TITAN CEMENT GROUP

Integrated
Annual Report 2022

About the Report

The 2022 TITAN Cement Group Integrated Annual Report (IAR 2022) has been prepared in accordance with Belgian law, the 2020 Belgian Code on Corporate Governance, the Non-Financial Reporting Directive 2014/95/EU, the European Taxonomy Regulation (EU) 2020/852, the International Financial Reporting Standards (IFRS) and the International Integrated Reporting Council (IIRC) principles for integrated reporting.

Other reporting frameworks followed by TITAN Cement Group include the UN Sustainable Development Goals (SDGs) 2030, the UN Global Compact Communication on Progress Guidelines, the Charter and Guidelines of the Global Cement and Concrete Association (GCCA), the Standards of the Sustainability Accounting Standards Board (SASB), the CDP questionnaires for climate change and water security, and the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations.

The separate and consolidated financial statements of the IAR 2022 were audited by PwC. The ESG performance overview and statements were independently verified by ERM Certification and Verification Services (ERM CVS), in accordance with the Charter and Guidelines of the Global Cement and Concrete Association (GCCA).

This is our Communication on Progress in implementing the principles of the United Nations Global Compact and supporting broader UN goals.

We welcome feedback on its contents.

The independent auditor's report by PwC and the independent assurance statement by ERM CVS are included in the IAR 2022 and are available online at www.titan-cement.com/newsroom/annual-reports. You may access the IAR 2022 by scanning the QR code with your mobile device. We welcome your feedback, which you can send to us through the link above.

Cover photo by C. Karakosta

Contents

Understanding TITAN

Management report

2022 Highlights

€2,282.2m
Sales

€331.2m
EBITDA
(Earnings before interest, taxes, depreciation and amortization)

€1.53
EPS
(Earnings per share)

€241.9m
CapEx

"BB"
on a stable outlook Credit rating (S&P)

TCI listed
on Euronext Brussels, Euronext Paris and the Athens Exchange

5,486
Employees
(as at 31 December 2022)

1,123
New hires across the Group

0.63
Lost time injuries frequency rate (LTIFR) for employees

619.0
Specific net direct CO_2 emissions
(kg/t cementitious product)

19.5%
Green products portfolio
(% production)

SBTi
CO_2 reduction targets aligned with the 1.5°C pathway

CDP
DISCLOSURE INSIGHT ACTION
A LIST
2022
CLIMATE

Message from the Chairman of the BoD

Dear Shareholders and Stakeholders,

2022 was a year characterized by significant external challenges: the pandemic, war in the Ukraine, soaring energy prices and rising interest rates. Within this context, TITAN Cement Group was able to deliver strong growth and improved profitability, while accelerating its decarbonization and digitalization journeys and laying the foundations for future growth. Reflecting the improved performance, the Board of Directors is recommending the distribution of a €0.60 per share dividend, compared to a €0.50 capital return last year.

The past year -the 120th anniversary of our founding in Greece in 1902-, was also marked by leadership transitions designed to ensure continuity and renewal in the years ahead. Marcel Cobuz, an executive with extensive experience in the building materials sector, joined TITAN in July, and was appointed by the Board to Chair the Group Executive Committee as of October 15. Marcel brings a fresh perspective to the Group, having served in various leadership, innovation and transformation roles. You can read more on his thoughts, as well as on the performance and outlook for TITAN over the next few pages.

Takis Arapoglou retired at the end of the year, after 6 years as Vice-Chair and 6 years as Chair of the Group. I wish to take this opportunity to sincerely thank Takis on behalf of all our shareholders. His insightful and judicious leadership was invaluable in helping us navigate the challenges and transitions of the last few years.

The core shareholding family remains committed to the TITAN Cement Group, fully supporting Marcel and the management team, and is working closely with the Board of Directors to ensure the company continues to grow profitably, while remaining true to the values that have helped shape its success over the long term.

Accordingly, adjustments have been made at Board level in order to better align with the new setup, while improving diversity and continuing to adhere to the highest standards of governance and transparency that TITAN has always pursued. A new Strategy Committee has been formed, which will be chaired by Alexandra Papalexopoulou. Kyriakos Riris will continue to ably lead the Audit and Risk Committee, Lyn Grobler has taken over as chair of the Nominations Committee and Andreas Artemis of the Remuneration Committee.

During 2023, the Board will be working together with the management team to evolve and accelerate our growth strategy. Key areas of focus will include decarbonization, digitalization, customer-oriented innovation, talent development, health & safety, stakeholder engagement, and risk management.

We are excited about the opportunities ahead and believe we are well positioned for sustainable and profitable growth over the years to come, for the benefit of our shareholders and all stakeholders.

Dimitri Papalexopoulos
Chairman of the BoD

"During 2023, the Board will be working together with the management team to evolve and accelerate our growth strategy".

Dimitri Papalexopoulos

Chairman of the BoD

Interview with the Chairman of the Group Executive Committee

"We aim to continue building great teams, maintain profitable growth and also become one of the safest, most customer-friendly, innovative, digitalized and green businesses in the construction materials industry".

Marcel Cobuz

Chairman of the Group Executive Committee

You joined TITAN in June 2022. How were your first months in the company?

Every day I have spent with our teams since joining the TITAN family has provided me with exciting opportunities to learn about amazing achievements and to get inspired by our passionate people and loyal customers about growing our business. I have visited most of our operating sites and met with all senior managers and their teams on several occasions while also spending valuable time getting to know customers across our markets. These encounters allowed me to understand where we need to focus and where to explore further and learn more. Together with the Executive Committee team, we announced the strategic directions in September 2022 on accelerating the Group's commercial and technological transformation. We aim to continue building great teams, maintain profitable growth and become one of the safest, most customer-friendly, innovative, digitalized and green businesses in the construction materials industry.

In a nutshell, how was TITAN's performance in 2022?

We had a very good annual performance despite the global energy challenges, inflationary costs, and demand and supply disruptions. Robust operations management allowed us to hold strong market positions and effectively serve our customers, and our focus on dynamic pricing led to sales growth reaching €2,282.2 million. Operating profitability (EBITDA) increased to a record level by 20.3% to €331.2 million. The persistence on cash management allowed us to decrease net debt to 2.4 times EBITDA. Our confidence in the growth prospects of our key markets is reflected in the ramping up of our CapEx spending to its highest point in 15 years, reaching €241.9 million, with fast-payback investments in low carbon fuel technology and logistics infrastructure driven by our business units in the US and Greece.

I am also very happy to report that in 2022 we reduced our direct CO_2 emissions by 5%. On top of that, we are among the three cement companies worldwide to receive a top "A" score from CDP for our climate disclosure and action. This is pushing us to further raise our ambition and redefine our relevant medium-term targets. TITAN Group was among the first cement companies worldwide to have its near-term CO_2 emissions reduction targets validated by the Science Based Targets initiative (SBTi) as consistent with the reductions required to keep global warming to 1.5°C.

I would like to warmly thank all our customers and partners and more particularly our teams for their strong efforts, dedication and collaboration across our markets and value chain, that made possible the solid performance of 2022. We continue to work hard in talent development and rejuvenation, reflected by the more than 1,600 new recruits and interns that joined us this year.

How are you responding to the changing needs of customers, who ask for greener, more sustainable and smarter solutions?

With sustainable solutions and products approaching 20% of our sales we are adapting and transforming our portfolio at a good pace. We have a strong TITAN brand equity wherever we operate and it is our duty to be on the first line with innovative products and solutions, as we have proven in 2022 with our presence in some of the most complex infrastructure and high-rise commercial development projects. Our teams in the US achieved in record time the massive introduction of limestone cements with lower carbon footprint in the market. We have also commercialized novel lower carbon cement types in the markets of Albania, Egypt, Greece, Kosovo, Serbia and Turkey. Our efforts demonstrate our commitment to respond to increased demand for innovative products, energy efficient buildings and sustainable infrastructure.

We keep innovating and accelerate our green product offerings in 2023 using low carbon substitutes for clinker, including construction demolition waste and other cementitious materials, while ramping up the use of alternative fuels with new investments and sourcing initiatives across our operations, fully aligned with circular economy principles. In parallel, our innovation strategy is geared to explore new technologies and raw materials, lower concrete intensity, maximize smart construction methods and use of clean energy.

In line with our Group's CO_2 reduction targets and our commitment to increasing the share of green products in our portfolio to over 60% by 2030, our sales and operation teams are offering our customers construction solutions that will shape the sustainable world of tomorrow.

Looking into the future, how is TITAN preparing for the challenges ahead?

Green investments, product innovation and embracing increased digitalization are key to our long-term success and growth of our business. With 90 decarbonization initiatives in the pipeline across the Group, our innovation and operations teams continue to make significant progress: more pilots on carbon capture and storage, use of hydrogen as an alternative, carbon-free energy source, and industrial production of calcined clays allowing for cement with up to 40% less CO_2. We are also helping start-ups to make next generation decarbonization ideas a reality, through our involvement in several industry platforms, direct support of entrepreneurs and participation in consortiums in the fields of 3D concrete printing or heat storage technologies.

On the digitalization front and focusing on creating the smart cement plant of the future, we are working on a range of next-generation technologies. We are proud that 50% of our plants now have AI-based real time optimizers, which have reduced energy consumption and CO_2 emissions and improved productivity. Our new company CemAI, which was launched in 2022 to deliver the industry's first AI-based predictive maintenance solution, is another milestone in our digitalization journey. New projects in the pipeline aim to digitalize our customer experience in an integrated supply chain model.

To achieve all this, we are determined to continue building and enabling our talent to accelerate the commercial and technological transformation of the Group and tackle the challenges of the future.

What are your priorities for 2023?

We want to accelerate the growth of our business and our people, while we focus on creating value for customers through innovation, decarbonizing our sales and digitalizing our operations faster.

More specifically in 2023 and despite the looming global challenges, we will continue to apply the same growth mindset to increase sales and margins, generate cash and execute growth CapEx investments, always with the same sense of caring for our people, as well as with responsibility, integrity, accountability and respect.

Safety in and around our operations will remain a priority. Safety must never be taken for granted, and we are committed to doing whatever it takes to improve our performance in this area, particularly in contractors' safety systems.

Building on the foundations we set in 2022 with the launch of the Group Diversity, Equity and Inclusion policy, we will accelerate ways to cultivate an inclusive work culture that embraces and celebrates diversity.

Last but not least, we will increase our positive local impact through community initiatives in our locations while continuing our progress on biodiversity and water management, promoting recycling and circular economy practices, and curtailing air emissions.

Our TITAN DNA makes us always want to innovate and improve and to do more for our customers, our people, the communities in which we operate, and the planet.

UNDERSTANDING TITAN

Overview

An overview of our Group and our strategy in a changing global landscape. Our approach to value creation for our stakeholders, our materiality assessment process and partnerships for sustainable development.

TITAN offered concrete product solutions to build the Thessaloniki Airport “Makedonia”, Greece. © Fraport Greece & INTRAKAT SA / Nikos Daniilidis

The forces shaping our industry and the opportunities ahead

Building the future means building better. Smarter. More sustainably. At TITAN we are passionate about building a sustainable world with our innovative construction solutions.

We address society's needs for safe, durable, resilient and affordable housing and infrastructure that protects and improves life. We are harnessing the advantages of what decarbonization and digital transformation have to offer and we are bringing those benefits to our customers, employees, suppliers and communities. We approach every issue with an entrepreneurial spirit and are constantly innovating to deliver construction solutions designed for tomorrow.

Building on 120 years of industry experience and commitment to sustainable growth, we serve our customers in 25 countries through a network of more than 200 operational sites in four continents, including quarries, ready-mix plants, terminals, and other production and distribution facilities.

In a world of increasing complexity, we are adapting and evolving to serve the needs of society, while contributing to sustainable growth with responsibility and integrity.

The fundamentals of demand for construction materials and solutions remain solid

Customer expectations are driving product innovation

Climate change mitigation and resource scarcity are calling for a shift towards sustainable solutions

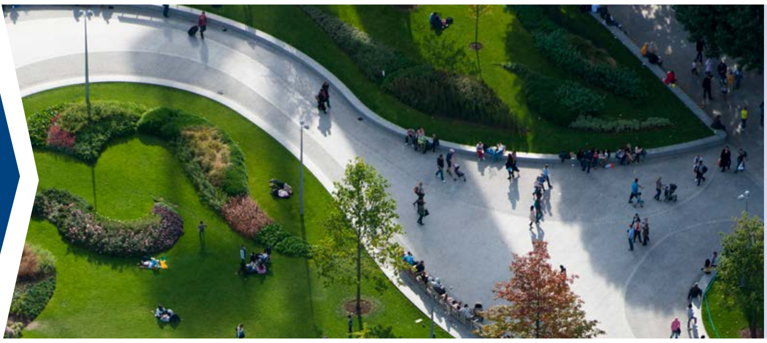
Urbanization necessitates communities that are green, safe, resilient, healthy and just for all

Reinventing talent management to capture opportunities in a changing world

Population growth and urbanization are on the rise, leading to higher demand for housing and infrastructure. We have the operating leverage to help our customers build at an accelerated pace with our innovative and sustainable construction solutions.

With our customer-focused innovation strategy, we are growing our business in existing and new markets across the construction value chain. Engaging with our customers from the early design stages helps us understand their needs and offer them innovative products and services, as well as leading-edge Artificial Intelligence-based solutions for ultimate efficiency and an elevated experience.

We are evolving our product portfolio to address environmental challenges. By shifting to more sustainable, lower-carbon and circular construction solutions, we help our customers build more sustainably. In this way, we are delivering on our ambitious science-based climate targets for a net-zero, nature-positive world in line with the 1.5°C scenario.



We are addressing sustainability holistically within and beyond our company. While delivering a greener product portfolio with superior environmental performance across the whole life cycle – from the quarry to the customer – we are continuously improving our ESG performance in line with the UN SDGs. At the same time, we are encouraging our supply chain partners to meet our sustainability and ESG supplier standards.

We are building our talent and our organization's capabilities to capture all the opportunities ahead of us. By empowering and enabling our teams across our markets to unleash their full potential, we are helping them to grow together with TITAN in a safe, healthy, inclusive and fair workplace.

120 years of sustainable growth

Driven by our entrepreneurial spirit and our commitment to sustainable growth, we have expanded beyond our Greek roots with operations in four continents.

OUR GROWTH JOURNEY SINCE 1902

1902-1960

FOUNDATIONS

1902
TITAN Cement is founded with the opening of a plant in Elefsina, the first cement-producing unit in Greece

1912
Listing on the Athens Stock Exchange

1951-1957
Rapid growth of exports, which during the period account for over 50% of the company's sales and approximately 50% of Greece's total cement exports

1960-1990

GROWTH IN GREECE

1962
Second plant in Thessaloniki

1968
Third cement plant in Drepano, Patras

1976
Fourth cement plant in Kamari, near Athens

1990-2022

INTERNATIONAL EXPANSION

1990-2018: Acquisitions and investments

- (1992) 60% in Roanoke Cement, Virginia, USA
- (1998) Cementarnica Usje, North Macedonia
- (1999) Beni Suef Egypt (50% joint venture)
- (2000) 100% of Roanoke, Virginia, and Pennsuco, Florida, USA
- (2002) Kosjeric, Serbia
- (2002) Alexandria PCC (APCC), Egypt (50% joint venture)
- (2003) Zlatna Panega, Bulgaria
- (2007) Antea plant, Albania (greenfield investment)
- (2008) 50% in Adocim, Turkey (joint venture)
- (2008) 100% of Beni Suef and APCC Egypt
- (2010) Sharr plant, Kosovo
- (2016) 50% in Cimento Apodi, Brazil (joint venture)
- (2018) 75% in Adocim, Turkey

2019
Titan Cement International S.A. becomes TITAN Group's parent company and is listed on Euronext Brussels, Euronext Paris and the Athens Exchange

One set of strong values

We are passionate about building a sustainable world with our innovative construction solutions. Our values are at the core of who we are; they guide our strategy and provide the foundation for all our operations. They have provided our people with a strong bond and supported the growth that has sustained us for over a century, stemming directly from the principles, beliefs and vision of our founders back in 1902. They remain the solid basis of our culture and family spirit.

INTEGRITY

- Ethical business practices
- Transparency
- Open communication
- Good governance

LEARNING ORGANIZATION

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

VALUE TO THE CUSTOMER

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

DELIVERING RESULTS

- Shareholder value
- Clear objectives
- High standards
- Performance focus

CONTINUOUS IMPROVEMENT

- Focus on innovation
- Willingness to change
- Rise to challenges
- Team collaboration

SUSTAINABLE DEVELOPMENT

- Safety first
- Climate change mitigation
- Strong environmental performance
- Stakeholder engagement and CSR

Ingrained in the Group's identity and embedded in our culture and our people's practices, our values guide the way we conduct our business – with respect, accountability and responsibility.

