



TITAN
ANTEA CEMENT SH. A.



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Learning

and celebrating together

How to build a prevention culture

In the context of celebrating two important days such as World Day for Safety and Health at Work, ANTEA Cement organized a full week of activities (20 - 24 April 2015) under the theme 'Join us in building a prevention culture'. Our employees and local community members were the main stakeholders who were involved in these activities which aimed not only at raising awareness about Health & Safety and Environment but also actively engaging them in giving an example of good and responsible citizens.

Initially, short training regarding 'Road Safety' and 'Care about environment' was delivered to fifth grade students of both Borizana and Thumane School by Environmental Manager: Stela Pepa and Health & Safety Manager: Fatmir Koçi. A painting competition with the theme 'The environment I want to live in' was launched among these children as well.

The employees on the other side were invited to share their suggestions regarding actions needed to be taken for enhancing the preventive culture at our plant. Prevention is very important to maintain "zero" Lost Time Injury safety culture and environmental protection. A visit at workplaces with participation of General Manager, Plant



Manager, Georgios Batsakis and other department managers has been organized in all shifts. Safety messages, importance of building the Safety Culture were discussed with employees. While safety books were delivered as well.

Upon the request of the Commune of Thumane for donating Pinus Alepensis plants for the Micjan burned last summer, company together with its employees, 5th grade pupils, their teachers and the Commune employees planted around 700 plants. During this activity, the 6 best paintings with subject "the environment i would like to live", were rewarded and all the pupils received a symbolic present.

In the context of World Day for Safety and Health at Work, the children of some of employees delivered some important safety messages to their parents through a video which was broadcasted in the two big monitors inside the plant.





Junior

Achievement Albania
Become a leader for a day



Leaders for a Day 2015 was an event organized by Junior Achievement Albania on 02 April 2015. 43 excellent senior high school students from schools around the country shadowed 43 high profile leaders of the business world and diplomatic arena.

Beqir Llani, a student from Kruja High School spent one working day at ANTEA Cement accompanied by Ms. Majlinda Mishaxhiu, Health & Safety Manager who shared with him how a normal working day looks at our company. Furthermore ANTEA Cement supported sponsor to the ceremony organized the same day at International Hotel where recognition awards were distributed to 43 high profile leaders.



Spring Day celebration

The children of Borizana school organized on 14 March 2015 a festive program where performances such as singing, dancing, and acting were delivered to a large audience. The activity supported by ANTEA Cement aimed not only the celebration of the Spring Day, a national and popular holiday in Albania which is connected to the arrival of the Spring and the blossoming of the flowers but also the reconstruction of the school by ANTEA Cement.

Main electrical and civil work took place which further provided warm and comfortable schooling environment to more than 500 hundred students in the School of Borizana. ANTEA Cement supports education not only in terms of trainings and internships but also through provision of adequate schooling infrastructure.



Boost youth

employability in the region

Mechanical School case

In order to boost youth employability in rural areas around the plant, ANTEA Cement had supported back in 2009 the installment of a mechanical branch in the general high school of Thumane. The company not only provided relevant equipment in the value of 30,000 Euro but also trainers and modules. In 2015, the company invited the 17 last year students of the mechanical branch to conduct the practice at our workshop under the supervision of the company's engineers for 4 months. In the end, certificates were distributed to all participants and two of them who showed enthusiasm, interest and good knowledge were hired at the plant, at the Mechanical Department.



