten principles in compliance with the Greek government's National CSR Strategy, which will be launched in May 2014.

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

WBCSD
Cement Sustainability Initiative

Since 2003, TITAN has been a core member of the Cement Sustainability Initiative (CSI). This was launched by the World Business Council for Sustainable Development (WBCSD). We work closely with other cement producers to implement the commonly agreed upon "Agenda for Action".

In 2013, TITAN and two other core members continued to co-chair the CSI, helping to forge numerous strategic initiatives. We actively participate in CSI Task Forces for:

- climate change
- fuels and raw materials
- health and safety
- air emissions
- biodiversity and land stewardship
- concrete sustainability
- water
- sustainable supply chain

We are committed, through collaborative action, to incorporating CSI tools and guidelines into our operations at Group level and to disseminating best practices within the Company.

CSR Europe

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

TITAN also participates in CSR Europe's "Enterprise 2020" Initiative, an ambitious effort addressing European and global challenges, and aligned with the EU strategic objectives for 2020.

We are jointly leading CSR Europe's "Valuing and Improving Sustainability Management" collaborative venture which enables dialogue among all stakeholders.

Committed to collaborative action, TITAN conveys best practice and expertise gained through synergies at global and industry level to local networks and stakeholders.

Where we operate

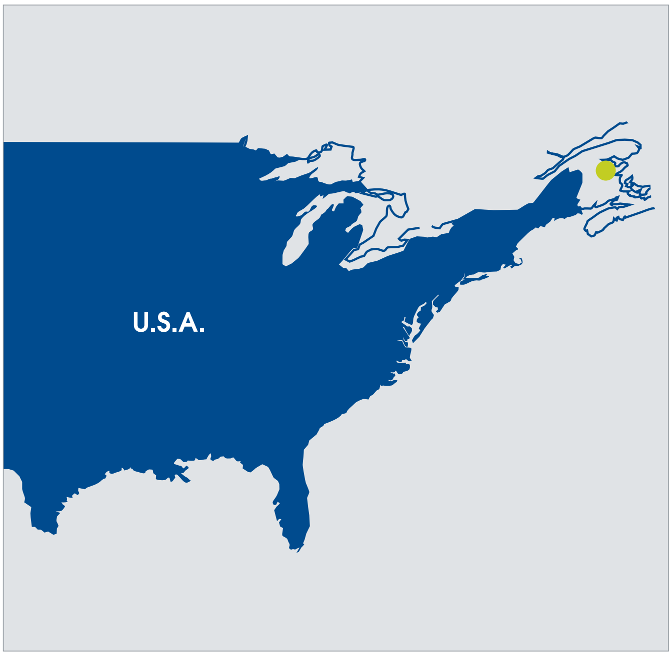
Over 5,400 committed individuals with an international presence

TITAN Group owns cement plants in nine countries and is organized into four geographic regions: the U.S.A., Greece and Western Europe, Southeastern Europe, and the Eastern Mediterranean. From this base, we sell products to 36 different countries.

Regional overview

U.S.A.

No. employees[1]	Turnover €m	EBITDA €m
1,731	411.0	32.1



Cement plants	Quarries	Ready-mix plants
2	6	88
Distribution terminals	**Concrete block plants**	**Fly ash processing plants**
17	9	7

Market dynamics
Recovery momentum set to continue at a robust pace

Principal products

Greece and Western Europe

No. employees[1]	Turnover €m	EBITDA €m
1,125	249.8	13.9

Cement plants	Quarries	Grinding plant
3	27	1
Distribution terminals	**Ready-mix plants**	**Dry mortar plant**
4	28	1

Market dynamics
Demand to lead to modest growth, from extremely low levels, underpinned by public works

Principal products

An enduring commitment
About TITAN
Group performance
Regional performance
Summary financials
Summary non-financials

Performance by geographic region 2013

Revenue by region €m

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

EBITDA by region €m

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

Principle products key:

- Cement
- Ready-mix
- Aggregates
- Dry mortars
- Building blocks
- Fly ash
- Know-how on separation of fly ash

Map key:

- Separation Technologies
- Distribution terminals

Southeastern Europe

No. employees[1]	Turnover €m	EBITDA €m
1,584	215.5	62.7

Cement plants	Quarries	Ready-mix plants
5	11	6

Distribution terminals	Processed engineered fuel plant
2	1

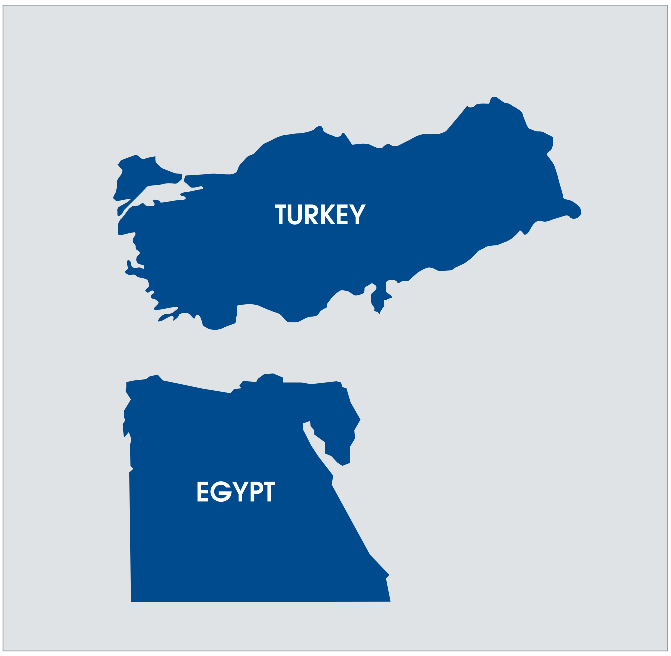
Market dynamics

No catalyst for growth yet visible – construction activity subdued due to the euro area crisis

Principal products

Eastern Mediterranean

No. employees[1]	Turnover €m	EBITDA €m
1,015	299.7	87.3



Cement plants	Quarries	Grinding plants
3	17	2

Distribution terminal	Ready-mix plants
1	5

Market dynamics

Resilience in a challenging environment

Principal products

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

Engaging with stakeholders

In order to operate in the long term, TITAN Group must reach out to a diverse range of organizations and communities.

Why stakeholder engagement matters

Engaging with internal and external stakeholders is a core element of TITAN's business model directly linked to our values and key priorities for sustainable growth. However, it can only be achieved through accountability to all the people whose lives we touch, both inside and outside the Company. The Group's coherent and robust management framework sets out our governing objectives, values and strategic priorities at a Group level.

Our approach to stakeholder engagement

TITAN Group has a five-step approach (see diagram below). We identify stakeholders according to the international AA1000 standard and use its three main principles of inclusivity, materiality and responsiveness to guide our activities at a Group and local level.

Identifying material issues at country level

Given the importance of the Group's local operations, stakeholder engagement is analyzed by countries of operation, setting out key material issues and actions. Responding locally is critical to embedding sustainability throughout the organization. This local focus ensures that the Group always responds to the most important issues.

In focus: Materiality in Serbia and Egypt

Following three years of ongoing dialogue with local stakeholders, TITAN Serbia carried out a full materiality assessment in 2013. This resulted in a more inclusive and responsive 5-year action plan. The same process was launched in Egypt and will be expanded to all TITAN operations throughout 2014 to provide input for the Group strategic framework and goals towards 2020. For more information on the materiality process in Serbia, please see: http://www.titan.rs/vesti/procitaj/51

In focus: Local Advisory Board in Kosovo

In 2011, TITAN's recently acquired Kosovo subsidiary established an Independent Local Advisory Board (ILAB). It was comprised of local stakeholders who evaluate and decide on community development programs to be funded and supported by the plant. For more information, please see: http://sharrcem.com/community/

Stakeholder engagement process

The Group's key stakeholders are:

- Employees
- Customers
- Suppliers
- Local communities
- NGOs
- Local and national governments
- Investors and analysts

How we engage with our stakeholders

Beyond local materiality processes, the Group seeks feedback through a range of channels:

Stakeholder group	How we engage	Intended outcomes
Employees	• The AGORA Group intranet portal is the main tool for internal communication • TITAN Group operates two independent employee communication hotlines in the U.S.A. and Greece • Employee feedback on social and environmental issues is collected through organized meetings with management • Employee representative meetings are organized in all plants with elected unions • TITAN policies are communicated to employees and are accessible to all • Employee opinion surveys are run regularly. The next one is scheduled for 2014 and 2015 in all operations	• Health and Safety • Ensure employee engagement • Safeguard a working environment in line with our Company values • Be an Employer of Choice • Protect employee living standards
Customers	• TITAN engages with customers regularly through customer surveys, customer open days and workshops • In 2013, we introduced new R&D initiatives and developed new customer service channels, including an "e-platform"	• New products and resilient constructions • Customer satisfaction • Engagement to improve products and services
Suppliers	• TITAN works with a relatively limited number of large, and mainly local, suppliers. We have established both local and global procurement standards, which are set out in the TITAN Group Code of Conduct for Procurement • A consultation with global and local suppliers was undertaken to understand barriers to improving social and environmental performance throughout the supply chain	• Fair pay conditions in countries most affected by the financial crisis • Scale up of sustainability principles and best practice
Local communities	• National and Group CSR reports, magazines and newsletters promote TITAN Group's CSR activities to local communities • TITAN Group encourages financial and in-kind contributions and the provision of human, technical and educational resources to local companies and individuals through the Group's CSR Policy on "reaching out and adding value"	• Employment • Provision of social services (health and education) • Environmental awareness
Investors and analysts	• Through meetings with investors, participation in conferences and corporate presentations we engage in an ongoing dialogue with the investor community. We hold quarterly conference calls to present our results and maintain an up to date and detailed website with corporate and financial information	• Communication of Group strategy, performance and prospects with a view to maintain trust within the investor community
NGOs	• Through participation in initiatives such as the UN Global Compact and WBCSD/CSI, TITAN engages in a continuous dialogue with global NGOs on material issues such as water, alternative energy, climate change and sustainability in the supply chain • TITAN also engages with local NGOs on issues such as education, skills development, and safety	• Opportunities for partnerships to address material issues • Mutual understanding of issues relating to our license to operate which address material issues • Seeking opportunities for collaboration on possible solutions
Governments	• TITAN engages with governments through voluntary public/private agreements and with business associations on issues such as alternative fuels • Public hearings are conducted by ministries for the issuance of permits (such as the IPPC in Serbia, F.Y.R. of Macedonia and Kosovo) • Study visits by inspectors and government experts on our premises • Public multi-stakeholder forums and meetings organized by TITAN and various CSR and UN Global Compact networks which we lead in different countries	• License to operate, including permits and approvals for activities related to TITAN's operations • Raise awareness of material business issues and the role of business in sustainable development

More details can be found on our website: www.titan-cement.com

Material issues

Understanding local concerns

TITAN adapts all its policies and practices to local market needs. The Group's sustainability and future growth depends on balancing short and long-term interests. We must also proactively respond to the diverse needs of those with whom we interact.

TITAN Group's materiality process

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

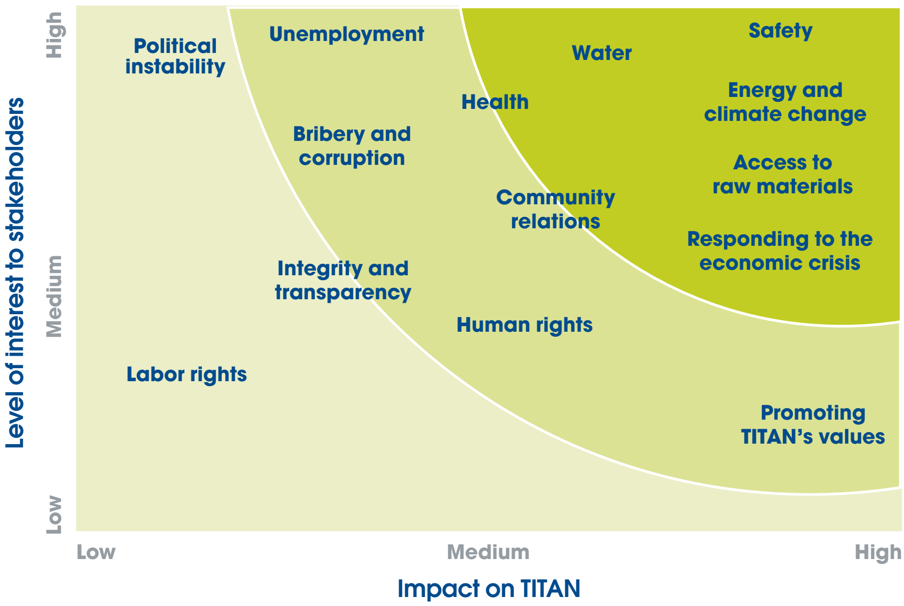
It started in 2006, following the AA1000 Stakeholder Engagement Standard (SES). Based on the feedback from organized meetings, forums and workshops involving internal and external stakeholders, TITAN develops relevant action plans and collaborative initiatives to enchance its enduring commitment to sustainability.

In 2013, TITAN Group organized a full materiality assessment to gain insights for revisiting goals and targets towards 2020. This was followed by an assessment of each issue with respect to its impact on the Group and its main stakeholders.

Discussions with the Company's own people were facilitated by an independent third party, DNV GL, TITAN's Business Assurance provider.

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

Materiality assessment matrix



The results of our materiality assessment are summarized in the matrix above. They highlight the most relevant and significant issues for TITAN Group and its key stakeholders.

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

Understanding local priorities

TITAN Group adapts policies and practices to local market needs in order to drive sustainability across the value chain. Our understanding of how material issues vary at a local level underpins our approach to sustainability. It enables the Group to focus its financial, knowledge, human and natural resources on areas of most value.

Material issues for all countries

- Safety
- Responding to the economic crisis
- Community relations
- Access to raw materials

Material issues by country

Greece
- Health and Safety
- Continued economic contraction and employment concerns
- Community relations
- Energy and waste management issues

U.S.A.
- Health and Safety
- Sustainability of concrete and future economic development
- Environmental performance and biodiversity
- Community relations

Albania
- Health and Safety
- Local employment opportunities
- Environmental protection
- Social and environmental impact of greenfield investment
- Integration of international and European standards

Egypt
- Health and Safety
- Employment opportunities at a local level
- Social and political instability
- Energy sources and new challenges
- Community relations

F.Y.R. of Macedonia
- Health and Safety
- Integration of international and European standards
- Community relations

Serbia
- Health and Safety
- Integration of international and European standards
- Increase transparency and credibility
- Community relations

Turkey
- Health and Safety
- Integration of international and European standards
- Utilization of concrete in new applications

Bulgaria
- Health and Safety
- Community relations
- Expand opportunities for waste management at a local level
- Education and employment

Kosovo
- Health and Safety
- Local employment
- Integration of international and European standards
- Increase transparency and credibility
- Community relations

Case study
Understanding local concerns: Egypt

Key facts

13.4%
Unemployment rate

$6,600
GDP per capita

Material issues

- Health and Safety
- Employment opportunities at a local level
- Social and political instability
- Energy sources and new challenges
- Community relations

Context

TITAN's operations in Egypt have strongly supported the Group's overall performance in recent years.

This performance has been achieved despite political upheaval, challenges in production, and energy supply shortages. A dedicated local management team has helped grow the Company's commercial activities over the last few years, while also meeting a number of TITAN's most material priorities. In so doing, they have demonstrated a strong commitment to corporate values, deep local knowledge and a long-term approach to community outreach.

How TITAN is responding

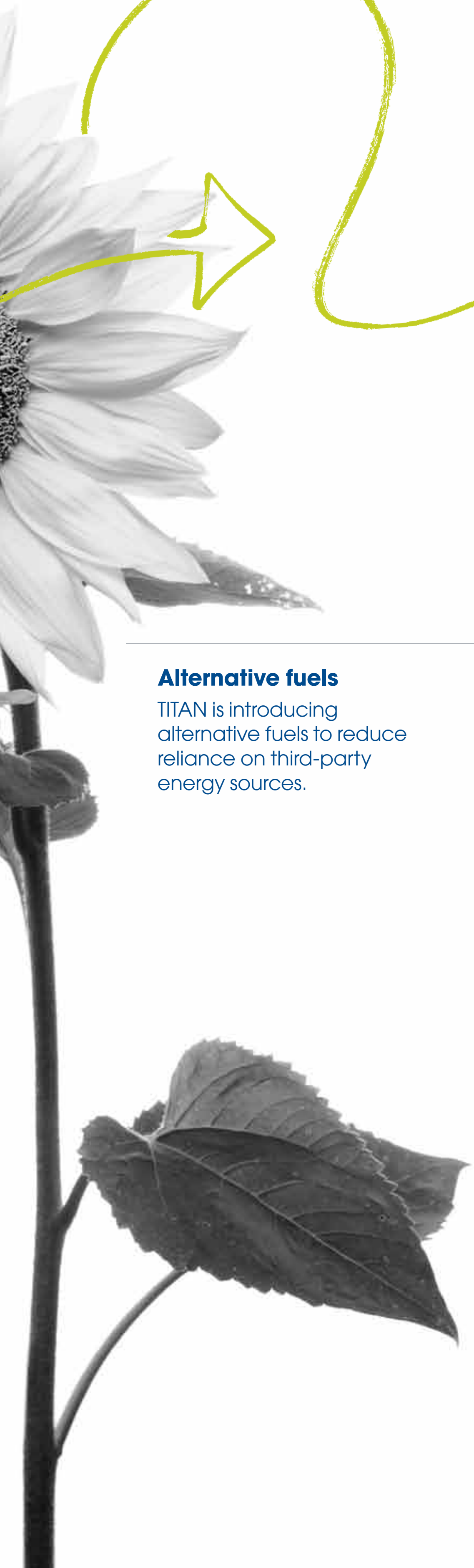
Since TITAN acquired 100% of the operations in Egypt in 2008, the local management team has worked closely with local stakeholders, particularly the communities around our two plants in Beni Suef and Alexandria. The main focus has been to engage with communities and understand their needs and priorities.

In 2013, production capacity was impacted by shortages of natural gas. In response, TITAN is introducing alternative fuels to reduce reliance on third-party energy sources. TITAN Cement Egypt is currently in consultations in an effort to raise awareness about solutions that serve the needs of industry and address the needs of society at large.

Furthermore, an ongoing dialogue between TITAN and the local communities has brought about a number of community programs. These include the development and maintenance of vital infrastructure, financial support of the most vulnerable groups, and partnerships to address fundamental services in health care and education. Community outreach activities like these visibly demonstrate TITAN's commitment to the causes that matter most to communities.

C-Mentors

A vocational training and development program which helps young engineers to become first-rate cement professionals.



Alternative fuels

TITAN is introducing alternative fuels to reduce reliance on third-party energy sources.

In the Wadi El-Kamar neighborhood surrounding the Alexandria Portland Cement Company, TITAN has undertaken extensive community activities. In 2013 these included improving sidewalks, installing generators in local mosques and donating cement for school building repairs. Though small in scale, these activities can make a big difference to neighboring communities, while also allowing closer collaboration in developing programs to support sustainability at a local level.

The community surrounding the Beni Suef Cement Company faces similar issues. To alleviate poverty the company distributed dry foods to poor families. In 2013, these reached an estimated 22,500 citizens.

In the coming years, two significant challenges remain, one of which is youth unemployment. In response, TITAN has joined a new partnership for Vocational Training and Education in Alexandria. The other challenge is the Hepatitis C epidemic faced by an estimated 20% of the population in areas where we operate. In conjunction with Roche, TITAN supported a Hepatitis C awareness program and provided information on diabetes. This was all part of a campaign to improve health standards among employees and their families.

TITAN Egypt also recognizes its overall responsibility to train the next generation of cement engineers. The company has invested in the C-Mentors program – a Group-wide initiative. This is a three-year industrial development program which helps young engineers to become first-rate cement professionals. In 2013, two cohorts of young engineers were recruited by the program in Egypt.

Financial and non-financial risks

Building resilience to protect our business

TITAN's business and the territories where it operates expose it to risk. The Group's management of risk is designed to ensure resilience and protect both financial and non-financial performance.

Managing risks proactively enables the Group to better adapt to a changing business environment. TITAN Group therefore continuously expands the scope of its risk assessment processes to achieve a greater understanding both of the opportunities and the changing concerns and expectations of key stakeholders. The Group has systems in place to monitor and anticipate potential material risks.

Financial risks

Risk	Why this risk matters	Related material issues	Level of risk	How we mitigate this risk	Risk management in action
Liquidity risks	The Parent Company is registered and the Group undertakes part of its activities in a Eurozone country under an Economic Adjustment and Structural Reforms Program. If the Program fails or is aborted, the Group will face additional liquidity risks.	Responding to the economic crisis	Material risk – some control ●●●○	Liquidity is managed by employing a suitable mix of liquid cash assets and long-term committed bank credit facilities. The Group monitors the ratio of un-utilized long-term committed bank credit facilities and immediately available cash over short-term debt on a monthly basis.	As of 31 December 2013, the ratio of TITAN's committed long-term un-utilized facilities and cash over short-term debt stood at 5.92 times. The Group maintains adequate liquidity reserves in order to address any disturbances to its cash flows.
Credit risks	The Group is not exposed to major credit risks. Customer receivables primarily come from a large, widespread customer base.	Responding to the economic crisis	Material risk – some control ●●●○	The Group constantly monitors its customers' financial status. When necessary, additional collateral is requested to secure credit. Provisions for impairment losses are made for special credit risks arising from counterparties' inability to meet obligations to the Group regarding cash, cash equivalents, investments or derivatives. These are mitigated through pre-set limits on exposure to individual financial institutions as part of Group policies approved by the Board of Directors and are regularly monitored.	As of 31 December 2013, there are no significant credit risks not already covered by insurance as a guarantee for the credit extended or by a provision for doubtful receivables.
Interest rates risks	Interest rates have an impact on Group income, cash flow and net worth.	Responding to the economic crisis	Material risk – some control ●●●○	All short-term loans have been concluded with floating rates. Medium to long-term loans have been concluded partly with fixed and partly with floating rates.	On 31 December 2013, 31% of the total Group debt is based on fixed, pre-agreed interest rates. An additional 18% of floating interest rate debt has been swapped to a fixed rate basis via floating to fixed interest rate swaps. As a result, the impact of interest rate volatility on the income statement and cash flow is limited.