Our Group Strategy: Grow our business, focus on the customer, build our talent

The aim of TITAN's customer-focused strategy is to accelerate the growth of the Group in its existing markets and in new areas, and to provide the building materials and innovative construction solutions necessary for a more sustainable world, thus benefiting our customers, employees, suppliers and communities.

TITAN Group has created long-term value for its stakeholders over the course of 120 years by constantly evolving and renewing its strategy.

Following the latest review of our strategic direction and priorities, our strategy is founded on the following three pillars:

Deliver

TITAN will leverage its continuous performance improvement track record to deliver operational excellence in manufacturing, the supply chain and customer experience. The Group will thus continue to focus on cost-to-produce and cost-to-serve as well as on providing solutions and a superior customer experience across all its businesses.

This operational excellence extends to TITAN's ESG performance, where the Group has achieved a strong environmental, safety and social engagement track record. TITAN's 2025 ESG targets provide a rich and ambitious set of measurable goals in all ESG focus areas - decarbonization and digitalization, growth-enabling work environment, positive local impact and responsible sourcing - all underpinned by good governance, transparency and business ethics.

Decarbonize

TITAN Group was among the first companies in the global cement industry to have its 2030 GHG emissions reduction targets validated by the Science Based Targets initiative (SBTi) as consistent with the levels required to limit the global temperature increase to 1.5°C. Raising our climate ambition even higher, we seek to address not only direct (Scope 1) emissions and indirect emissions from the generation of purchased electricity (Scope 2), but also other indirect emissions in the supply chain (Scope 3). Furthermore, TITAN is committed to reaching net-zero emissions by 2050. TITAN's decarbonization strategy includes a comprehensive set of levers to reduce emissions from cement production by accelerating the use of alternative fuels, substituting clinker with cementitious materials with lower carbon intensity, increasing energy efficiency and optimizing its raw materials mix. The Group will continue to leverage unique assets and competencies, including its proprietary fly ash beneficiation technology, to provide innovative solutions for the future net-zero construction value chain.

Digitalize

TITAN has been among the pioneers in its sector in implementing innovative Artificial Intelligence (AI) digital solutions in its operations. It has already implemented significant innovations with measurable impact, such as its real-time optimization and predictive maintenance solutions for its manufacturing operations. TITAN aims to continue improving its operating performance and customer experience by leveraging big data and AI to develop a digitally empowered and efficient operating model and to provide cutting-edge digital solutions to its customers. TITAN's "cement plants of the future" will fully harness the power of digital technologies and advanced analytics to achieve higher asset productivity and reliability, reduce production inputs and energy consumption, and decrease CO_2 emissions. The Group is also deploying innovative digital solutions for the next generation of supply chain management, with optimized distribution networks, predictive planning and dynamic logistics operations. Finally, a digitally-enabled customer experience will drive value generation for our cement and concrete business through excellence in customer service.

The Group is now launching three strategic initiatives to reinforce TITAN's strategy implementation and accelerate its growth and customer-focused transformation journey.

1. Grow our business

Leveraging operational excellence, a distinctive ESG performance and superior customer engagement, along with decarbonization and digitalization, TITAN will continue to develop its growth platform, capitalizing on opportunities to strengthen and expand its low-carbon cement and concrete core activities as well as to pursue opportunities in adjacencies and new sources of value in the building materials value chain. The Group will grow the business on all fronts to increase revenues, but also the Group's overall financial strength, by improving margin performance and free cash flow conversion, enhancing capital allocation efficiency and optimizing working capital. For this purpose, targeted opportunities for each market are being developed in conjunction with several Group-led strategic workstreams.

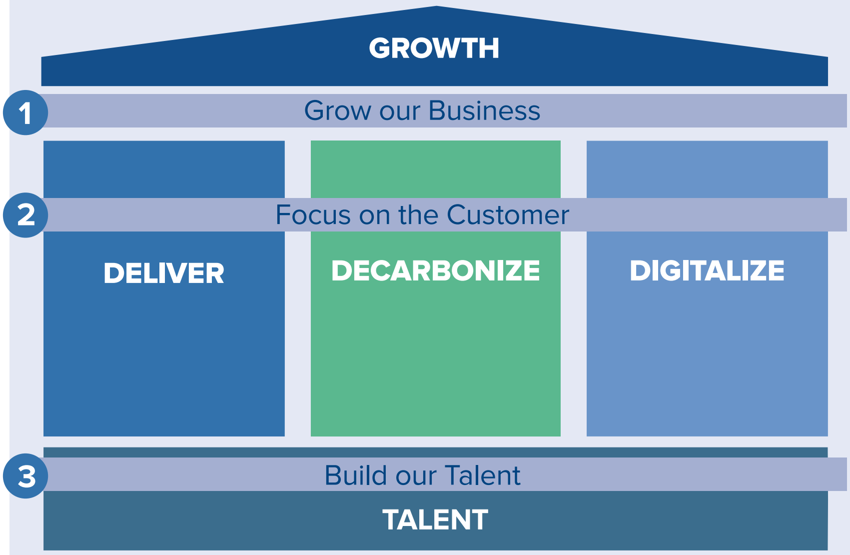
2. Focus on customer

TITAN Group has always served its customers with high-quality products and solutions. To further increase the value offered to its customers, TITAN is enhancing its commercial transformation which, together with digitalization, decarbonization and operational excellence, will allow the Group to address the evolving needs of customers in each market and segment, and offer more innovative, decarbonized and cost-effective materials and solutions.

By following a market-oriented approach, TITAN will collaborate closely with its customers to offer expert advice and tailor-made solutions. To achieve this customer-centric operating model, the Group will make investments to increase sales force excellence and expertise in all construction segments, develop digital solutions that facilitate interaction with customers and launch an innovative, green, complementary product portfolio.

3. Build our talent

TITAN's long tradition of building capabilities and developing talent with an ambitious, entrepreneurial mindset and a values-driven culture lies at the foundation of our growth-oriented strategic plan. The strategic plan encompasses, and is powered by, an accelerated drive to transform the Group by further building our talent, both in terms of core competencies and in terms of new skillsets in leadership and managerial practices. The Group will reinforce its lean and agile organization across its entire footprint, where high-performance teams collaborate seamlessly and are empowered to take decisions and respond flexibly to a changing world.



1 **Grow our business**
Strong core and activated adjacencies

2 **Focus on the customer**
Marketing-enabled business model

3 **Build our talent**
Passionate and enabled employees

Global presence

We report on our performance and activities based on four geographic regions, and our joint venture in Brazil.

USA

2 INTEGRATED CEMENT PLANTS	**8** QUARRIES
82 READY-MIX PLANTS	**3** IMPORT TERMINALS
8 CONCRETE BLOCK PLANTS	**4*** FLY ASH PROCESSING PLANTS

PRINCIPAL PRODUCTS/ACTIVITIES

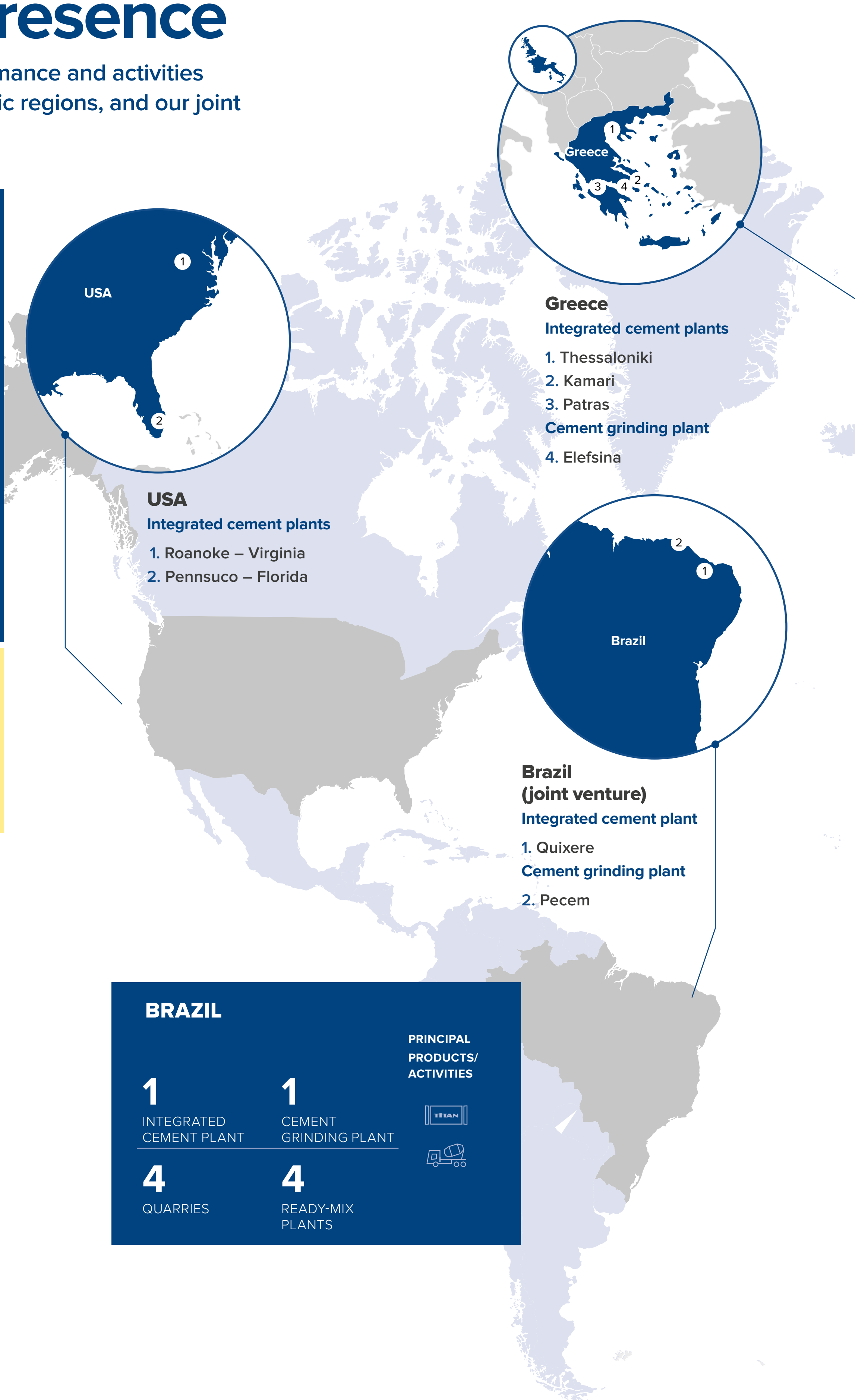
€

SALES	EBITDA
1,314.3m	**188.2m**

ASSETS
1,362.2m

Principal products/activities key:

- Cement
- Ready-mix concrete
- Aggregates
- Dry mortars
- Building blocks
- Fly ash
- Waste management and alternative fuels



Greece
Integrated cement plants
1. Thessaloniki
2. Kamari
3. Patras

Cement grinding plant

4. Elefsina

USA
Integrated cement plants
1. Roanoke – Virginia
2. Pennsuco – Florida

Brazil (joint venture)
Integrated cement plant
1. Quixere

Cement grinding plant

2. Pecem

BRAZIL

1 INTEGRATED CEMENT PLANT	**1** CEMENT GRINDING PLANT
4 QUARRIES	**4** READY-MIX PLANTS

PRINCIPAL PRODUCTS/ ACTIVITIES

* 1 facility in Canada is included.

SOUTHEASTERN EUROPE

5 INTEGRATED CEMENT PLANTS	**21** QUARRIES
6 READY-MIX PLANTS	**1** PROCESSED ENGINEERED FUEL FACILITY

PRINCIPAL PRODUCTS/ ACTIVITIES

€

SALES **385.9m**

EBITDA **95.0m**

ASSETS **489.5m**

Southeastern Europe

Integrated cement plants

1. Kosjeric – Serbia
2. Zlatna – Bulgaria
3. Sharr – Kosovo
4. Usje – North Macedonia
5. Antea – Albania

Eastern Mediterranean

Integrated cement plant

1. Tokat

Cement grinding plant

2. Marmara

Integrated cement plants

1. Alexandria
2. Beni Suef

EASTERN MEDITERRANEAN

3 INTEGRATED CEMENT PLANTS	**1** CEMENT GRINDING PLANT
13 QUARRIES	**6** READY-MIX PLANTS
1 IMPORT TERMINAL	**2** PROCESSED ENGINEERED FUEL FACILITIES

PRINCIPAL PRODUCTS/ ACTIVITIES

€

SALES **255.6m**

EBITDA **19.6m**

ASSETS **442.8m**

GREECE & WESTERN EUROPE

3 INTEGRATED CEMENT PLANTS	**1** CEMENT GRINDING PLANT	**25** QUARRIES	
29 READY-MIX PLANTS	**3** IMPORT TERMINALS	**1** DRY MORTAR PLANT	**2** PROCESSED ENGINEERED FUEL FACILITIES

PRINCIPAL PRODUCTS/ ACTIVITIES

€

SALES **326.4m**

EBITDA **28.5m**

ASSETS **699.8m**

EU Taxonomy Regulation	Turnover (%)	OpEx (%)	CapEx (%)
EU Taxonomy-eligible economic activities	59.2	58.2	56.1
EU Taxonomy-aligned products and investments	8.6	7.0	16.0

Delivering value for all

We use our capital resources efficiently to drive sustainable, long-term shared value creation through our products and services. We help address global societal and environmental challenges, and contribute to the attainment of the UN SDGs 2030.

Financial capital	We use our economic resources efficiently to support our business growth and safeguard our international competitiveness	Gross Value Added €737.5m	
Manufactured capital	We manufacture our products using the best available technologies and we distribute them reliably to our customers through dedicated terminals.	Capital expenditures €241.9m	
Intellectual capital	We use our R&D capabilities, our core competencies and our deep knowledge of the building materials industry to enhance our offerings and further improve our performance.	Investments in research and innovation €11.7m	
Human capital	We value our people's contribution and continuously support their professional development in an engaging, inclusive and collaborative working environment.	Salaries, pensions and social benefits, including and beyond those provided by law €354.1m	Internships 526
Social & Relationship capital	We engage with our stakeholders, building long-term relationships of trust and working together on collaborative projects to make a positive impact on society and local communities m tonnes	Total spend on donations and community engagement initiatives €1.7m	Local spend of TITAN 67.6%
Natural capital	We source materials responsibly, contributing to the circular economy, and we preserve natural resources and biodiversity in the areas where we operate.	Waste utilization 2.0m tonnes	Climate change mitigation investments €38.6m

You may read more about our Value creations indicators in Table 2.5.10 of the ESG performance statements on page 144.

Partnerships for sustainable development

TITAN Group is an active participant in global collaborative initiatives and international organizations, aiming to contribute to the shaping of the sustainable world of tomorrow.

WE SUPPORT UN GLOBAL COMPACT	In 2022 we became an Early Adopter of the UNGC Enhanced Communication on Progress (CoP) Program, being among the first 6% of UNGC participants worldwide to do so.	gcca	We are working with the Global Cement and Concrete Association (GCCA) and the GCCA Research Network Innovandi to implement the 2050 Roadmap to Net Zero "Concrete Future", aiming to bring forth novel technological solutions.
SCIENCE BASED TARGETS DRIVING AMBITIOUS CORPORATE CLIMATE ACTION	We were one of the first three cement companies in the world to have our greenhouse gas (GHG) emissions reduction targets approved by the Science Based Targets initiative (SBTi) as being in line with the 1.5°C pathway and among the first group of companies to receive approval for net-zero targets.	ERT	We participate in the Energy Transition and Climate Change Working Group of the European Round Table for Industry to address the triggers for a successful transition towards a low-carbon economy, and thus contribute to achieving the goals of the Paris Climate Agreement.
BUSINESS AMBITION FOR 1.5°C	We joined the "Business Ambition for 1.5°C" commitment to keep global warming under 1.5°C and achieve net-zero emissions by 2050.	ecra european cement research academy	We participate in the European Cement Research Academy (ECRA) to support industry-oriented research activities, aimed at advancing innovation within the context of climate change mitigation and sustainable construction.
RACE TO ZERO	By signing the Business Ambition for 1.5°C, we also joined the United Nations Framework Convention on Climate Change (UNFCC) "Race to Zero" global campaign, which encourages more companies, governments and financial and educational institutions to come together and act for a healthier planet with zero carbon emissions.	CSR EUROPE	We have been a CSR Europe member since 2004 and a founding member of national partner organizations. Through CSR Europe and its participation in EFRAG's European Reporting Lab, TITAN contributes to the development of the European Sustainability Reporting Standards. In 2022, we continued to participate in CSR Europe's "Biodiversity and Industry Collaborative Platform".
WE MEAN BUSINESS COALITION	We collaborate with the world's most influential businesses within the nonprofit "We Mean Business Coalition" to ensure that the world economy is on track to avoid dangerous climate change, while delivering sustainable growth and prosperity for all.	In support of WOMEN'S EMPOWERMENT PRINCIPLES Established by UN Women and the UN Global Compact Office	In March 2023, as part of our commitment to promoting diversity, equity, and inclusion, we became a signatory of the United Nations Women's Empowerment Principles (WEPs). Established by UN Women and the UN Global Compact, the principles will help enhance and expedite TITAN's efforts for the advancement of gender equality and women's empowerment in the workplace, supplementing our existing policy and practices in the field.