Table No.1 : Topics of internship

Nr	Main Topics	Description	Duration	Total	Training Location	Trainer
1	Safety Training	Safety rules at workshop and environment protection			HS Department	
2	Working with tools	How to protect yourself, equipment and the tools	5 hr	5 hr	Workshop	Inspection technician: G.BOJA Assembler from contractors
3	Assembling and Dissassembling	By Welding	2 hr	6 hr	Workshop	Mech ing. B.PALOKA Chif technician: B.Basha Welder&Assembler from contractors
		By bolts	1 hr			
		Bearing assembly	1 hr			
		Inspection, finding the failure and reparing.	2 hr			
4	Conveyors	Failure and reparing	2hr	5 hr	Belt conveyor at the storages	Inspection technician: F.SHIBA
		Explanen of how gears work and the reason of the gear failure	1 hr		Workshop	Mech ing. B.PALOKA
		Grinding with grinding machine	2 hr		Workshop	Inspection technician: E.BALLA Assembler from contractors
5	Procees equipments	Functional description of the procees equipments	1 hr for each equipment	6 hr	Crusher, Mills, Preaheater, Kiln,cooler,Pac king plant	Mech ing. B.PALOKA Chif technician: B.Basha
6	Drawings	Technical drawing explanation & Auto-Cad drawings	5 hr	5 hr	Mechanical department offices	Mech ing. B.PALOKA Chif technician: B.Basha



Family

strengthening in Commune of Thumanë SOS Village Partnership

The Company ANTEA Cement, part of TITAN Group, has launched this day in cooperation with SOS Village the project "Strengthening of families in the municipality Thumanë", which is a humanitarian project in support of children and families living in difficult living conditions.

The project aims to give assistance to 47 children and 19 families in need in Thumanë and Borizanë villages in the Municipality of Krujë. Because of the extremely difficult conditions these families risk losing their children. But through this one year project it is intended to provide the best family optimal conditions including the protection of rights, education, health, hygiene conditions, food, etc., as well as capacity development in their community.

The activity which was organized in the premises of ANTEA Cement Plant was attended by the General Manager of ANTEA Cement Mr. Adamantios Frantzis and the entire management staff, including employees from the local area, the Executive



General Manager of Antea Cement | Adamantios Frantzis

Director of SOS Villages Mrs. Teuta Shkenza, the Unit Administrator for Thumanë Mrs. Griselda Mana, the Project Manager for SOS Villages Ms. Destemona Toptani, representatives of local government, families which are the beneficiary of the project, representatives of educational and health institutions of Thumanë and Borizanë etc.

The purpose of this project is to strengthen the situation of the families that have children aged 0-18 years and live in difficult economic-social conditions, in order to retain their ability to provide care for their children to grow them up in a family, social and caring environment. Children will be offered services to ensure their right to survival and development while parents will be offered services to build their capacities regarding the protection of children's rights and to enhance their capacity to provide due parental care.

This is not the first project where ANTEA Cement promotes and encourages social responsibility. ANTEA Cement has organized a number of activities over the years, which have had the purpose to protect the environment, provide child care, discuss and address social issues in general, etc.



Presentation

of first CSR & Sustainability Report in Albania

On the 9th of December 2015, ANTEA Cement issued the Social Responsibility and Sustainability Report for the year 2014 which happens to be the first externally assured Sustainability Report in Albania prepared according to GRI G3.1. The report has identified the financial, environmental, social performance and governance of the company for the year 2014. This activity coincides with the 5 year anniversary of ANTEA Cement operation, in Albania.

This event was attended by the General Manager of ANTEA Cement Mr. Adamantios Frantzis, senior representatives of ANTEA Cement, the Executive Director of the Institute for Corporate Governance Mrs. Rezarta Cenaj, ambassadors accredited in Tirana, such as Ambassador of Switzerland Mr. Christoph Graf, Ambassador of Greece Mr. Leonidas Rokanas, the International Financial Corporate Representative in Albania Mrs. Elira Sakiqi, the Audit Manager at Ernst & Young Albania, Mr. Donard Braha, etc.

Ambassador of Switzerland to Tiranë Mr. Christoph Graf complemented ANTEA Cement for its performance and contribution as well as highly assessed the report introduced. In addition, he said that this should be an example to be followed by other businesses.



Ambassador of Greece Mr. Leonidas Rokanas

"I am very happy to be here with you and being introduced with this report, which I am confident it will encourage other companies to improve their reporting standards. The Corporate Governance Institute and the International Finance Corporate are ready to support companies in this regard", said Mr. Graf.