Risk	Why this risk matters	Related material issues	Level of risk	How we mitigate this risk	Risk management in action
Foreign currency risks	Group exposure to exchange rate (FX) risk derives primarily from existing or expected cash flows denominated in currencies other than the euro (imports/exports) and from international investments.	Responding to the economic crisis	Material risk – some control ●●●○	FX risks are managed using natural hedges, FX options and FX forwards. Borrowings are denominated in the same currency as the assets that are being financed (where feasible). This creates a natural hedge for investments in foreign subsidiaries whose equity is exposed to FX conversion risk.	Part of the financing of Group activities in the U.S.A., Turkey, Egypt and Albania is in different currencies to the functional ones. Their refinancing in local currencies is examined at regular intervals. In the U.S.A., the intercompany financing in euros has been hedged via forward foreign currency exchange contracts in U.S. dollars/euros. At the inception of the hedge relationship, TITAN America LLC formally designated the hedge as a cash flow hedge and documented the risk management objective and strategy for undertaking it. The hedge was assessed to be highly effective.
Production costs	The cyclicality of the industry gives rise to spikes in the demand for raw materials. The consumption of thermal energy, electricity and raw materials constitute the most important elements of the Group's cost base. Fluctuations in the price of fossil fuels pose a risk by greatly affecting the cost of production.	Access to raw materials	Material risk – some control ●●●○	In order to mitigate the effects of such a risk, the Group will continue to invest in low energy-requirement equipment and in the replacement of fossil fuels by alternative fuels. Ensuring access to the required quality and quantity of raw materials is taken into account when planning new investments. As regards existing units, the Group ensures the adequate supply of raw materials for the duration of the life of its industrial units.	The Group will continue to invest in the use of alternative raw materials in order to gradually lessen its dependence on natural raw materials. We have also set quantifiable targets for the substitution of natural raw materials by alternative raw materials.
Macro-economic risks	Aside from the cyclical nature of the industry as a whole and the risk of the global economy, the Group is also exposed to potential macroeconomic risks in each individual country it operates. Variables that generate macroeconomic risk include unemployment rates, price indexes, monetary policy variables, interest rates, exchange rates, housing starts, currency rates, capital controls etc.	Responding to the economic crisis Unemployment	Material risk – some control ●●●○	The Group aims to reduce the impact of potential economic shocks (to whatever extent is possible) through valuation exercises. These involve forecasts of future Company earnings by business unit. They are used to plan ahead and adjust the strategy in each market, including (but not limited to) cost reduction efforts, sales policy and capital expenditure decisions. Valuation exercises are also used to estimate the current and expected value of the Group's investments. The change in economic variables used to construct these estimates is regarded as the macro risk factor to which the Group is exposed in each country.	The perceived level of a country's macro risk is also used to differentiate between countries as potential places to invest. In other words, the level of a country's macro risk differentiates its general growth opportunities from those of other countries. This helps identify preferred countries for investment and/or the allocation of assets between TITAN's existing markets.

Financial and non-financial risks
continued

Non-financial risks

Risk	Why this risk matters	Related material issues	Level of risk	How we manage this risk	Risk management in action
Political climate	The Group operates in regions sometimes characterized by severe political instability, riots, uprisings and general conditions of extreme variability. These considerable risks threaten the smooth operation of its plants and the overall security and wellbeing of the people.	Responding to the economic crisis Unemployment	Material risk – beyond control ●●●●	The management of political risks is undertaken through specific measures to safeguard TITAN's local investments as well as to protect its people, business partners and communities near its operations.	Local management teams report at a regional and a Group level all issues requiring further consideration. Especially in the case of extraordinary political situations.
Health and Safety	Safety is fundamental to maintaining the Group's license to operate. It is also important in markets where the regulatory framework may not be fully applied.	Safety Health	Material risk – some control ●●●○	The systematic effort at improving safety across all Group operations includes the manning of all productive units with sufficient safety officers. It also includes educational programs to train and educate employees. There are also strict safety systems and processes in place, designed and controlled by the Company's Health and Safety division.	The Annual Safety Awards recognize best performers among TITAN subsidiaries. They also highlight innovative initiatives aiming at bringing us closer to our "zero accidents" target.
Human rights	Human rights are among the most urgent dilemmas for companies looking to do business responsibly. In particular, how they can be respected in complex social, political and economic contexts – especially where they are being violated.	Human rights	Medium-level potential risks ●●○○	When dealing with TITAN Group, respect for human rights is not limited to compliance with local legal provisions. Human rights issues are addressed by TITAN's Code of Conduct and Code for Procurement. These are communicated to all companies interested in co-operating with the Group.	This year, another important step was taken in the area of human rights with the launch of the TITAN People Management Framework. This explicitly sets out the principles that provide guidance regarding the human rights of our People, as well as our business associates.
Corruption	The risk of corruption is increasing according to the most recent Transparency International Index.	Bribery and corruption	Material risk – some control ●●○○	TITAN Group thoroughly examines the risk of corruption, particularly in countries identified as vulnerable. The majority of TITAN employees (more than 60%) are provided with additional tools, such as Direct Employee Communication Lines. They can use these to file anonymous complaints or report cases of non-compliance with TITAN's Code of Conduct, especially human rights abuses and risks of corruption.	Local management and the Group CSR Committee examine the Transparency International Index and country reports on an annual basis. The Group Internal Audit Department also conducts internal audits to ensure full compliance with the Group Code of Conduct and relevant procedures.

Risk	Why this risk matters	Related material issues	Level of risk	How we manage this risk	Risk management in action
Labor rights	The Group acknowledges the importance of unions in improving working conditions and safeguarding workers' rights.	Labor rights	Low risk – under control ●○○○	The Group actively promotes freedom of association of employees, frequently above and beyond local legal requirements. Union representatives at TITAN have the right to meet with line management and discuss their concerns, as well as suggesting improvements.	Health and Safety Committees comprising management and employee representatives operate in all countries. All contracts with suppliers (large or small, global or local) must refer to issues such as safety and working conditions.
Climate change	Like many energy intensive manufacturing industries, cement production generates significant GHG emissions. TITAN is subject to EU Emission Trading Scheme cap and trade quotas.	Access to raw materials Energy and climate change	Material risk – some control ●●●○	To limit the possibility of environmental damage from climate change, the Group will continue to systematically invest in the Best Available Technologies.	In 2013, TITAN remained within its GHG emission limit and did not trade on the open market.
Water	The Group recognizes risks related to water usage and management, particularly in areas of potential water shortages.	Access to raw materials. Water	Material risk – some control ●●●○	TITAN puts effort into understanding its water footprint and identifying water risks. The Group will continue applying best practices for efficient water management. The aim is to reduce water withdrawal and consumption, and minimize potential environmental impacts.	TITAN has water management systems in place and utilizes tools for risk assessment. The Group invests in reducing water withdrawal and consumption through process improvements and/or water recycling and re-use.

Corporate governance overview

Committed to high standards of governance and control

Through high internal and external standards, TITAN Group aims to create long-term value for all stakeholders.

TITAN's corporate governance approach

Good corporate governance has been at the heart of TITAN's operations since the Company was first listed in 1912. In this section, we provide a summary overview of the Group's corporate governance principles and organization. For more detailed information on this issue please visit our online annual report.

A balanced Board

Half of the Board, excluding the Chairman, comprises independent Non-executive Directors. Our aim is to ensure an appropriate balance of skills, experience and knowledge across its members, while promoting diversity of age, gender, cultural background and other factors.
Our Board is a team of highly experienced professionals who bring a wealth of knowledge to the table. Their detailed profiles can be found on our online report.

The Board and Social Responsibility

An overview of our governance structure is detailed in the following pages. Apart from the Board Committees (Audit, Remuneration, Nomination and Corporate Governance), TITAN has established a CSR Committee which demonstrates how important this topic is within the Group. More information about the responsibilities and composition of our Board Committees and CSR Committee can be found on our online report.

Q and A with the Chairman of the Board of Directors, Mr. Andreas Canellopoulos

What does good corporate governance mean at TITAN?

For us, good governance is all about running our business in accordance with our corporate values: integrity, adding value to customers and shareholders, and corporate social responsibility. These are core principles for TITAN. Together they play a vital role in our pursuit of sound corporate governance.
Thus, for us, good governance is synonymous with ethical business practices, transparency, open communication, accountability and sustainable development.

Who benefits from good governance?

Our operations extend across an entire web of relationships with shareholders, employees, customers, suppliers and society at large.
We believe that everybody we deal with during our day-to-day operations should benefit from our commitment to running our business according to our values.

How does good governance manifest itself at TITAN?

Mainly through leadership, accountability, fair reporting and promotion of stakeholder engagement. Our deep-rooted values are integral to how we do business.

Why have you been applying the principles of the U.K. Governance Code since 2010?

Since the late 1990s, TITAN has followed the evolution of Corporate Governance principles at all major Stock Exchanges, voluntarily implementing what it considered best practice worldwide. TITAN set up an Audit Committee consisting entirely of independent members of the Board of Directors in the year 2000. The establishment of a Remuneration and a Nomination Committee followed two years later. Gradually, the need to adopt a Corporate Governance Code became evident for consistency reasons.
Over the years, we concluded that the U.K. Corporate Governance practices were among the best in the world and constantly at the forefront of developments. These practices were also compatible with our actions at TITAN. The decision in 2010 to abide by this Code came as an obvious development.

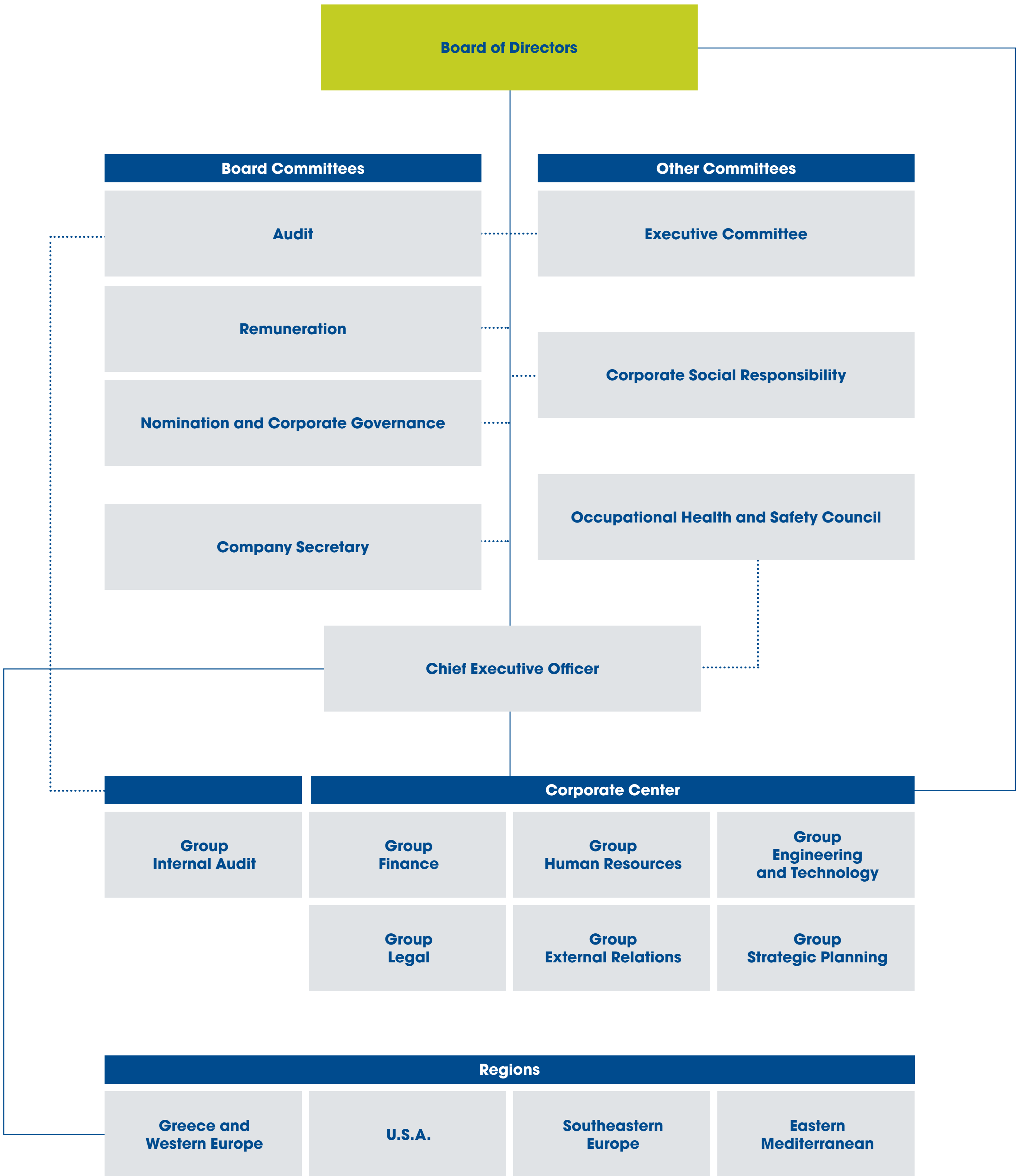
Our Board and Board Committees at a glance

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

Company Secretary: Eleni Papapanou, Attorney at law

Corporate governance overview
continued

Organizational structure



Group performance: a summary

A balanced perspective on the Group's performance

TITAN Group now presents financial and non-financial performance data in the form of an integrated report. This reflects how we measure our success. It also helps users of the report to gain a more complete understanding of the business.

Financial

Financial (€000)	**2009**	**2010** [3]	**2011**	**2012**	**2013**
Total assets	3,005,620	3,082,910	3,269,007	3,032,042	2,701,056
Invested capital	2,420,127	2,344,921	2,265,190	2,130,054	1,954,682
Shareholders' equity	1,449,053	1,568,267	1,557,466	1,534,463	1,416,127
Turnover	1,360,571	1,350,488	1,091,404	1,130,660	1,175,937
EBITDA	332,695	315,085	244,058	195,838	196,007
Earnings before tax and minority interest	158,139	130,032	37,739	-1,302	-9,640
Earnings after tax and minority interest	123,393	103,075	11,011	-24,516	-36,074
Basic earnings per share	1.52	1.27	0.14	-0.30	-0.44
Net dividend [1]	15,224	6,565	0	0	0
Dividend per share	0.18	0.08	0	0	0
Number of shares as at 31 December	84,576,118	84,613,840	84,632,528	84,632,528	84,632,528
Interest coverage ratio	4.67	3.97	1.98	1.04	1.27
Net debt to EBITDA ratio	2.92	2.46	2.90	3.04	2.75
Return on invested capital [2]	4.90%	4.70%	0.90%	-0.90%	-1.40%

[1] In 2010, in addition to the dividend, the Company distributed 8.7 million euros (€0.10/share) from special reserves which had already been taxed. In 2013, the Group distributed €0.10 per share from the contingency reserve.

[2] Net profit after taxes and before minority interest divided by average invested capital.

[3] Restated due to change in accounting policy.

Non-financial

Social	**2009**	**2010**	**2011**	**2012**	**2013**
Total value created and distributed to stakeholders (€m)	1,323.2	1,235.3	1,026.6	1,075.7	1,102.0
Total value distributed to employees (€m)	235.1	239.1	218.1	215.4	202.1
Direct employment (year-end)[4]	5,903	6,161	5,640	5,536	5,455
Employee lost time injuries frequency rate (LTIFR)	2.64	2.33	1.49	1.38	0.47
Fatalities (direct employment)	0	0	0	1	0
Total value distributed to local and international suppliers (€m)	768.0	801.8	642.9	725.0	781.4

Environment	**2009**	**2010**	**2011**	**2012**	**2013**
Gross direct CO_2 specific emissions (kg/$t_{Product}$)	633.8	654.2	623.8	658.7	664.3
Total heat consumption, TJ	37,257	43,155	36,828	41,152	43,907
Total alternative fuels (metric tons)	30,570	32,290	30,630	68,050	89,170
Specific water consumption (lt/t_{Cement})	447.8	362.3	340.1	300.0	315.5
Environmental expenditures (€m)	22.5	27.1	36.6	19.5	24.6

[4] Total employment calculated for joint ventures.

Group financial performance

Cautious optimism about market prospects despite uncertainties

Emerging from the financial crisis, the Group remains focused on cash flow generation and positions itself for growth.

Performance summary

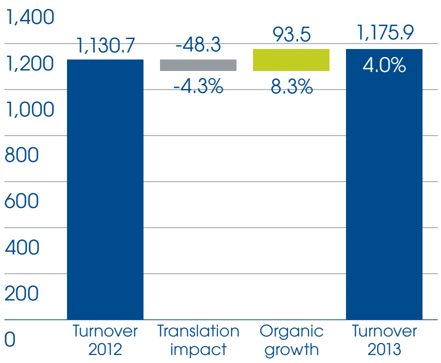
- Stabilization of operating profitability for the first time in seven years
- First year of combined revenue and operating profitability growth at constant exchange rates
- Well placed to benefit from U.S. recovery with large operating leverage from well-positioned operations
- Strong deleveraging track record: net debt halved since the beginning of 2009
- Positive cash flow generation and further reduction of debt in 2013

Key performance indicators

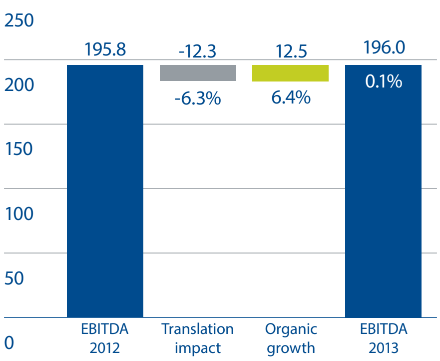
KPI	Calculation	2012	2013
Return on invested capital	ROIC = Net profit after taxes (before minorities) / average invested capital	-0.9%	-1.4%
Return on capital employed	ROACE = Earnings Before Interest and Taxes (EBIT) over Average Capital Employed (CE), CE = Gross Debt plus Equity	2.4%	3.2%
Leverage	Leverage = Net debt/EBITDA	3.04	2.75
Liquidity ratio	Liquidity Ratio = (Cash + Long-term un-utilized committed lines) / (Debt maturities within the next 12 months)	4.89	5.92
Earnings per share	Net earnings attributable to shareholders / weighted average number of common and preference shares	-0.30	-0.44
Payout per share	Return to shareholders in the form of dividends, capital returns etc	0%	0%[1]
Share performance (TITK)	31 Dec. 2013 TITAN common share annual return 42% year-on-year 8% per annum (2008–2013) 3% per annum (2003–2013) 2% per annum (1998–2013)		+42%

[1] In 2013 the Group distributed 0.10 euros per share from the Contingency Reserve.

Turnover reconciliation €m



EBITDA reconciliation €m



Conditions in key markets

Overall in 2013, market conditions remained challenging despite the marked improvement in U.S. housing and the resilience of demand in Egypt. In Greece, demand remained at very low levels and in Southeastern Europe, construction activity was stable, but well below its potential.

For more information about the Group's performance by operating division please see Regional Performance on pages 70 - 77.

Volume sales

TITAN recorded growth across all product lines. Cement sales reached 17.2 million metric tons, on the back of sales growth in the U.S.A. and strong exports out of Greece. At the same time, aggregate sales grew 13% to 12.3 million metric tons. Ready mix concrete volumes increased by 1% to 3.43 million m^3, as higher sales in the U.S.A. counterbalanced the declines in other regions.

Group financial performance

In this challenging environment, TITAN was pleased to report an improvement in operating results at constant exchange rates, for the first time in seven years. While the Group had already returned to top-line growth in 2012, it was only in the second half of 2013 that revenue growth translated into gains in operating profitability.

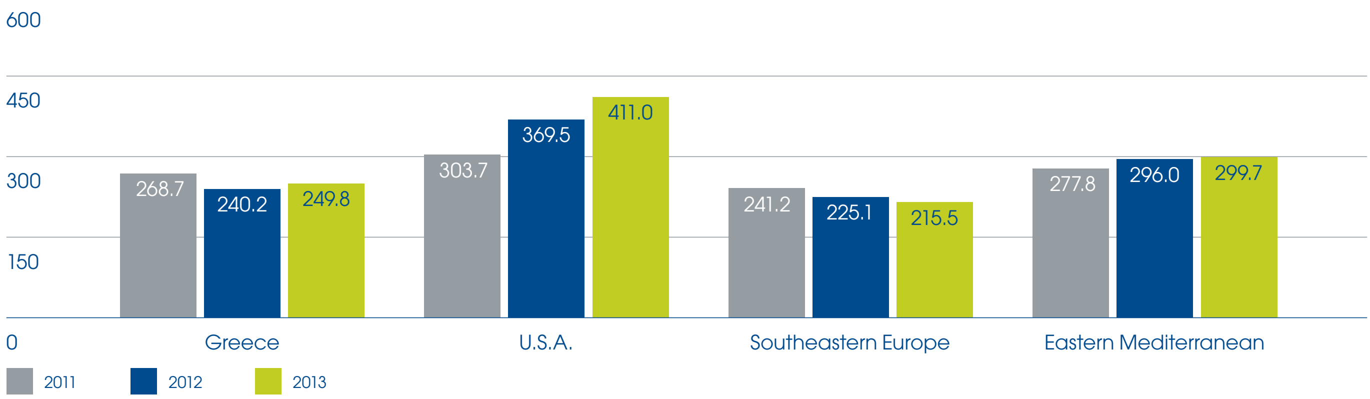
In addition, the generation of positive free cash flow enabled the further reduction of net debt.

