

The Edition

Dear Colleagues,
Associates, Friends,

Welcome to one more edition of our magazine. The following pages can give you a lot of information on many issues that you will hopefully find interesting. Find some time and read about our cooperation with schools, our volunteering activities, interviews of colleagues and students and about the Road Safety Event in our industries.

We wish you a pleasant and relaxing summer.

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VOLUNTEERISM = LOVE

Address by our Colleague Mary Charalambous
from Procurement Department

Dear Colleagues,

I would also like to congratulate "DOMISI" magazine editing team thanking them for the opportunity they gave me to introduce the 9th edition. I seize the opportunity to express my views on Volunteerism following our company's initiative to set up a Volunteerism team.

The key pillars of Volunteerism is Love, the Bliss of giving without getting anything in return. It is a wonderful psychological tool helping us to get the best out of us; by taking advantage of our free time in a journey of Love.

Volunteerism touches all of us regardless of age, socio-economic class, educational background and professional capacity. It is the need for offering springing from each person's soul.

Personally, I feel proud of belonging to our company's Volunteerism team. I urge all of you to join this team and feel within you the meaning of the word Volunteerism.

Finally, I would like to conclude with one of the most eloquent descriptions of Love I have ever read; it comes from the First Letter to the Corinthians by Paul A', Chap. 13 Para. 4 -13:

" Love is patient, love is kind. It does not envy, it does not boast. It is not proud, It does not dishonor others, it is not self-seeking. It is not easily angered, it Keeps no record of wrongs. Love does not Delight in evil but Rejoices with the truth. It always Protects, always Trusts, always Hopes, always Perseveres. Love never fails (...)And now these three remain: faith, hope and love. But the greatest of these is LOVE."



THE COMPANY'S VISION:

Our vision is to be a model, sustainable industry, with respect to our people, society, the environment and our customers. The key pillars of our growth is entrepreneurship, quality, Health and Safety and Innovation.



Interviewing our company's Production Manager Mr. Iakovos Skourides regarding the central audit system and Vassiliko Cement Works performance indicators

Mr. Iakovos, in your capacity as Vassiliko Cement Works Production Manager, what kind of academic knowledge and qualifications you are required to have?

The production Manager's post calls for different requirements depending on each plant's technology and particular conditions. In a modern clinker and cement production plant focusing on exports where there is strong competition and the profit margin is limited, increased academic knowledge is required particularly in the sector of process engineering. Besides the academic qualifications, ongoing training is required as well as the possibility to draw and process specialized information depending on customers' needs and the problems possibly arising in the productive process. The most recent example was the need for low chromium clinker production.

What did initially urge you to address Vassiliko Cement Works for work?

My case has been relatively peculiar. In 2005 I started cooperating with Vassiliko Cement Works as a PhD researcher in the sector of production and utilization of alternative fuels in clinker production kilns. Almost 6 months before I completed my studies, in 2008, the company made me a proposal to work as a shift leader; I considered it a good opportunity and at the same time I concluded my studies in 2009.

Describe please briefly your department's daily flow of activities.

The Production department has fixed as its mission is to keep in operation the plant's main production units (Raw materials mills, kiln, cement mills) with the highest possible performance. The departments are being run by people with specialized knowledge in the CCR (Central Control Room). The production process is controlled and monitored by personal computers running specialized software. Equally important is the role of the shift personnel working in the plant performing mainly manual operations which are necessary to ensure each department's smooth operation (control of raw materials flow, repair of instruments, final product flow control in each department, cleaning of preheater etc). Operations within the plant involve routine operations aiming at preventively ensuring the department's smooth operation; emergency operations to be completed forthwith are included to avoid work stoppage in a department or to recover the operation in a department having stopped its operation.

We know that rigorousness and attention is required to carry out the operations in the company's central audit system. What are the repercussions possibly caused from carelessness or negligence?

A mistake in kiln operation may have a serious impact causing interruption of production for extended period of time. In case of severe damage combined with a low stock of products may result in weakness to serve our customers mainly abroad. The loss of reliability may have pernicious consequences even for the company's survival itself in a very competitive environment, taking into consideration that as a plant we are practically based on exports.