Ambassador of Greece in our country Mr. Leonidas Rokanas said: "I feel privileged to take part in this event, which has demonstrated and showed us how such a large enterprise can achieve continued success in the service to customers, community and not only, by working with will and commitment. ANTEA Cement should be proud of what it has achieved and has given the country these years, and I hope that this path will be followed by many other companies".



Football

Championship in the Municipality of Kruja

The Municipality of Kruja organized a football championship between the representatives of six administrative units of the Municipality of Kruja and the two cement plants in the area: ANTEA Cement and Fushe Kruje Cement. The activity was supported by both companies and consisted in provision of football suits and awards for First and Second best teams. This championship's winner for the year 2015 was Kruja Municipality. The Head of Municipality thanked ANTEA for the support to this championship which he would like to turn it into a tradition for the region.



Donation

to children of the Police killed on duty

ANTEA Cement has provided donation in cash to the children of the Police killed on duty both for the organization of the Spring Day and the New Year Party during which gifts were distributed to 99 children.

Party for employees

ANTEA Cement organized a New Year Party for its employees at the International Hotel on the 21st of December 2015. The employees shared best wishes for the upcoming year with each other and celebrated with good music and food. During the party, a lottery was organized and the winners received several prizes.



Party for the employees' children

Following its 5 year tradition, ANTEA Cement organized the New Year Party for the children of its employees. The novelty about this year was that the children of the beneficiary families from the Project 'Family strengthening in Commune of Thumane' joined as well the party. The children had a great time playing with each other and receiving the gifts from the Santa.

Support to local institutions

In the framework of good neighborhood, ANTEA Cement supported the local community institutions both in cash and in kind. In the field of security, we donated to the Police of Kruja 20 walkie talkies; in the field of health we reconstructed the health center of Fushe Mamurras; in the field of public services we paid the salaries for cleaning ladies at School of Thumane and the maintenance employees of the graveyard of Commune of Thumane; in the field of infrastructure we donated cement to Labor Office in Kruje and Bret village.





CSR Albania

CSR Albania, the association aiming to promote CSR best sustainable practices in Albania, was presided for a third year in a row by ANTEA Cement's General Manager, Mr. Adamantios Frantzis. The main activities organized by the Association for 2015 are shortly summarized below.

On Wednesday, 4 March 2015, the Embassy of the Kingdom of the Netherlands organized in close cooperation with the Ministry of Economic Development, Tourism, Trade and Entrepreneurship and CSR Albania a conference with the theme "Corporate Social Responsibility: A Business case". Main goal of this event was to share the CSR report with the public and private sector, civil society and other important stakeholders, and discuss options to foster Corporate Social Responsibility in Albania as a Business case. In the context of the National Forestation Campaign, the Ministry of Environment and the Association "Albanian Corporate Social Responsibility Network" (CSR Network) represented by Mr. Adamantios Frantzis, signed on 9 December 2014 a Memorandum of Understanding on mutual cooperation for the rehabilitation of affected soils erosion through afforestation.

The purpose of this Memorandum of Understanding is to increase mutual cooperation based on the principle of voluntarism and good will to



contribute with logistics tools, human capacity and financial resources, in order to achieve successful nationwide afforestation campaign as one of the major objectives of Albanian Government and the Ministry of Environment, a contribution which will serve to the whole country and future generations.

Albanian CSR Network, in cooperation with the Ministry of Economic Development, Tourism, Trade and Entrepreneurship, as well as UNDP Albania, organized on 9 July 2015, for the second consecutive year the CSR Awards for the best companies in the area of Social responsibility. A jury panel made up of representatives of business and other organizations, with extensive experience in the field of Corporate Social Responsibility chose as the winner for the category of Best Practice award for large companies, Vodafone Albania; for the category Best Practices for SMEs, the jury selected the company Intracom Telecom Albania; and for the third category the jury selected International Commercial Bank, which was awarded for the Best Initiative.