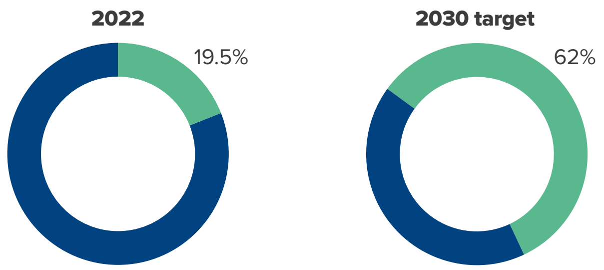
Focus on customer

We aim at customer-centric growth, providing the building materials and innovative construction solutions necessary for a more sustainable, carbon-neutral world.

Shifting to a green product portfolio

By reducing the carbon footprint of our products, we contribute to the decarbonization of the construction value chain, while meeting our customers' needs for durable, energy-efficient and affordable materials.

GREEN PRODUCTS* IN TITAN'S PORTFOLIO



TITAN Green Products

* As a percentage of total cement production

- We are on track to meet our commitment to grow the share of green products in our portfolio to over 60% by 2030.
- The successful rollout of lower-carbon products has brought the overall percentage of green products to 19.5% of the Group's volumes.

Accelerating the offering of lower-carbon cements in each market where we operate

- **First company in the USA to fully transition to the production of the lower-carbon limestone cement ASTM Type IL**
- **Cement exports to the USA from Greece and Turkey have shifted to Type IL**
- **Low-carbon composite cement CEM II/C-M (V-L) 32.5R launched in Serbia**
- **Masonry cement launched in Egypt and Greece**
- **Verified Environmental Product Declarations (EPDs) provided to our customers to facilitate buildings and infrastructure lifecycle carbon footprint analysis**

Addressing the evolving needs of our customers with innovative, resilient and cost-effective materials and solutions to reduce the carbon footprint of buildings and infrastructure

Through our enhanced communication with our customers from the early design stages, we can identify their needs and offer expert advice and tailor-made solutions. We offer high-performance concrete for residential and commercial markets, providing freedom in architectural design, while utilizing fewer materials and achieving a lower CO_2 footprint at the building level. Our enhanced product portfolio, coupled with our sales force excellence and expertise, ensures superior strength, durability, flow characteristics, and modulus of elasticity.

Being a preferred supplier with an innovative, green and complementary product portfolio

To further increase the value offered to our customers, we are enhancing our commercial transformation. TITAN's product expertise and market knowledge contribute to decarbonization and new business opportunities with the world's biggest companies. In 2022, TITAN was selected to build several large data center projects with a major international company, contributing to its GHG reduction goals with our Type IL lower-carbon cements and our proprietary mix designs.

IN ACTION

The Ellinikon megaproject, Greece

The Ellinikon megaproject will transform the old Athens airport into a sustainable and smart new “city within a city”. Low carbon pozzolanic cement CEM IV/B (P) 32,5 N SR was developed, contributing to a greener construction.

TITAN is investing in a state-of-the-art, fully automated ready-mix concrete unit on site, offering new and innovative concrete mix designs with recycled aggregates from construction and demolition waste and utilizing low-carbon sulphate-resisting cements while providing superior durability to chemical exposure.

Costa Navarino Resort, Greece

With the Concreate collection of decorative concretes for indoor and outdoor applications, TITAN provided solutions with local materials that integrated seamlessly with their surroundings, meeting the customer’s requirements for aesthetically superior, low-maintenance and durable concrete pavements for the expansion of the Costa Navarino Resort.

Copyright Costa Navarino

Cairo Monorail, Egypt

TITAN’s low-carbon CEM III cement is being used in the construction of the longest monorail system in the world. The new system offers fast, sustainable, comfortable and safe transportation for 45,000 passengers per hour in each direction.

Thimble Shoals Tunnel, Virginia, USA

Titan America’s lower-carbon Type IL cement contributes to a reduced carbon footprint of large infrastructure projects.

Material issues for TITAN and its stakeholders

We are engaging with our stakeholders across our locations to obtain a deeper understanding of their expectations and needs. Mapping what is most material to them and to the business through a double materiality process helps us develop sustainable business strategies and create value that lasts.

Stakeholder engagement

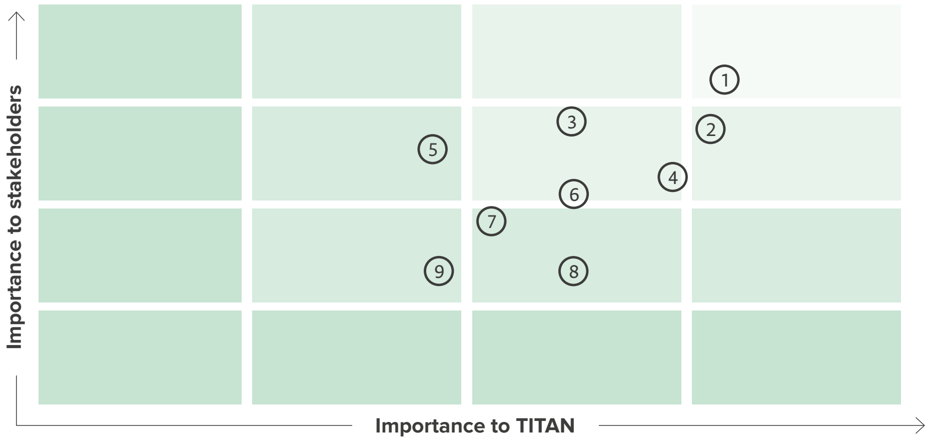
We leverage the feedback from a wide range of communication channels with our stakeholders by using a tailored approach for each stakeholder, as indicatively shown in the table below:

Stakeholder groups	Engagement approach
Customers	• Customer satisfaction surveys • Marketing and technical consultation • Complaints management
Local communities	• Community engagement plans, volunteering and partnerships • Open door policy, awareness meetings and campaigns • Complaints management
Business partners and suppliers	• Group Policies and Code of Conduct for Procurement • Increasing awareness and qualification based on ESG criteria
Employees	• Continuous upskilling and reskilling • Performance evaluation and engagement surveys • Group intranet, communication days, webcasts • TITAN EthicsPoint for grievance management
NGOs	• Participation in global and local campaigns, forums and conferences • Integrated Annual Report, website, LinkedIn
Civil Society and Youth	• Internship programs • “Business days” with universities, website, LinkedIn
Academia and Research	• Research and Innovation programs • Contribution to academic programs
Regulators, Authorities	• Collaborative actions bilaterally or through associations • Integrated Annual Report, website, press releases
Associations	• Volunteering, exchange of good practices, joint projects
Media	• Open communication, meetings, events and campaigns • Website, LinkedIn, press releases
Investment community (shareholders, analysts)	• Annual and Extraordinary Meetings of Shareholders • Integrated Annual Report, press releases, analyst and investor conference calls • Roadshows, questionnaires, website, LinkedIn
ESG rating agencies	• Integrated Annual Report, website • Feedback on a request basis

Incorporating the principles of double materiality assessment

TITAN is progressively incorporating the principles of double materiality assessment, an integrated, on-going process of mapping and assessing the impact of our operations on society and the environment, as well as the financial impacts of socio-environmental risks on the Group. Impacts may become material for financial reporting purposes over time, leading to what is known as a dynamic materiality assessment process. The latest assessment at Group level, which was conducted in 2020, yielded nine material issues, as listed below.

MATERIALITY MATRIX



MATERIAL ISSUES

(1) Future-ready business model in a carbon-neutral world
(2) Innovation with emphasis on digitalization and decarbonization
(3) Safe and healthy working environment
(4) Continuous development of our people
(5) Diverse and inclusive workplace
(6) Positive local social, economic and environmental impact
(7) Resource efficiency, recycling, and recovery, contributing to the circular economy
(8) Reliable and sustainable supply chain
(9) Good governance, transparency and business ethics

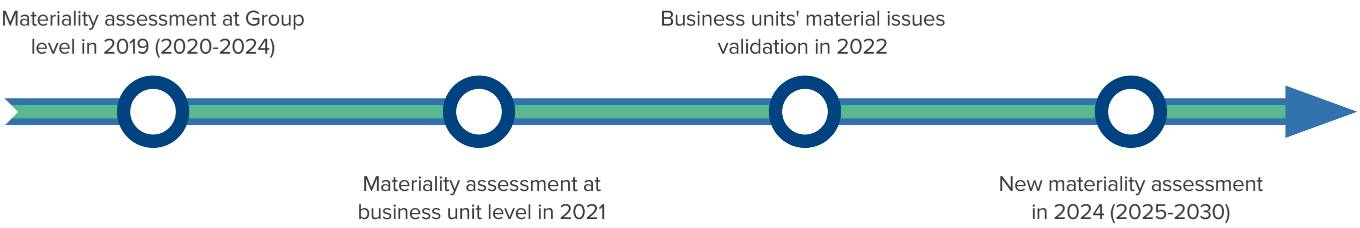
Dynamic materiality

TITAN's approach remains focused on the dynamic materiality process, acknowledging that the company needs to identify and assess the issues which can become material over time for its stakeholders and the company, and those impacts which could become material in the future.

In preparation for our next materiality assessment cycle, which is to commence in 2025, we validated our material issues with key stakeholders at all business units through open and structured communication. Almost 160 stakeholders were invited to provide direct feedback on their views on the importance and relevance of our material issues, through an e-survey.

Among the areas highlighted by our stakeholders were product design, access and affordability, data security, visual impact and customer welfare.

Materiality assessment cycle



UNDERSTANDING TITAN

Performance highlights

An overview of our Group’s overall performance in 2022, focusing on our financial and ESG pillars.

Titan America employees

Financial performance

Strong Sales and Profitability growth in all markets, in a year marked by higher and volatile energy costs.

In 2022, TITAN Group successfully overcame inflation and supply chain challenges and achieved double-digit sales growth in all its markets. This was attributed to solid volumes, successful pricing strategies, and energy cost efficiency actions which helped offset rising energy and overall production costs as well as transportation costs. Input and energy costs started increasing during the last quarter of 2021 and over the following twelve months those costs intensified further, reaching at times historical high levels. During the course of this period, we increased our prices, targeting to offset the overall increases in costs and to restore our declining margins. In the last quarter of 2022, energy costs improved as a result of cost-saving actions, more use of alternative fuels, and market conditions, allowing a recovery of EBITDA margins.

The Group delivered robust sales of €2,282.2 million reflecting a solid 33.1% increase compared to the previous year. To be noted that sales as well as cost of sales were impacted by inflation and the strong USD. Despite the challenges posed by surging energy costs, the Group's actions to adopt a dynamic price increases strategy and enhance its energy mix, coupled with efficiency gains thanks to digitalization of its manufacturing process, have resulted in a significant EBITDA improvement. In 2022, the Group's EBITDA increased by 20.3% compared to 2021, reaching €331.2 million. The Group's net result after taxes and minority interests also showed significant growth, reaching €109.7 million, an increase of 19.3% from the €91.9 million profit in 2021. Noted that IAS 29 for hyperinflation was applied in the operations in Turkey, leading to a gain on net monetary position of €26.3m and reducing the EBITDA by €3.4 million. A goodwill impairment of €21.8 million was recognized practically reversing the gain that resulted from hyperinflation.

2022 performance highlights

Despite the challenges faced across locations, all the regions where we operate – USA, Greece, Southeast Europe, and Eastern Mediterranean – recorded positive development in 2022.

TITAN's US operations continued to grow in 2022. Strong profitability was sustained despite continued inflationary pressures and supply chain disruptions. Cement consumption increased in the US, with our markets growing significantly above the US average, benefiting from internal migration, tight housing inventories and strong economic activity. Sales in cement increased in 2022, while sales in aggregates, ready-mix and building blocks marked a decrease, however sustaining high levels. Overall, Titan America sales in 2022 increased versus 2021, reaching $1.4 billion. In euro terms, sales increased by 33.6% to €1,314.3 million. EBITDA also increased by 19.1% during the year, reaching €188.2 million ($194.8 million, up 4.0%), as higher energy, logistics, labor and imported cement costs were offset by increased pricing and improved efficiencies.

Greece continued to grow as a market, with most of the acceleration stemming from projects related to residential and infrastructure activity, coupled by hospitality-related constructions thanks to a record tourism activity. Regional profitability increased on account of higher domestic demand, price increases and sales to our European terminals as well as operational efficiencies, despite higher energy, raw materials, and transportation costs. Sales for Greece and Western Europe in 2022 increased by 22.0% to €326.4 million, while EBITDA increased by €4.9 million to €28.5 million.

Southeast Europe also showed improved performance despite cost inflation and a slowdown in construction activity, thanks to efficiency improvements, pricing, and improved market share. Synergies from TITAN's regional plant network helped in securing and increasing Group's presence in the local market. Both sales and EBITDA increased in Southeast Europe by 33% and 16%, reaching €385.9 million and €95 million, respectively.

Despite dominant acute macroeconomic challenges in the Eastern Mediterranean, TITAN Group was able to improve its sales and profitability. The annual extension of the production regulation in Egypt, together with the growth of demand led to improved pricing and performance, while in Turkey, domestic demand softened for another year but thanks to increased exports via the new terminal on the Black Sea, the Group was able to improve its profitability. After a couple of weak years, the Eastern Mediterranean region was able to improve its performance, growing sales to €255.6 million, a 48% increase year-on-year, while improving EBITDA by 66% to €19.6 million in 2022.

Lastly our Brazilian operations (joint venture) were able to achieve positive results, despite the negative impact on cement demand from higher interest rates and lower disposable income.

Increased sales volumes thanks to strong market fundamentals

Market dynamics remained favorable during 2022, allowing the Group to increase domestic volumes. At Group level, domestic cement, ready-mix, and fly-ash volumes increased for another consecutive year, while we have seen some slowdown in third-party cement exports, aggregates, and building light pre-cast volumes.

Group domestic cement sales have increased by 2% (excluding exports) to 17.2 million tons driven by higher volumes in the US, Greece, and Southeast Europe. Volumes in Ready-mix increased by 2%, reaching 5.6 million m^3 mostly thanks to the continuous strength of the Greek market.

	2022	2021	+/-
Cement - domestic (million tonnes)*	**17.2**	16.8	+2%
Ready-mix concrete (million m^3)	**5.6**	5.5	+2%
Aggregates (million tonnes)	**19.1**	20.2	-5%

Includes Brazil, does not include associates

* Cement sales in domestic markets including clinker and cementitious materials

Investments and Operating Free Cash Flow

Group capital expenditures during the year reached a 15-year high at €241.9 million compared to €126.0 million in 2021. Growth, energy cost efficiencies, logistics costs' optimization, and capacity debottlenecking CapEx projects, mainly in US markets, increased during 2022. The Group invested in energy-saving projects, allowing higher use of lower-cost alternative fuels, improved cement production efficiencies through digital technology, expanded our warehouse capacity to accommodate larger production volumes, optimized logistics, and reduced carbon footprint, primarily in the US and EU. Those projects will result in incremental financial benefits for the Group starting in 2023 and more so in 2024. The significant group capital expenditures for 2022 were aligned with the Group's strategic objectives, demonstrating its continued commitment to sustainable and responsible business practices for long-term growth. It is noted that the cost of CapEx was also affected by prevailing inflation and the strength of the US dollar. More than 50% of the CapEx for 2022 was directed to the US, as part of the Group's $300 mllion growth investment program in the US during 2021-2023.