Key financials

Consolidated turnover in 2013 increased by 4.% to 1,176 million euros. Earnings before interest, taxes, depreciation and amortization (EBITDA) stood broadly unchanged at 196 million euros. Both KPIs, however, were impacted negatively by foreign exchange fluctuations. At constant exchange rates, turnover and EBITDA would have improved materially, increasing by 8% and 6% respectively.

Earnings before interest and taxes (EBIT) grew 22% to 79 million euros. However, net losses after minority interests and the provision for taxes widened by 47% to 36 million euros, largely impacted by adverse foreign exchange variations. Net finance costs in particular included an FX impact of 23 million euros, out of which 15.8 million euros relate to unrealized losses from foreign exchange fluctuations. These stem from the valuation of loans in Euro and US Dollar, recorded by the Group's subsidiaries that operate in Egypt, Turkey and Albania.
The Group's bottom line was also impacted by the temporary non-recognition of deferred tax assets resulting from carry-forward losses in the U.S.A. and the retroactive taxation of previous years' reserves in Greece.

Turnover €m



Group financial performance
continued

Cash flow and net debt

TITAN generated 142 million euros in operating free cash flow (2012: 140 million euros) by prioritizing investments, optimizing working capital requirements and improving productivity. Group capital expenditure in the year, excluding acquisitions, totaled 50 million euros – much the same as in 2012. The net book value of fixed assets disposed of in 2013 was 3.1 million euro, down from 26 million euros in the previous year.

Generation of operating cash flow covered finance costs, tax and dividend payments to minority interests and contributed to a 57 million euro reduction in net debt, including a 15 million euro positive effect from foreign exchange variations. At the end of 2013, Group net debt stood at 539 million euros, less than half its level of 2008.

For more information about debt structure, please see Borrowings and Liquidity on page 42.

Share performance

By the end of 2013, TITAN's stock price (TITK) had increased by 42%, against a 28% rise in the General Index of the Athens Stock Exchange (ATHEX). Over the last five years, TITAN shares have risen by 8% per annum against a stock market decline of 8% per annum.

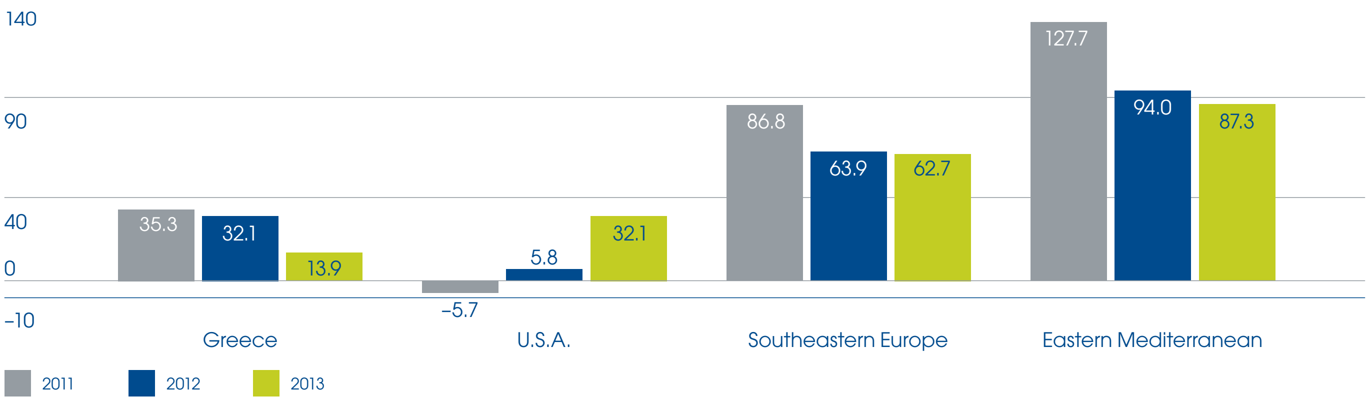
As a result of the reclassification of the Athens Stock Exchange as an "emerging market" by Morgan Stanley Capital International (MSCI), the stock is now also included in the MSCI Emerging Markets Index.

At year-end, TITAN held 3,067,334 treasury shares, representing 3.62% of its paid-up share capital. For more information about TITAN's share price performance, please see Equity Market Information on page 44.

SRI Investors

TITAN has been recognized as an "advanced" level reporter regarding the implementation of the UN Global Compact principles. The Group's commitment to responsible corporate practices and reporting on sustainable issues was acknowledged by international investors, signatories of the United Nations backed Principles for Responsible Investment (www.unpri.org).
Furthermore, on the basis of its performance in terms of Corporate Social Responsibility, in 2013 TITAN was selected for inclusion in the Ethibel EXCELLENCE Investment Register and its participation was renewed in the Kempen SNS, SRI Universe and the Triodos Sustainable Investment Universe.

EBITDA €m



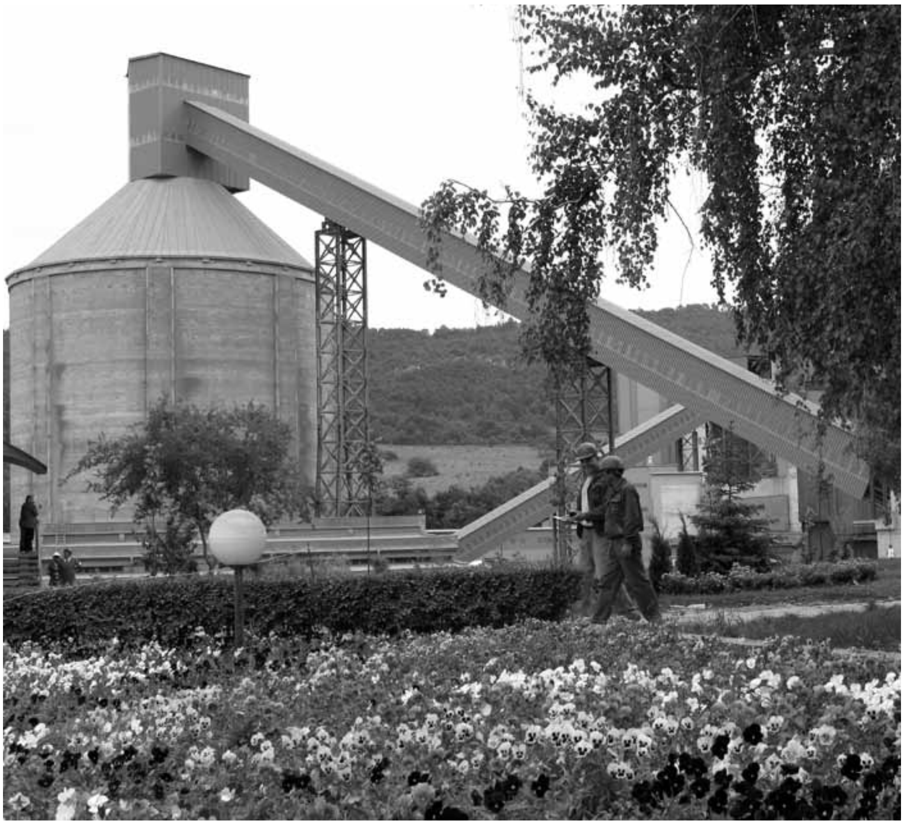
Parent Company financial results

Turnover of TITAN Cement S.A. increased 6.1% to 235 million, while EBITDA decreased 71% to 11 million euros.

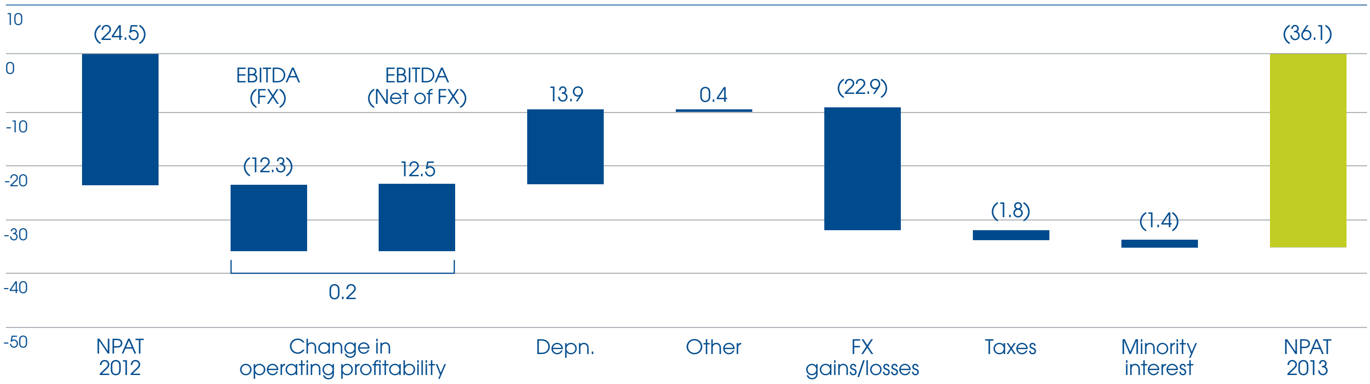
This decline reflects the collapse of construction activity in the domestic market. The Company's net loss stood at 43 million euros in 2013, compared to a net loss of 16 million euros in 2012.

Returns to shareholders

Given the improvement in the Group's operations and the more optimistic outlook for 2014, the Board of Directors of TITAN Cement S.A. decided to propose to the Annual General Meeting of Shareholders, scheduled for 20-06-2014, the distribution of 8,463,252.80 euros from the Contingency Reserve to shareholders. This equates to 0.10 euros per share.



2013 Group net profit after taxes and minorities (reconciliation vs 2012) €m



Borrowings and liquidity

A continued focus on strong financials

The last five years have seen a severe recession in the construction sector in some of TITAN's key regional markets. During this time, the Group has concentrated on managing its capital structure as effectively as possible. This has ensured that there is adequate liquidity and that debt obligations can be met.

Liquidity ratio and cash generation

TITAN improved its liquidity ratio in 2013 to 5.92 (vs 4.89 in 2012). This was achieved using a conservative financial policy focused on maximizing cash flow generation through cost savings programs, managing working capital, limiting capital investments and optimizing the business portfolio. These efforts continued to bear fruit in 2013, as demonstrated by the generation of free cash flow from operating activities to 142 million euros (compared to 140 million euros in 2012).

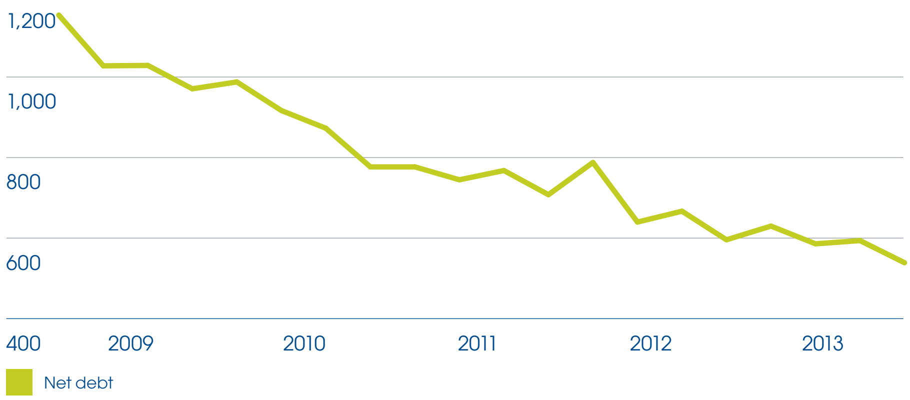
Debt repayment

TITAN's focus on cash flow generation is the key to paying down debt. Before the crisis in 2008, the Group's net debt stood at over 1 billion euros. Debt levels have been reduced every year since then. 2013 was no exception, with net debt reduced by 57 million euros to close the year at 539 million euros, less than half the 2008.

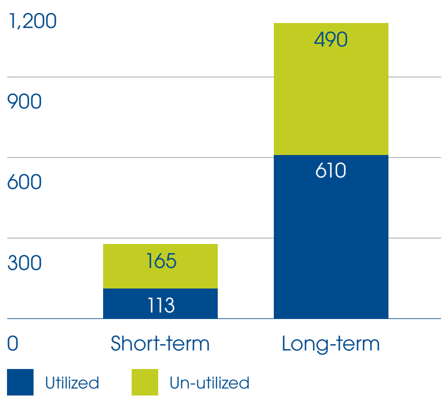
Credit facilities

A significant part of TITAN's debt and liquidity management revolves around ensuring there are adequate credit facilities and cash balances to cover working capital requirements, and it has been tested under especially adverse outlook scenarios. The Group has a mixture of both short-term and long-term credit facilities at its disposal. By the end of 2013 there were 165 million euros of un-utilized short-term and 490 million euros of un-utilized long-term credit lines. Un-utilized credit lines represent around 44% of the Group's total credit facilities. This ensures there is ample short-term contingency funding.

Group net debt evolution €m



Facilities by tenor[1] €m



[1] Includes capital leases.

Post balance sheet event: refinancing activity

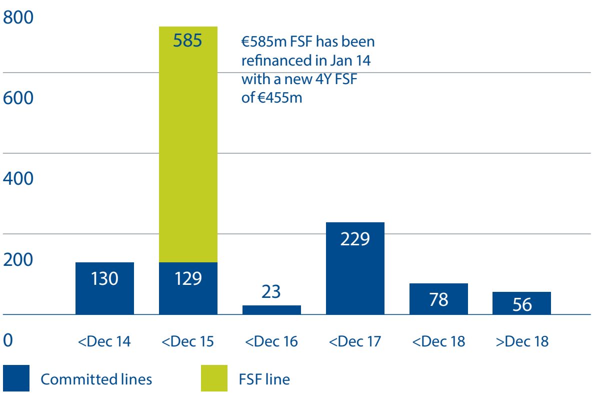
In January 2014, Group subsidiary TITAN Global Finance PLC (TGF), secured a 455 million euros multi-currency forward start revolving credit facility with a syndicate of Greek and international banks. The facility is guaranteed by TITAN Cement S.A. and matures in January 2018. This facility will be used to refinance TGF's existing syndicated facility which matures in January 2015, as well as for general corporate purposes.

As a result of this refinancing, TITAN's debt maturity profile has been extended with no significant maturities on debt until 2017.

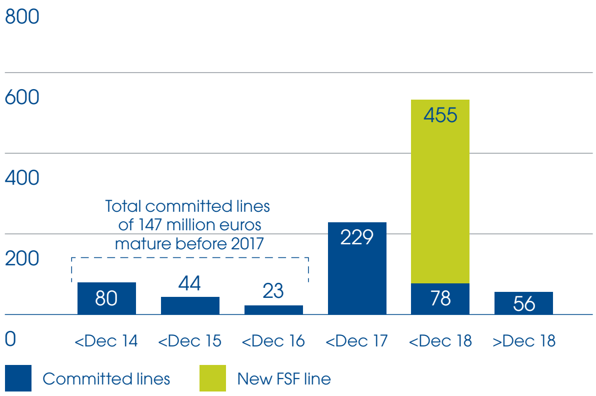
Credit rating

In December 2013, Standard & Poor's upgraded TITAN's long-term credit rating to "BB" with a stable outlook.

Maturity profile as at 31 December 2013 €m



Maturity profile after refinancing €m



Equity market information

A long-standing relationship with the investor community

Maintaining and increasing TITAN's credibility within the financial markets and the investor community is vital to its operations.

TITAN's common shares have been traded on the Athens Exchange since February 1912 and preference shares since November 1990.

The Group's shares are components of the FTSE/ATHEX Large Cap and, as of December 2012, the FTSE/ATHEX Global Traders Index Plus. In November 2013, Morgan Stanley Capital International (MSCI), reclassified Greece as an "emerging market". Since then, TITAN's stock has been included in the MSCI Emerging Markets Index. This move has brought a renewal of investor interest and activity in Greek stocks, including TITAN.

At the end of 2013, TITAN's stock price closed at 19.80 euros a share. This represents an increase of 42% in the year and outperforms the ATHEX General Index which, in the same period, recorded an overall increase of 28%. Over the last five years, TITAN shares have risen by 8% per annum, while the ATHEX General Index has fallen by 8% per annum.

On 31 December 2013, the share capital of TITAN Cement S.A. was 338,530,112 euros consisting of 84,632,528 shares with a par value of 4.00 euros each, of which 77,063,568 were ordinary shares and 7,568,960 preference shares.

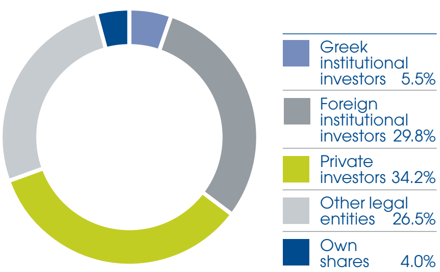
There is comprehensive information on the TITAN website for both debt and equity investors. It includes the Group's latest announcements, IR calendar, analyst coverage, share price analysis tools and webcasts of results presentations.

For more details visit:
http://ir.titan.gr/

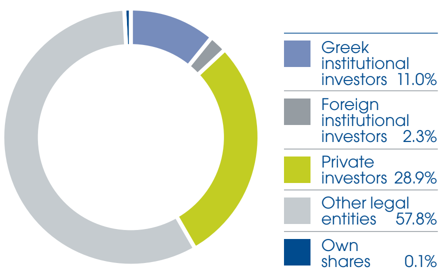
Our IR team is also available to help with additional enquiries. Please contact us using the following details:

Tel: +30 210 2591 111
E-mail: ir@titan.gr

TITAN common shares as at 31 December 2013



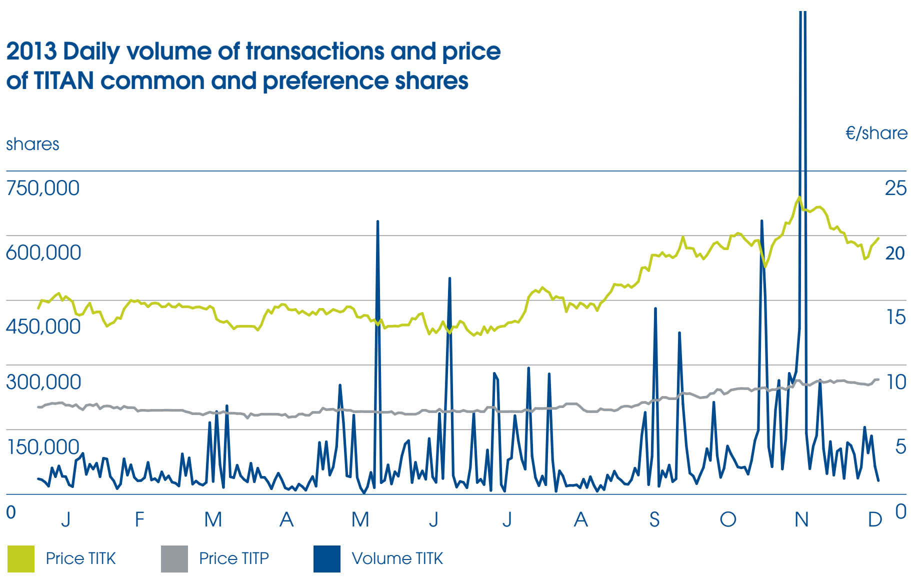
TITAN preference shares as at 31 December 2013



TITAN 100 YEARS + 1 YEAR
LISTED ON THE ATHENS STOCK EXCHANGE

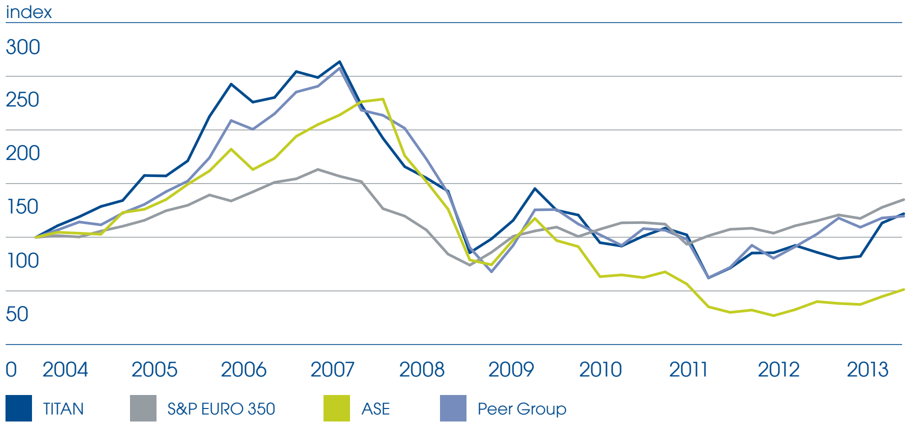
Symbols	TITAN common	TITAN preference
Oasis	TITK	TITP
Reuters Ticker	TTNr.AT	TTNa.AT
Bloomberg Ticker	TITK GA	TITP GA

2013 Daily volume of transactions and price of TITAN common and preference shares



Source: Bloomberg

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



Source: Bloomberg

Group non-financial performance

Continuing improvement

TITAN Group's non-financial performance continues to improve across a number of areas. However, despite considerable progress, there still remains room for further improvement.

Measuring our progress is an ongoing process evolving each year, so as to stimulate our efforts for continuous self-improvement. The table below presents performance achieved with respect to targets set in 2011 for 2015 and particularly for alternative fuels in 2017. Based on the current business climate and in response to feedback received from our key stakeholders, we have been engaged in an overall review of our sustainability targets and priorities with a view to 2020.