Albanian CSR Network participated at the Enterprise 2020 Summit organized by the European Business Network for Social Responsibility in Brussels on 16-17 November 2015, where there it launched the Pact for Youth. The initiative is a mutual engagement of European Commission and European business leaders and it aims to create a culture of business-education partnership





in order to promote youth employment and education in the field of entrepreneurship; thus improving the chances for young people of getting a job. Albanian CSR Network became on 8 June 2015 the 42nd National Partner Organization (NPO) member of CSR Europe, the leading European Business Network for Corporate Social Responsibility.

The Youth Pact was launched at the Summit and in behalf of CSR Albania Network it was signed by the president Mr. Adamantios Frantzis, Mr. Periklis Drougkas signed for Alpha Bank and Mrs. Etleva Sakajeva for Tirana Business Park.

‘World Blood Donor Day’ campaign

This campaign consists on voluntary blood donation for children with thalassemia.

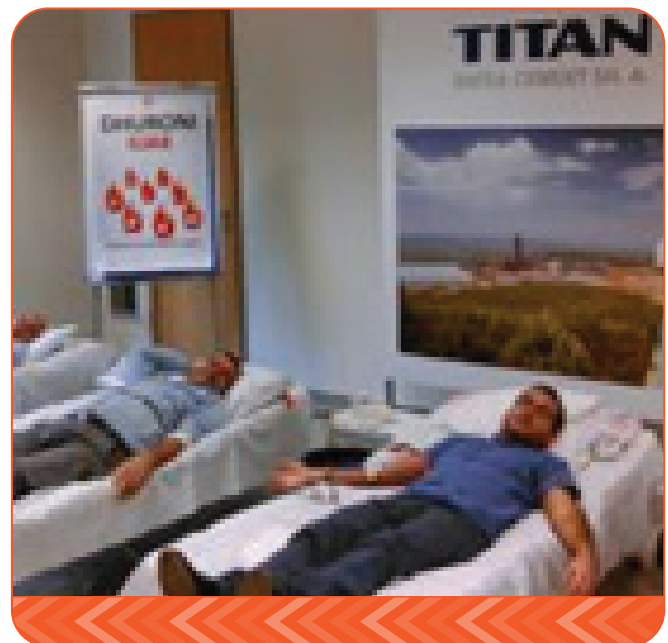
Needs for blood in Albania are 30 000 units, where only 20 000 units are covered. Part of this need is 600– 700 children with thalassemia which need blood every 3 weeks, not to mentioning the needs arising from accidents or people submitting a surgery. The human body circulates 5-6 Liter of blood and the quantity that each of us can give is 400-450 mL.

50 persons have been participating in such a campaign. This is the second time that ANTEA has joined to this campaign. The campaign was done in collaboration with Red Cross Albania.

OHSAS for daily contractors

Health and Safety has been, and remains, the top priority of governance in our company because people are our most valuable asset. This priority has led the company to seek certification of OHSAS 18001 in order to ensure that proper procedures and controls are in place. During 2015 we started an initiative to extend OHSAS to our daily contractors because our people are also the contractors. They have been part of ANTEA since the company started its first operation.

There are 6 contractor companies which in daily basis are performing activities related to production and maintenance. They are involved in Production Department, Mechanical Maintenance and Electrical Maintenance Departments. So on June 2015 we launched this initiative and since then already 5 daily contractors are certified. Lot of efforts has been done by both contractor and ANTEA in order to build the systems and more will be done in order to maintain the OHSAS. For sure these efforts will increase the awareness in regards of Health and Safety and will help us to convey our vision and policy, to put in place and maintain a “Zero safety incident culture”.





Investments

for 2015 in environment and environmental friendly technologies are

The Antea green-field project of Titan Group is located within the municipality of Picrraga and close to the town of Burizana, to the north east of Tirana, Albania. The project includes the construction of a new cement production facility and the development of two new quarries for producing the main raw materials for this operation, over a “green” area.