Given that the main company activity is clinker and cement production and sale, which are the key performance indicators and how do they affect Vassiliko Cement Works competitiveness and profitability?

The production cost combined with clinker and cement quality may be probably the most decisive factors for the company's competitiveness. The production cost is largely affected by the

plant's performance indicators. Probably the four most important performance indicators are the following:

1. Kiln utilization factor
2. Power consumption per ton of clinker (kwh/ t)
3. Thermal power consumption per ton of clinker (kcal/ t)
4. Substitution rate of conventional fuels with alternative fuels in clinker production

The above indicators relate to the kiln's performance. As mentioned in the book <The Rotary Cement Kiln: "Total Productive Maintenance, Techniques and Management", Dr. J.P Saxena), robust cement production companies were driven to bankruptcy after a severe kiln damage.

The cost for power and fuels is more than 50% of the total clinker production cost. Clinker is the company's main exporting product while constituting at the same time 82-90% of the raw material for cement production. Therefore, in the event of a period without clinker or cement stock, should the kiln stops operating, the company has no source of income.

Reference was made to clinker and cement quality. Could you explain the reasons it is so important?

Cement quality is decisive both for the local market and exports because cement is a product whose quality is absolutely measurable and not relevant as it usually happens with other products, such as clothing and foodstuffs where marketing plays a key role in sales. The quality of cement is mainly based on the resistance of a cement mix and sand standard after a specific period of time. Clinker quality depends on the amount of clinker to be used as raw material in cement in order to develop the desired resistance. The customer will be convinced only if the product is truly of good quality and is offered at a competitive price.

What is the course of indicators from the launching of the new production line in Vassiliko Cement Works?

Performance indicators have marked a remarkable improvement since 2011, the unit's starting year, until 2014.

The daily average kiln productivity has been increased by 11% from 5184 t/d (tons/day) to 5808 t/d (tons/day). Electricity consumption has been gradually decreased by 27% from 74 kwh/t of clinker to 54.3 kwh/t of clinker. Respectively for cement, power consumption has been decreased from 99 kwh/t to 80.55 kwh/t, equal to 20%. Thermal consumption has been reduced by 13% from 854 kcal to 747 kcal. Power consumption for clinker and cement production within 2014 was lower than the 38 plants operating in Italcementi group.

Within 2015, a significant improvement has been registered in the use of alternative fuels standing at 18% from 7-9% in the previous years. In addition, low chromium clinker production has been achieved for the market of Egypt. The low chromium clinker production in combination with the increase in the use of alternative fuels and other reasons as well have resulted in an anticipated deterioration of power consumption indicators during the first 5 months of the plant's operation.

What were the actions taken and played a key role in the improvement of performance indicators?

The performance indicators are mainly affected by non scheduled stoppages, productivity and operation optimization. A series of important projects and modifications in machinery have been implemented having a significant positive impact on performance indicators. The non scheduled stoppages are avoided through preventive maintenance. In this way, the number of non scheduled stoppages has been drastically decreased. Moreover, finding markets to export clinker and cement since 2013 gave the possibility of continuing kiln operation; this positively affected performance indicators. Strenuous efforts are made to increase kiln productivity and integrated optimization of the productive process through a 24-hour recording of all operational parameters of each production and statistical analysis department for the determination of the optimal operation parameters. For all production units, detailed instructions are given for the operation's parameters which are readjusted weekly and daily, taking into account the electricity and thermal power consumptions and the objectives set for the use of alternative fuels. For the performance indicators,

the shift's personnel role and particularly the shift leader and CCR operators' role is very important.

Which are the biggest challenges faced by Vassiliko Cement Works in relation to performance indicators?

1. The increased use of alternative fuels by using alternative fuels of average quality (as there are no locally available quantities of high quality alternative fuels, as e.g in Germany), preserving at the same time clinker quality, kiln productivity and power consumption at satisfactory levels.
2. Preserving the unit's reliability and avoiding non scheduled stoppages of production units and of the kiln. The longer the plant's life cycle, the higher the requirements, the difficulties and the challenges in maintenance due to machinery wear and tear.
3. Production of low chromium clinker for the market of Egypt without increasing significantly the production cost and without causing wear to the kiln's thermal structure-this has been achieved this year by close cooperation between production-quality and maintenance departments.
4. Keeping NOx emissions within the limits at the lowest cost. (The DeNOx cost is an important part of clinker production cost). This cost dropped by 30% in June and this corresponds to a saving of 2.000Euro per day).