TITAN Group performance vs targets 2011-2015/17

Environment	**2011**	**2012**	**2013**	**Status**	**Group target 2015**	**Group target 2017**
Gross direct specific CO_2 emission, kg/t Product	625.4	662.7	666.9	✕	628.0	–
Specific dust emission, g/t Clinker	159.2	83.9	42.9	✓	95.0	–
Specific NOx emission, g/t Clinker	1,705.9	1.836.4	1.827.7	✕	1,670.0	–
Specific SOx emission, g/t Clinker	241.9	197.4	193.6	✓	240.0	–
Specific water consumption, lt/t Cement	347.7	298.4	320.6	✓	350.0	–
Use of alternative fuels, % Thermal basis	1.56	3.03	4.43	✕	–	10.0
ISO 14001 certified or equivalent of all wholly owned (in 2009) cement plants, %	92.0	100.0	100.0	✓	100.0	–
ISO 14001 certified or equivalent of all wholly owned (in 2009) active quarries for cement plants and aggregates, %	98.0	98.0	100.0	✓	100.0	–
Develop an Environmental Impact Assessment Study (EIAS) and implement a Rehabilitation Plan (RP) for all wholly owned (in 2009) active quarries for cement plants and aggregates, %	60.0	63.0	79.0	✕	100.0	–

Safety	**2011**	**2012**	**2013**	**Status**	**Group target**
Fatalities (directly employed)	0	1	0	✓	0
Fatalities (contractors)	1	0	1	✕	0
Fatalities (third parties)	0	0	1	✕	0
LTIFR, directly employed	1.49	1.38	0.47	✓	Aims to be consistently among the top quartile of best performers of WBCSD/CSI members in terms of Lost Time Injury Frequency Rate

Key:
✓ Achieved
✕ Not achieved

Scope and boundary of 2013 non-financial reporting

Performance data from all TITAN Group subsidiaries form the basis of this Report which covers the full range of economic, social and environmental impacts of TITAN operations.

The Report covers key indicators of the Group's environmental performance, consolidated data from cement production and cement grinding plants and their attached quarries. It also covers three quarries which, while not attached to a specific cement plant, provide raw materials only to cement plants.

Performance connected to Group targets, such as specific air emissions for CO_2, dust, NOx and SOx, specific water consumption, as well as alternative fuel substitution, are calculated based on the equity held by TITAN Group in 2009. All other reported data are calculated based on the equity held by TITAN Group in each specific year. This includes data related to raw materials, energy and water consumption, as well as waste production.

Areas for improvement

Overall, our sustainability efforts have shown some improvement over the last three years, although current economic conditions have significantly influenced our efforts to further reduce our carbon footprint. The use of alternative sources of energy and safety at work are among the areas in which we need to strengthen our efforts. At the same time, engaging with our employees and communities on issues related to healthcare and wellbeing is an opportunity for us to improve, while scaling up our sustainability efforts. Embedding safety standards among contractors and business partners, as well as joining efforts with key stakeholders to face other social issues like unemployment, are thoroughly examined with respect to the new 5-year-long action plan that is currently under development.

Case study

Enduring commitment in action: Kosovo

Key facts

30.9%
Unemployment rate

$7,600
GDP per capita

27.8 years
Average age of Kosovo's citizens

Material issues

- Health and Safety
- Local employment
- Integration of international and European standards
- Increased transparency and credibility
- Community relations

For more information, please visit: www.sharrcem.com

Creating opportunities

A Business Activity Incubator Program has been set up to alleviate poverty by training people in traditional, but high-value professions within the agriculture sector, including livestock herding, dairy products, agriculture and forestry.

Context

TITAN acquired Kosovo's only cement plant, SharrCem, in 2010. Historically one of the poorest parts of the former Yugoslavia, the region received post-war reconstruction and foreign assistance after 1999 which stimulated growth. However, industrial activity and output remain comparatively low. As a young independent country, Kosovo also faces challenges in developing its environmental policies without a robust regulatory framework.

The local community of Hani i Elezit relies heavily on the SharrCem cement plant. Income from the private sector is negligible, two thirds of the population are unemployed and over a third live in poverty, with primitive health care provision, poor infrastructure and virtually zero vocational education on offer.

How TITAN is responding

TITAN has concentrated on modernizing the SharrCem plant from a quality, safety and environmental perspective, while also addressing immediate community concerns such as unemployment, health, safety and environmental degradation.

Built in 1936, SharrCem is the only producer and leading supplier of cement in Kosovo. Following its acquisition in 2010, TITAN voluntarily launched an ambitious modernization program to meet the highest international standards in quality, technology and environmental protection. Within two years, the plant had achieved certification for quality management (ISO 9001) and environmental management (ISO 14001) and implemented a CO_2 Management System. The technological upgrade significantly improved the plant's efficiency and reduced its environmental footprint.

In 2013 (vs 2012), SharrCem reduced:

- specific CO_2 emissions per metric ton of clinker by more than 6%
- specific dust emissions per metric ton of clinker by almost 70%
- total water withdrawal by almost 20%
- specific water consumption per tons of cement by more than 40% (with recycled water almost doubled)

Further efficiency improvements are expected as phase two of the program continues.

TITAN aiming to support solutions that will enhance a more sustainable future for the community, initiated a local advisory stakeholder board (known locally as the LAB) which examines and approves local development programs. The Board is expected to decide unanimously on proposals that will be sponsored by TITAN.

Let's do it Kosovo

TITAN participates in the restoration of areas outside the plant perimeter by providing cleaning materials and volunteer support.

One area of involvement has been to ensure our ongoing commitment to employment – especially for the young. The Group is also keen to stimulate local economic development. A Business Activity Incubator Program has been set up to provide training and guidance for people in traditional but high-value professions within the agriculture sector, including livestock herding, dairy products, agriculture and forestry. The program is designed to target more than 100 beneficiaries and 500-700 local households over the next three years.

To enable direct involvement in the development of local initiatives, the Company has established a local advisory stakeholder panel which has been identified as an example of best-practice approach to CSR, culminating in a "European CSR Award" from the Kosovo CSR Network and the American Chamber of Commerce in Kosovo. However, rather than external recognition, the real driver behind this approach is a deep-rooted commitment to creating shared value for both SharrCem and the community, while also meeting our environmental obligations.

TITAN is also involved with "Let's Do it Kosovo". This project involves restoration of areas outside the plant perimeter by providing cleaning materials and volunteer support. The work is done on an annual basis to ensure a clean and healthy environment in the local area. It also promotes a volunteer spirit among our employees.

For the team at the Kosovo plant, CSR activities form part of their day-to-day responsibilities. SharrCem's commercial future demands their proactive involvement across a range of CSR issues.

The priorities for 2014 and beyond include an ongoing commitment to the Local Advisory Board. SharrCem will also look to further improve environmental performance – with a particular focus on waste water treatment, fugitive emissions and alternative fuels.

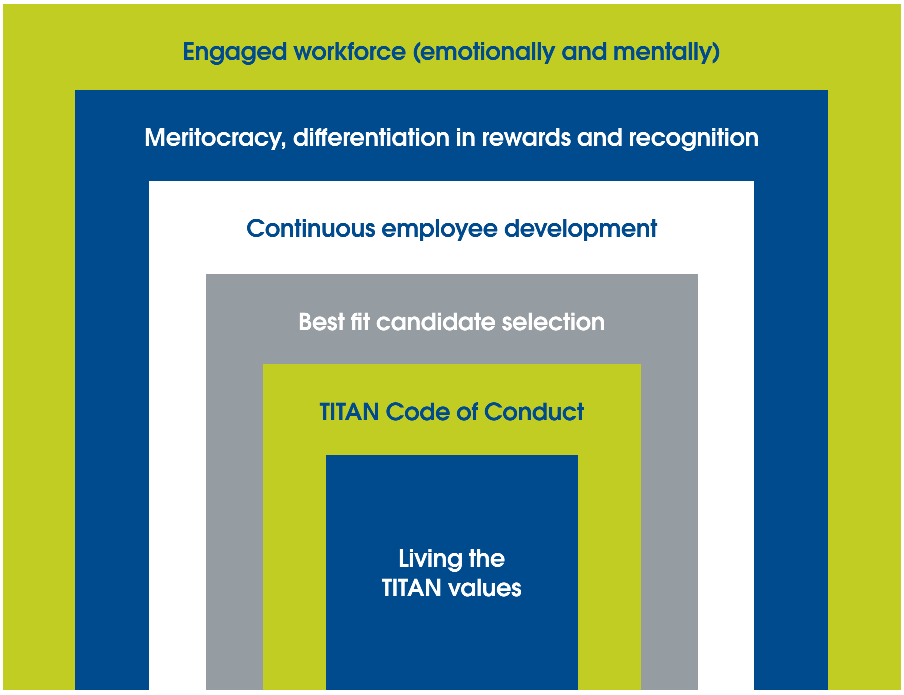
Group non-financial performance: Our people

A people-driven organization

Performance summary

- Following the update of our Code of Conduct, a People Management Framework was launched to provide all TITAN operations with clear and consistent guidance on how to address people-related issues
- Total employment at TITAN Group fell by 1.5%
- Group employment turnover was 7%
- Training man-hours were maintained at the previous year's levels due to a stable level of investment in the development of our people

TITAN's approach to people management



> "Throughout its long history, TITAN has been a people-driven organization, recognizing that sustainable growth relies on the caliber, behavior and collaboration of its people. This has shaped our vision to 'Ensure an engaged workforce, emotionally and mentally'."

TITAN People Management Framework

Direct employment[1]

Country	2012	2013	% in the Group 2013
Albania	218	207	3.79
Bulgaria	305	289	5.30
Egypt	781	773	14.17
F.Y.R. of Macedonia	340	331	6.07
Greece[2]	1,161	1,125	20.62
Kosovo	501	495	9.07
Serbia	265	262	4.80
Turkey	250	242	4.44
U.S.A.	1,715	1,731	31.73
Total	5,536	**5,455**	**100.00**

[1] Year-end. Total employment calculated

[2] Greece is identified as both the regional operations and the Group corporate center for joint ventures

About TITAN employees

Employment at TITAN Group is characterized by long-term relationships with employees grounded in mutual trust, reliability and shared values. The low percentage of temporary and part-time employees is testament to conditions of employment at TITAN Group.

TITAN Group operates in four diverse regions, yet many of the Group's employees are local nationals. Local operations are often run by local management teams empowered with TITAN Group values, standards and working methods. In most cases, 100% of management teams are local nationals.

Creating and safeguarding employment

TITAN Group continues to provide significant employment opportunities worldwide and is committed to investing substantial resources towards developing employees' knowledge and skills. The Group believes this ensures continued business success, despite continuing economic conditions in many regions.

TITAN Group is committed to safeguarding stable, long-term employment. However, continuing economic uncertainty and reduced demand for our products had an obvious effect in total employment for 2013 that was less by 1.5% compared to last year.

The Group's restructuring plan to address the continuous downturn in key markets has considered each country's business needs. To minimize job losses, the agreed framework has focused on a number of actions including: selective hiring, limited replacement of retiring employees and programs to promote self-employment and contract working where feasible. These actions have enabled the Group to safeguard jobs and maintain wages and salaries.

In all countries, the ratio of basic salaries and remuneration is in line with market standards and collective agreements where applicable. There are no subjective differences in pay for the same job.

TITAN has also focused its efforts on protecting additional benefits, particularly for our blue-collar employees. These benefits vary from country to country, and an indicative list of benefits, broadly applied, comprises of subsidised free meals and transport, additional medical care and insurance coverage programs, financial and in-kind support for families and children's education. In Greece, to strengthen the safety net for those most affected by the financial crisis, a full review of policies was conducted to provide short-term interest-free loans for employees.

Employee turnover

Country	Total number of employees [1]	Employees left	Turnover
Albania	207	25	12%
Bulgaria	289	21	7%
Egypt	773	15	2%
F.Y.R. of Macedonia	331	14	4%
Greece	1,125	49	4%
Kosovo	495	10	2%
Serbia	262	4	2%
Turkey	242	34	14%
U.S.A.	1,731	217	13%
Total	**5,455**	**389**	**7%**

[1] Year-end. Total employment calculated

Group non-financial performance: Our people
continued

TITAN Group employee standards

- **Non-discrimination:** Prohibit discrimination in all employment-related practices
- **Working hours:** Respect the right to leisure and avoid excessive overtime
- **Wages and benefits:** Guarantee a wage that – at a minimum – meets national legal standards and provides additional benefits that respond to local needs
- **Discipline:** Apply appropriate disciplinary measures
- **Fair treatment:** Prohibit bullying and harassment
- **Prohibition of child and forced labor:** Prohibit the use of all forms of forced and child labor, complying with International Labor Organization standards
- **Freedom of association:** Respect our employees' freedom of association and related rights, within the framework of local laws

Workforce engagement and satisfaction

Low absenteeism rates point to a high level of employee satisfaction throughout the Group. Employment turnover was 7%, with 389 departures and 321 hires. 12.8% of the new hires were female. 81 hires were under 30 and 31 were over 50.

Training and development

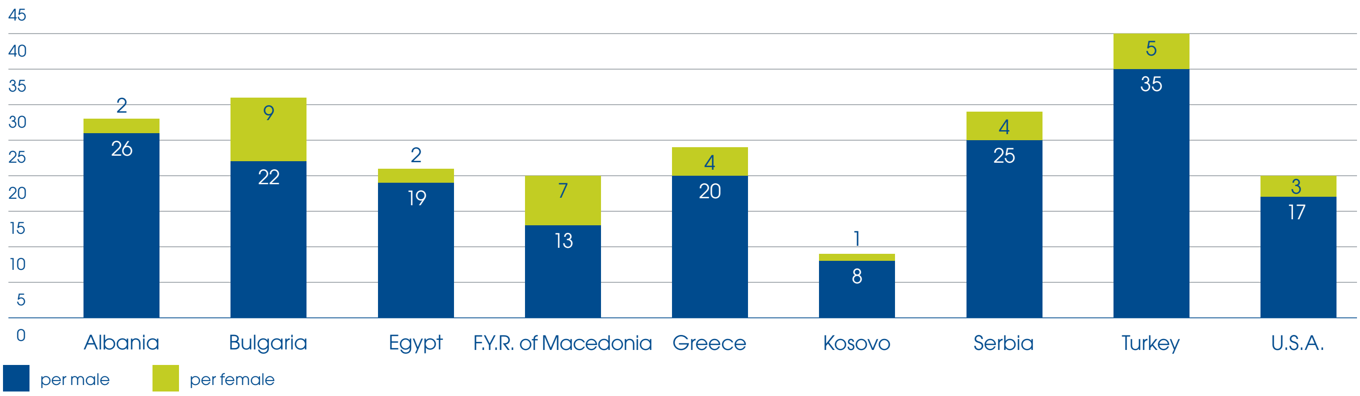
TITAN Group believes in the continuous development of its employees. The goal is to promote life-long learning and enhance the professional skills and competencies needed to meet local and global challenges.

The Group maintained training hours at the previous year's level of 120,584 hours – equivalent to 22 training hours and 159.2 euros of investment per employee. The countries with most employees – the U.S.A., Greece and Egypt – accounted for 63% of training hours in 2013. 61% of training activities took place for the employees in the 30–50 age bracket, with over 50s and under 30s receiving 32% and 7% of training respectively.

Among 2013's new programs was "ACT" (Accelerating Coaching Training). This enhances managers' coaching skills. We also continued and expanded successful programs, such as "C-Mentors", "TI.ME", "STEP program" and "Stakeholder Engagement Development and Training Program".

Health and Safety training remains a key priority for TITAN Group, accounting for 38% of training in 2013 (45,327 man-hours). Management and managerial skills, technical know-how and core competence were the next largest categories with 19,394 hours and 19,442 hours respectively. This is all part of our goal to promote a Group-wide Health and Safety culture.

Distribution of training man-hours per employee



Building intellectual capital

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

Firstly, regarding core competencies, the "C-Mentors" program is a three-year industrial development program for TITAN newcomers with technical roles. By interactively transferring know-how, it enables them to become first-rate cement professionals, fully-fledged cement employees and, ultimately, highly valued cement mentors.

Secondly, regarding the Group's young talent pool, that consists of talented middle to higher people managers with the potential and drive for development. TITAN Group builds their leadership capability at a Global level, while ensuring succession planning. For these needs, the one year STEP program which is in its fourth year of implementation and its content is provided by HBP (a subsidiary of Harvard Business School), sets high standards.

Finally, for further developing our leadership skills, TI.ME. (TITAN MENTORING), a mentoring program has been developed and conducted in cooperation with "The Chartered Institute of Personnel and Development" (CIPD), it enables Executive Directors to mentor talented high-level managers – transferring TITAN Group's values while preparing them for leadership roles and helping mentees see the wider picture.

Quality of leadership is critical to the Group's success. That's why we commit significant resources to training and developing high-potential employees throughout the organization. They then have the skills to deliver the Group's performance and growth objectives.

People Development Reviews (PDRs) related to performance appraisals and succession planning are also widely used. This ensures continuous availability of leadership talent to meet the Group's strategic objectives. In 2013, a new PDR application was introduced to more effectively record important employee development information.

Group non-financial performance: Our people
continued

Human rights

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

TITAN Group Code of Conduct

By signing the UN Global Compact pledge in 2002, TITAN committed itself to the protection of human and labor rights. This early commitment has been integrated into decision-making, management systems and training courses for managers and employees. This year, another important step was taken in this area with the launch of the TITAN People Management Framework. This sets out guidance on all people related issues and human rights of our people and our business associates.

Every year, TITAN Group's management in each country examines the potential risks for human rights abuse within its sphere of influence. The Group CSR Committee also examines reports on human rights risks per country and identifies opportunities for further improvement.

Human rights training takes place within the context of the Code of Conduct and the TITAN People Management Framework.

Equal opportunities

TITAN Group is committed to applying international standards regarding diversity and equal opportunities. The composition of local management teams, with managers of local origin and women managers, reflects this – even in countries where employment in heavy industries is rare for female professionals. As we reported last year, TITAN's recent restructuring has not disproportionately affected the number of female employees.

Gender equality

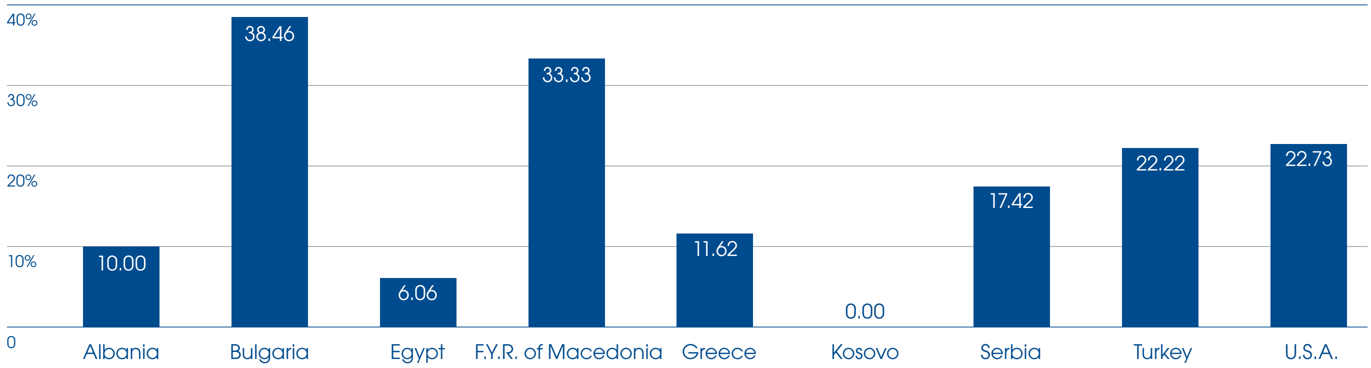
In 2013, the percentage of women directly employed by TITAN rose to 11.2% from 11%.

At Group level, many key functions are led by female managers. Additionally, this year one more woman has joined the Board of Directors.

TITAN Group continues to promote equal opportunities and gender equality. This is evident in our performance on recruiting and the participation of female employees in training programs.

Moreover, TITAN pays the same salary to men and women for the same job and safeguards that no difference may occur with respect to in-cash and in-kind provisions for employees due to gender, type of contract or other condition.

Women in management %



Age equality

TITAN Group invests in building long-term relations with its employees who, in turn, build upon the Company's core competence by developing know-how, skills, competencies and experience due to employees' long tenure with TITAN. The Group continues to invest in employee development regardless of age. However, age is considered a factor for voluntary early retirement plans.

For new hires, the focus is on two main groups: former TITAN employees who participated in restructuring plans and young people who often face higher rates of unemployment. Overall, the Group always tries to balance new hires across most age groups.

Collective bargaining and unionization

TITAN Group actively promotes freedom of association of employees, beyond local legal requirements. We acknowledge the importance of unions in improving working conditions and safeguarding workers' rights. Union representatives at TITAN have the right to meet with line management to discuss their concerns and suggest improvements.

Health and Safety issues, along with remuneration, statutory and additional benefits are included in the agenda of regular meetings between management and employee representatives. In addition, Health and Safety Committees comprising of management and employee representatives operate in all countries.

For further information on TITAN Group's performance relating to people management, please visit our online report.