Below are listed a number of measures and projects developed on the motto “environmentally sustainable Business” which make Antea Cement a socially responsible company using innovative and voluntary acts for the sake of environment and community.

- First Green field project with an ESIA prior to construction and constructed according to BAT guidelines
- Detailed environmental impacts identification and mitigation measurements
- Applied mitigation measures since construction phase
- First CEMS (continuous emission monitoring system) in Albania
- First and only PRTR (Protocol on pollution release and transfer register) reporting operator for three consecutive years.
- Best practice for the quarry management and rehabilitation according to WBCSD (world business council on sustainable development)
- First waste water treatment plant in Albania constructed and operating according to EU standards
- Full hydrological study of the region’s aquifer for assuring water supply for the operational needs of the plant without impacting on communities’ water reserves.
- First surface and rain storm water treatment facility in Albania

- First SNCR (selective non catalytic reduction) installation in Albania for further reduce of emissions (voluntarily), although emission levels are in compliance with local legislation
- Monitoring for ambient air quality in the nearby habituated areas to assure no adverse impacts to community from the plant’s operation
- Respecting of the landscape and visuals of the community by progressive environmental rehabilitation and reforestation
- Assuring more than 60% of water recycling for further decrease of water consumption
- Verification of data monitored and reported by independent accredited laboratories.
- Implementation of a waste management system for waste management according to EU legislation
- Continuous activities on environmental awareness raising among different stakeholders and voluntary acts by the employees to the community



Environmental Management System

ISO 14001:2004 certificate, received as of July 2012. System includes air emissions, quarries and landscape aspects, groundwater, wells and waste water aspects, liquid and solid waste, natural resources & energy consumption, noise, etc.). 11 Audits from an independent verification body have been performed and the last recertification audit was successfully completed on 7th and 8th May of 2015.



COSTS AND EXPENSES FOR THE ENVIRONMENTAL MANAGEMENT AND ENVIRONMENTALLY FRIENDLY TECHNOLOGIES FOR 2015.

Total environmental cost	€/y	191,332
Cost for environmental management ⁽²⁾	€/y	123,432
Cost for rehabilitation ⁽³⁾	€/y	15,618
Cost for reforestation ⁽⁴⁾	€/y	16,358
Cost for environmental training and awareness building ⁽⁵⁾	€/y	3,854
Cost for the application of environmental friendly technologies ⁽⁶⁾	€/y	8,472
Cost for waste management ⁽⁷⁾	€/y	23,599
Total owned and/or leased area ⁽⁸⁾	x 1000 m ²	657
Used area ⁽⁹⁾	x 1000 m ²	83
Rehabilitated area ⁽¹⁰⁾	x 1000 m ²	10
Planted trees/plants ⁽¹¹⁾	pieces	1,300



QUARRY MANAGEMENT 2015

Quarry management and rehabilitation has continued as per the rehabilitation plan during 2015 too. Below are the statistics for the quarry rehabilitation.

Year	Type of tree	Number	Surface	Type of tree	Number	Surface
Limestone quarry				Flysch Quarry		
2011	Pinus alepensis	400	9200 m2	0	0	0
	Quercus Ilex	520				
	Laurus nobilis	300				
2012	Pinus alepensis	215	4334 m2	0	0	0
	Quercus Ilex	215				
	Laurus nobilis	216				
2013	Pinus alepensis	440	14400 m2	Pinus alepensis	41	3000 m2
	Quercus Ilex	430		Quercus Ilex	70	
	Laurus nobilis	430		Laurus nobilis	59	
	Salvia oficinalis	1000		Cupressus	64	
	Cercis silicestrum	150		Acacia	175	
2014	Ginestra	150	5600 m2	Chestnut	30	2700 m2
	Pinus alepensis	300		Pinus alepensis	51	
	Quercus Ilex	300		Quercus Ilex	60	
	Laurus nobilis	300		Laurus nobilis	56	
	Pinus alepensis	250		Acacia	75	
2015	Quercus Ilex	250	5200 m2	Chest nuts	130	2700 m2
	Laurus nobilis	250		Cypress	60	

In total during 2015 were rehabilitated 7900 m² with a total of 1182 trees. YTD there are planted 5675 Trees , in a total rehabilitated surface of 44,434 m².