Mr Skourides, we would like to thank you for the so important and interesting information you gave to us during our little interview.

VOLUNTEERISM - "CLEANING SPREE"

Vassiliko participated in the campaign "Let's Do It Cyprus" on Sunday, April 26, 2015 with a team of volunteers employees, cleaning the area around the roundabout Kalavastos-Zygi, in the province of Larnaka. The result of the cleaning spree were in total nine bags of waste and five bags of recyclable materials which were delivered to the Environmental Center of Skarinou where they were received by Green Dot company.

Let's Do It Cyprus is a part of the Let's Do It World campaign, a global cleaning campaign aiming at eliminating rubbish from the natural areas of the world. It is the largest volunteering program and the biggest movement of citizens ever organized globally.

The benefit for the Company and human resources is significant because it contributes to developing an environmental consciousness while stressing at the same time the importance of employees' continuing participation giving them the opportunity to work as a team for the general well-being.



Result of the cleaning spree were in total nine bags of waste and five bags of recyclable materials

FIRST STOP OF THE CAMPAIGN

"ROAD SAFETY IN OUR INDUSTRIES" VASSILIKO CEMENT WORKS

On Friday, May 29th, 2015 the Traffic Police of Limassol and Vassiliko Cement Works, in cooperation with the Road Safety Foundation "Georgios Mavrikios", the Association of Motorcyclists of Limassol "EGOPHOBIA" and Limassol Road Safety Volunteers organized an event dedicated to Road Safety, held at the facilities of Vassiliko Cement Works Quarries & Mineral Resources Department. The event was entitled "ROAD SAFETY IN OUR INDUSTRIES" and was held in the framework of the efforts made by the Police to reduce road clashes in the Province of Limassol and to consolidate road consciousness.

The Executive Chairman of our company Mr. A. Antoniou welcomed the event stressing out its importance in our daily activities, and then the Quarries Supervisor Mr. M. Avgoustis made a welcoming address too. Presentations followed by a representative of the Limassol Traffic Police Road Safety Department, the President of the Road Safety Foundation "Georgios Mavrikios", the representative of the Road Safety Foundation "Georgios Mavrikios", the representative of the Association of Motorcyclists of Limassol "EGOPHOBIA" and a representative from Limassol Road Safety Volunteers.

More than 120 persons attended the event from Vassiliko Management and professional drivers who are employed at the company's Quarries Department.

We considered that an awareness raising campaign should have begun from the Quarries & Mineral Resources Department because through the specific activity the need of daily use of the road network arises by a large number of contractors exceeding 70 in number, who are transferring daily raw materials from the various company's quarries to the plant.

Road safety constitutes one of the critical parameters for our company and we intend to place it at the core of our future developments in the area.

Through this event we are taking a step further, building bridges of road consciousness which will help us to prepare ourselves better for the new demanding conditions. Road safety is not only a contractor-related issue but should concern each one of us separately.



IN-SERVICE TRAINING OF STUDENTS

Vassiliko Cement Works aims to establish its position as a supporter of young people and their future and is willing to help so that the latter, being either graduates or active students, acquire at its premises the experience which will make them capable and worthy of joining the domestic or international labour market.

We are in the pleasant position to host two students for in-service training, one from Italy through the ERASMUS programme and one from France through the respective French University.

We had the chance for a small interview with them, which we are presenting below:



SARA SAPONARO

How did you find out "Vassiliko Cement Works" in order to decide to carry out your internship with us?

Sara: I found your company surfing in the internet, looking for a company where I wanted to do the internship. In particular, I visited a website of a concrete's company because previously I had another internship at a similar workshop, and I was very interested to confront with a similar reality but in a foreign country.

Thomas: A friend of my parents is working with Italcementi and helped me to contact your company.

How would you describe your cooperation so far with the rest of the colleagues of Vassiliko Cement Works?

Sara: The colleagues of Vassiliko Cement Works are very helpful and friendly from the first day. They explained to me in detail the procedures of various tests and they are always at my disposal for any clarifications and further explanations.