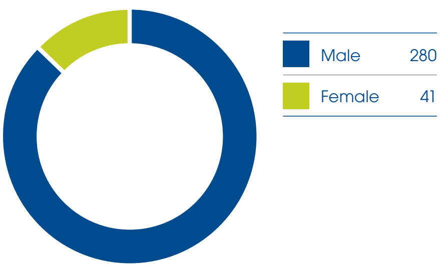
In focus: TITAN's People Management Framework

To provide countries with clear and consistent guidance on how to address people-related issues, in 2013 we introduced the TITAN People Management Framework. It applies to direct employees, as well as to our business associates, and serves as a model for all people-related policies developed at local level. The framework includes guidance on:

- Building and retaining an engaged workforce
- Building trust by living our values
- Respecting human rights

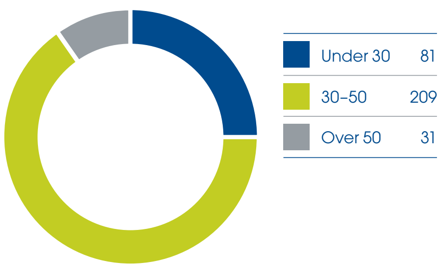
Local Human Resources Departments are responsible for establishing local policies and practices in harmony with the TITAN People Management Framework. We recognize the need to raise concerns where there is non-compliance with TITAN Values and the TITAN People Management Framework. That's why an open door policy for communication with supervisors and the implementation of grievance mechanisms in all business units has been encouraged.

New hires by gender



New hires per age group

Total new hires: 321



Case study
Enduring commitment in action: Bulgaria

Key facts

11.6%
Unemployment rate

$14,400
GDP per capita

Material issues

- Health and Safety
- Community relations
- Expanded opportunities for waste management at a local level
- Education and employment

For more information, please visit: www.titan.bg

Context

TITAN Group acquired the Zlatna Panega Cement business in 2004. In a distance of approximately 100km from Sofia, the capital of the country, the plant employs 293 people. This area is identified as one of the least developed regions in the EU with high unemployment rates and low levels of higher education. For TITAN this is a challenging situation, but also an opportunity to contribute to positive changes that will enhance sustainability in the area.

How TITAN is responding

Since acquiring the plant, a full modernization plan has helped to change the overall environment. There have been significant positive impacts on health and safety, environmental protection and new employment opportunities, not only for our employees and business partners but also for the local community.

Engaging with local stakeholders to enhance a more sustainable future both for the Company and the communities around the plant was addressed as a first priority by local management during the initial materiality assessment in 2010. This was when TITAN Group committed to working with the local community. Priorities include education standards, local environmental improvements and health and safety performance. All of these issues affect the growth potential of this business in the long term.

The local CSR Committee developed and implemented a three-step process.

It started with a program to engage with employees and increase their involvement in stakeholder engagement and corporate volunteering.

We then consulted with specialized NGOs, such as the REC (Regional Environmental Centre). This was to build awareness on a variety of issues, such as health and safety, environment, waste management and biodiversity. As well as gaining an understanding of the issues, this process has inspired a level of trust based on common action for shared interests.

The third step was a community study in cooperation with the Bulgarian Charities Aid Foundation. We interviewed representatives of local authorities responsible for education, social services, health and ethnic and demographic issues. We also visited local institutions including schools, kindergartens and community centers, along with leaders in the Roma communities. The Group now clearly understands the priorities for improving local services, health care, and young people's education.

Engagement in education

Elementary school pupils taking part in Open Day sessions

As a longer-term investment, we placed six specially qualified teachers into four local elementary schools with the goal of improving educational standards. This two-year Teach for All project will expand to involve more teachers in more schools this year.

One way TITAN can immediately make a positive contribution is by building a voluntarism base among our employees. Nearly one hundred of them cleared up combustible waste around the plant in a Spring Clean day of action. This helped build environmental awareness and knowledge about alternative fuels. A similar exercise involved an Open Safety Day, which brought around 50 managers together with people from the state authorities.

The need to attract a qualified workforce drives our engagement in education. In 2013, TITAN professionals made presentations to 100–120 local high school pupils in Open Door sessions. We also took part in the Professionals in Schools program, in cooperation with the American Chamber of Commerce, Bulgaria, which aims to stimulate pupil ambition.

In 2014, TITAN will continue to build voluntarism and participate in educational and micro-business projects in the Region. These will be supervised by the Bulgarian Charity Aid Foundation and financed by the America for Bulgaria Foundation.

Spring cleaning day

Nearly one hundred employees cleared up combustible waste around the plant during this day that was devoted to a cleaner environment

Group non-financial performance: Suppliers

Looking after our suppliers

As TITAN's business is mostly local, most of our suppliers – especially for maintenance, cleaning, catering and services – are also local. So, like any responsible business, we ensure they are paid fairly and promptly.

About TITAN's supply chain

Wherever possible, the Group sources locally. This benefits the local community by creating local jobs. The Group also works with international suppliers who provide goods such as fuels, technology, machinery and paper for cement bags. Sourcing centrally from these companies is cost effective.

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

Sustainable procurement

The TITAN Group Code for Procurement guides the selection, management and evaluation of suppliers. Key criteria are quality and reliability, flexibility and location of business. Sustainability criteria are also taken into consideration.

Several years ago, the Group acknowledged the importance of sustainability and responsibility principles in the supply chain. This is why we co-lead CSR Europe's portal for buyers and suppliers, launched in 2008.

In 2013, TITAN took further action by co-leading a new task force in the Cement Sustainability Initiative. Its aim was to develop a new framework for engaging with suppliers at industry level, based on the UN Global Compact principles and CSI standards in areas such as safety at work.

Significant contractors and screening 2013

Country	Total number of significant contractors	Total number of significant local contractors	% of local contractors	Total number of significant contracts
Albania	23	5	22	22
Bulgaria	18	3	17	18
Egypt	227	177	78	230
F.Y.R. of Macedonia	Not applicable	Not applicable	Not applicable	Not applicable
Greece	30	Not applicable	Not applicable	30
Kosovo	65	40	62	65
Serbia	70	5	7	25
U.S.A.	Not applicable	Not applicable	Not applicable	Not applicable
Total	**1,603**			**390**

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

Due to the position of TITAN in F.Y.R. of Macedonia, Greece and the U.S.A., the definition of "local contractor" is not applicable.

In the above-mentioned countries, the geographic definition of "local" varies because all national suppliers are considered local as well.

Turkey is excluded because relevant data are not yet available.

Group non-financial performance: Customers

Continuing to meet customer needs

TITAN Group provides high-quality products and services at competitive prices, while also developing innovative solutions. This is the basis of our long-term relationships with customers.

TITAN Group adapts its customer service policy according to market conditions in each country. However, all our operations have established management systems certified according to ISO 9000. For ready-mix products, we comply with relevant European quality standards.

In all countries, managers meet regularly with customers to transfer know-how and expertise regarding product use. This includes everything from Health and Safety to different product applications. Some markets don't yet use blended cements or other more advanced products. We make every effort to explain their environmental and other benefits.

In 2013, TITAN Group launched a pilot program in Turkey, in collaboration with local authorities, to examine the use of pervious concrete in road paving. The lifecycle of our products was evaluated against other products with a view to expanding into new uses. Following this program, a local municipality governor decided to use our products to build a concrete road for a village in 2014. TITAN will supply concrete and provide technical support to the contractor.

New forms of communication, such as the Internet, have improved direct and ongoing collaboration with customers. For example, at the Usje plant in F.Y.R. of Macedonia, we have introduced E-Orders, which provide a tracking service for customers, from issuance of the loading order to follow-up status. In addition, customers can also view their material and financial details.

In focus: Ensuring the quality of our products

Due to Greece's high risk of earthquakes, regulations concerning building material type and composition are very strict. TITAN Group has gone beyond regulatory requirements to provide customers with an additional certificate detailing product composition quality after use.

Group non-financial performance: Health and Safety

Committed to a safer, healthier working environment

TITAN constantly strives to raise the safety performance of direct employees and contractors, and to urge suppliers and third parties to adopt similar views and practices.

Performance summary

- A 16% per annum reduction in LTI Frequency Rate of direct employees was achieved over the last five years
- The LTI Frequency Rate of contractors, which had increased the previous year, decreased in 2013 to 0.76 LTIs per million man-hours
- We deeply regret that despite our efforts two fatalities occurred in 2013

Management review

Safety performance

TITAN Group will further intensify efforts towards a zero accidents target. 2013 saw a further decline in the Group's accident rate. Over the last five years, the LTI Frequency Rate of direct employees has decreased by approximately 16% per annum to 0.47 LTIs per million man-hours in 2013.

The LTI frequency rate of contractors, after increasing in 2012, decreased in 2013 to 0.76 LTIs per million man-hours.

The continuous improvement in safety performance shows that Health and Safety has been consistently and effectively pursued, even under challenging business conditions.

Despite this progress, we deeply regret the two fatalities which occurred in 2013. One to a contractor in Greece due to electrocution; the other to a third party in Bulgaria due to an off-site traffic accident involving a contracted vehicle. The Group intensified its efforts in order to prevent the recurrence of such incidents.

Contractor management

Of all reported incidents in 2013, approximately 57% happened to contractors. This shows that, despite the marked improvement in the safety of our direct workforce, further effort is required regarding contractor safety. The Group is currently improving its contractor and driving management systems in line with CSI guidelines, which will come into force in 2015.

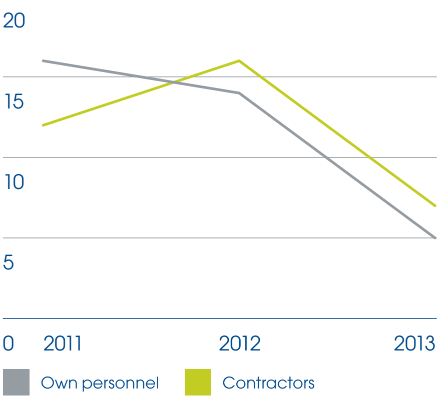
Fatality elimination

Group Health and Safety works towards fatality elimination by identifying incidents with fatality potential. Such incidents are designated as Potentially Fatal Occurrences (PFOs) and studied extensively. Findings are disseminated in the form of guidelines and training material.

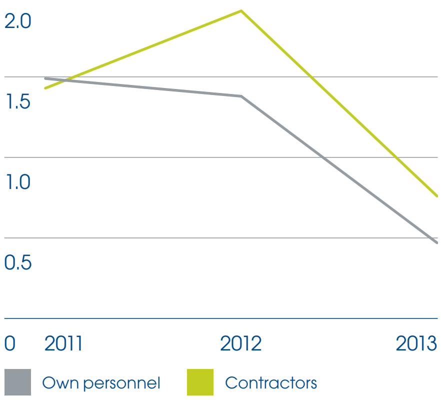
The same policy is followed for risks with fatality potential even if there has been no incident. In 2013, Group Health and Safety produced guidelines and training materials for "Coating Demolition and Auxiliary Drives" and "Working near Overhead Power Lines".

In response to the electrocution-related fatality, the electrical safety procedures and associated training have been reviewed. TITAN America was already implementing the new NFPA 70E standard for electrical safety in the workplace.

TITAN Group total number of LTIs
Directly and indirectly employed
(all activities)



TITAN Group LTIs frequency rate
Directly and indirectly employed
(all activities)



Site audits and incident prevention

TITAN Group Health and Safety regularly audits all cement plants and selected sites of non-cement activities. The regional and business unit Health and Safety organizations also perform a variety of internal inspections or audits of the cement plants and the non-cement activities.

In 2013, with many new and alternative fuels coming into use, particular attention was paid to the solid fuel grinding installations and related process safety issues. Following these audits, a comprehensive "Guide to auditing solid fuel grinding installations" was prepared and distributed to all business units, to assist them with systematicaly assessing the safety level of their installations.

Information sharing and training

Information on Health and Safety, including incident description, is shared among the business units to raise awareness and promote risk identification and containment.

Group guidelines and training materials are distributed and posted on the intranet. Along with audit findings and incident investigation results, they are used to identify training needs. All business units offer their employees regular Health and Safety training. In 2013, TITAN Group employees and contractors received, on average, 8.7 and 6.0 hours of Health and Safety training respectively.

Safety data analysis and incident prevention will benefit from the new safety data reporting platform developed and tested in 2013. It offers increased reliability and enhanced data management and analysis functions and will be used in 2014.

Employee health and hygiene

A business-wide internal survey in 2013 indicated that health monitoring is carried out in accordance with regulatory requirements. Additional health monitoring and wellness programs are voluntarily offered by the Group in several countries.

Promotion of off-work safety

In Greece, Bulgaria and Kosovo, TITAN Group employees voluntarily teach "Safety at Home" to pupils of elementary and junior high schools. The Greek cement plants also host safety training for engineering students in collaboration with the Board of European Students of Technology (BEST). In 2013, these two initiatives combined reached approximately 11,000 children and young people.

Outlook for 2014

Further effort will be made to raise the safety performance of contractors. The Group's systems of contractor and driving management will improve in harmony with the corresponding CSI guidelines due in 2015. Fatality elimination will continue to receive the highest attention, along with voluntary work to promote off-work health and safety.

Group Health and Safety performance

	Own personnel		Contractors		Third parties	
	2012	2013	2012	2013	2012	2013
Fatalities	1	0	0	1	0	1
LTIs	14	5	16	7	–	–
LTIs frequency rate	1.38	0.47	1.91	0.76	–	–

Group non-financial performance: Environment

Improving environmental performance is a business imperative

Environmental efficiency underpins operational efficiency and helps to secure the permits required for our operations.

Performance summary

- Specific CO_2 emissions saw a slight increase of less than 1.0% on the previous year
- Total emitted dust was 524 metric tons, with specific emissions less than half the Group target
- The alternative fuels percentage was substantially increased but falls short of our ambitious target
- Water consumption successfully remained below the Group target
- Environmental expenditures totaled 24.6 million euros.

Management review

In 2013, TITAN Group continued with its five-year action plan to improve its overall environmental performance and comprehensively reviewed its strategic targets for 2020.

Mitigating climate change

Climate change is strongly affected by our operations. Addressing it through alternative raw materials and energy resourcing remains a key Group priority. For the high-intensity cement and construction industries, thermal and electrical energy, along with raw materials, are fundamental resources. Systematic monitoring and recording of quantities consumed is necessary to mitigate environmental impact.

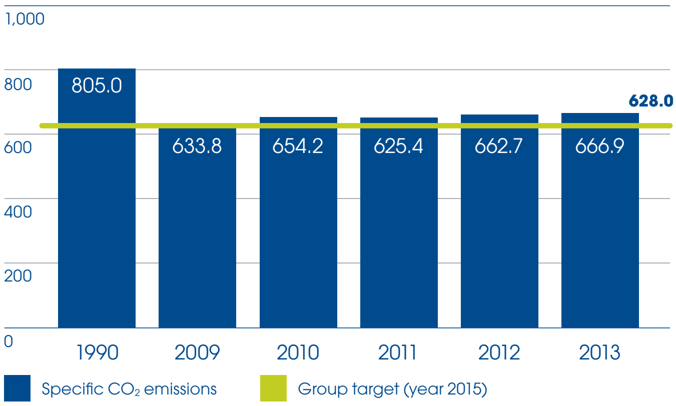
Carbon emissions

Since 2006, TITAN has chosen to address carbon emissions and sustainability in agreement with the Kyoto Protocol. Accordingly, we have reported CO_2 emissions from our cement plants following CSI Guidelines since 2003, while developing five-year action plans to further improve our overall performance.

During 2013, total direct carbon emissions from our cement and grinding plants were 10.2 million metric tons. Specific CO_2 emissions were 664,3kgCO_2/$t_{Product}$[1] representing an increase of less than 1.0% on the previous year. This directly relates to increased sales of clinker to other cement producers, along with decreased sales of ProAsh®. Both factors reflect prevailing conditions in our markets. As a result, our performance against our 2015 target slightly deteriorated from 662.7kgCO_2/$t_{Product}$ in 2012 to 666.9kgCO_2/$t_{Product}$ in 2013.

[1] Product equals cementitious product as defined by WBCSD/CSI.

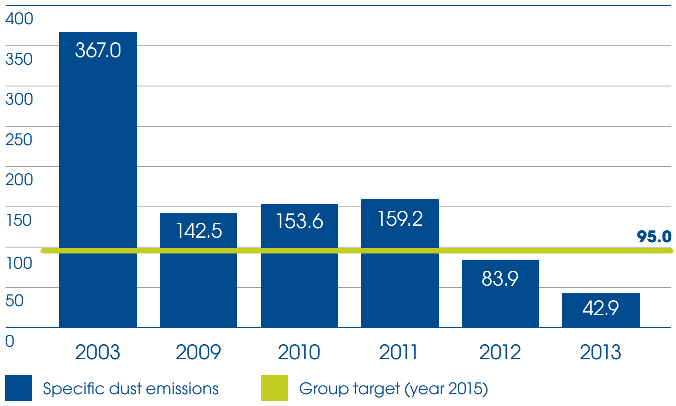
TITAN Group cement production and grinding plants
Specific gross direct CO_2 emissions[1] (kg/$t_{Product}$[2])



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

[2] Product equals cementitious product as defined by WBCSD/CSI.

TITAN Group cement plants
Specific dust emissions[1,2] (g/$t_{Clinker}$)



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

[2] Group target was calculated based on the equity held by TITAN Group in 2009.

Air emissions

Dust

In 2013, our performance was well inside the Group target of 95.0g/t $_{Clinker}$. Total emitted dust was 524 metric tons while specific emissions were 42.2g/t $_{Clinker}$. This considerable improvement – half of the previous year – results from recent investment in state-of-the-art emission control technologies. Our latest upgrades include new bag filters at the kilns of the Alexandria (Egypt) and SharrCem (Kosovo) cement plants.

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

Care is taken to ensure the proper maintenance and optimal functioning of machinery and equipment, and the application of rules covering materials transport in and out of the plant site. The Group periodically measures the impact that dust emissions have on the health of employees and communities close to our operations.

NOx

In 2013, these emissions were 22,785 metric tons, while specific emissions were 1,832g/t $_{Clinker}$ – unchanged on the previous year. This is within the limits stipulated in the operating permits but lagging behind our Group target.

SOx

In 2013, SOx emissions were 2,351 metric tons, while specific emissions were 189.1g/t $_{Clinker}$ – an improvement on the previous year. In future, we hope to further improve our performance.

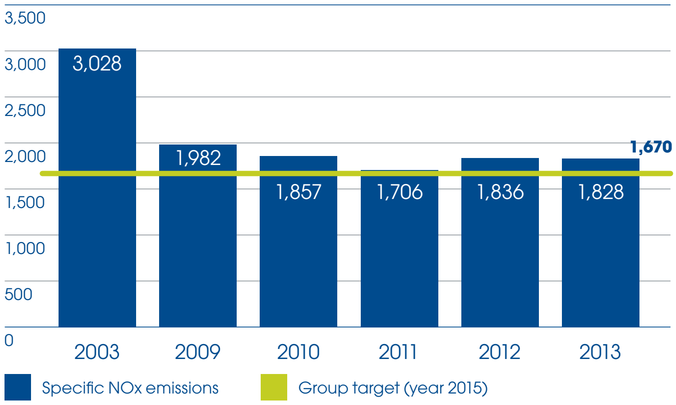
Extracted and alternative raw materials

Use of alternative raw materials reduces the consumption of extracted raw materials and the by-products that must go to landfill.

In 2013, we used 21.5 million metric tons (dry basis) of raw materials for total cement production. Approximately 6.1% of all raw materials (about 1.3 million metric tons – dry basis) were alternative raw materials, namely by-products and waste disposals from other industries. The remaining 20.2 million metric tons (dry basis) were natural materials from mining and quarrying activities. Compared to 2012, the Group's use of alternative raw materials, both in quantity and percentage terms was unchanged.

TITAN Group cement plants

Specific NOx (as NO_2 eq) emissions[1,2] (g/t $_{Clinker}$)

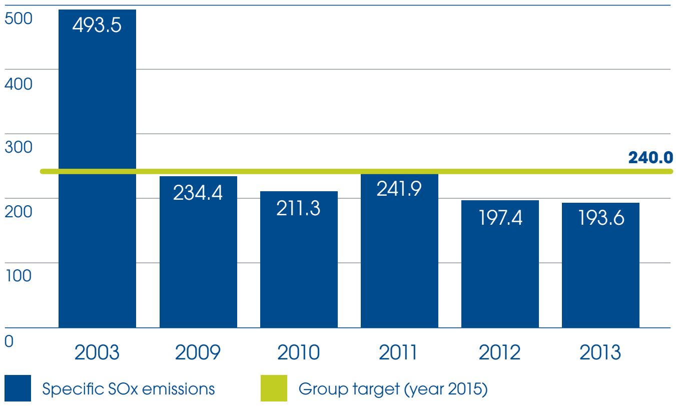


[1] Specific emissions in each year are calculated based on the equity held by TITAN Group in 2009.

[2] Group target was calculated based on the equity held by TITAN Group in 2009.

TITAN Group cement plants

Specific SOx (as SO_2 eq) emissions[1,2] (g/t $_{Clinker}$)



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

[2] Group target was calculated based on the equity held by TITAN Group in 2009.

Group non-financial performance: Environment
continued

Thermal energy and alternative fuels

In 2013, TITAN Group consumed 43,504 TJ of thermal energy in clinker and cement production processes, including energy consumed by attached and related quarries. The increase in annual thermal energy consumption, almost 6.7%, results from a similar increase in production volume. Nevertheless, average consumption was maintained at the 2012 level of 3,499 $MJ/t_{Clinker}$.

The largest source of thermal energy (95.7% $_{Thermal\ basis}$) came from conventional energy sources such as coal, pet coke, fuel oil and natural gas, with alternative fuels making up the rest. The percentage contribution of alternative fuels went up from 3.0% $_{Thermal\ basis}$ in 2012 to 4.3% $_{Thermal\ basis}$ in 2013.