Working Capital increased in 2022 by €91.9 million as a direct result of higher group sales, inflationary pressures on inventories, and higher inventory levels addressing supply chain disruptions.

Following an EBITDA increase to €331.2million (+€56.0 million), higher capital expenditures and higher working capital needs to support sales growth, Operating Free Cash Flow (OFCF) for the year 2022 reached €18.8 million versus €104.7 million in 2021.

	2022	2021	2020
EBITDA	**€331.2m**	€275.2m	€285.6m
Capital expenditure	**€241.9m**	€126.0m	€84.3m
Working Capital increase	**€91.9m**	€44.0m	€-5.2m
Operating free cash flow	**€18.8m**	€104.7m	€225.3m

Group leverage

Year-end net debt increased by €84.1 million to €797.3 million (2021: €713.2 million), while the leverage ratio of Net Debt/EBITDA ratio dropped to 2.4x thanks to the increased EBITDA.

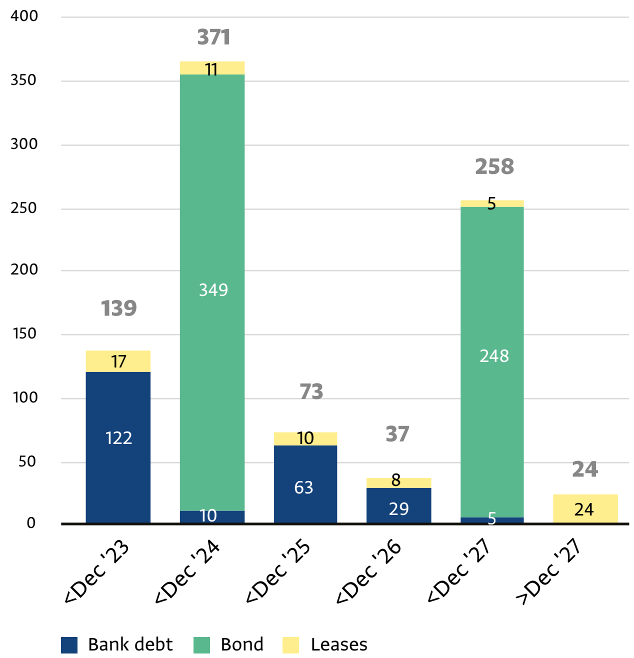
To diversify its funding base, TITAN Group uses a variety of funding sources and debt instruments that combine long-term and short-term financing. At year end, 66% of Group debt was in bonds, 25% in bank loans and 9% in lease liabilities.

The Group has a low exposure to interest rate risk as more than 80% of its debt is either in fixed rates or covered by long-term interest rate hedges. There is no material debt maturity within the next 18 months.

In December 2022, Standard & Poor's re-affirmed its previous rating for Titan Cement International S.A. of "BB" with a stable outlook.

	2022	2021	2020
Net debt at year end	**€797.3m**	€713.2m	€684.4m
Net Debt/EBITDA	**2.4x**	2.6x	2.4x

BOND REPAYMENT & DEBT MATURITY PROFILE (€M) AS OF 31 DECEMBER 2022



Outstanding bonds

ISIN	Amount Outstanding	Coupon	Maturity
XS2199268470	€250,000,000	2.75%	09/07/2027
XS1716212243	€350,000,000	2.375%	16/11/2024

Resolutions of the Board of Directors

- The Group completed the share buy-back program that began in October 2021 and initiated two additional programs in March and July 2022. Each program was for €10 million and a duration of up to six months. Overall, in 2022, in the context of the aforementioned share buyback programs, 1,947,721 shares were acquired by the Group for an amount of €23.8 million. A new share buyback program of €10 million, approved last January, was initiated on 1 March, 2023.
- Following improved profitability in 2022, the Board of Directors is proposing to the Annual General Assembly of Shareholders, scheduled to take place on 11 May, 2023, a dividend distribution of €0.60 per share. This represents an increase of 20% versus the previous year.

Equity market information

Maintaining and building long-lasting relationships of trust with the investment community by providing accurate and prompt information.

Listing

After a long history in the Greek stock exchange (listing of "Titan Cement Company S.A." in 1912) and following a successful share exchange tender offer in June 2019, Titan Cement International ("TCI") is now listed in Euronext Brussels (primary listing), in Euronext Paris and in the Athens Stock Exchange. The share capital of TCI amounts to €959,347,807.86 and is represented by 78,325,475 common shares. TCI's shares are included in the FTSE/ATHEX Large Cap index and are also constituents of other indices such as the BEL Industrials, BEL Continuous, BEL ALL Shares, ATHEX Composite, and ATHEX Select Plus. As announced at the end of January 2023, TCI's shares will also be joining as of mid-March 2023 the FTSE Russell Mid Cap Index (Emerging Europe). Since its inception in August 2021, TCI has also been a constituent of the ATHEX ESG Index, an index tracking the financial performance of companies who perform with long-term sustainability targets, a criterion that is now among the main parameters examined by institutional investors.

Share price evolution

TCI's share price as of 31 December 2022, closed at €12.00 on Euronext and at €12.06 on the Athens Exchange, hence a year-over-year decline of 9.5% and 9.9%, respectively. The development of TCI's share price was influenced by market sentiment in connection with the impact of the spike in various energy costs, an indirect result of the war in Ukraine. 2022 has been a year where most of the equity indices across the globe had a negative performance and TCI managed to show relative resilience among shares of its peer group; the STOXX Europe 600 Index dropped by 13%, the BEL Midcap by 12%, the Europe 600 Basic Materials by 7%, while the ATHEX General Index increased by 4%. The market capitalization of TCI at year-end 2022 stood at €0.9 billion (compared to €1.05 billion in 2021).

However, in early 2023, TITAN's share reversed last year's trend, posting an increase of more than 25% and reaching levels above €15.50 by the end of February 2023.

Liquidity and market making contracts

TCI partners with liquidity providers and market makers, targeting increased liquidity for its shares on both Euronext and Athens Stock Exchange. TCI has a liquidity provider agreement for its shares on Euronext with KBC Securities and market maker agreements for its shares traded on the Athens Exchange with Eurobank Equities and with Piraeus Securities.

ESG investors

ESG performance is valuable for investors and plays an increasing role in their portfolio selection. During 2022, TCI recorded for another year significant progress towards its ESG targets for 2025 and beyond, showcasing its commitment to sustainable development and to long-term value creation, through its products and services. Through active stakeholder engagement, TCI obtains a better understanding of expectations and needs, while seeking feedback from independent ESG rating agencies. Various independent rating agencies have assessed TCI in 2022, acknowledging its ESG performance. Among other ratings, TCI received an improved top "A" score on climate action from CDP, being verified as a leader in corporate transparency and performance on climate change and for a second consecutive year secured a rating of "AA" from MSCI ESG Research.

Details on TCI's ESG ratings can be found on the following page.

Treasury shares

In 2022, the Group activated two new consecutive share buy-back programs and completed the one that started in October 2021.

Overall, by the end of 2022, 1,947,721 shares were acquired for an amount of €23.8 million. At the end of 2022, the Group held 3,364,037 in treasury shares, representing 4.29% of the total voting rights.

Shareholder structure of TCI

Based on the transparency notifications made by the Company's shareholders until 31 December 2022, the reported shareholdings in the Company are the following:

1. E.D.Y.V.E.M. Public Company Ltd, Andreas Canellopoulos, Leonidas Canellopoulos, Nellos-Panagiotis Canellopoulos, Pavlos Canellopoulos, Takis-Panagiotis Canellopoulos, Trust Neptune, Alexandra Papalexopoulou, Dimitri Papalexopoulos and Eleni Papalexopoulou who act in concert, hold 29,004,392 shares corresponding to 37.03% of the Company's voting rights;
2. FMR LLC – Fidelity Institutional Asset Management Trust Company – FIAM LLC and Fidelity Management & Research Company LLC hold 7,827,422 shares corresponding to 9.99% of the Company's voting rights;
3. The Paul and Alexandra Canellopoulos Foundation holds 7,900,039 shares, corresponding to 10.09% of the Company's voting rights.

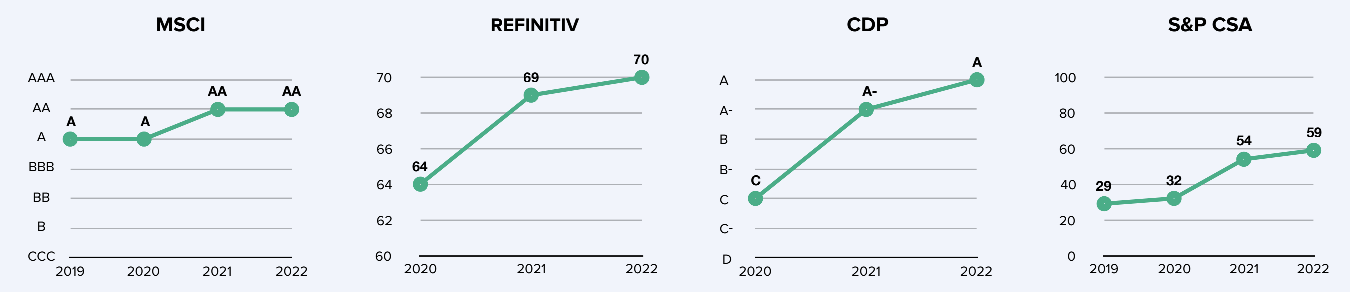
The Company's shareholder structure and the relevant transparency notifications are available on the Company's website: https://ir.titan-cement.com/en/shareholder-center/shareholder-structure.

ESG Performance acknowledged by world-leading rating agencies

We are committed to continuously improving our sustainability performance and further aligning our targets with the expectations of our stakeholders. To this end, we seek and value feedback from independent ESG rating agencies.

CDP A LIST 2022 CLIMATE	In December 2022, Titan Cement International S.A. received a top "A" score on climate action from the environmental non-profit organization CDP. TITAN is one of only three cement companies globally to achieve an "A" on climate and one of the 283 companies across all sectors that achieved this level in 2022, out of nearly 15,000 companies rated. This score recognizes TITAN's leadership in corporate transparency and performance on climate change. In addition, TITAN received an "A-" score on water security.
MSCI ESG RATINGS AA	In October 2022, Titan Cement International S.A. received an MSCI ESG Rating of "AA" for a second consecutive year, which places TITAN among the leaders, with one of the top scores in its sector. MSCI ESG Research provides ESG Ratings on global public companies and a few private companies on a scale of "AAA" (leader) to "CCC" (laggard).
SUSTAINALYTICS RATED	In December 2022, Titan Cement International S.A. received an improved ESG Risk Rating of 26.9 and was assessed by Sustainalytics to be at medium risk of experiencing material financial impacts from ESG factors. The score places us 16th out of 142 construction materials companies.
S&P Global ESG Score 2022 59 /100	In November 2022, Titan Cement International S.A. received a score of 59/100 in the 2022 S&P Global Corporate Sustainability Assessment, reflecting an improvement of 30 points over the last 3 years.
MOODY'S ESG Solutions	In November 2021, Titan Cement International S.A. was ranked 5th out of 25 companies in the European Building Materials sector by Moody's ESG Solutions, with an overall ESG score of 56/100. The Group's ESG performance was assessed as "Robust" with a reporting rate of 90% (compared to the sector average of 75%).
ISS ESG	In March 2023, Titan Cement International S.A. received the following scores from the ISS Environmental, Social and Governance QualityScore, recording an improvement in the environmental pillar vs 2022 year-end: Environmental: 2, Social: 5, Governance: 5 *A score of 1 indicates better disclosure and lower risk, while a 10 indicates worse disclosure and higher risk versus its industry group.*
REFINITIV An LSEG Business	In February 2023, Titan Cement International S.A. was ranked 16th out of 110 construction material companies, in Refinitiv's ESG Peer Analysis with a 70/100 ESG score.

CONTINUOUS IMPROVEMENT OF ESG RATINGS



ESG PERFORMANCE

Making progress towards our ESG targets

In 2022 we recorded substantial progress towards our ESG targets, demonstrating our strong commitment to sustainability and long-term value creation for our customers, local communities, employees and other stakeholders.

Decarbonization and digitalization

TARGETS 2025 AND BEYOND	2021	2022	PROGRESS vs. TARGETS
SBTi targets validation	Validation according to the "well below 2°C" scenario	Validation according to the 1.5°C scenario	●
Net-zero (2050) Net-zero GHG emissions across the value chain[1]	Business Ambition for 1.5°C commitment	Net-zero target validated by SBTi	●
Scope 1,2,3 GHG emissions (kg/t cementitious product)[2,3]	731.1	697.8	
• -25.1% by 2030 vs. 2020 level[1] • -95.6% by 2050 vs. 2020 level[1]	-3.4%	-7.8%	●
Scope 1			
Scope 1 **gross** GHG emissions (kg/t cementitious product) - 22.8% by 2030 (vs. 2020 level) [1]	678.3 -2.4%	646.4 -7.0%	●
Scope 1 **net** GHG emissions (CO_2) • 590kg/t cementitious product by 2025 (-24.0% vs. 1990 level) • 500kg/t cementitious product by 2030 (-35.0% vs. 1990 level)	651.6 -16.3%	619.0 -20.5%	●
Scope 2 (kg/t cementitious product)	49.3	47.0	
Scope 2 GHG emissions -58.1% by 2030 (vs. 2020 level) [1]	-15.4%	-19.4%	●
Scope 3 (kg/t cementitious product)[4]	102.8	116.7	
Scope 3 absolute GHG emissions from the use of sold fossil fuels - 80.9% by 2030 (vs. 2020 level) [1]	-71.2%	-95.2%	●
Scope 3 other absolute GHG emissions - 90% by 2050 (vs. 2020 level) [1]	-8.8%	+1.4%	●
Monitoring and independent verification of Scope 3 GHG emissions	Independently verified	Independently verified	●
Increase annual investment in Research and Innovation to €20m	10.7	11.7	●

Progress key: ● **Achieved** ● **On track** ● **In progress**

	TARGETS 2025 AND BEYOND		2021	2022	PROGRESS vs. TARGETS
Growth enabling work environment	Zero fatalities		0	1	
	LTI frequency rate (employees) performance among the three best in peer group[5]		0.91	0.63	
	Wellbeing initiatives, addressing the physical, mental, social and financial dimensions of wellbeing for our employees, in all countries		129	366	
	1/3 female participation in BoD		1/5	1/3	
	Promote equal opportunities and inclusion and increase by 20% female participation in senior roles, talent pools and new hires	% women in management	17.6	19.4 (+17.7% vs. 2020 level)	
		% women in senior management	14.7	12.3 (-12.6% vs. 2020 level)	
		% women in new hires	17.2	16.6 (+23.8% vs. 2020 level)	
	100% of employees with access to upskilling and reskilling opportunities, especially in areas vital for sustainable growth, such as health and safety, digitalization and decarbonization		60,710 training hours	66,531 training hours	
Positive local impact	Sustain and further improve strong performance in cement production-related specific dust, NOx and SOx emissions	Specific dust emissions (g/t clinker)	16.6	21.7	
		Specific NOx emissions (g/t clinker)	1,263	1,251	
		Specific SOx emissions (g/t clinker)	245	257	
	100% of sites[6] with quarry rehabilitation plans		91	91	
	Rehabilitation of 25% of affected areas		22.6	23.8	
	Quarry biodiversity management plans at 100% of our sites[6] in high biodiversity value areas		83	83	
	100% of key operations covered with community engagement plans (CEP), aligned with material issues and UN SDGs 2030		149 initiatives	212 initiatives	
	2/3 of total spend directed to local suppliers and communities (%)		65.0	67.6	
Responsible sourcing	Commit to a water consumption of 280l/t cementitious product		245.7	240.4	
	70% of water demand covered by recycled water		66.1	68.0	
	85% of production[7] covered by ISO 50001 or energy audits		86	86	
	50% of production[7] covered by "Zero Waste to Landfill" certification		56	55	
	70% of key suppliers[8] meeting TITAN ESG supplier standards		Sustainable Supply Chain Roadmap and Group Procurement Policy	New Group Code of Conduct for Procurement and ESG criteria to evaluate key suppliers	

Progress key: Achieved On track In progress

[1] SBTi-validated targets

[2] The target boundary includes land-related emissions and removals from bioenergy

[3] Scope 1: direct CO_2 emissions (gross); Scope 2: indirect CO_2 emissions from electricity; Scope 3: indirect CO_2 emissions (gross) of the supply chain, covering produced and purchased cement and clinker

[4] Emissions related to six categories considered relevant to cement production activities according to GCCA guidance

[5] Peer group definition: Cemex, Holcim, Argos, HeidelbergCement, CRH, Cementir, Vicat, Buzzi. Comparison based on latest available information. LTIFR: Lost Time Injury Frequency Rate (LTIFR) per million hours worked

[6] Active wholly owned sites

[7] Integrated clinker-cement plants

[8] Key suppliers: critical suppliers according to GCCA Guidance for Sustainable Supply Chain management with a meaningful level of spend for TITAN as defined in the ESG Performance Statements Notes (page 143)

Our joint venture in Brazil is included in the target boundary for CO_2, wellbeing and community engagement initiatives

ESG PERFORMANCE

Delivering on our ambitions with concrete actions

With tangible progress on all focus areas and new initiatives, we are well on track to deliver on all our targets.