Thomas: I have worked at various departments until now and I always feel welcome. The colleagues always find the time to explain me the nature of the work we are carrying out, their tasks and the organization in the department.

What was the image you had for Vassiliko Cement Works before you joined in and and what is the impression you got after your experience in our facilities?



THOMAS COUTERON

Sara: Before I joined Vassiliko, I knew that your company is one of the most valuable and important in the world as regards the good quality of its products and the respect to the environment. I still believe the same but now I am more aware of your company's interest in sustainable development and in the use of alternative fuels regarding the reduction of waste in cement and clinker production process.

Thomas: I knew nothing about cement production before I joined this company. I had in mind a very big and heavy industry and this image was confirmed even from the first month.

Do you believe that your expectations to complete your internship have been met?

Sara: My expectations as regards the completion of my internship have been definitely met. In reality my expectations have been more than fulfilled by being here because I like the job very very much and I also like the people I work with.

Thomas: Yes, I have seen many departments and the way they operate, such as: automations, Mechanical, quarry, Chemical Laboratory. I will also work at the quarry department on a research programme which will allow me to see how to manage a long term programme.

Would you advise other students to do their internship at Vassiliko Cement Works?

Sara: Yes, definitely I will recommend your company to other students. I am very satisfied I chose your company for this unique experience.

Thomas: Yes, so far I am very satisfied with my experience in your company and I would recommend to other students to do their in-service training in the following year at Vassiliko Cement Works.



CORPORATE SOCIAL RESPONSIBILITY

Standing by Schools and Young People

THEIR DESIRE CAME TRUE

Following the desire of a group of pupils from Kalavasos Elementary School we have organized a visit at Vassiliko Cement Works on April 2, 2015. During this visit pupils had the opportunity to stage a small show related to Easter and they were then guided around the plant accompanied by a colleague from the Production department as well as from the Communication Department.

During the tour, children listened to a simplified description of how cement is made and raised questions to which they got the corresponding answers. Children were then given a tour to the Quarry where a colleague from this department talked to them about raw materials extracted from quarries and the way they are used in cement industry.

On their departure, children offered Easter candles made by themselves with love. Children and teachers thanked us for the hospitality.



CELEBRATING THE WORLD SAFETY DAY

A milestone for our company is the celebration of the World Health & Safety Day, which we also honored this year with various actions aimed at cultivating a Health and Safety consciousness, a safe and decent work.

The actions taken regarded lectures on "Managing Stress at the Work Place" and the statutory visits to Elementary schools of neighboring communities, where we delivered a small presentation on Health & Safety at school, on the street and at home. We handed over to children an illustrated fairy tale to showcase the importance of Safety through a beautiful dialogue among friends. Children raised questions and shared their experiences with us.

For Vassiliko Cement Works, April 28 "World Day for Safety and Health", is a special day, a milestone to remind us that Safety is not just a matter of one or two persons only but concerns all of us without any exception.



SUPPORT TO EDUCATION CAREER AND ENTREPRENEURSHIP EXHIBITION

Vassiliko Cement Works participation in the Exhibition "Career and Entrepreneurship 2015" on Tuesday, April 28, 2015 has been significant; the company had its own stand showing tangibly that it stands by students, stressing once again the importance attached to Human Resources management.

The exhibition took place at the Social Activities Center, in Nicosia University campus. The company's participation is placed in the context of its Corporate Social Responsibility policy, placing special emphasis on Human Resources management, constituting one of the most important factors for its success.

During the exhibition, students had the opportunity to contact representatives of companies who informed them, advised them and exchanged views with regard to the nature of their operations and the policy followed for personnel optimization and development.



GREAT SPONSOR OF THE 9th PANCYPRIAN INTER-SCHOOL CONTEST OF SMALL MODEL SOLAR CARS



Vassiliko Cement Works supported for a 2nd consecutive year as Great Sponsor the organization of the 9th Pancyprian Inter-school Contest of Small Model Solar Cars, in the framework of Corporate Social Responsibility and of the importance attached by the company to young people's intellectual development.

The contest was organized again by the Energy Education Center of Linopetra Gymnasium, with the participation of Elementary Schools, Lower and Upper Secondary Schools, Technical Schools. The presentation and awarding ceremony took place on April 30, 2015.