Last year, alternative fuels use at our Kamari plant in Greece increased to 20.3% $_{Thermal\ basis}$ from 14.3% $_{Thermal\ basis}$ in 2012. Similarly, our Zlatna Panega cement plant in Bulgaria increased the use of alternative fuels to 20.6% $_{Thermal\ basis}$ compared to 16.1% $_{Thermal\ basis}$ a year earlier. TITAN Group aims to extend its use of alternative fuels to other facilities. Obtaining the necessary licenses is our first objective.

TITAN Group identifies these fuels according to specific conditions and opportunities in local markets. We then invest in new technologies that can use them in a safe, environmentally friendly way. We also use carbon-neutral fuels (biomasses) wherever possible to minimize our CO_2 footprint.

Compared to the Group's alternative fuel target of 10.0% $_{Thermal\ basis}$, the 2013 numbers are lagging. However, since 2008 our alternative fuels use has more than quadrupled and we're looking to achieve more.

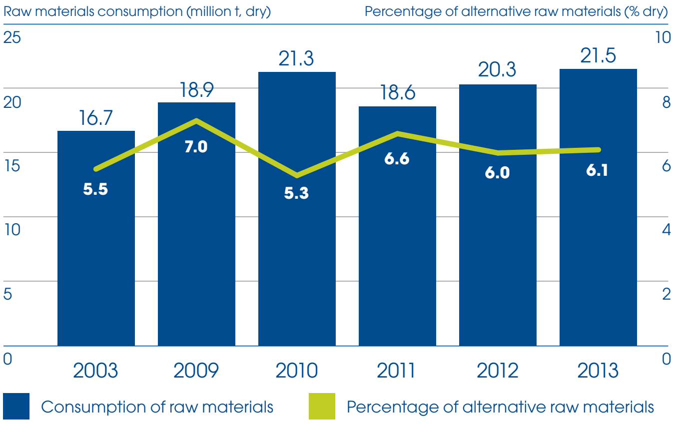
Electrical energy

In 2013, electrical energy consumption at Group cement production plants and attached quarries was 1,581 GWh (5,692 TJ). The 3.0% increase from the previous year resulted from increased production volume. However, operating efficiency improvements at our facilities brought specific consumption down 1.4% on the previous year.

Resource efficiency

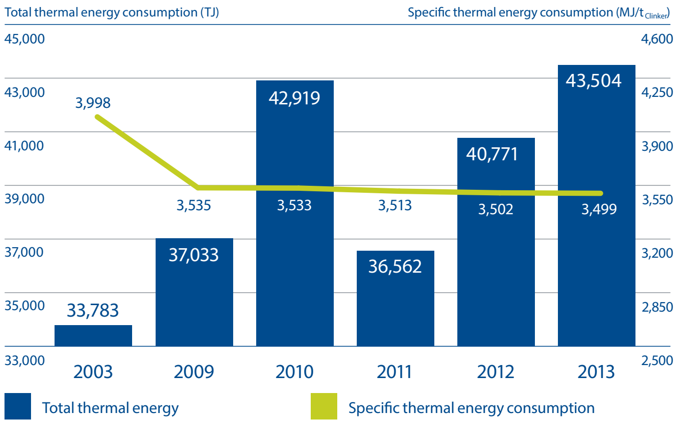
The reduction, re-use and recycling of raw materials, energy and waste are a key element of the Group's environmental policy. Raw materials and intermediary products which leak out of the production process are recovered with specialized equipment and, after appropriate processing to remove foreign particles, are re-introduced into the production line and re-used.

TITAN Group cement production and grinding plants
Consumption of raw materials and percentage of alternative raw materials used in clinker and cement production[1]



[1] Calculated based on the equity held by TITAN Group in each specific year.

TITAN Group cement production and grinding plants, attached and related quarries
Thermal energy consumption for clinker and cement production[1]



[1] Calculated based on the equity held by TITAN Group in each specific year.

Waste management

TITAN Group recycles wherever possible. At our U.S. concrete production facilities, returned concrete is used to produce cement blocks or ground for use as paving or other construction materials. Where collected materials cannot be recycled internally, they are outsourced through a collective management system or licensed subcontractors.

Water management

In 2013, specific water consumption at the Group's cement plants increased 5.2% from the previous year, reaching 315.5lt/t $_{Cement}$. This owed mainly to increased production of clinker and cement. However, it stayed below the Group target of 350.0lt/t $_{Cement}$.

At Group level, in 2013 a total 29.9 million m^3 of water was withdrawn, 9.4 million m^3 was consumed and 20.5 million m^3 discharged. In the case of the cement plants, water withdrawal, consumption and discharge came to 7.9 million m^3, 4.3 million m^3 and 3.6 million m^3 respectively.

TITAN Group water withdrawal by source million m^3

	2011	2012	2013
Ground water	24.2	27.7	26.0
Municipal water[1]	1.1	1.0	0.9
Rain water	0.2	0.2	0.2
Surface water	1.5	1.6	1.7
Ocean or sea water	1.1	1.7	1.1
Waste water	2.4	0.0	0.0
Total	30.5	32.2	**29.9**

[1] Municipal water includes bottled water bought.

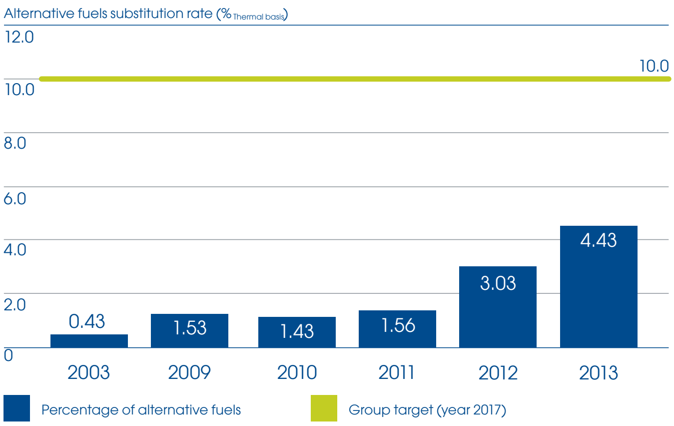
TITAN Group water discharge by destination million m^3

	2011	2012	2013
Surface (river, lake)	19.4	19.2	19.3
Ocean or sea	1.2	1.8	1.1
Off-site treatment[2]	0.1	0.1	0.1
Total	20.7	21.1	**20.5**

[2] Water sent for off-site treatment should be reported as discharged water, according to WBCSD/CSI draft protocol for water reporting.

TITAN Group cement production and grinding plants

Substitution rate of alternative fuels used in clinker and cement production $_{Thermals\ basis}$[1,2]

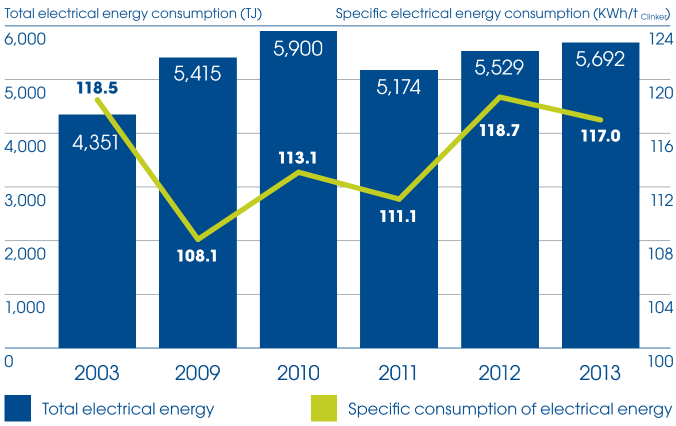


[1] Substitution rate of each year is calculated based on the equity held by TITAN Group in 2009.

[2] Group target is calculated based on the equity held by TITAN Group in 2009.

TITAN Group cement production and grinding plants, attached and related quarries

Electrical energy consumption for clinker and cement production[1]



[1] Calculated based on the equity held by TITAN Group in each specific year.

Group non-financial performance: Environment
continued

Furthermore, 24.1 million m³ of water (approximately 80% of the total withdrawn volume) was recycled to cover the total water needs at a Group level. The total volume of recycled water in cement plant operations reached 17.5 million m³ – about 220% of (or double) the water withdrawn volume.

Water recycling facilities are operating in 93% of our cement plants. Nearly a third of Group aggregates sites use water in their production process, and 80% of those sites run water recycling systems.

Starting next year, TITAN will use the Global Water Tool (customized for the cement sector – recently launched by WBCSD/CSI) to assess water-related risks throughout our Group portfolio.

Managing the impact on land

TITAN recognizes that the extractive activities necessary for mining and using of mineral resources to produce cement and aggregates has an impact on biodiversity and ecosystems.

Quarry rehabilitation and biodiversity

In 2013, new rehabilitation plans were developed for quarries in Alexandria (Egypt) and Kosjeric (Serbia). On top of TITAN Group principles, these plans also followed the Guidelines on Quarry Rehabilitation prepared by WBCSD/CSI Biodiversity and Land Stewardship Task Force (CSI TF5), in which TITAN is a co-chair and active participant.

TITAN uses the Integrated Biodiversity Assessment Tool (IBAT) for screening all Group quarry sites. Eight of them are recognized as areas of high biodiversity value.

A structured Biodiversity Management Plan (BMP) was developed in 2013 at the Zlatna Panega quarry in Bulgaria, according to principles under development by the CSI Task Force. BMPs are also planned for the Pennsuco and Center Sand quarries in the U.S.A., along with three quarries in Greece, following completion of the "baseline" biodiversity assessment in 2015.

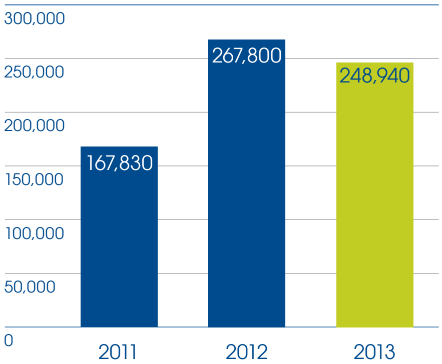
This assessment will also identify any species included in national or international conservation or protection species lists (like the IUCN Red List of Threatened Species).

In 2013, the total area of "active quarries" was 83.9 million m², of which 18.5 million m² are "affected". 14.7 million m² have been rehabilitated or restored to date (cumulative) and 50.7 million m² are still "green" (untouched).

The Group's performance has improved, moving closer to the targets for 2015, since 100% of wholly owned active quarries are certified ISO 14001 or equivalent. A further 79% have an EIAS and Rehabilitation Plan in place.

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

Recycled (externally) waste material
metric tons



TITAN Group environmental expenditures €m

	2012	2013
Costs for environmental management	9.0	12.1
Costs for reforestation	0.3	0.4
Costs for rehabilitation	0.3	0.4
Costs for environmental training and awareness building	0.3	0.1
Costs for the application of environmentally friendly technologies	7.3	9.9
Costs for waste management	2.3	1.7
Total	19.5	**24.6**

Outlook for 2014

Over the next two years, TITAN will continue efforts to minimize the overall environmental impact in the following ways:

- Increased use of alternative fuels
- Installation of bag filters to reduce dust emissions to the minimum level achievable
- Installation of new equipment to reduce NOx emissions to comply with expected emission limit levels
- Continuing use of CSI Guidelines for Quarry Rehabilitation and Biodiversity Management where applicable
- Continuing participation in the Biodiversity and Land Stewardship Task Force of the WBCSD/CSI
- Focus on water management and assessment of water-related risks using the Global Water Tool
- Through participation in the Water Task Force of the WBCSD/CSI, we will address future best practices in water management and engagement

In focus: Developing partnerships and raising awareness at Green Alternative Energy Assets (GAEA)

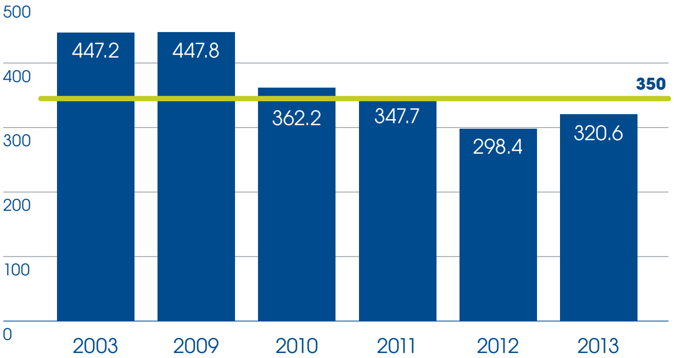
GAEA Green Alternative Energy EAD is a Bulgarian company offering solutions for waste management/environmental protection, waste utilization and alternative fuels production. 2013 was its second year of operations.

Thermal substitution from the use of waste streams including Processed Engineered Fuel (PEF), tires, HHV materials (textile, plastics and rubber) and biomass resulted in 683,000 euros equivalent of savings in fuel costs and 11,576 metric tons of savings in CO_2 emissions in 2013. To secure higher quality PEF waste streams, GAEA has established strategic partnerships with many Bulgarian waste management companies. This will enable waste collection from industrial generators and subsequent consolidation, pre-treatment and quality control, prior to delivery. Supply of quality waste streams remains an ongoing challenge. GAEA is exploring how to access high quality waste streams from abroad to manage local supply risks.

Awareness raising remains a key activity for GAEA, which became a full member of the American Chamber of Commerce and the Hellenic Business Council in Bulgaria in 2013. A new website (www.gaea.bg) was launched, to attract partners within and outside Bulgaria.

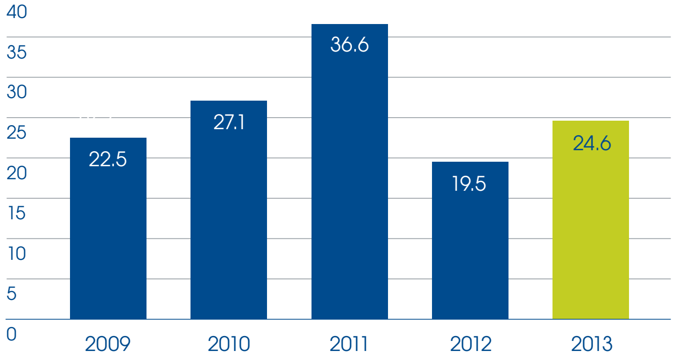
TITAN Group cement production and grinding plants

Specific water consumption[1,2] (lt/t Cement)



Specific water consumption Group CSR target (year 2015)

Environmental expenditures €m



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

[2] Group target was calculated based on the equity held by TITAN Group in 2009.

Group non-financial performance: Communities

Enabling local development through community outreach

Supporting local communities is key to TITAN's long-term success. The Group has extensive programs in place to tackle such issues as health, safety, poverty, unemployment and environmental degradation. These are issues of real concern in many of the places where we operate.

Performance summary

- TITAN donated 1,691,760 euros to community development projects, up 26.3% on 2013

Management review

TITAN's approach to community investment and engagement

As a predominantly localized business serving local needs for housing and infrastructure, TITAN must maximize the value which communities derive from its presence. Over many years, the Group has developed a vast array of community programs and activities to promote the wellbeing of communities contributing with financial and non-financial resources. Ultimately, we want to enable local development by talking to communities about the issues that matter to them most.

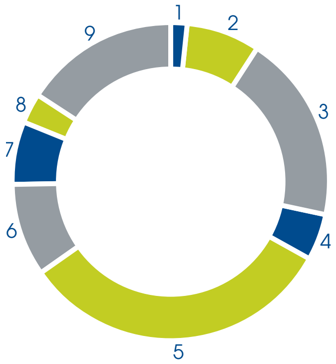
TITAN's approach to community engagement is always considerate of local market conditions, but with a long-term view. Priorities vary from one community to another, but usually cover the following four areas:

- Safety
- Healthcare
- Poverty and unemployment
- Environmental awareness

The following case studies provide just a few of many examples of our community investment and engagement activities in 2013.

Performance

Donations 2013 by country total in Group €1,691,760	**% in Group total**
1. Albania	1.24
2. Bulgaria	7.74
3. Egypt	19.12
4. F.Y.R. of Macedonia	4.72
5. Greece	32.45
6. Kosovo	9.40
7. Serbia	6.57
8. Turkey	3.02
9. U.S.A.	15.75
Total	**100.00**



Healthcare

Egypt: Tackling health issues in the local community

In order to address health, safety and environmental issues both in the workplace and in the local community, TITAN Egypt has undertaken several important initiatives. These include an awareness campaign aimed at its employees, their families and the inhabitants of the local communities regarding the prevention and treatment of health problems, given the deep concern over the spread of Hepatitis C among the Egyptian population.

At the same time, it enhanced its efforts towards the strict enforcement of health and safety rules, a major factor in safeguarding health.

TITAN Egypt's collaboration with Roche in a health promotion program raised the possibility of supporting similar programs for the wider public, a prospect which is being examined by the local administration.

Greece: Sharing knowledge on OHS with university students

Since 2011, TITAN has extended its collaboration with the Board of European Students of Technology (BEST) aiming at conveying its know-how and experience in respect to safety at work and accident prevention.

Along with University professors and other groups of experts, we designed and implemented specialized workshops, hosted in our plants, and targeted to students of polytechnic schools. The program started from TITAN's cement plant in Patras and continued in Thessaloniki with increasing interest from the student community.

Financial flows to our stakeholders in 2013

	2009	2010	2011	2012	2013
To employees for salaries, pensions and social benefits, including additional benefits beyond those provided by law	235.1	239.1	218.1	215.4	202.1
To local and international suppliers	768.0	801.8	642.9	725.0	781.4
For new investments in fixed assets	180.0	87.2	58.1	51.0	50.4
To state and local authorities through taxation	124.9	90.0	82.6	65.2	65.8
Return to shareholders and minorities	15.2	17.2	24.9	19.1	2.3
Total	1,323.2	1,235.3	1,026.6	1,075.7	**1,102.0**

Group non-financial performance: Communities
continued

Community outreach
F.Y.R. of Macedonia: Corporate volunteerism and cooperation for sustainable development

Since 2009, the administration of the Usje cement plant in F.Y.R. of Macedonia has established a systematic and ongoing dialogue with stake-holders, with an aim to develop synergies in crucial sectors, such as the protection of the environment, the improvement of health and safety, and the vocational and professional training of young people. As part of this initiative, the company participates in the local network of the UN Global Compact, holding meetings and consultations on a regular basis, and publishing a Corporate Social Responsibility Report in accordance with international standards.

Intensifying its efforts towards achieving transparency and accountability, the Usje plant also hosts public open days, during which any interested citizen is welcome to visit the plant and learn about how cement is produced, what measures are enforced for the protection of health and the environment, as well as anything else surrounding the operation of the plant. The local Corporate Social Responsibility Committee has implemented an action plan which promotes volunteerism through various initiatives. These include the adoption of local public schools, in order to consistently ensure a safe environment for the children, while at the same time raising awareness regarding the protection of the environment. In 2013, these actions continued and were expanded to include over 200 employees, who participated in the cleaning and rehabilitation of the environment, as well as in waste management.

Environmental awareness

Greece: Raising awareness of environmental protection issues

TITAN Group wanted to help clean up selected locations surrounding its Patras plant in Greece in order to safeguard and improve the environment for local communities.

Calling on over 350 volunteers and with the Group's contribution, we cleaned up the port of Arahovitika, the port of Psathopyrgos and the old bed of the Diakoniaris torrent. Among the volunteers were employees and contractor associates of the plant in Drepano, along with their families and friends – all eager to do their bit.

This also resulted in a direct and honest exchange of opinions with numerous active and environmentally aware people in the Patras area.

Outlook for 2014

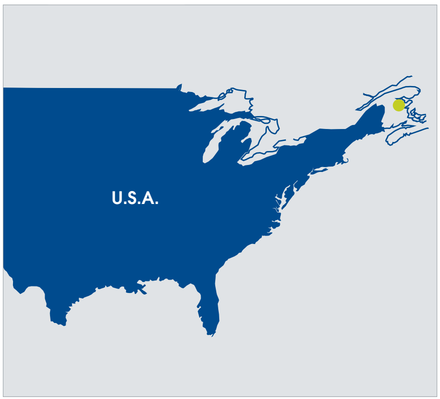
Community relations and the role of TITAN as an enabler of local development will remain a top priority for all the Group's operations. We have made significant progress in recent years, primarily by formalizing engagement at a local level. Not only has this provided valuable dialogue, it also continues to influence programs in Egypt, Serbia and Kosovo.

Looking ahead, we are committed to developing skills among the young and long-term unemployed. We will concentrate on programs targeting Health and Safety, environmental awareness and waste minimization.

Regional performance: U.S.A.

Construction recovery drives strong performance

With the market recovery well underway, turnover and profitability continue to grow. The U.S.A. now accounts for over a third of Group turnover and a rapidly increasing share of operating profitability.



Performance summary

- Growth in construction reported for second consecutive year
- Above national average growth recorded in TITAN's regions of operation
- Total revenue of 411 million euros, up 11% year-on-year
- EBITDA of 32.1 million euros, up 453% year-on-year
- Numerous awards for environmental and community practices

Management review

Market overview

Construction spending in the U.S.A. grew for the second year in a row, increasing in 2013 by 4.9% to $899 billion. Within the sector, private construction increased by 8.6%, with private residential construction up 18.2%. On the back of this recovery, cement consumption increased by an estimated 4.5% in 2013 to 82 million metric tons.

According to the Portland Cement Association (PCA), cement consumption in the South Atlantic States (including Virginia, the Carolinas and Florida), where TITAN's U.S. plants are located, rose 8.9% in 2013, 3.5% ahead of the national average. Demand was even higher in Florida, where both residential and non-residential construction trends were positive.