Financial Results

Antea Cement Sh.a Financial Results FY2015

2 015 continued to be a challenging year for the company in different perspectives. Demand for cement in the Albanian domestic market continued to drop during 2015, compared to the levels of 2014, due to the following reasons: i- lack of liquidity in the market, ii) low level of public projects and iii) a long period with no new construction permits.

The plant managed to maintain a utilization rate of 54% based on its export activities, which were also limited by international competition, particularly from countries with low energy costs, developed export infrastructure and export incentives.

Total turnover of the company decreased by 16% and amounted at €41.7m. Despite the decrease in revenues the company made significant efforts to maximize the efficiency of its operations, achieving a stable variable cost and savings in its fixed costs.



As a result the EBITDA of the company increased by 21% amounting to €11.15m in 2015 compared to € 9.4m in 2014.

Despite the improved profitability and the positive results of the financial year 2015 the company from the start of its operation till 31 December 2015 has accumulated losses in the amount Euro 45 million.

€ thousand	2015	2014	% change
Turnover	41,719	49,634	-16%
EBITDA	11,148	9,414	21%
Net Profit / (Loss) Before Income Tax	3,072	(296)	1.139%

HR Initiatives at ANTEA

CONFLICT OF INTEREST POLICY

ANTEA has long been aware of the importance of a Conflict of Interest Policy, included in the Code of Conduct that has been in place since May 2012.

Continuous trainings that have been delivered to our employees have always included the topic, however bearing in mind the essential role of this policy and the objective of the company to grow as a multi-regional, vertically integrated cement producer, combining an entrepreneurial spirit and operational excellence with respect for people, society and the environment. During 2015, we started the implementation of the Conflict of Interest Policy as a separate module. During this year our people were trained with on how to make business decisions based on the best interests of the TITAN Group as a whole and not on any personal interests, relationships or benefits.

EMPLOYEE OPINION SURVEY

At ANTEA, we believe that our workforce is our most valued resource. Respect for their human rights, providing safe, open, non-discriminatory, diverse and good working conditions and an emphasis on employee development are essential in order for TITAN Group to attain its objectives. Therefore, in the first quarter of 2015 an Employee Opinion Survey was conducted by the well-known British company "Tower Watson" in order for our company to achieve the best results with efficiency through satisfied and happy employees.

The survey resulted with sound and useful results, which were taken into account by all managers. They developed an action plan for further improvement of the workplace and work relations

between the staff.

RECERTIFICATION FOR SA 8000

In December 2015, Antea was recertified with the standard of Social Accountability 8000. This is the 4th year that Antea proudly fulfills this standard which provides a decent environment for its employees. Furthermore, we encourage and support our contractors to also follow these requirements.

The foundational elements of this Standard are based on the UN Declaration of Human Rights, conventions of the ILO, international human rights norms and national labor laws.

Antea is committed and will continue following this standard also in the future.





LEARNING AND DEVELOPMENT

Along with the continuous training that Antea provides to its employees, an important training program of TITAN Group, Self Training E-learning program (STEP), is conducted once a year. STEP is a TITAN Group development initiative based on content provided by Harvard Business Publishing, which encompasses the high standards of Harvard Business School leadership practices and aims to further develop managerial & leadership skills.

In 2015, one of our employees completed this training program which led to successful graduation. At the same period, another employee started the program and is expected to graduate in the coming year.



INTERNSHIPS

Antea supports students by offering internship positions, contributing in this way to their higher chances of employment in the future and economy development overall. Besides a preview of the labor market, through internship positions Antea aims at providing youngsters with a first hands-on experience.

In 2015, there were 4 internships completed in 3 different departments.