DECARBONIZATION AND DIGITALIZATION

Raising our climate ambition in line with 1.5°C pathway

NEAR TERM TARGETS (2030 vs. 2020)*

Scope 1, 2 and 3*
-25.1%

Scope 1**
-22.8%

Scope 2
-58.1%

Scope 3***
Purchased cement and clinker

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

LONG TERM TARGETS (2050 vs. 2020)

NET ZERO

Scope 1, 2 and 3*
-95.6%

Other absolute Scope 3 GHG emissions
-90%

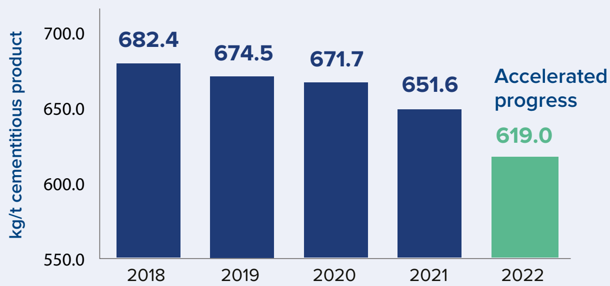
On track to deliver on our targets with continuous CO_2 reduction

Largest annual reduction in specific CO_2 emissions in the last decade

-5% vs. 2021 level driven by:

- record high 17.5%
  alternative fuels thermal substitution rate
- record low 78.4%
  clinker/cement ratio

SPECIFIC NET CO_2 EMISSIONS (SCOPE 1)



* Scope 1: gross specific CO_2 emissions; Scope 2: specific CO_2 emissions from electricity; Scope 3: gross specific CO_2 emissions of the supply chain
** -35% net Scope 1 vs. 1990 level
*** In addition, we have committed to reducing absolute Scope 3 GHG emissions from the use of sold fossil fuels by 80.9%

DECARBONIZATION AND DIGITALIZATION

Investing in green innovation

Breakthrough technologies towards net zero

- RECODE: Capturing CO_2 and producing value-added chemicals and materials to utilize them in cement and concrete production
- H_2CEM: Using hydrogen as a climate-neutral fuel for cement

€11.7m
investments in R&D

€38.6m
climate change mitigation investments

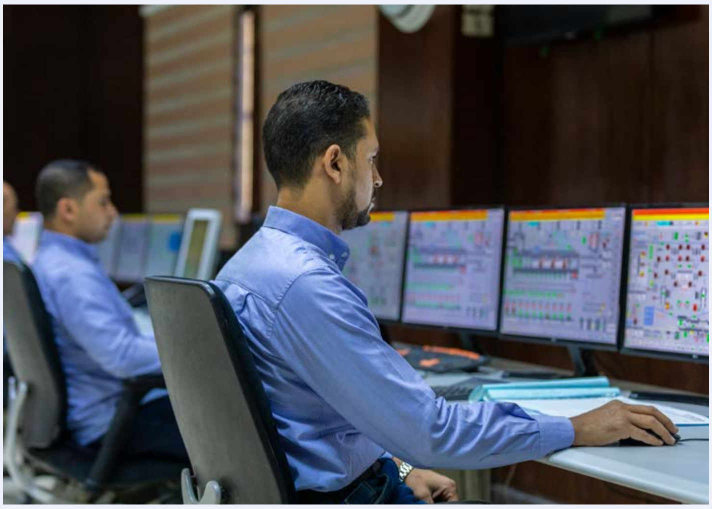
90+ initiatives to accelerate decarbonization

Accelerating digital transformation in cement manufacturing

Building the smart cement plant of the future

We focus on operational efficiencies, supply chain optimization and elevated customer experience:

- AI real-time optimization algorithms
- Plant-wide failure prediction systems
- AI-based clinker quality prediction model
- New ambitious initiative for superior customer experience and logistics efficiency



GROWTH ENABLING WORK ENVIRONMENT

Cultivating an inclusive culture with equal opportunities

Committed to a safe and healthy workplace

Lost Time Incident Frequency Rate

among the best in peer group

Promoting Diversity, Equity and Inclusion

23.7%
increase of female participation in new hires (vs. 2020 level)

17.7%
increase of female participation in management roles (vs. 2020 level)

Caring for the wellbeing of our people

366 initiatives

across the Group

Building talent and organization capabilities

Leadership academy

for the Group's senior managers

POSITIVE LOCAL IMPACT

Contributing to the prosperity of local communities

Protecting the environment

69,200
tonnes of dust emissions avoided since 2003

Engaging with our local stakeholders

212
community initiatives completed

860,000
beneficiaries

67.6%
local spend

RESPONSIBLE SOURCING

Preserving natural resources through a sustainable supply chain

7.7%
alternative raw materials in cement production

240.4
l/t cementitious product water consumption

86% of the Group's total clinker production covered by ISO 50001 or energy audits

55% of the Group's total clinker production covered by "zero waste to landfill" certification

Empowering a sustainable supply chain

ESG Criteria for supplier qualification across all countries of operation

For more on our ESG performance in 2022, see pages 84-149.

ESG PERFORMANCE

Good governance, transparency and business ethics

Through sound corporate governance, we aim to ensure that every management decision is aligned with our purpose and our core values, takes due account of our sustainability considerations and serves the best interests of our stakeholders. By proactively identifying, assessing and managing all our potentially significant risks and opportunities, we ensure that we are prepared to achieve our strategic objectives and address issues that may affect the long-term sustainability of our business.

Board of Directors

The Company's Board of Directors is currently composed of 16 directors. The Board members have high-level, diverse and complementary expertise, and significant experience relevant to the main challenges that the Company faces in its business environment and key markets. The Board members bring their experience and competence in many areas, including finance, international investments, engineering, technology, business administration, sustainability, strategic planning, banking, legal/regulatory matters, insurance, audit, energy, politics, government and foreign affairs, as well as their broader perspective on society and the world.

The Board's role

Our Board, as a collegial body, pursues sustainable value creation by setting the Company's strategy, putting in place effective, responsible and ethical leadership, and monitoring the Company's performance. To effectively pursue such sustainable value creation, the Board has developed an inclusive approach that balances the legitimate interests and expectations of shareholders and other stakeholders. The Board appoints the executive management and constructively challenges the executive management when appropriate.

Board Committees

In order to discharge its duties effectively and efficiently, the Board has set up specialized committees to analyze specific issues and provide relevant advice. Without prejudice to its right to set up other committees, the Board of Directors has established[1] the following Committees:

- Audit and Risk Committee
- Remuneration Committee
- Nomination Committee

[1] On 1 February 2023, the Board established a Strategy Committee.

The Board of Directors ensures that each committee has a balanced composition and the necessary independence, skills, knowledge, experience and capacity to execute its duties effectively.

Management Committee

The Management Committee is composed of the Managing Director of the Company, the Chief Financial Officer of the Company and other members who are appointed and removed by the Board of Directors. Its main role is to support the Managing Director in the day-to-day management of the Company.

Group Executive Committee

The Group Executive Committee consists of the following members:

- **Marcel-Constantin Cobuz**, Chair[2]
- **Alexandra Papalexopoulou**, Deputy Chair
- **Michael Colakides**, Managing Director and Group CFO
- **Leonidas Canellopoulos**, Group Chief Sustainability Officer
- **Michael Chivers**, Group Human Resources Director
- **Antonios Kyrkos**, Group Transformation and Strategic Planning Director
- **Ioannis Paniaras**, Group Executive Director Europe
- **Christos Panagopoulos**, Regional Director Eastern Mediterranean
- **Fokion Tasoulas**, Group Innovation and Technology Director
- **Vassilios (Bill) Zarkalis**, Group COO, President and CEO of Titan America LLC

[2] Marcel-Constantin Cobuz was appointed as a member of the Group Executive Committee on 1 July 2022 and succeeded Dimitrios Papalexopoulos in the position of Chair of the Group Executive Committee on 15 October 2022.

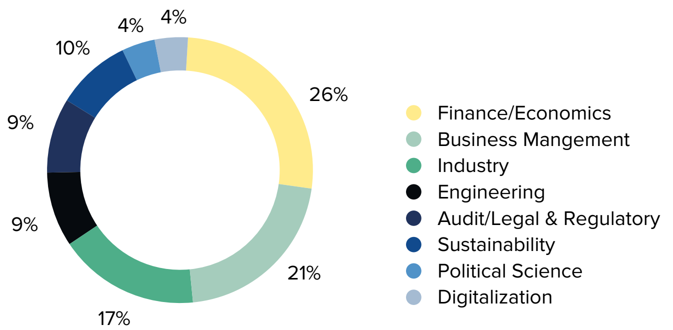
The role of the Group Executive Committee is to facilitate the cooperation and coordination of the Company's subsidiaries, the supervision of Group operations and the monitoring of the Group management performance, and to ensure the implementation of decisions and related accountability.

TITAN CEMENT INTERNATIONAL S.A. BOARD OF DIRECTORS[1]

Efstratios-Georgios Arapoglou[2]	Chair of the Board of Directors Chair of the Nomination Committee	Independent Director
Kyriacos Riris	Vice-Chair of the Board of Directors Chair of the Audit and Risk Committee	Independent Director
Michael Colakides	Managing Director and Group CFO	Executive Director
William-John Antholis	Member of the Remuneration Committee	Independent Director
Andreas Artemis	Member of the Nomination Committee	Independent Director
Leonidas Canellopoulos	Chief Sustainability Officer	Executive Director
Haralambos David	Member of the Remuneration Committee	Independent Director
Lyn-Mary Grobler	Member of the Nomination Committee	Independent Director
Natalia Nikolaidi *(since 12 May 2022)*	Member of the Audit and Risk Committee	Independent Director
Ioannis Paniaras	Group Executive Director Europe	Executive Director
Dimitrios Papalexopoulos	Chair of the Group Executive Committee[3]	Executive Director
Alexandra Papalexopoulou	Deputy Chair of the Group Executive Committee	Executive Director
Theodora Taoushani *(since 12 May 2022)*	Member of the Nomination Committee	Independent Director
Dimitris Tsitsiragos	Member of the Audit and Risk Committee	Independent Director
Vassilios (Bill) Zarkalis	Chief Operating Officer President and CEO of Titan America LLC	Executive Director
Mona Zulficar	Chair of the Remuneration Committee	Independent Director

[1] Stylianos Triantafyllides served as Independent Director and member of the Remuneration Committee until 12 May 2022.
[2] As of 1 January 2023 Efstratios-Georgios Arapoglou resigned from his position and Marcel-Constantin Cobuz was appointed as member of the Board of Directors.
[3] Dimitrios Papalexopoulos served as Chair of the Group Executive Committee until 15 October 2022 and was appointed as Non-Executive Chair of the Board of Directors effective as of 1 January 2023, succeeding Efstratios-Georgios Arapoglou.

TCI BOARD OF DIRECTORS-EXPERTISE



10/16
Directors are independent, non-executive

5
different nationalities represented on the Board (US, Egypt, UK, Cyprus, Greece)

98.53%
Board attendance

1/3
female representation on the Board

Sustainability governance

Sustainability is firmly embedded in our strategy through the regular review of all issues that are material to the business and our stakeholders, the definition of appropriate actions and targets, and the adherence to environmental, social and governance policies.

Our two governance bodies, the Board of Directors and the Group Executive Committee, oversee the implementation of our strategy and sustainability imperatives and reflect the culture of good governance, transparency and business ethics that is prevalent across the Group.

ExCo Sustainability Committee

Chair: Chairman of the Group Executive Committee

Convener: Chief Sustainability Officer

Acknowledging sustainability as a top priority of the Company, the Group Executive Committee has set up an ExCo Sustainability Committee comprising Executive Directors of the Company, the Group ESG Performance Director and other senior managers of the Group, depending on the agenda. TITAN's Executive Sustainability Committee is convened by the Chief Sustainability Officer to monitor performance and implementation of the sustainability strategy set by the Board.

In particular, its role is to:

- oversee and monitor the implementation of the Company's sustainability strategy
- monitor performance vs. ESG targets and
- decide on corrective actions, review and revise the areas of focus, and set appropriate targets dynamically reviewing the corporate materiality assessment

Sustainability Working Group (SWG)

Chair: Chief Sustainability Officer

Convener: Group ESG Performance Director

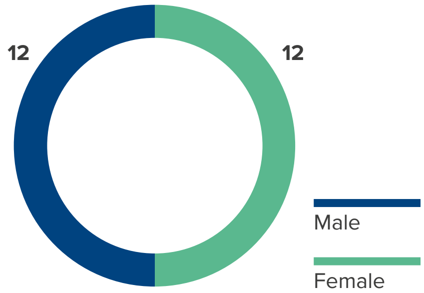
The Sustainability Working Group SWG is responsible for supporting the coordination of the Group's sustainability agenda and the relevant decision-making at both Group and regional level. The main responsibilities of the SWG are to:

- develop and prepare specific proposals related to the Group's Sustainability Agenda
- cascade targets internally through different functions and business units
- coordinate TITAN's partnerships with international organizations, networks and initiatives

Group ESG performance department

The role of the Group ESG Performance department is to monitor, coordinate and consolidate the sustainability actions undertaken across the Group, ensuring that we collectively deliver the best possible results against well-defined ESG criteria. It does so through a network consisting of ESG liaison delegates from every business unit and coordinates the implementation of sustainability commitments at regional level.

ESG NETWORK



Conducting our business with respect, accountability, and responsibility

To ensure that we conduct our business with respect, accountability and responsibility, we have developed our Code of Conduct and Group Policies, applicable to all Group operations. These cover all strategic areas and provide guidelines to employees and external business collaborators to ensure compliance with the applicable internal and statutory rules. Group Policies include, but are not limited to, Anti-Bribery and Corruption, Conflict of Interest, Competition Law, Sanctions, Occupational Health and Safety, Environmental and Climate Mitigation, Corporate Social Responsibility, Human Rights, Whistleblowing, Protection of Personal Data, Information Security and Procurement Policy. In 2022, we launched a new Group Code of Conduct for procurement and a new Diversity, Equity and Inclusion policy. All of our policies are available on the Group's corporate website (https://www.titan-cement.com/about-us/corporate-governance/group-policies/).

TITAN prides itself on its strong compliance culture. During 2022, special attention was placed on ensuring compliance with global sanctions. To this end, the Third-Party Due Diligence System enables the corporate analysis, assessment and enhanced screening of third parties as well as identification of red flags in relation to sanctions, sustainability and other integrity risks.

In addition, the EthicsPoint platform, a uniform, anonymous and strictly confidential channel for reporting incidents of non-compliance, reiterates TITAN's openness and transparency, safeguarding good governance and integrity. The platform, to which all Group employees have free access, ensures that incidents are reported, examined and resolved with a remedy plan when necessary. A five-member Supervisory Committee at Group level, including the Chairman of the Audit and Risk Committee, oversees the investigation and handling of reports, ensuring confidentiality and non-retaliation for whistleblowers.

Lastly, as awareness and training are considered imperative, a Regulatory Compliance Training program has been launched across the Group, with specialized training for specific roles and the addition of e-learning.

4,774
compliance training hours

9
cases reported through EthicsPoint

180+
current and potential partners screened through a Third-Party Due Diligence System

Furthermore, in 2022, TITAN was among more than 1,000 participants from over 80 countries that joined the UNGC Early Adopter program that will serve as an enhanced Communication on Progress based on the Ten Principles of the UN Global Compact.

Introducing ESG criteria in executive remuneration

TITAN recognizes that linking environmental, social and governance (ESG) performance to executive pay can help hold executive management to account for the delivery of the Group's ESG targets, while strengthening the oversight of the sustainability agenda at Board level.