Financial performance

Group turnover in the U.S.A. in 2013 stood at 411 million euros, up 11% year-on-year, while EBITDA improved to 32.1 million euros, up 453% vs 2012. This region now accounts for over a third of Group turnover and a rapidly increasing share of operating profitability.
TITAN's American subsidiary, Separation Technologies LLC (ST), reported a record performance, owing to strong demand for its fly ash product, ProAsh®. In late 2013, ST entered into a partnership arrangement to secure additional sources of fly ash in the Mid-Atlantic region. This will extend and strengthen ST's position in a growing market in 2014.

Non-financial performance

In 2013, TITAN's operations in the U.S.A. have been targeting safer driving as part of a Health and Safety program. We have established a Drivers' Council for ready-mix delivery professionals, who meet quarterly with senior management to address safety and production issues.

Numerous awards for environmental and community practices were received in 2013. Both the Roanoke Cement and Pennsuco Cement plants were recognized at the Annual Cement Industry Environment and Energy Awards. Six Company sites were recognized at the 25th Wildlife Habitat Council Annual Symposium and the National Ready-Mix Association (NRMCA) bestowed Green Star Certifications on 15 TITAN America facilities in 2013. These facilities were among the first in the nation to be awarded the certification.

Regional performance

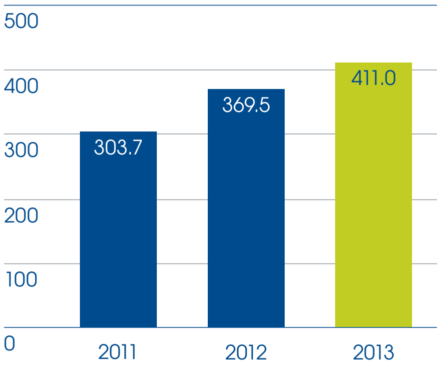
Regional revenue % of Group

35%

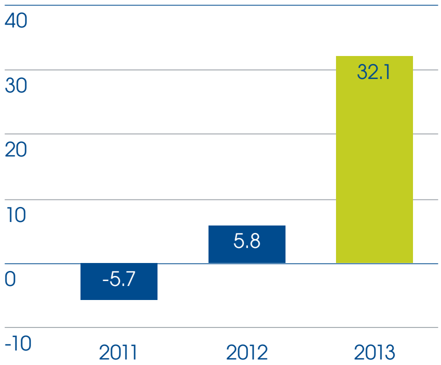
Regional EBITDA % of Group

16%

Turnover €m



EBITDA €m



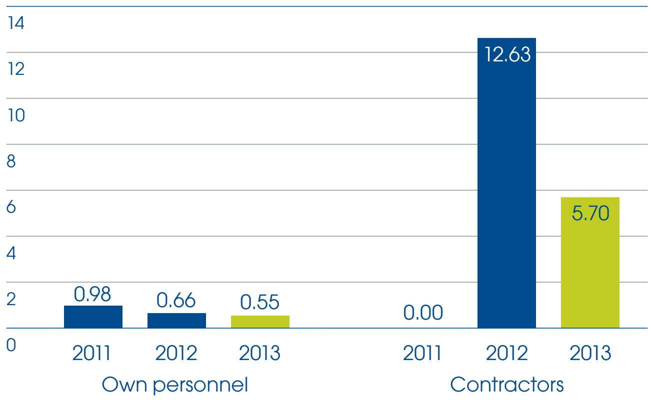
TITAN America's Florida concrete business became the first in the state and only the second in the U.S. to produce Environmental Product Declarations (EPDs). These have been created to help building designers make educated decisions about the products they use.

These awards reflect the strong engagement of our people in the region. They have lived up to TITAN's corporate values, implementing the concept of enduring commitment even during a time of prolonged economic downturn.

Outlook for 2014

Growth in U.S. cement consumption is expected to maintain its momentum as house building starts and permits for future projects return to levels last seen in 2007. According to the Portland Cement Association (PCA), all construction sectors will expand in 2014 and cement demand will rise by approximately 8%. Cement consumption is expected to grow at an even higher rate in the Southeast of the country, where the majority of TITAN's U.S. operations are located.

Lost Time Injury Frequency Rate LTIFR



Regional reviews

Florida

According to the U.S. Geological Survey, cement consumption in Florida increased by 19.5% to 4.9 million metric tons in 2013. Demand for aggregates also improved in line with the strong growth in cement.

Mid-Atlantic

Cement consumption in Virginia increased by a modest 0.5% to 1.7 million metric tons according to the U.S. Geological Survey, while demand in North Carolina improved by 5.0% to 2.1 million metric tons.

New York/New Jersey

According to the U.S. Geological Survey, cement consumption in the New York Metropolitan area was 1.3 million metric tons in 2013, an increase of 4.8% over 2012. In the context of an improved construction environment, TITAN America's Metro New York business made a positive contribution to the U.S.A. region's performance.

In focus: Addressing community concerns through open dialogue

TITAN's Carolinas Cement plant in New Hanover County, U.S.A. has responded to the concerns of a grassroots group, Stop TITAN Action Network. The Group objects to plans for a new cement manufacturing and mining facility because of the impact they believe it will have on the local environment and community at large.

To ensure open dialogue on the project, we launched an informative website (www.carolinascement.com) to provide facts about the project and a blog so that concerned citizens can ask questions and receive factual responses. The website is supported by a Carolinas Cement Facebook page.

Recognizing the need for face-to-face engagement, TITAN also organized a series of workshops for the local community to speak to our staff and experts on a range of issues. In addition, we offered free visits to our Roanoke cement plant in Troutville, Virginia, 900km away from the Carolinas cement plant, for those wanting to see first-hand how TITAN ensures environmental stewardship and creates community benefit.

Regional performance: Greece and Western Europe

Challenging market conditions

Historically low demand in the construction sector continues to have a significant impact on turnover and profitability. However, signs suggest that the bottom of the market has been reached.

Performance summary

- Construction activity reached an all-time low in the domestic market
- Soft domestic demand offset to a degree by robust exports
- Turnover of 249.8 million euros, up by 4% year-on-year
- EBITDA of 13.9 million euros, down 57% year-on-year
- TITAN maintained and even improved its additional benefits policy and increased corporate volunteering programs

Management review

In Greece, demand for cement and building materials declined for the seventh consecutive year albeit at a slower pace. Punitive tax rate levels on real estate, limited disposable income, the high inventory of unsold homes and lack of liquidity in the mortgage market have brought private residential building activity to a virtual standstill.

Public spending on infrastructure remained weak in 2013, while the expected resumption of four major road works was postponed until 2014. In total, cement demand in 2013 was at one fifth of 2006 levels.

Financial performance

Turnover in the region increased by 4% to 249.8 million euros, though operating profit declined by 57% to 13.9 million euros. Given the dramatic drop in domestic demand, the Group's Greek plants are heavily dependent on exports to support production levels. TITAN's commercial presence in export markets, built through the years with long-term relationships, has enabled us to develop our export trade despite fierce global competition and volatility.

Non-financial performance

TITAN's long-term commitment to its values, often expressed through its history, remains an important feature of the Company today. During the recent years of financial crisis, we have concentrated on safeguarding, as much as possible, our employees and their jobs, while also reaching out to the wider community.

TITAN has maintained and even improved its additional benefits policy and increased corporate volunteering programs. Employees participated in over 30 volunteering initiatives to support vulnerable groups and charities working to lessen the impact of the crisis. A good example was the bone marrow donation program which TITAN employees became involved with, in cooperation with the Bone Marrow Donor Center at Patras University.

Almost all environmental and safety investments in Greece targeted equipment that aimed to reduce gas emissions, enhance the use of secondary fuels and upgrade Health and Safety conditions at the workplace. There was a clear

Regional performance

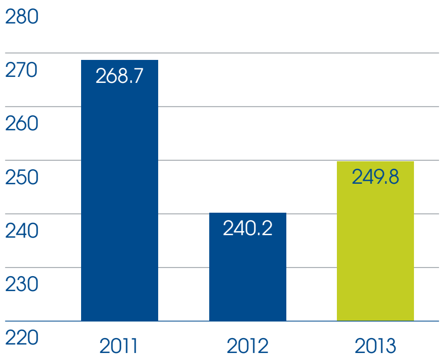
Regional revenue % of Group

21%

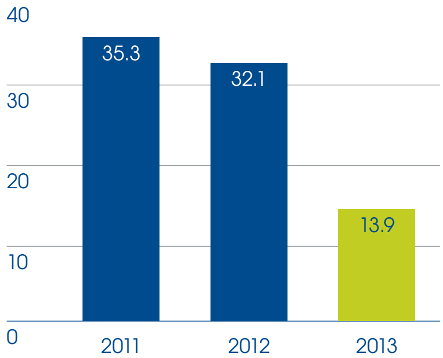
Regional EBITDA % of Group

7%

Revenue €m



EBITDA €m



improvement as reflected in the lost time incidents and frequency index, which fell compared to 2012. The specific total emissions of the Cement division in Greece also reached close to the European average, 852 vs 849 kg CO_2/ton $_{Clinker}$.

The total quantity of alternative raw materials used reached 525,000 metric tons, with an equal reduction in the use of natural (primary) raw materials. This quantity represents the highest substitution of primary raw materials by alternative materials in the past few years.

In 2013, a significant area of focus has been on variable cost containment, primarily through increased use of secondary fuels and alternative raw materials, combined with an optimization of our product mix. An increase in the use of secondary fuels contributed to the containment of fuel cost, although still below the European average rate (33.8%). The goal remains to increase the substitution rates of conventional fuels.

TITAN Group continues to participate in consultations and industry forums which inform public debate on the use of secondary fuels and alternative raw materials.

Outlook for 2014

In Greece, cement demand is expected to increase for the first time since 2006, from the extremely low levels of 2013. This is largely due to the resumption of major infrastructure projects, including road works. Expectations regarding the residential market remain low.

Operation profiles

Cement operations

In 2013, year-on-year production levels increased, supported by exports of cement and clinker which increased significantly. The continued operation of the Group's plants in Greece is dependent upon the competitiveness of exports, amid intense international competition, particularly from countries not subject to EU legislation on carbon dioxide emissions. In 2013, one of our main priorities was the control of our variable costs through an increased use of secondary fuels and alternative raw materials, combined with product mix optimization.

TITAN Group's continued investment in alternative fuels has also played an important role in helping us compete globally, as, alongside its environmental benefits, it actively allows us to contain our fuel costs.

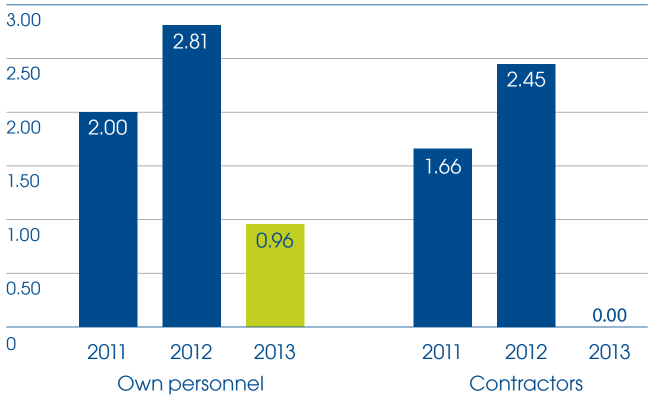
Concrete operations

Concrete sales at INTERBETON fell by around 7–8% vs 2012, in line with the overall market decline.

Aggregates operations

Sales in the aggregates business grew compared to 2012, which was an encouraging result given the significant restrictions in public and private sector works. During the year, we continued investing in the modernization and infrastructure of our quarry units.

Lost Time Injury Frequency Rate LTIFR



Regional performance: Southeastern Europe

Stable performance and efforts for improvement

Despite slight growth across the economies of Southeastern Europe, construction activity remains stable at relatively low levels, affected by Eurozone uncertainties.

Performance summary

- Construction activity stable at relatively low levels, affected by Eurozone uncertainties
- Increasing use of alternative fuels by the Group's plants in the region
- Turnover of 215.5 million euros, down 4% year-on-year
- EBITDA of 62.7 million euros, down 2% year-on-year
- Modernization of Kosovo plant brought emissions well below European standard

Management review

Market overview

The growth rates of most Balkan economies improved slightly in 2013 but were hampered by weakness in neighboring Eurozone countries, such as Italy and Greece. Construction activity for the region remained at stable but relatively low levels in 2013.

Financial performance

Despite modest gains in prices in the second half of the year, margins in TITAN's Southeastern Europe business units continued to lag well behind pre-crisis levels. Turnover in the region declined by 4% to 215.5 million euros, while operating profit posted a marginal decline of 2% to 62.7 million euros.

Non-financial performance

TITAN has continued to improve safety in the region and implemented a program of awareness building and training of contractors. Improvements in environmental management and performance were addressed in Kosovo through organized efforts to apply for IPPC permits. Meanwhile, the modernization of the local plant contributed significantly to the minimization of dust emissions now well below European standards.

In F.Y.R. of Macedonia, a new water management and treatment investment was completed that has attracted international interest as an example of good practice.

The Group continues to promote a more transparent and accountable business model through stakeholder meetings that prioritize action on social and environmental issues. As a result of this, a new CSR Report was issued by SharrCem in Kosovo, and a new long-term community development program was developed with the participation of local interests.

Similarly, in Serbia the 3rd CSR Report was issued by TITAN and independently verified for GRI assurance level B+. This improves the Company's credibility, strengthening its relationship with relevant stakeholders.

Regional performance

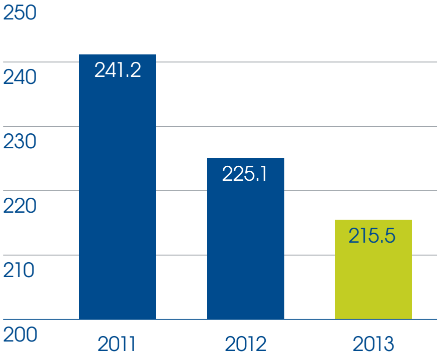
Regional revenue % of Group

18%

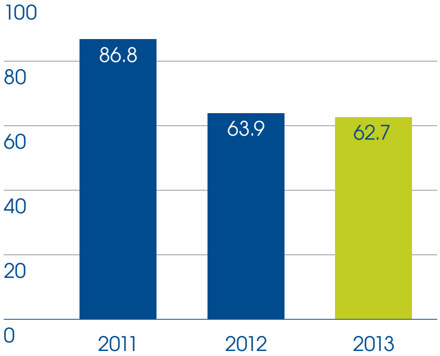
Regional EBITDA % of Group

32%

Revenue €m



EBITDA €m



In Albania, the first integrated management system was successfully completed. This follows the full certification of the Company's management systems according to ISO standards for quality and environment, OHSAS and SA 8000. In addition, TITAN has successfully established a local CSR network and taken on the responsibility to chair the network's Board during its first year.

Last but not least, Bulgaria has accomplished a thorough analysis of community needs and developed a new partnership agreement with other local businesses, NGOs and authorities. They will now initiate a program focused on developing and promoting adequate services to local people, especially the young, to give them a better and more sustainable future.

Outlook for 2014

The outlook for construction in Southeastern Europe is stable, without expectations for significant growth in the current year. The region continues to be held back by the weakness in neighboring Eurozone countries.

Country profiles

Albania
In 2013, GDP growth was estimated at 1.8%, with the economy still suffering from the euro crisis and continued difficulties for traditional trading partners (Italy and Greece). Year on year, cement consumption remained at the same level as 2012 but slowed in the second half of the year.

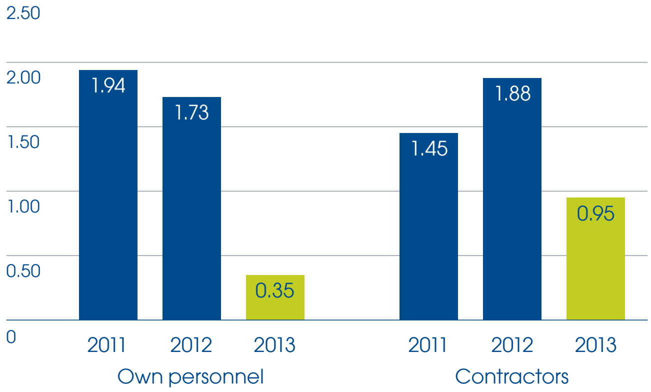
Bulgaria
GDP growth rate in 2013 slowed for the second year in a row, reaching 0.5%. Demand for cement stands at 2011 levels, having partially recovered from a severe drop since 2009. EU-funded infrastructure projects have helped maintain stability of demand for building materials.

F.Y.R. of Macedonia
The economy started to recover in 2013 with a GDP growth of 3.3% (vs a decline of 0.4% in 2012), mainly due to an improvement in the construction sector. In 2013, cement demand increased year-on-year approximately by 5%.

Kosovo
GDP growth of 3% was recorded in 2013. The construction sector continued to grow, mainly from demand in the residential sector with some limited public investment projects. The cement market (by volume) increased 5% year-on-year.

Serbia
In 2013, the Serbian economy showed signs of recovery and recorded an increase of 2.4% in GDP, though the increasing public debt and budget deficit continue to pose risks. The cement market in 2013 shrank by over 8%, despite a strong increase from ongoing infrastructure projects.

Lost Time Injury Frequency Rate LTIFR



Regional performance: Eastern Mediterranean

Resilience in the face of uncertainty

Despite political uncertainty in both Egypt and Turkey, demand for building materials remained resilient. As a result, turnover was up, although operating profit declined.

Performance summary

- Challenging environment due to political uncertainties, operational difficulties and local currency depreciation in Egypt
- Operating profitability in the region remains resilient, despite challenges
- Total turnover up 1% to 299.7 million euros
- EBITDA of 87.3 million euros down by 7%
- The Group is addressing public health issues such as Hepatitis C in Egypt

Management review

Market overview

Egypt and, to a lesser extent, Turkey both faced political turmoil in 2013. Despite the uncertainties, demand for building materials in Egypt was resilient and in Turkey demand grew at a fast pace.

Financial performance

Total turnover for the region grew by 1% to 299.7 million euros. Operating profit declined by 7% to 87.3 million euros. At constant exchange rates, operating profit would have posted a 5% increase and sales would have increased by 14.5%. Clinker imports to Egypt supported the production output of TITAN plants in a challenging business environment.

Non-financial performance

TITAN's Eastern Mediterranean operations have two distinctive countries with diverse social and economic needs. TITAN Egypt continues to focus on supporting employees and their families during the ongoing political crisis. The Group is also addressing health issues among employees and the wider community, particularly the impact of Hepatitis C, which is a major public health issue in Egypt.

In Turkey, where economic development has been positive, TITAN has continued its ongoing community outreach activities. The Group has also focused on raising awareness around alternative uses of concrete in road paving.

In both countries, safety remains of paramount importance. The Group has targeted safety standards among suppliers and the drivers who deliver goods to our operations, with a view to cultivating a precautionary approach to safety.

Regional performance

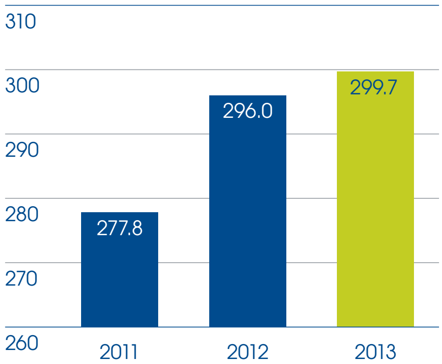
Regional revenue % of Group

26%

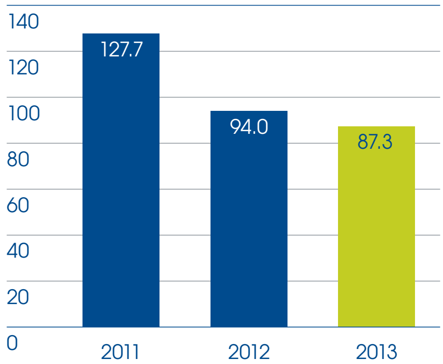
Regional EBITDA % of Group

45%

Revenue €m



EBITDA €m



Outlook for 2014

TITAN Group anticipates that its biggest challenges will come from the Eastern Mediterranean region as uncertainty builds and economic risks increase. Although demand for building materials in the region appears to be maintaining momentum, short-term forecasts are unreliable.

In Egypt, fuel shortages and rising production costs are creating an increasingly challenging business environment. Meanwhile, rising interest rates in Turkey could lead to a slowdown in economic growth. Exchange rate volatility could also continue to negatively affect Group results.

Country profiles

Egypt

Despite severe political turmoil and economic pressures in 2013, demand for building materials remained resilient. Domestic cement consumption reached 50.1 million metric tons and declined by just 2% vs 2012. During the year, fluctuations in energy supplies negatively affected production volumes and margins for all cement producers.

TITAN Cement Egypt's dispatches from its plant in Alexandria and Beni Suef (south of Cairo) in 2013 reached 4.3 million metric tons compared to 4.4 million metric tons in 2012.

The TITAN Beton and Aggregates Egypt (TBAE) plant performed well. In October 2013 it opened a new ready-mix plant in Cairo and its planned expansion into the aggregates business in late 2014 should create further value for shareholders.

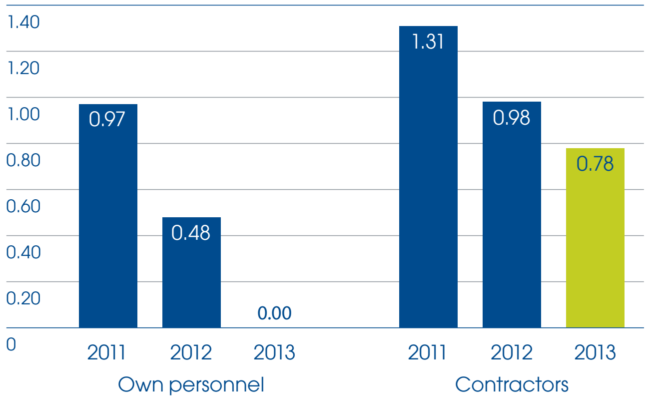
Turkey

In 2013, the Turkish economy rebounded from its slowdown in 2012, despite political tension in the second half of 2013.

