

## How TITAN builds value continued

# Engaging with stakeholders

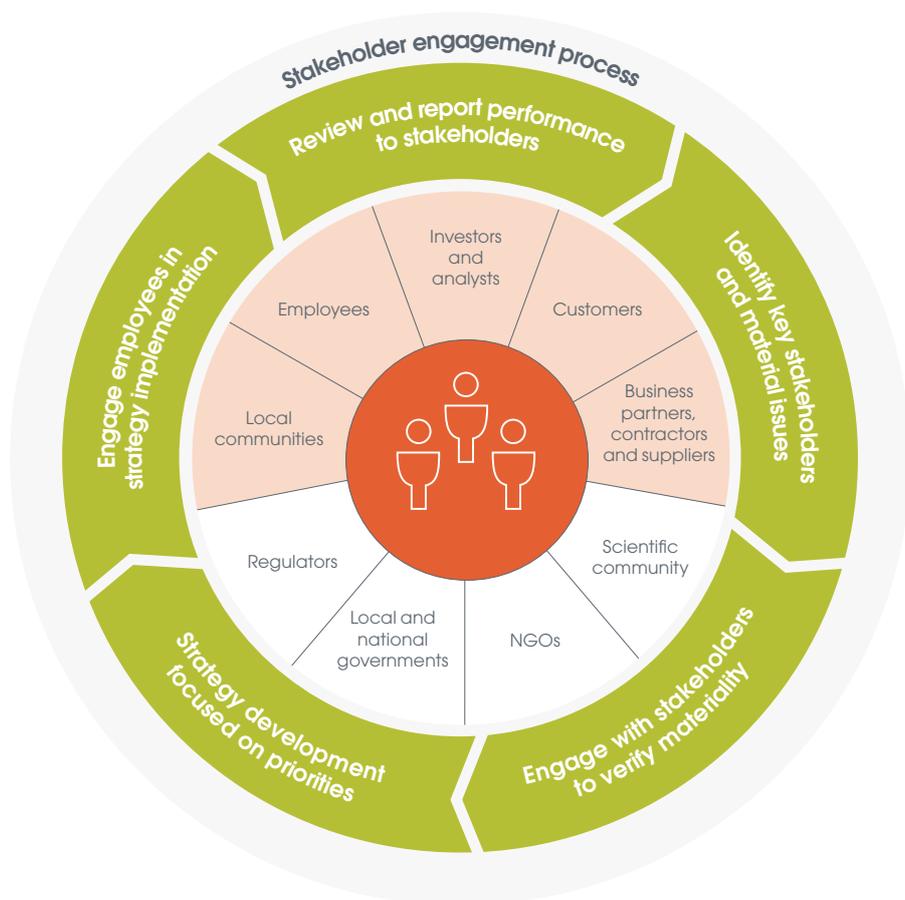
Engaging with internal and external stakeholders is a catalyst for achieving our long-term objectives and safeguarding our sustainability.

### Stakeholder engagement process

The Group's sustainable growth depends on balancing short-term and long-term interests. In line with our strategic priorities, we adapt our policies and practices to local market needs. This means understanding and responding proactively to the needs of the individuals, organizations and businesses with whom we interact.

Assessing our material issues is an ongoing process that includes consultation with internal and external stakeholders. In 2014, we used the outcomes of our materiality assessment at both Group and local levels to help us review and reset our five-year sustainability targets.

From our review of material issues for the Group and relevant feedback received from key stakeholders we have determined the most relevant issues for TITAN and the most critical for the stakeholders as shown in the illustration opposite.



### Case study



#### Stakeholder engagement in Serbia

In 2014, our Kosjeric cement plant in Serbia organized focus groups involving employees and local stakeholders to discuss: Health and Safety; environment; culture and education; responsible supply chain; employment and equal opportunities. This allowed participants to express their concerns and to take an active role in solving problems and developing solutions, adding value to local communities in collaboration with our business.

The first round of meetings was completed by the end of December 2014 and overall impressions have been very positive. All team members took an active part in discussions about their concerns and problems in their specific focus areas and are ready to take ownership for the next steps. During 2015, each focus group will define initiatives and create an implementation plan.