Our company is committed to achieving a reduction in net direct CO_2 emissions to 500 kg per tonne of cementitious product by 2030. This target is in line with limiting global warming to below 1.5°C compared to pre-industrial levels and has been validated by the Science Based Targets initiative (SBTi). To this effect, a three-year CO_2 target that is compatible with the path to 500 kg CO_2 per tonne of cementitious product is included in the performance objectives of the deferred compensation incentive for the executive members of the Board and the members of the Executive Committee. Furthermore, the decarbonization target is linked to the business unit managers' annual performance appraisal and reward system. In addition, 5% of the Short-Term Incentive Scheme (STIP) is linked to the Lost Time Injury Frequency Rate.

Risk management

TITAN operates in a diverse geographical, business and operational landscape. This results in a multitude of potential risk exposures, including strategic, financial, sustainability (ESG) and operational risks. Risks are categorized using established risk taxonomies relevant to the Group's business and are assessed in terms of probability, impact and preparedness, in line with industry best practices.

TITAN's risk management framework is presented below.

	RISK MANAGEMENT		
	Centrally-led	**Hybrid**	**BU-led**
Risks Covered	**Strategic risks, e.g.:** • Geopolitical and global disruptions • Climate change mitigation and adaptation, including carbon pricing • Industry cyclicality • Market conditions • Talent management, Diversity and Inclusion **Financial risks, e.g.:** • Foreign currency volatility • Interest rates • Asset impairment • Counterparty	**Operational ESG risks, e.g.:** • Health and safety • Environmental risks • Corruption/Fraud • Regulatory compliance • Governance, transparency and ethics **Other operational risks, e.g.:** • Energy volatility • Cybersecurity • Supply chain disruption • Raw material access	Most Operational/ ESG risks that occur at the level of individual businesses
Risk Management Approach	• Executive Committee • CapEx Committee • Group Finance • Other Group functions (e.g. Procurement, R&I, IT, HR, ESG)	• Business Units (BU) • Higher central oversight vs. BU-led risks	• BU management as part of day-to-day operations • Embedded into business processes

← Internal Audit, Risk and Compliance Unit and Audit and Risk Committee →

In 2022, the Group further evaluated climate-related risks and opportunities according to the TCFD framework, as shown on page 39. The exercise covered physical risks such as extreme temperatures, flooding and water stress, as well as transition risks such as carbon pricing, reputational risks and product portfolio adaptation.

The list of the Group's main risks and the respective probability vs. impact are presented in the heatmap below:

Strategic Risks (HIGH RISK → LOW RISK)

SR7 Geopolitical
SR12 Product Portfolio, Adaptation & Reputation (ESG)
SR8 Industry Cyclicality
SR6 Global Systemic Disruption
SR13 Resource Efficiency and Alternative Energy Sourcing (ESG)
SR9 Local Market Conditions
SR10 Carbon Pricing & Regulation (ESG)
SR1 Talent Management, Diversity & Inclusion
SR3 License to Operate
SR4 Acquisitions, Investments, Divestments
SR5 Innovation, Technology & Digitization
SR2 Staff Turnover
SR11 Physical Impacts from Climate Change (ESG)

Operational Risks (HIGH RISK → LOW RISK)

OR1 Energy Volatility
OR8 Health & Safety (ESG)
OR5 Cybersecurity
OR2 Supply Chain Disruption
OR4 Extreme Natural Events
OR6 Project Execution
OR13 Environmental Risks (ESG)
OR3 Raw Material Access
OR12 Regulatory Compliance (ESG)
OR11 Corruption/Fraud (ESG)
OR9 Litigation (ESG)
OR7 Product Quality
OR10 Governance, Transparency & Ethics (ESG)

Financial Risks (HIGH RISK → LOW RISK)

OR14 Biodiversity (ESG)
FR1 Foreign Currency Volatility
FR6 Interest Rates
FR2 Asset Impairment
FR4 Customer Credit
FR3 Taxation
FR5 Liquidity
FR7 Counterparty

Climate-related financial disclosures (TCFD)

The cement sector will play a dual role in the transition to carbon neutrality – it will provide infrastructure that is resilient to a changing climate and extreme weather events, and it will reduce its own carbon footprint to help limit climate change.

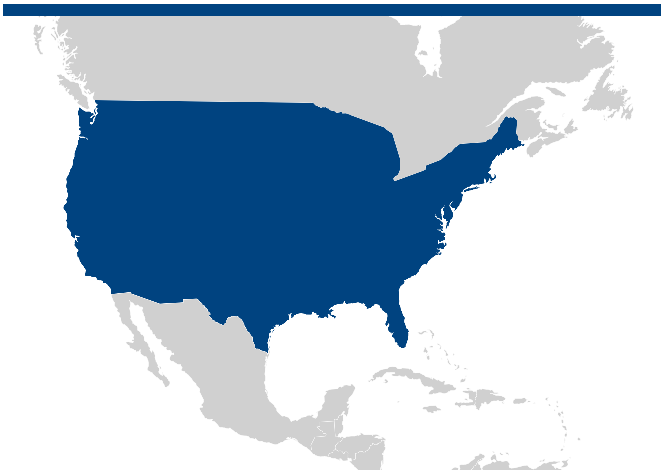
Engaging with climate change risk experts and based on the different IPCC scenarios, since 2021 the Group has been assessing the physical and transitional risks stemming from climate change, as well as the opportunities from the transition to a low-carbon economy, according to TCFD recommendations. The table below provides all necessary links to the TITAN Integrated Annual Report and our 2022 submission to the CDP. More information on the methodology used and the risks and opportunities can be found on page 98-99 of the Report (ESG Performance Review).

Governance	Strategy	Risk management	Metrics and targets
Board's oversight of climate-related risks and opportunities IAR 2022, p.34-36, 38, 98-99 CDP C1. Governance	**Climate-related risks and opportunities identified** IAR 2022, p.12, 76-81 CDP C2. Risks and opportunities	**Processes for identifying and assessing climate-related risks** IAR 2022, p.38, 76-81, 98-99 CDP C1. Governance C2. Risks and opportunities	**Metrics used** IAR 2022, p.28, 38, 76-81, 84-87, 98-99, 109-111, 126-127 CDP C1. Governance C4. Targets and performance C9. Additional metrics C11. Carbon pricing
Management's role IAR 2022, p.34-36, 38, 98-99 CDP C1. Governance	**Impact on the organization's businesses, strategy, and financial planning** IAR 2022, p.12, 76-81 CDP C2. Risks and opportunities C3. Business Strategy C4. Targets and performance C9. Additional metrics C12. Engagement	**Processes for managing climate-related risks** IAR 2022, p.38, 76-81, 98-99 CDP C1. Governance C2. Risks and opportunities C3. Business Strategy C9. Additional metrics C11. Carbon pricing C12. Engagement	**Scope 1, 2 and 3 GHG and the related risks** IAR 2022, p.84-87, 109-111, 126-127 CDP C6. Emissions data C7.Emissions breakdown C8. Energy C9. Additional metrics
	Resilience of the organization's strategy, for different scenarios IAR 2022, p.12, 76-81 CDP C2. Risks and opportunities	**Integration into overall risk management** IAR 2022, p.38, 76-81, 98-99 CDP C1. Governance C2. Risks and opportunities	**Targets and performance against targets** IAR 2022, p.28 CDP C1. Governance C4. Targets and performance

Please visit https://www.cdp.net for TITAN's response to the CDP Climate change questionnaire.

REGIONAL PERFORMANCE

USA



2022 PERFORMANCE HIGHLIGHTS

Sales
€1,314.3m
(2021: €983.6m)

EBITDA
€188.2m
(2021: €158.0m)

Assets
€1,362.2m
(2021: €1,133.3m)

Scope 1 net CO_2 emissions (kg/t cementitious product):
587.9
(2021: 643.6)

Alternative fuel substitution rate (%heat basis):
11.4
(2021: 8.8)

Clinker to cement ratio (%):
80.9
(2021: 84.8)

Full conversion to lower-carbon cement production

Employees
2,374

Operational Units

2	8	82	3	8	4
Integrated cement plants	Quarries	Ready-mix plants	Import terminals	Concrete block plants	Fly ash processing plants

Titan America continued growing and sustaining its strong profitability despite continued inflationary pressures and supply chain disruptions.

Roanoke cement plant, USA

Market overview

In 2022 the US economy recorded continued growth with a strong rebound in consumer spending. The country's GDP grew by 2.2%, while the unemployment rate stood at 3.5%. Inflation however emerged as a challenge, with consumer and commodity prices rising faster than expected due to supply chain disruptions and increased demand. Annualized inflation ended the year off its mid-year highs, at 6.5% versus 7.0% in 2021. The US Federal Reserve continued to battle inflation by continuous interest rate hikes, raising it to a targeted range between 4.25% and 4.5%, the highest level in 15 years.

Construction spending increased by 10.2% to $1.8 trillion. Residential construction spending in 2022 increased by 13.3% above 2021 while spending on nonresidential construction by 9.1% and public construction by 4.8%. Overall, cement consumption increased by 3.3% to 112 million tonnes.

Regional performance

Titan America delivered a year of robust growth in 2022 both in terms of sales and profitability, the latter underscoring the full effect of successful price increases implemented throughout the year. Our markets grew again significantly above the US average, as our customers saw their activities expand and their backlogs increase. The impact of inflation was mitigated by an improved pricing environment across all markets. Another legislative milestone was reached when the US Congress passed the Inflation Reduction Act (IRA) in August 2022. Substantial progress was made on CapEx projects, including investments at the company’s Norfolk and Tampa import terminals and related rail logistics facilities, all designed to capture market growth and de-bottleneck logistics constraints.

Cement sales increased in 2022, while aggregates, ready-mix and concrete block sales recorded some slowdown but were sustained at high levels. Fly ash volumes increased during the year despite continuous supply constraints. Overall, Titan America sales in 2022 increased versus 2021, reaching $1.4 billion. In euro terms, sales increased by 33.6% to €1,314.3 million. EBITDA also increased by 19.1% during the year, reaching €188.2 million ($194.8 million, up 4.0%).

During 2022, the Group's operations in the USA showed a material improvement in the fuel mix, in the clinker to cement ratio -driven by the full conversion to lower-carbon Type IL cement in production- as well as in the reduction of CO_2 emissions (net Scope 1) by 9%. The digitalization systems implemented in both cement plants (end-to-end RTOs in the cement production equipment and failure prediction detection solutions) provided efficiency improvements and financial benefits for Titan America.

Florida

During 2022, Florida was one of the US states benefiting the most from internal population migration, supported by business relocation and corporate activity expansion. As such, housing demand and related nonresidential and infrastructure construction spending continued to benefit for another year. Overall, 2022 cement consumption once more outpaced the national average growing by 6.1% to reach 9.6 million tonnes.

Virginia and the Carolinas

Cement consumption in Virginia increased by 3.8% to 2.3 million tonnes, while North Carolina's consumption increased by 1.9% to 3.3 million tonnes. Business performance was driven by increased volumes, led in large part by commercial projects and cement-intensive public works.

Metro New York/New Jersey

Cement consumption in the New York Metropolitan area declined by 6.6% to 1.8 million tonnes while cement consumption in New Jersey increased by 2.1% to 1.6 million tonnes. Cement volumes in our import terminal in Essex continued to improve on the pace set in 2021, supported by residential and commercial high-rises, as well as infrastructure projects already under way.

ESG performance

In 2022, we continued to focus on protecting the health and wellbeing of our people and communities from the impacts of the pandemic. We extended the financial support provided by the emergency sick and quarantine pay that we established in 2020, maintained our COVID-related safe working protocols, provided access to booster vaccinations for our colleagues and their families, and added a mental health component to our existing wellbeing program. Titan America's safety programs were recognized for continued improvements in industry awards from the Portland Cement Association, the National Ready-Mix Concrete Association, and the National Mining Association. During the year, we launched our new Leadership Development Program, entitled LEAD, and the first cohort to take the two-year course included 36 of our people managers and emerging leaders. Titan America also deployed state-of-the-art ready-mix truck driver simulators to better train our teams on safety.

We made significant strides towards our decarbonization and digitalization goals in our 2025 ESG Targets. Pennsuco Cement has expanded our alternative fuel mix to include used oils and has nearly eliminated all solid fossil fuels in cement production. Both plants have fully transitioned to the production of our lower-carbon Type IL cement. Both the Florida and Mid-Atlantic regions are expanding coastal terminals with the construction of new, high-capacity storage domes to better serve market demand. Both cement plants have completed end-to-end digitalization with autonomous AI real-time optimizers and failure-prediction algorithms, resulting in higher reliability, higher product quality, and decreased energy consumption. ISO Standard for Energy Management, TRUE Zero Waste, and Energy Star® certifications continue to serve as foundations for excellent environmental and energy performance towards our ESG targets.

TITAN Pennsuco - Florida International University (FIU) internship program: a pipeline for talent

We partnered with the nearby Florida International University (FIU) to offer an internship program that gives students first-hand, real-life work experience in the world of cement and the career opportunities that the industry offers. The interns, who come from a wide variety of majors - including engineering, environmental science, chemistry, business, human resources, finance, health and safety, sales, operations, procurement and logistics - are assigned a coach to help guide them in the company, where they engage in projects that add significant value to our operations. At the conclusion of the internship, the students present the results of their projects to senior leadership. Eight of our employees at Pennsuco, some of whom are in management positions, are former interns and seven new interns joined the program in 2022.

4 QUALITY EDUCATION
8 DECENT WORK AND ECONOMIC GROWTH
17 PARTNERSHIPS FOR THE GOALS

REGIONAL PERFORMANCE

Greece and Western Europe

2022 PERFORMANCE HIGHLIGHTS

Sales
€326.4m
(2021: €267.6m)

EBITDA
€28.5m
(2021: €23.6m)

Assets
€699.8m
(2021: €631.0m)

Employees
1,257

Scope 1 net CO_2 emissions (kg/t cementitious product):
604.8
(2021: 665.8)

Alternative fuel substitution rate (%heat basis):
32.3
(2021: 28.6)

Clinker to cement ratio (%):
79.4
(2021: 85.0)

LTIFR (employees):
0.00
(2021: 0.00)

Number of community engagement initiatives:
78
(2021: 43)

Operational Units

3 Integrated cement plants

25 Quarries

29 Ready-mix plants

3 Import terminals

1 Grinding plant

2 Processed engineered fuel facilities

1 Dry mortar plant

Strong demand and operational efficiencies help mitigate rise in energy costs, resulting in increased profitability.

Thessaloniki cement plant, Greece

Market overview

Building on the strong growth rate of the previous year, domestic cement consumption levels in 2022 reached ca. 3.4 million tonnes. The marked acceleration in residential construction, real estate development, and logistics projects spearheaded demand which was also supported by increased levels of activity in public and municipal infrastructure projects. Tourism activity in 2022 reached record highs which in turn reignited activity in the hospitality-related infrastructure sector. Both residential construction and tourism projects are expected to maintain their positive development trajectory while iconic development projects such as "The Ellinikon" in the capital's Attica region, and the -by now mature- large-scale infrastructure projects across Greece are underway.

Cement exports were also robust, with the US remaining Greece's biggest export market.

Regional performance

Greece closed the year on the positive trend recorded throughout. Higher domestic cement sales were recorded, marking a year of solid sales performance. Sales were in double-digits up both for the year and the last quarter, which was particularly strong aided by very mild weather conditions.

Despite higher energy, raw materials and transportation costs, regional profitability improved as price increases were realized on time to account for the increased cost. The combination of a series of actions -further increase in alternative fuel and alternative raw material utilization, lower clinker to cement ratio products, as well as successive operational efficiencies- also helped mitigate part of the increase in energy costs. Demand in the market continued to be fueled by large and smaller public projects, by real estate and non-residential developments across the country and by tourism-related investments. There is also a number of further major infrastructure projects in the pipeline that have not materialized yet. The residential market along with renovation has been growing in large urban centers and, overall, remained stable.

Net CO_2 emissions dropped significantly in 2022, while the construction of the pre-calciner, that will help to further increase the usage of alternative fuels, is near completion, expected to be operational in the first half of 2023.

Export volumes to third parties were reduced for the year, accommodating our CO_2 emissions optimization. The majority of cement exports were channeled to Titan America and the Group's own terminal network in Europe also recorded robust growth in terms of both volumes and prices.

Sales for Greece and Western Europe in 2022 increased by 22.0% to €326.4 million, while EBITDA increased by €4.9 million to €28.5 million.

ESG performance

Our commitment to Occupational Health and Safety remained strong in 2022 as we continued to build on the progress made in previous years. There were no Lost Time Injuries (LTIs) among our own personnel. There were 2 LTIs among contractors, compared to 4 in 2021. Both incidents occurred during off-site works. Leading indicators, including hours of training for employees and contractors, remained on target. During 2022, we enhanced off-site works monitoring and launched mobile safety applications for RMC and raw material deliveries.