Turkey's construction sector continued to grow in 2013 and cement consumption increased by an estimated 10% year-on-year.

Adocim, TITAN's 50–50 joint-venture operation in Turkey, benefited from strong demand both from private housing and public infrastructure projects and posted another year of record cement production.

Lost Time Injury Frequency Rate LTIFR



This report has been translated from the Greek original version

Independent certified auditor's accountant's report

To the shareholders of TITAN Cement Company S.A.

Report on the separate and consolidated financial statements

We have audited the accompanying separate and consolidated financial statements of TITAN Cement Company S.A. which comprise the separate and consolidated statement of financial position as at 31 December 2013, the separate and consolidated income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the separate and consolidated financial statements

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

Auditor's responsibility

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

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

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

Opinion

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of TITAN Cement Company S.A. and its subsidiaries as at 31 December 2013, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on other legal and regulatory requirements

a) The Directors' Report includes a statement of corporate governance, which includes the information required by paragraph 3d of article 43a of Codified Law 2190/1920.

b) We confirm that the information provided in the Directors' Report is consistent with the accompanying separate and consolidated financial statements and complete in the context of the requirements of articles 43a, 108 and 37 of Codified Law 2190/1920.

Athens, 27 February 2014
The Certified Auditor Accountant

Chris Pelendridis
S.O.E.L. R.N. 17831
Ernst & Young (Hellas) Certified Auditors Accountants S.A.
11th km National road Athens-Lamia
144 51 Athens

Soel Reg. No. 107

Income statement

(all amounts in Euro thousands)	Group Year ended 31 December		Company Year ended 31 December	
	2013	**2012**	**2013**	**2012**
Turnover	1,175,937	1,130,660	234,712	221,215
Cost of sales	-882,164	-831,696	-197,677	-163,886
Gross profit before depreciation, amortisation and impairment	**293,773**	**298,964**	**37,035**	**57,329**
Other income	16,834	21,769	7,256	13,552
Administrative expenses	-92,802	-93,026	-31,530	-31,281
Selling and marketing expenses	-17,569	-19,619	-185	-386
Other expenses	-4,229	-12,250	-1,574	-1,539
Profit before interest, taxes, depreciation, amortization and impairment	**196,007**	**195,838**	**11,002**	**37,675**
Depreciation and amortization related to cost of sales	-108,542	-118,063	-11,720	-12,418
Depreciation and amortization related to administrative and selling expenses	-6,818	-6,620	-1,324	-1,236
Impairment of tangible and intangible assets related to cost of sales	-1,421	-6,047	-18	-314
Profit/(loss) before interest and taxes	**79,226**	**65,108**	**-2,060**	**23,707**
Finance income	6,400	11,316	2,658	3,781
Finance expense	-94,961	-76,885	-47,369	-44,256
Share in loss of associates	-305	-841	-	-
Loss before taxes	**-9,640**	**-1,302**	**-46,771**	**-16,768**
Less: Income tax	-19,356	-17,526	3,617	1,216
Loss after taxes	**-28,996**	**-18,828**	**-43,154**	**-15,552**
Attributable to:				
Equity holders of the parent	-36,074	-24,516		
Non-controlling interests	7,078	5,688		
	-28,996	**-18,828**		
Basic losses per share (in €)	**-0.4424**	**-0.3008**		
Diluted losses per share (in €)	**-0.4397**	**-0.2982**		

Statement of comprehensive income

(all amounts in Euro thousands)	Group Year ended 31 December		Company Year ended 31 December	
	2013	**2012**	**2013**	**2012**
Loss for the year	**-28,996**	**-18,828**	**-43,154**	**-15,552**
Other comprehensive (loss)/income:				
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:				
Exchange losses on translation of foreign operations	**-93,559**	**-29,390**	**-**	**-**
Net losses on available for sale financial assets	-342	-225	-	-
	-342	**-225**	**-**	**-**
Cash flow hedges	2,585	-567	2,355	-43
Income tax effect	-850	204	-612	-
	1,735	**-363**	**1,743**	**-43**
Net other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:	**-92,166**	**-29,978**	**1,743**	**-43**
Items not to be reclassified to profit or loss in subsequent periods:				
Asset revaluation surplus	1,780	873	882	873
Income tax effect	-229	-175	-229	-175
	1,551	**698**	**653**	**698**
Re-measurement gains/(losses) on defined benefit plans	2,884	-43	651	746
Income tax effect	-1,012	237	-169	-149
	1,872	**194**	**482**	**597**
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods:	**3,423**	**892**	**1,135**	**1,295**
Other comprehensive (loss)/income for the year net of tax	**-88,743**	**-29,086**	**2,878**	**1,252**
Total comprehensive loss for the year net of tax	**-117,739**	**-47,914**	**-40,276**	**-14,300**
Attributable to:				
Equity holders of the parent	-115,102	-50,615		
Non-controlling interests	-2,637	2,701		
	-117,739	**-47,914**		

Statement of financial position

(all amounts in Euro thousands)	Group		Company	
Assets	**31/12/2013**	**31/12/2012**	**31/12/2013**	**31/12/2012**
Property, plant & equipment	1,605,635	1,759,036	232,332	237,672
Investment property	13,220	8,546	13,973	11,959
Intangible assets and goodwill	465,996	527,498	1,185	1,099
Investments in subsidiaries	-	-	1,243,829	1,213,365
Investments in associates	2,429	2,734	-	-
Available-for-sale financial assets	1,573	1,877	111	108
Other non-current assets	12,241	12,572	2,768	2,690
Deferred income tax asset	1,597	2,499	-	-
Non-current assets	**2,102,691**	**2,314,762**	**1,494,198**	**1,466,893**
Inventories	225,133	233,765	69,694	69,080
Receivables and prepayments	187,102	199,180	45,670	57,299
Derivative financial instruments	1,566	-	-	-
Available-for-sale financial assets	63	63	61	61
Cash and cash equivalents	184,501	284,272	8,780	35,601
Current assets	**598,365**	**717,280**	**124,205**	**162,041**
Total Assets	**2,701,056**	**3,032,042**	**1,618,403**	**1,628,934**
Equity and Liabilities				
Share capital (84,632,528 shares of € 4.00)	338,530	338,530	338,530	338,530
Share premium	22,826	22,826	22,826	22,826
Share options	3,971	2,891	3,971	2,891
Treasury shares	-87,680	-89,446	-87,680	-89,446
Other reserves	293,299	381,027	511,258	508,380
Retained earnings	845,181	878,635	-51,237	-6,518
Equity attributable to equity holders of the parent	**1,416,127**	**1,534,463**	**737,668**	**776,663**
Non-controlling interests	122,683	125,478	-	-
Total equity (a)	**1,538,810**	**1,659,941**	**737,668**	**776,663**
Long-term borrowings	610,433	705,227	745,835	741,950
Derivative financial instruments	-	16,784	-	5,875
Deferred income tax liability	163,956	178,786	14,215	17,972
Retirement benefit obligations	23,850	26,908	11,279	11,299
Provisions	12,793	17,317	1,756	1,736
Other non-current liabilities	29,635	30,632	4,557	5,043
Non-current liabilities	**840,667**	**975,654**	**777,642**	**783,875**
Short-term borrowings	112,623	174,636	50,173	24,468
Trade and other payables	193,431	207,009	48,319	42,586
Derivative financial instruments	3,375	1,294	2,832	-
Income tax payable	10,137	11,899	-	-
Provisions	2,013	1,609	1,769	1,342
Current Liabilities	**321,579**	**396,447**	**103,093**	**68,396**
Total liabilities (b)	**1,162,246**	**1,372,101**	**880,735**	**852,271**
Total Equity and Liabilities (a+b)	**2,701,056**	**3,032,042**	**1,618,403**	**1,628,934**

Statement of changes in equity

(all amounts in Euro thousands)

	Attributable to equity holders of the parent										
Group	**Ordinary shares**	**Share premium**	**Preferred shares**	**Share options**	**Ordinary treasury shares**	**Preferred treasury shares**	**Other reserves**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
Balance at 1 January 2012	**308,254**	**22,826**	**30,276**	**1,358**	**-89,329**	**-117**	**427,028**	**857,170**	**1,557,466**	**142,982**	**1,700,448**
(Loss)/profit for the year	-	-	-	-	-	-	-	-24,516	-24,516	5,688	-18,828
Other comprehensive loss	-	-	-	-	-	-	-26,099	-	-26,099	-2,987	-29,086
Total comprehensive (loss)/ income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-26,099**	**-24,516**	**-50,615**	**2,701**	**-47,914**
Dividends distributed to non-controlling interests	-	-	-	-	-	-	-	-	-	-19,115	-19,115
Acquisition of non-controlling interests	-	-	-	-	-	-	-	665	665	-27,669	-27,004
Partial disposal of subsidiary	-	-	-	-	-	-	-1,691	29,492	27,801	22,199	50,000
Non-controlling interest's participation in share capital increase	-	-	-	-	-	-	-	-	-	8,800	8,800
Share based payment transactions	-	-	-	1,533	-	-	-	-	1,533	-	1,533
Non-controlling interest's put option recognition & transfer between reserves	-	-	-	-	-	-	-2,387	-	-2,387	-4,420	-6,807
Transfer between reserves	-	-	-	-	-	-	-15,824	15,824	-	-	-
Balance at 31 December 2012	**308,254**	**22,826**	**30,276**	**2,891**	**-89,329**	**-117**	**381,027**	**878,635**	**1,534,463**	**125,478**	**1,659,941**
Balance at 1 January 2013	**308,254**	**22,826**	**30,276**	**2,891**	**-89,329**	**-117**	**381,027**	**878,635**	**1,534,463**	**125,478**	**1,659,941**
(Loss)/profit for the year	-	-	-	-	-	-		-36,074	-36,074	7,078	-28,996
Other comprehensive loss	-	-	-	-	-	-	-79,028	-	-79,028	-9,715	-88,743
Total comprehensive loss for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-79,028**	**-36,074**	**-115,102**	**-2,637**	**-117,739**
Dividends distributed to non-controlling interests	-	-	-	-	-	-	-	-	-	-2,315	-2,315
Sale - disposal of treasury shares for option plan	-	-	-	-	1,766	-	-	-1,565	201	-	201
Share based payment transactions	-	-	-	1,080	-	-	-	-	1,080	-	1,080
Non-controlling interest's put option recognition & transfer between reserves	-	-	-	-	-	-	-4,515	-	-4,515	2,157	-2,358
Transfer between reserves	-	-	-	-	-	-	-4,185	4,185	-	-	-
Balance at 31 December 2013	**308,254**	**22,826**	**30,276**	**3,971**	**-87,563**	**-117**	**293,299**	**845,181**	**1,416,127**	**122,683**	**1,538,810**

(all amounts in Euro thousands)

Company

	Ordinary shares	Share premium	Preferred shares	Share options	Ordinary treasury shares	Preferred treasury shares	Other reserves	Retained earnings	Total equity
Balance at 1 January 2012	**308,254**	**22,826**	**30,276**	**1,358**	**-89,329**	**-117**	**511,301**	**4,861**	**789,430**
Loss for the year	-	-	-	-	-	-	-	-15,552	-15,552
Other comprehensive income	-	-	-	-	-	-	1,252	-	1,252
Total comprehensive income/(loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**1,252**	**-15,552**	**-14,300**
Share based payment transactions	-	-	-	1,533	-	-	-	-	1,533
Transfer between reserves	-	-	-	-	-	-	-4,173	4,173	-
Balance at 31 December 2012	**308,254**	**22,826**	**30,276**	**2,891**	**-89,329**	**-117**	**508,380**	**-6,518**	**776,663**
Balance at 1 January 2013	**308,254**	**22,826**	**30,276**	**2,891**	**-89,329**	**-117**	**508,380**	**-6,518**	**776,663**
Loss for the year	-	-	-	-	-	-	-	-43,154	-43,154
Other comprehensive income	-	-	-	-	-	-	2,878	-	2,878
Total comprehensive income/(loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**2,878**	**-43,154**	**-40,276**
Sale - disposal of treasury shares for option plan	-	-	-	-	1,766	-	-	-1,565	201
Share based payment transactions	-	-	-	1,080	-	-	-	-	1,080
Balance at 31 December 2013	**308,254**	**22,826**	**30,276**	**3,971**	**-87,563**	**-117**	**511,258**	**-51,237**	**737,668**

Cash flow statement

(all amounts in Euro thousands)	Group		Company	
	Year ended 31 December		Year ended 31 December	
	2013	**2012**	**2013**	**2012**
Cash flows from operating activities				
Cash generated from operations	**193,084**	**186,404**	**30,132**	**38,700**
Income tax paid	-22,242	-21,374	-1,150	-2,711
Net cash generated from operating activities (a)	170,842	165,030	28,982	35,989
Cash flows from investing activities				
Purchase of property, plant and equipment	-48,714	-44,761	-9,931	-5,669
Purchase of intangible assets	-1,668	-6,208	-551	-1,717
Proceeds from sale of property, plant and equipment & intangible assets	4,741	28,637	692	6,439
Proceeds from dividends	-	39	-	-
Acquisition of subsidiaries, net of cash acquired	-	-100	-	-
Share capital increase in subsidiaries	-	-	-30,464	-30,511
Acquisition of non-controlling interests	-8,003	-19,004	-	-
Net (payments)/proceeds from the acquisition/disposal of available-for-sale financial assets	-43	37	-3	-
Interest received	3,612	4,235	699	950
Net cash flows used in investing activities (b)	-50,075	-37,125	-39,558	-30,508
Net cash flows after investing activities (a)+(b)	**120,767**	**127,905**	**-10,576**	**5,481**
Cash flows from financing activities				
Proceeds from non-controlling interest's participation in subsidiary's share capital increase	-	8,800	-	-
Proceeds from partial disposal of subsidiary's ownership	-	50,000	-	-
Proceeds from sale of treasury shares	201	-	201	-
Proceeds from government grants	-	8	-	8
Interest paid	-60,840	-73,351	-42,633	-38,180
Dividends written-off and paid to the Greek state	-70	-31	-70	-31
Dividends paid to non-controlling interests	-2,265	-19,115	-	-
Proceeds from borrowings	911,003	788,746	249,830	214,449
Payments of borrowings	-1,064,546	-936,978	-223,532	-175,635
Net cash flows (used in)/from financing activities (c)	-216,517	-181,921	-16,204	611
Net (decrease)/increase in cash and cash equivalents (a)+(b)+(c)	**-95,750**	**-54,016**	**-26,780**	**6,092**
Cash and cash equivalents at beginning of the year	284,272	333,935	35,601	29,478
Effects of exchange rate changes	-4,021	4,353	-41	31
Cash and cash equivalents at end of the year	**184,501**	**284,272**	**8,780**	**35,601**

Summary non-financials

WBCSD/CSI Environmental Progress review

TITAN Group – Cement plants, attached and related quarries performance		2011	2012	2013
Climate Change	Total direct CO_2 emissions (gross), million metric tons			
	• based on specific year equity	8.6	9.6	10.2
	• based on 2009 equity	8.2	9.4	9.9
	Direct CO_2 emissions (gross), kg/t Product			
	• based on specific year equity	623.6	658.7	664.3
	• based on 2009 equity	625.4	662.7	666.9
Alternative fuels and material	Energy efficiency, kcal/kg Clinker	839.0	836.4	835.5
	Alternative fuel substitution rate, % Thermal basis			
	• based on specific year equity	1.50	2.98	4.30
	• based on 2009 equity	1.56	3.03	4.43
	Biomass in kiln fuel, % Thermal basis			
	• based on specific year equity	1.13	1.86	1.63
	• based on 2009 equity	1.17	1.89	1.68
	Total raw materials consumption, million metric tons	17.4	19.0	20.2
	Total alternative raw materials consumption, million metric tons	1.2	1.2	1.3
	Alternative raw materials (clinker and cement), % Dry	6.6	6.0	6.1
	Clinker to cement ratio	0.83	0.85	0.84
Emissions	Total dust particulates, metric tons			
	• based on specific year equity	1,693	972	524
	• based on 2009 equity	1,601	963	518
	Dust particulates, g/t Clinker			
	• based on specific year equity	162.6	83.5	42.2
	• based on 2009 equity	159.2	83.9	42.9
	Total NOx, metric tons			
	• based on specific year equity	17,523	21,361	22,785
	• based on 2009 equity	17,152	21,079	22,094
	NOx, g/t Clinker			
	• based on specific year equity	1,683	1,835	1,832
	• based on 2009 equity	1,706	1,836	1,828
	Total SOx, metric tons			
	• based on specific year equity	2,468	2,277	2,351
	• based on 2009 equity	2,433	2,266	2,341
	SOx, g/t Clinker			
	• based on specific year equity	237.1	195.6	189.1
	• based on 2009 equity	241.9	197.4	193.6

Summary non-financials
continued

WBCSD/CSI Environmental Progress review continued

Additional indicators	Total heat consumption, TJ			
	• Cement plants and attached quarries	36,559	40,765	43,497
	• Cement plants, attached and related quarries	36,562	40,771	43,504
	Total alternative fuels, metric tons	30,630	68,050	89,170
	Total electrical energy consumption, GWh			
	• Cement plants and attached quarries	1,437	1,536	1,581
	• Cement plants, attached and related quarries	1,437	1,536	1,581
	Total indirect[4] CO_2 emissions, million metric tons			
	• based on specific year equity	0.9	1.0	1.1
	• based on 2009 equity	0.9	1.0	1.1
	Total water consumption, million m^3	4.4	3.9	4.3
	Water consumption, lt/t_{Cement}			
	• based on specific year equity	340.1	300.0	315.5
	• based on 2009 equity	347.7	298.4	320.6

TITAN Group – All activities		**2011**	**2012**	**2013**
Additional indicators	Raw material extracted	24.3	28.0	29.2
	• for cement production, million metric tons (wet)	16.0	18.5	20.5
	• for aggregates, million metric tons (wet)	8.3	9.5	8.7
	Raw material consumed			
	• for cement production, million metric tons (dry)	17.4	19.0	20.2
	• for ready-mix, dry mortar and block production, million metric tons (wet)	6.7	6.2	6.1
	Total heat consumption, TJ	36,828	41,152	43.907
	Total electrical energy consumption, TJ	5,511	5,848	6,113
	Total water consumption, million m^3	9.9	11.1	9.4
	Recycled (externally) waste material, metric tons	167,830	267,800	248,940
Local impacts	Active quarry sites with biodiversity issues[1,3]	8	8	8
	Active quarry sites with biodiversity management plans[2,3]	3	3	3
	Active quarry sites with biodiversity management plans[2,3], %	38.0	38.0	38.0
	Sites with community engagement plans, %	100.0	100.0	100.0
	Sites with quarry rehabilitation plans[3], %	63.0	65.0	79.0

1 Active quarries within, containing or adjacent to areas designated for their high biodiversity value.
2 Sites with high biodiversity value where biodiversity management plans are actively implemented.
3 Since 2011, coverage of wholly owned active quarries has expanded, to include both quarries attached to our cement plants and quarries for aggregates production.
4 Indirect CO_2 emissions are related to emissions released for the production of the electrical energy consumed at our facilities. For their calculation we use emission factors provided by the supplier of the electrical energy or other publicly available data. If no such data are available, the most recent data provided by CSI are used.

Awards and Recognitions

The table below presents a small selection of awards received by TITAN in 2013 for our efforts in relation to sustainability.
For a full list of awards, please visit our online report.

Bulgaria	Special Award from the Minister of Labor and Social Policy for TITAN's comprehensive and sustainable occupational Health and Safety policy
Egypt	CEO received the Beni Suef Directorate of Youth and Sports Shield during the Holy Quran Memorizers Competition
F.Y.R. of Macedonia	National H&S Award for the Internal Health and Safety Training Program
Greece	Aegean University in Greece awarded TITAN first prize for the quality and completeness of TITAN's CSR and Sustainability Report for the sixth consecutive year
Kosovo	European Union CSR Award for the ILAB
Serbia	PRiZnanje (corporate communications award)
Turkey	ADOCIM received an award from the Turkey Exporters Association due to its contribution to Turkey's Export Target in 2013
U.S.A.	Portland Cement Association (PCA) awarded Roanoke Cement the Outreach Award for being a leader in environmental excellence

Memberships and Cooperations

The table below presents a short list with TITAN's memberships and cooperations in 2013. For a full list, please visit our online report.

Business Leaders Forum Serbia	www.fpl.rs
Cembureau – The European Cement Association	www.cembureau.be
Cement Industry Employers' Union	www.ceis.org.tr
Concrete Joint Sustainability Initiative (CJSI)	www.sustainableconcrete.org
CSR Europe – The European Business CSR Network	www.csreurope.org
European Round Table of Industrialists (ERT)	www.ert.eu
Hellenic Federation of Enterprises (SEV)	www.sev.org.gr
Hellenic Foundation for European and Foreign Policy	www.eliamep.gr
Kosovo CSR Network	www.csrkosovo.org
National Alliance for Local Economic Development (NALED)	www.naled-serbia.org
National Association for Health and Safety at Work	www.nahsw.com
National Ready-Mix Concrete Association (NRMCA)	www.nrmca.org
Panhellenic Exporters Association	www.pse.gr
The Portland Cement Association (PCA)	www.cement.org
Turkish Cement Manufacturers' Association	www.tcma.org.tr
U.S. Building Green Council (USGBC)	www.usgbc.org
United Nations Global Compact	www.unglobalcompact.org
World Business Council for Sustainable Development (WBCSD)	www.wbcsd.org

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