## How we engage with our stakeholders

Stakeholder group	How we engage	Frequency of engagement	Outcomes and concerns raised as a result	Actions taken as a result (indicative)
<b>Employees</b>	<ul style="list-style-type: none"> <li>- Performance management</li> <li>- Training</li> <li>- Employee surveys</li> </ul>	<ul style="list-style-type: none"> <li>- Annually</li> <li>- Ongoing</li> <li>- Regularly (every 3-5 years)</li> </ul>	<ul style="list-style-type: none"> <li>- Employees look for meaningful work</li> <li>- Fair compensation</li> <li>- Clarity of HR policies and performance appraisal criteria</li> <li>- Opportunities to develop and be creative</li> <li>- Gain recognition</li> </ul>	<ul style="list-style-type: none"> <li>- Review and update performance management systems</li> <li>- Set new sustainability targets bottom-up with direct involvement of local management teams</li> <li>- Develop action plan to improve systems and expand/extend HR best practices throughout the Group</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>- Marketing activity</li> <li>- Project consulting</li> <li>- Ongoing product support</li> <li>- Employee surveys</li> <li>- Bilateral meetings and organized workshops and conferences (regularly)</li> </ul>	<ul style="list-style-type: none"> <li>- Ongoing product support through Sales and Technical Dpt</li> <li>- Ongoing evaluation of requests for new product development through R&amp;D</li> <li>- Annually</li> </ul>	<ul style="list-style-type: none"> <li>- Excellent service</li> <li>- Quality and payment conditions</li> <li>- Reliability</li> <li>- New product development with specific standards</li> </ul>	<ul style="list-style-type: none"> <li>- New product development adapted to local needs</li> <li>- Marketing of new products to raise awareness in local markets</li> <li>- Invest further on transparency and building trust with customers (see p. 24)</li> </ul>
<b>Business partners and Suppliers</b>	<ul style="list-style-type: none"> <li>- Procurement policy and practice</li> <li>- Training</li> <li>- Safety standards and guidelines for contractors</li> </ul>	<ul style="list-style-type: none"> <li>- Ongoing</li> <li>- Ongoing long-term</li> </ul>	<ul style="list-style-type: none"> <li>- Fair and long-term collaboration</li> <li>- Transparency and know-how exchange</li> <li>- Employment opportunities</li> <li>- Contribution in local development projects</li> </ul>	<ul style="list-style-type: none"> <li>- see p. 18-19, 24-25</li> </ul>
<b>Local communities</b>	<ul style="list-style-type: none"> <li>- Educational meetings</li> <li>- Volunteering and social solidarity initiatives</li> <li>- Stakeholder forums</li> </ul>	<ul style="list-style-type: none"> <li>- Ongoing long-term</li> <li>- Bilateral meetings, thematic-regular forums</li> </ul>	<ul style="list-style-type: none"> <li>- Employment opportunities</li> <li>- Contribution to local development projects</li> <li>- Support local authorities and increase skills and competences of young for employability</li> </ul>	<ul style="list-style-type: none"> <li>- see p. 22-23, 30-37</li> </ul>
<b>NGOs</b>	<ul style="list-style-type: none"> <li>- Participation in industry and employers' bodies</li> <li>- Commitment and participation in wider interest organizations (UNGC)</li> <li>- Stakeholder forums</li> </ul>	<ul style="list-style-type: none"> <li>- Ongoing long-term</li> <li>- Annual and regular thematic stakeholder forums and public events</li> <li>- Transparency and Business ethics (Ref: UNGC Campaign for Anticorruption)</li> <li>- Collaborative efforts and partnerships</li> </ul>	<ul style="list-style-type: none"> <li>- Transparency and Business ethics (Ref: UNGC Campaign for Anticorruption)</li> <li>- Collaborative efforts and partnerships</li> </ul>	<ul style="list-style-type: none"> <li>- Support and coordinate events and activities in the context of the UN Human Rights and Anticorruption initiatives</li> <li>- Translating the training e-based tool related to UN efforts to fight against corruption</li> <li>- Host the European Global Compact Network Summit in Skopje</li> </ul>
<b>Regulators</b>	<ul style="list-style-type: none"> <li>- Participation in industry and employers' bodies</li> <li>- Stakeholder forums</li> </ul>	<ul style="list-style-type: none"> <li>- Ongoing long-term</li> <li>- Annual and regular thematic stakeholder forums and public events</li> <li>- Annual Integrated Report and other public disclosures</li> </ul>	<ul style="list-style-type: none"> <li>- New investments</li> <li>- Employment and working conditions</li> <li>- Care for the environment</li> <li>- Transparency and accountability, according to international standards</li> </ul>	<ul style="list-style-type: none"> <li>- Third Integrated Report in compliance with GRI G4 core level</li> <li>- Expand independent verification process, according to industry and international accountability standards</li> </ul>
<b>Investors and analysts</b>	<ul style="list-style-type: none"> <li>- Investor Relations website</li> <li>- Financial results</li> <li>- Annual General Meeting</li> <li>- Corporate presentations</li> <li>- Roadshows and conferences</li> </ul>	<ul style="list-style-type: none"> <li>- Ongoing</li> <li>- Quarterly</li> <li>- Annually</li> </ul>	<ul style="list-style-type: none"> <li>- Enhancing the trust of the investor community</li> <li>- Commitment to advanced standards for reporting and accountability</li> <li>- Transparency</li> </ul>	<ul style="list-style-type: none"> <li>- See p. 1-7, 12-17</li> </ul>