Building on last year's intensive efforts on decarbonization, we further increased the utilization of alternative fuels and increased our offering and sales volumes of cements with a lower carbon footprint. We also pilot tested applications for capturing and utilizing CO_2 on an industrial scale. We continued our digital transformation, upgrading the cement mill optimizer in the two vertical mills of our plant in Thessaloniki and rolling it out on a ball mill in the Kamari plant, while also investing in a kiln real-time optimizer solution in Kamari to increase productivity and reduce energy consumption.

Another area of focus in 2022 was that of amplifying equal opportunities and inclusion, through the launch of the Diversity, Equity and Inclusion policy, and increasing the participation of women in our talent pool and new hires, especially in sales and engineering. Emphasis was also given to well-being initiatives to support the physical, mental and financial state of our employees.

As part of the €1 million donation to counter the effects of the 2021 wildfires, TITAN and the Paul and Alexandra Canellopoulos Foundation delivered more than 50 water tanks and firefighting equipment and supported a study by the National and Kapodistrian University of Athens and the National Observatory of Athens to assess and prioritize natural and climatic risks that may potentially affect the local communities where we operate.

In order to further increase the value offered to its customers, TITAN Greece issued a third-party verified Environmental Product Declaration (EPD) for limestone aggregates at Xirorema Quarry, following the publication of EPDs for cement, concrete and dry mortars.

Kamari plant pilot as the first demonstration of carbon capture and utilization in Southeastern Europe

Funded by the European Union, the RECODE project focused on capturing and utilizing carbon dioxide and converting it into value-added chemicals and materials to produce better cementitious products, thus using less energy and lowering CO_2 emissions. This new technology was piloted at TITAN's Kamari plant in Greece, which became the first cement plant in Southeastern Europe to demonstrate carbon capture and utilization. TITAN's team worked closely with its partners in RECODE to achieve high CO_2 purity in the capture stream and to use the converted products to make low-carbon ready-mixed concrete. While the RECODE project was completed in 2022, TITAN will continue to use the capture unit to evaluate innovative CO_2-absorbing materials. For its contribution to the success of the RECODE project, TITAN was recognized as a key innovator by the European Commission in its Innovation Radar.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
13 CLIMATE ACTION
17 PARTNERSHIPS FOR THE GOALS

REGIONAL PERFORMANCE

Southeastern Europe

2022 PERFORMANCE HIGHLIGHTS

Sales
€385.9m
(2021: €290.6m)

EBITDA
€95.0m
(2021: €81.9m)

Assets
€489.5m
(2021: €467.1m)

Scope 1 net CO_2 emissions (kg/t cementitious product):
620.5
(2021: 633.1)

Clinker to cement ratio (%):
73.3
(2021: 74.9)

LTIFR (employees):
0.99
(2021: 2.43)

Number of community engagement initiatives:
77
(2021: 77)

Employees
1,107

Operational Units

5	21	6	1
Integrated cement plants	Quarries	Ready-mix plants	Processed engineered fuel facility

Improved performance in spite of cost inflation and a slowdown in construction activity, thanks to efficiency improvements, pricing and market share gain.

Usje cement plant, N. Macedonia

Regional performance

In a highly inflationary environment, driven by electricity costs which at times reached multiples of the historical levels, sales increased by 33% to €385.9 million versus 2021, driven primarily by pricing and cost efficiencies. Pricing and efficiency gains covered the accumulated negative impact of the cost increases, reversing the negative trend of the first half of 2022 and leading to an improved EBITDA of €95.0 million in 2022, up by 16% versus the previous year's €81.9 million.

Our plants performed at high reliability levels, covering temporary market shortages on the part of competitors and thereby increasing our overall market share. On the product side, the Group introduced successful high-performing, lower CO_2 cements across all countries, in line with our decarbonization blueprint for 2030.

Albania

The Albanian economy grew by ca. 3% in 2022, much slower compared to 2021, returning to pre-pandemic levels, driven by household consumption and tourism. The construction market slowed down, reverting to the more normalized 2020 levels, given the decreased government spending following the elections and the earthquake reconstruction, but also due to the economic uncertainty and the rising cost of inputs. TITAN benefitted from the temporary, but prolonged operational issues of other producers, supplying the market reliably and increasing market share in the process.

Bulgaria

In spite of a ca. 3% growth in Bulgaria's GDP, the construction market remained at the same level as last year, as a result of the political uncertainty generated by repeated elections and stalled public infrastructure works, also partly subject to EU funding delays. TITAN sales slowed down, adversely affected temporarily by their exposure to the aforementioned delayed infrastructure projects. Alternative fuel utilization continued to increase as planned, while a new investment to increase utilization further is currently underway.

Kosovo

The construction sector in Kosovo in 2022, heavily affected by the increased cost of construction materials, energy and other operational inputs, declined by more than 10% versus 2021, with private housing activity recording the biggest retreat. The economy overall grew by ca. 3%.

Following investments undertaken in the Group's plant in 2021, production performance increased substantially and also supplemented by imports from TITAN's regional network, succeeded in increasing TITAN's presence in the local market.

North Macedonia

North Macedonia's GDP advanced by 2% year-on-year in 2022, decelerating from ca. 4% recorded in the previous year. Driven by the sharp increase in the price of energy, the cost of construction materials and overall inflation, the construction market recorded a decline of ca. 10%, even though, on the positive side, the total number of construction permits remained at the same level as in 2021.

The Group successfully invested in the installation of a 3 MWh photovoltaic plant, while we continued increasing, to the extent that these are available, the use of locally sourced alternative fuels.

Serbia

At a GDP growth rate of 2.3%, the Serbian economy continued its upward trend in 2022, but at a slower rate than in the previous years. The ongoing economic uncertainties combined with high increases in input prices and the unreliability of supply, had a negative impact on local construction activity. As a result, domestic cement consumption declined by 2%, for the first time after eight consecutive years of growing demand which reached a record high in 2021. TITAN outperformed the market -participating mainly in infrastructure projects- maintaining a very high level of productivity and reliability, thereby achieving a higher share of sales.

ESG performance

Plants in the region continued to make considerable strides towards decarbonization. In Bulgaria, the use of alternative fuels increased to 48% in 2022, electrical energy consumption for clinker production was reduced by 14% compared to the 2021 consumption, due to the design and operation of the new raw meal warehouse and homogenization silo, and the consumption of natural gas in our cement mills was reduced by 60%. In addition, a study on energy efficiency was carried out by VDZ (Verein Deutscher Zementwerke). In North Macedonia, our cement plant in Usje also made considerable investments in renewable energy sourcing. In our Sharrcem plant in Kosovo, we optimized our product portfolio with the introduction of lower clinker content products. Similarly, in our Kosjeric cement plant in Serbia, we launched a new type of eco-efficient cement (CEM II/C-M (V-L) 32.5R) that has a significantly lower CO_2 footprint. Health and Safety remained a priority across the region, with Serbia achieving the highest rating in the Group's annual Health and Safety audit, with no critical findings or lost-time injuries (LTIs) recorded. In Bulgaria, we launched the "Next Step Program" to standardize all safety-critical procedures and introduced a safety awards scheme, and the plant reached a 600-day milestone without an accident among our direct employees. In all five plants in the region, we continued to offer youth training, outreach, mental health support and wellbeing programs throughout the year. We supported the local municipality in equipping the newly renovated Blaze Koneski primary school near our plant in Usje, North Macedonia, and worked with universities to offer internships and student plant visits. In Serbia, we relaunched our internship program, bringing in 25 candidates, of which 3 were hired. We also continued to support important local health initiatives. Employees at the Antea cement plant in Albania, for example, participated in a blood donation campaign for patients affected by thalassemia, while in Kosovo we backed a primary-care awareness training course for women.

Group's first solar panels now provide 10% of Usje plant energy needs

Following the installation of photovoltaic panels at TITAN's North Macedonia cement plant in Usje, 10% of the facility's energy now comes from renewable energy sources. The Group's first solar power system, which has a power peak output of 3 MWp, can produce 3,600 MWh annually, which not only saves on power costs but also directly contributes to the reduction of CO_2 emissions by 3,200 tonnes per year. The rooftop panels cover a space of 15,000 m^2 and, in a subsequent phase, Usje is considering installing photovoltaics on ground locations. The €2 million investment comes on top of other sustainable energy projects at Usje, which was the first cement plant in the country to use alternative fuels. Usje plans to continue to invest in the energy transformation of its facilities.

REGIONAL PERFORMANCE

Eastern Mediterranean

2022 PERFORMANCE HIGHLIGHTS

Sales
€255.6m
(2021: €172.8m)

EBITDA
€19.6m
(2021: €11.8m)

Assets
€442.8m
(2021: €447.2m)

Scope 1 net CO_2 emissions (kg/t cementitious product):
662.2
(2021: 672.4)

Alternative fuel substitution rate (%heat basis):
14.8
(2021: 13.1)

LTIFR (employees):
0.70
(2021: 2.17)

Employees from local community (%):
89.7
(2021: 88.9)

Employees
748

Operational Units

3	13	6	1	1	2
Integrated cement plants	Quarries	Ready-mix plants	Import terminal	Grinding plant	Processed engineered fuel facilities

Improved performance supported by demand and price growth despite local macroeconomic uncertainties.

Alexandria cement plant, Egypt

Market overview

In the course of 2022, Egypt's economy was significantly negatively impacted by the consequences of the war in Ukraine. GDP growth reached 6.6% in 2022. The Central Bank of Egypt floated the Egyptian Pound and the currency devalued by ca. 50% while annual inflation rose from an average of 5.2% in 2021 to an estimated average of 13.6% in 2022. In December, Egypt agreed to a $3 billion financial support package with the IMF, committing to a broad range of monetary and fiscal reforms as well as a greater role for the private sector. Cement demand continued marking a positive trend for a second consecutive year, as a result of stronger construction activity stemming from state infrastructure projects and affordable housing. Cement consumption in 2022 reached 51.2 million tonnes posting a 5% increase.

In Turkey, the economic environment witnessed a sharp depreciation of the local currency by 31%, soaring inflation of 64% and a consequent reduction in households' real income. The economy, however, grew in by 5% thanks to continuous credit expansion following a series of rate cuts by the central bank. At country level, domestic cement demand is estimated to have shrunk by ca. 14% in 2022, reaching ca. 54 million tonnes, considerably lower than the peak levels of 2017, characterized by significant differences however among different regional markets.

Regional performance

Following a few years of weak performance and despite macroeconomic uncertainties, the Eastern Mediterranean region recorded total sales of €255.6 million, an increase of 48% from 2021 levels. EBITDA improved by 66% to €19.6 million versus €11.8 million both testifying to a better performance and successful demand and cost mitigation strategies.

Egypt

In Egypt, the market regulation agreement put in place by the government in July 2021 was extended and continued to balance supply and demand, resulting in healthier price levels. Cement demand was on a positive trend for a second consecutive year, with stronger construction activity stemming from state infrastructure projects and affordable housing. Cement consumption in the country was up, while TITAN recorded volume growth and a significant sales increase supported by higher prices and expansion into new cement products. However, Egypt's economy was significantly hit by the consequences of the war in Ukraine. Depending both on wheat imports as well as tourism revenue, the country suffered under tremendous foreign exchange shortages, that resulted to ca. 50% devaluation of the Egyptian Pound and a spike in interest rates. In December, Egypt agreed to a $3 billion financial support package with the IMF, committing to a broad range of monetary and fiscal reforms as well as a greater role for the private sector. Implementation of this plan is moving slowly.

Turkey

In Turkey, domestic cement volumes have declined as the country is in a tight macroeconomic spot and suffers from hyperinflation (reached the level of 90% at its peak). Many government projects have stopped, and overall investment activity remains muted. Across different micro markets in the country however, diverging trends can be observed: areas which are attractive tourist destinations or popular internal migration havens, i.e., the Marmara region, have witnessed a growth in consumption in the year, while others, like more inland and eastward regions have witnessed a slowdown in demand. Capitalizing on the recent launch of its new cement export terminal in the Black Sea port of Samsun, the Group started channeling production of Type IL cement to the US. Significant price increases have successfully offset production costs hikes, also affected by the international energy turbulences.

ESG performance

TITAN in Egypt and Turkey engaged in a number of initiatives to enhance its ESG performance. Our Beni Suef plant in Egypt launched a new low-carbon product in addition to increasing its alternative fuel thermal substitution rate. In Turkey, Adocim doubled its use of alternative fuels to over 20%. Under our "Zero Accidents" goal and through site and behavior-oriented audits in Turkey, we enhanced our employees' knowledge and awareness on general health and safety issues. Regrettably, despite our efforts to identify appropriate accident control measures and our focus on safety risk assessment, there was one contractor fatality in Egypt in 2022. On the social side, Adocim worked closely with key partners in raising employee awareness about gender equality. We also raised money for the Women's Solidarity Foundation, a social foundation working in this key area. TITAN Egypt resumed its internship program, by welcoming a cohort of 111 candidates, and maintained its collaboration with local universities, helping 114 undergraduates prepare for the job market. It also collaborated with an NGO on a socio-economic study to identify the needs of our local stakeholders.

Supporting education though the full renovation of a university lecture hall

Engagement with stakeholders requires continuous and open discussions to obtain a deeper understanding of their expectations. The engagement of our Beni Suef plant in Egypt with a local third-level academic institution, Beni Suef University, led us to identify the need for the full renovation of one of its lecture halls. With the support of the university authorities, the plant sent a specialized team to check the lecture hall and identify a list of requirements. In the subsequent renovation, 47 internal and external participants repainted the hall and fitted it with proper lighting, benches, safety signs, boards, visual aids and educational devices. Around 600 students use the lecture hall. Through this initiative, TITAN Egypt seeks to enrich the university experience of Beni Suef's students and to help them prepare for the employment market.

4 QUALITY EDUCATION

17 PARTNERSHIPS FOR THE GOALS

REGIONAL PERFORMANCE

Joint venture in Brazil

Quixere cement plant, Brazil

Higher interest rates and lower disposable income affected cement demand.

Market overview

After three consecutive years of growing cement demand, cement consumption in Brazil in 2022 retracted by 2.8% compared to the previous year, reaching 63.1 million tonnes. This reduction was attributed to slower economic growth and higher interest rates, which increased the cost of real estate financing, thereby negatively affecting housing starts.

Regional performance

Cement consumption in the northeast, Apodi's natural market, declined by a higher rate due to above-average wet weather during the year and lower disposable income levels prevalent in the region. Apodi managed to offset the lower sales volumes and increasing input cost by focusing on product mix and pricing. Sales expanded in the more lucrative bulk cement segment, serving the pre-cast industry, the expansion of the Fortaleza airport and the growing regional wind park sector.

As a result, Apodi posted a significant increase in sales to €115.9 million versus €83.8 million in 2021, while EBITDA reached €21.1 million versus €19.5 million in 2021.

ESG performance

Our joint venture in Brazil conducted its first human rights assessment following the UN Guiding Principles on Business and Human Rights with the participation of 83 representatives of Apodi's leadership team. An action plan was drawn up to deal with some critical areas and develop preventive actions. Education remained a key priority. Through the Construir Saber Project of the Social Service of Industry (SESI), we helped more than 300 people transform their lives by improving their schooling and employability. Initiatives such at these have a direct impact on the sustainability of our business. Our project to promote the use of the native carnauba palm tree as biomass in coprocessing reached its final pilot stage. During the year, we carried out logistics and production analyses to come up with a business model for the supply of financially viable biomass.

New sustainable and high-performance concrete plant in Fortaleza city, in Ceara state

Our joint venture Apodi decided to strategically move forward with the expansion of its concrete business in the region of Ceará state. The project of building the new sustainable concrete plant started in 2020, with the participation of more than 100 people from different departments, and in 2022 a new sustainable and high-performance concrete production facility started operations. This efficient concrete plant, which is aligned with the Group's strategic objectives and ESG targets for 2025 and beyond, has had a positive local impact. Its closed-circuit system means that all the water in the plant is reused, serving to reduce water consumption. In addition, all the effluent from the plant is treated in a sewage treatment system. The new facility uses natural resources responsibly, minimizing landfill disposal while replacing a percentage of natural aggregates with steel slag, thus helping to reduce mineral extraction and contributing to the circular economy. As a next step, the plant will focus on the recycling of concrete residues by 2024.

8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Other business activities

During 2022, we launched our first digital service business, CemAI, our AI-based predictive maintenance solution for cement manufacturers, and further developed our GAEA and ST Equipment and Technology businesses.

