## **TITAN Cement Egypt continuously seeks improvement**

TITAN Cement Group is an independent producer of cement and other construction materials, with over 110 years of industrial experience. Based in Greece, the Group has cement production plants in nine countries and is organized in four geographical sectors: Greece and Western Europe; the USA; southeastern Europe; the eastern Mediterranean.

Alexandria Portland Cement Plant (APCC) was established in 1948 in an industrial area; however, an unplanned residential area was created in the heart of an industrial area. Ministry of Environment confirmed that Wadi Al Kamar is originally an industrial zone.

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The Group operates two cement plants in Egypt, one in Alexandria and one in Beni Suef. TITAN Cement Egypt (TCE) has a 20 years presence in the country, although it has started to fully operate the Alexandria Cement plant (through the Alexandria Portland Cement Company-APPC), only in 2008 when it acquired it from Lafarge Cement Group.

During the past five years, significant investments of EGP 451m have been made in both Alexandria and Beni Suef operations, following international sustainability and environmental standards and industry best practice. This on-going effort has contributed to dramatically reducing the environmental footprint and to minimizing air emissions, including dust emissions, below legally specified standards and even below the European standards. As a testament to our strong commitment to sustainable development, APPC was recognized as one of the best ten Egyptian Companies in the sustainable development field by the Federation of Egyptian Industries (FEI), in 2014.

All relevant data are publicly disclosed by TITAN Cement Egypt, as for February 2016, through a report that meets the requirements set by United Nations Global Compact Initiative, to which TITAN is committed at both Group and local level. Following this first attempt to communicate our social and environmental performance on an annual basis, covering all relevant environmental issues but also human rights and labor rights issues, we are in the process of preparing the publication of our second report for the fiscal year 2015. Moreover, we have engaged with recognized global institutions, local networks and associations, as in the case of UN Global Compact and ILO, in order to promote TITAN corporate values including integrity, transparency, respect for human rights and corporate social responsibility.

It is worth mentioning that acknowledging the importance of our presence in Alexandria and Wadi el Kamar, we have assigned the implementation of an environmental and social impact assessment to an independent third party, along with requesting a permit for the use of coal and thus, we have launched an open and organized dialogue with local stakeholders in the area, that helps to improve mutual understanding and collaboration. At the same time, we have been promoting collaborative actions with local NGOs for the implementation of programs aiming at the empowerment of the local communities around the Alexandria plant and at the strengthening of the cooperation with the other industries in the area, in order to achieve long-term improvements for the benefit of all.

We have also intensified our engagement at the global level, through our own commitment to the Cement Sustainability Initiative (CSI) within the WBCSD and to the UN Global Compact, welcoming a series of tactical audits and monitoring procedures not only by the Egyptian national and local authorities, but also by External Independent Auditors and by the International Finance Corporation (IFC), which has invested in Titan's operations in Egypt since 2010. Continuous self-improvement in all aspects is one of our strongest values.

Consequently, we have welcomed the invitation from the World Bank to participate in the CAO's assessment process, launched soon after complaints were filed against IFC and TCE, in April 2015. We have fully assessed and addressed them by providing all information and required data to the complainants and the authorities, as well as the report contacted to assess social conditions in Wadi el Kamar by an independent third party, proving that the claims are groundless and unsubstantiated and that APCC is operating in full compliance with the Egyptian legislation and in conformity with the performance standards of IFC.

It has been also underlined from the beginning that TITAN is open for dialogue with all stakeholders and for this reason no single organization or group can be accepted as representing all. In addition to that, TITAN's position is in principle to exclude from stakeholder dialogue issues that have been already raised in front of the courts of the country, as in the case of specific issues included in the agenda of the complainants.

In addition, Ministry of Environment formed a committee consisting of members of the Higher Institute of Health, experts from the University of Cairo and non-governmental organizations from Wadi Al Kamar to investigate if there is any direct relation between the plant's operations and any health problems in Wadi el Kamar. The committee proved that all the recorded health cases are within the average range of the country, hence the plant has no extra impact on the health of people and therefore the plant got the license for continuing its operations.

At Titan Cement we have an enduring commitment to social, environmental and economic sustainability. Corporate social responsibility and environmental stewardship are fundamental pillars of our strategy for sustainable growth. We contribute both financial and non-financial resources towards local development through a range of programs and activities, ensuring that we create shared value for all stakeholders and that we address the issues that matter the most.