This year the organization was even more successful due to a higher number of participations; children presented their "Solar Cars" model reconstructions and the best six models were awarded for their design, presentation and potential. A speed race marked the end of the entire event.

The aim of creating the center and of organizing the event is to raise awareness and to directly involve pupils in energy-related issues, aiming ultimately at deeper knowledge and energy awareness raising.



WORLD THALASSEMIA DAY EVENT VOLUNTEERING PARTICIPATION OF VASSILIKO

Members of our company's team of volunteers attended the event dedicated to the World Thalassaemia Day celebrated on May 8. The event took place on May 6, 2015 at the Presidential Palace event hall and was organized by the central office of the International Federation of Thalassaemia located on our island, in cooperation with governmental bodies, Embassies and the other Federation's offices located abroad.

Distinguished personalities, senior executives and high ranking officials as well as ambassadors from various countries honored the event with their presence. The highlight of the event was the presence of young violinists, a soprano and a pianist.

The day of May 8th constitutes a special day as it is dedicated to thalassaemia patients who are no longer with us; also to patients who are struggling daily for their right to a better quality of life.

The cooperation with the representatives of thalassaemia federation for the entire organization and the event's successful outcome has been an exceptional experience for our volunteer group.



"Management of stress and psychosocial risks in safe work places".

As part of our company's actions on Health and Safety at the Workplace and due to the fact that this year is dedicated by the World Safety Organization to "Safe Workplaces and work-related stress management", we organized among others a lecture on May 19, 2015, delivered by Dr. Efthymios Thanassias, a specialist occupational physician of our Company, entitled "Management of stress and psychosocial risks in safe work places".

In 2014-2015 a pan-European campaign spread across Europe on "Healthy and Safe Workplaces" and "Management of stress and psychosocial risks in safe work places". The psychosocial risks and the work-related stress rank today amongst the biggest challenges in the sector of occupational health and safety, because it has been proven that significant negative psychological, physical, economic and social problems arise by virtue of such risks entailing all the negative sequels.

Dr. Thanassias talked about the prevention-stress management strategies, such as:

- Mitigation/modification of a stressful condition or taking distance from it
- Adaptation of work to the person
- Strengthening of a person's resilience through exercise and correct nutrition
- Programme of employees' horizontal transfer so that they could work in areas matching their capabilities.
- Allocation of duties depending on each person's skills

In addition, the occupational physician gave some very useful advice that could positively impact employees' daily life, such as:

- Find out your limits
- Get rid of perfectionism for a while
- Don't take criticism too personally
- Get some exercise! At least 3 times per week
- Follow a healthy diet, not junk food
- Take a nap and get some rest, if you need it

Our actions and the ones being scheduled aim at promoting a safe, healthy and decent work highlighting at the same time the diachronic value of our company which is underpinned on Safety-oriented growth.



KEEP ON DANCING... DON'T SPARE YOUR SHOES... VASSILIKO CEMENT WORKS ANNUAL BALL 2015

On May 8th, 2015, the annual party of Vassiliko Cement Works employees was successfully carried out entitled "TEAM 4 FESTIVAL". The party was organized as one of the company's actions to strengthen the relations between management and personnel, to develop team spirit and cooperation and to satisfy the need for relaxation and entertainment outside the work limits.

The party was planned and was carried out with great caution and discretion because many surprises lied in store for employees that did not expect; the party was not an ordinary invitation to dinner with music/dance.

Part of the evening was Mr. Michael Virardi (external associate), who with his excellent presentation underpinned on the team spirit, trust and sound management of the crisis in a humoristic way; by means of examples he managed to give participants the possibility to understand the company's intention and purpose in proceeding with such events. The presentation was followed by various games of knowledge and speed amongst employees who had been split in 4 teams through the "Change of Culture" programme.

During the event, awards were granted to the members of the teams who had managed to cover 10% of the 9th Limassol Marathon in a climate of enthusiasm, strengthening thus sound competition between the teams and fixing objectives for the next competition actions. Dinner, music and dance then followed.

As expected, everyone was positively impressed as they experienced a beautiful evening in frantic rythms of relaxation, entertainment without any concern.