GAEA

Green Alternative Energy Assets (GAEA) is a company that provides services in waste utilization and alternative fuels production. Established in 2011 in Bulgaria, GAEA has been recognized as a reliable solutions provider in the Bulgarian waste market. During its 11 years of operation in Bulgaria, GAEA has provided solutions to a wide range of manufacturing and recycling industries in the country, actively contributing to the circular economy.

GAEA has also expanded its operations in Egypt since 2016, providing solutions for municipal solid waste to the municipalities of Alexandria and Beni Suef and producing refuse-derived fuel (RDF) to supply the Group's cement plants, thus reducing the Group's carbon footprint.

STET

ST Equipment & Technology LLC (STET), a wholly-owned subsidiary of the TITAN Group based in Boston, USA, is a designer, manufacturer and marketer of proprietary separation equipment. STET's patented technology is ideally suited to the processing of dry powders and the recycling of waste streams in an innovative, environmentally sustainable and cost-effective manner, contributing to the circular economy and climate change mitigation, both locally and globally.

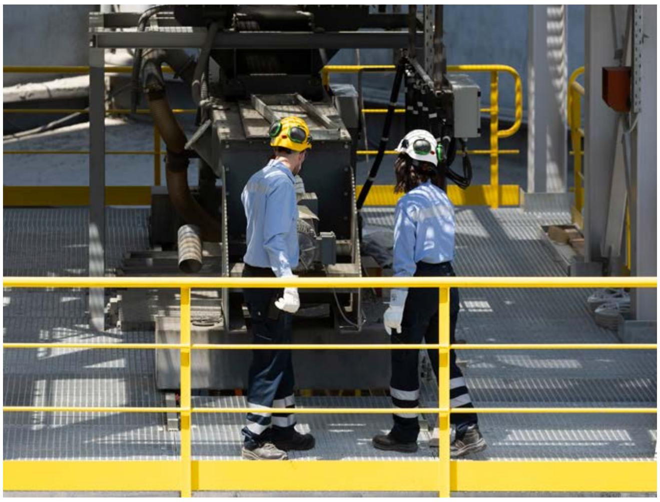
Applications of the STET processing technology include the recycling of coal combustion fly ash, water-free processing of minerals, and upgrading of plant-derived proteins for animal feed and human food applications. With STET, producers of high-fiber proteins such as sunflower meal, canola meal and distillers' grain can generate protein concentrate ingredients with environmentally benign fractionation technology. In 2022, STET continued the development of its plant protein processing capability to meet the growing need for high-quality plant protein sources. STET completed preliminary engineering of a novel facility for fractionating dry distillers' grain, a coproduct of fuel ethanol production from corn. The distillers' grain process allows for a low CapEx modular installation and operates independently of the ethanol facility, allowing for on-site or remote installation. The STET system offers tremendous benefits to processors and end users as a zero-water and zero-chemical process. Unlike wet chemical fractionation methods, the STET process yields two fractions of material which are both marketable end products.

In addition to food and feed applications, STET continued to pursue new long-term opportunities to process coal combustion fly ash harvested from landfills and impoundments to generate low-carbon cementitious products. The STET separator remains the only commercially proven, non-thermal solution for removing unburned coal char from fly ash, resulting in a highly sustainable building material product.

In 2022, STET also expanded its technical expertise in processing dry minerals, including completing successful bench- and pilot-scale trials of phosphate rock and potash, two major fertilizer minerals which are critical inputs for the global agricultural sector.

GAEA
GREEN ALTERNATIVE ENERGY ASSETS

Separation Technologies LLC
A Titan America Business

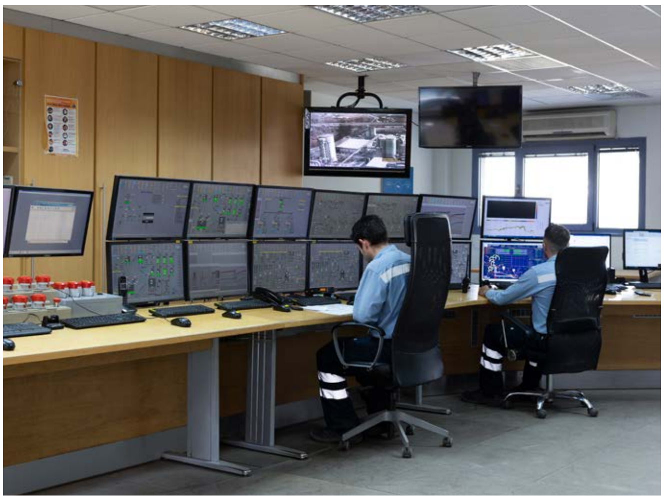


CemAI

TITAN Cement Group has launched CemAI, Inc. (CemAI), an affiliate company providing the next generation predictive maintenance solution based on Artificial Intelligence for the cement industry. The solution is a unique mix of a proprietary licensed software and a continuous monitoring and incident resolution service for entire cement manufacturing lines across the world.

Leveraging the unique manufacturing experience and digital expertise of TITAN, which has created, successfully tested and already installed the CemAI solution at several of its locations around the world, the solution will help cement companies maximize the operational efficiency and reliability of their plants while making their processes more efficient and cost effective.

CemAI's solution complements the expertise of local plant maintenance teams by adding the dimension of predictive analytics, bringing cement plant maintenance into the digital age of AI. It leverages machine learning technology that processes in real-time the operating data of entire cement plants, generating alerts that are analyzed by a team of experts with years of experience in cement operations, working in close collaboration with the plant's operational teams, to resolve issues before they affect operations. CemAI works through remote monitoring centers that collect and analyze the data stream from plant sensors, 24/7.



Outlook 2023

Global conditions remain challenging and while risks of a deep recession appear to have been avoided for the time being, any growth outlook remains unclear and is highly dependent on variables such as energy costs, the evolution of inflation, and the monetary authorities trying to balance fighting inflation and the risks of a recessionary economy. At the same time, unprecedented levels of government support and initiatives, on both sides of the Atlantic, generate investment and demand for our products, giving cause for cautious optimism.

The US economy remains in a strong state, and while inflationary pressures and attendant monetary tightening raise concerns of a slowdown. Housing starts remain below their historic levels while the deficit in housing persists. Light non-residential and industrial activity is expected to remain solid, supporting in turn the investment boom witnessed in the Group's key markets. Positive momentum from the IIJA, the IRA, and the CHIPS Act is starting to flow, with material impact expected in the second half of the year, providing a healthy run rate for the years ahead. Proposed DoT budgets for the next couple of years look robust, and high levels of spending are also set to provide long-term tailwinds for activity on the ground. Despite a softening of the single-family residential market, the multi-family and the commercial segments remain very strong with numerous investments in data centers, high-tech investment development as well as retail warehousing. Home improvement is also very strong, accounting for the growth in both retail cement and the Group's building products segment. Strong state finances are slowly translating into increased public infrastructure works, needed to support the attendant investment development across our geographic footprint.

In Greece, the local market has enjoyed a solid start to the year and the country appears not to have been debased by the global macroeconomic turbulence, buffered by the robustness of its tourism industry which is set for another record year as well as the influx of various tranches of EU funding promoting digitalization, energy efficiency and upgrade of related infrastructure. Growth is spread throughout the country either via residential development, small-scale industrial as well as municipal development, and of course tourism-related infrastructure and facilities. Mega infrastructure development and urban regeneration projects are also in the pipeline, offering good traction in the years ahead. Continuous breakthrough investments at the Group's plants allow for considerable efficiencies and operational optimization accruing financial benefits to our results.

The region of Southeastern Europe, consistent with its track record, is expected to hold up to the levels recorded in 2022. While not expecting any substantial volume growth, solid margins should be maintained, especially considering the Group's success in effectively supplying the whole regional market. Demand should be supported by road, rail and infrastructure projects which are slated to commence in the year. In what will remain a tight market, the Group has the capacity through its regional network to meet demand, satisfying any supply gaps.

In Egypt, with the new agreement and support program with the IMF, the much-needed structural reforms to revamp its domestic economy may take some time to materialize. Amidst the macroeconomic uncertainty, consumption will probably suffer. The continuation of the cement production quota for another year does provide a buffer however in sustaining cement production and profitability of operations. Concurrently, the Group is investing to expand its alternative fuel utilization facilities that will lead to considerable efficiencies in its cost performance.

In Turkey, the recent tragic events of the massive earthquake ravaging the south of the country and the tremendous needs for reconstruction arising, will affect cement consumption for the years to come, as demand at national level will shoot up. In this context and amidst the political uncertainty highlighted by the upcoming Presidential and parliamentary elections, volatility remains. The Group aims to improve its cost competitiveness embarking on an ambitious alternative fuel investment which will see it become the first cement producer in Turkey to burn biomass, resulting in considerable cost savings. Utilization of the export terminal in Samsun will provide an additional sales opportunity for Titan.

The world, and our industry, are undergoing a structural transition which will see economic production shifting to greener, more efficient, new and innovative ways of producing goods, more smartly utilizing resources, with digital technology and material innovation at the forefront. As such, our Group has recognized the opportunities and challenges ahead and is working towards the direction of transforming its business and offering in a manner that is sustainable, closer to the customer, more efficient in its use of resources and means of production and in the end more profitable for all stakeholders of the Group.

Corporate governance and risk management

Our approach to corporate governance and risk management.

New Alamein Marina Towers, Egypt, built with lower-carbon cement

Corporate governance statement

1. Corporate Governance Code

1.1 Application of the Belgian Corporate Governance Code 2020

Titan Cement International S.A. (the "Company") is a public limited liability company incorporated under Belgian law. Its shares are listed on the regulated markets of Euronext Brussels, Euronext Paris, and the Athens Exchange.

The Company is committed to the highest governance principles, seeking the consistent enhancement of its corporate governance performance and promoting transparency, sustainability and long-term value creation.

The Company applies the principles of the 2020 Belgian Corporate Governance Code (the "CG Code"), which is publicly available on the website of the Belgian Corporate Governance Committee: https://corporategovernancecommittee.be/en/about-2020-code/2020-belgian-code-corporate-governance.

The CG Code is structured under ten principles, which are further detailed in several provisions/recommendations. The "comply or explain" principle states that all Belgian listed companies are expected to comply with all the provisions of the CG Code unless they provide an adequate explanation for deviating from a provision.

The Company's Board of Directors has adopted a Corporate Governance Charter (the "CG Charter"). The CG Charter describes the main aspects of the Company's governance structure, the terms of reference of the Board of Directors and its Committees, and the Dealing Code, which defines the rules applicable to transactions in securities of the Company. The CG Charter is available on the Company's website (https://www.titan-cement.com/wp-content/uploads/2023/02/TCI_CorporateGovernanceCharter_01.02.2023.pdf).

1.2 Deviations from the CG Code

The Company complies with the provisions of the CG Code, except for the provisions from which it has deviated for the reasons explained below:

a. Non-executive board members do not receive part of their remuneration in the form of shares in the Company. The Company therefore deviates from Provision 7.6 of the CG Code. This deviation is explained by the fact that the interests of the non-executive directors are currently considered to be sufficiently oriented to the creation of long-term value for the Company, even if no part of their remuneration is made in the form of shares. However, the Company is considering the alignment of the Company with Provision 7.6 of the CG Code.

b. No provisions regarding the recovery of variable remuneration paid to executives or withholding the payment of variable remuneration of executives are included in the contracts with the Managing Director and other executives. The Company therefore deviates from Provision 7.12 of the CG Code. This deviation is explained by the fact that variable remuneration is paid only after the criteria set for such payment in advance have been met. In the event of early termination, the Company applies the Remuneration Policy (https://ir.titan-cement.com/Uploads/general_meetings/2022/AGM/AGM_2022_Remuneration_Policy_2022_EN.pdf), as in force.

1.3 Governance Structure

The Company has chosen the one-tier governance structure consisting of the Board of Directors, which is authorized to carry out all actions that are necessary or useful to achieve the Company's purpose, except for those for which the General Meeting of Shareholders is authorized to carry out by law.

At least once every five years, the Board of Directors shall review whether the chosen one-tier structure is still appropriate and, if not, it shall propose a new governance structure to the General Meeting of Shareholders.

2. Board of Directors

2.1 2022 Highlights

2.1.1 Annual Shareholders' Meeting held on 12 May 2022

- Appointment of a new Board of Directors for a three-year term, expiring in 2025.
- Increase in the number of women serving on the Board of Directors from three to five, achieving early the 2025 commitment to comply with the gender diversity requirements of Article 7:86 of the Belgian Code on Companies and Associations (the "BCCA").

2.1.2 Board of Directors' Meeting held on 20 June 2022

- Appointment of Dimitrios Papalexopoulos as Non-Executive Chair of the Board of Directors as of 1 January 2023, succeeding Efstratios-Georgios Arapoglou.
- Appointment of Marcel-Constantin Cobuz as Chair of the Group Executive Committee as of 15 October 2022, succeeding Dimitrios Papalexopoulos.
- Formation of a new Strategy Committee at Board level, chaired by Alexandra Papalexopoulou. The establishment of the Strategy Committee and the approval of its terms of reference were completed in early 2023.

2.1.3 Board of Directors' Meeting held on 9 November 2022

- Appointment of Marcel-Constantin Cobuz as executive member of the Board of Directors as of 1 January 2023 to replace Efstratios-Georgios Arapoglou as member of the Board of Directors for the remainder of his mandate, subject to confirmation by the Shareholders' Meeting.

2.2 Role and competencies of the Board of Directors

The Board of Directors as a collegial body pursues sustainable value creation by the Company, by setting the Company's strategy, putting in place effective, responsible and ethical leadership and monitoring the Company's performance.

The CG Charter defines the terms of reference of the Board of Directors including its role, mission, composition, training and evaluation (see Appendix 1 of the CG Charter).

2.3 Directors' resumes

Efstratios-Georgios Arapoglou[1]

Chair – Independent Director
Chair of the Nomination Committee

Efstratios-Georgios Arapoglou had an earlier career in International Capital Markets and Corporate and Investment banking, based in London, and later in managing, restructuring and advising publicly listed Financial Institutions and Corporates, primarily in Southeastern Europe and the Middle East.

His most recent executive assignments include: Managing Director and Global Head of the Banks and Securities Industry of Citigroup; Chairman and CEO of the National Bank of Greece; CEO of Commercial Banking at EFG-Hermes Holding SAE.

He has broad and extensive board experience and holds the following non-executive board positions: Chairman of the Bank of Cyprus Group (listed in the LSE), Chairman of Tsakos Energy Navigation (TEN) Ltd (listed in the NYSE) and Board member of EFG-Hermes Holding SAE (listed in the Cairo Stock Exchange and LSE).

He holds degrees in Mathematics, Engineering and Management from Greek and British universities.

[1] *As of 1 January 2023, Efstratios-Georgios Arapoglou has resigned from his position on the Board of Directors of the Company.*

Kyriacos Riris

Vice Chair – Independent Director
Chair of the Audit and Risk Committee

Kyriakos Riris completed his high school education in Cyprus, before continuing his higher education and professional qualifications at Birmingham Polytechnic.

He completed his professional exams with the Association of Certified Chartered Accountants (ACCA) in the UK in 1975, becoming a Fellow of the Association of Certified Accountants in 1985. Since 1976 he has worked mostly in Greece. He was a member of the Executive Committee of PwC Greece and became a Partner in 1984. His responsibilities have included that of Managing Partner of the Audit and the Advisory/Consulting Departments, and later Deputy Territory Senior Partner.

In 2009, he was elected as Chairman of the Board of PwC in Greece, retiring from that position in 2014.

With a career spanning some 40 years, he has accumulated vast experience with both domestic and multinational entities in a variety of sectors and industries, including manufacturing, shipping, commerce, food and beverages, construction, pharmaceuticals, financial services and information systems.

Michael Colakides

Managing Director – Group CFO

Michael Colakides started his career at Citibank Greece, where he worked for 14 years, and over time he held the positions of Head of FIG and Head of Corporate Finance and Local Corporate Banking (1979–1993). In 1993, he was appointed Executive Vice Chairman of the National Bank of Greece responsible for the Corporate and Retail Banking business and the domestic and international branch network, and was Chair/member of senior committees.

In 1994, he joined TITAN Cement Company S.A., where he held the position of Group CFO and executive member of the Board until 2000. He was responsible for a number of cement company acquisitions in Southeast Europe, Egypt and the USA.

From 2000 to 2007, he served as Vice Chairman and Managing Director of Piraeus Bank S.A., overseeing the domestic Wholesale and Retail Banking business, as well as the group's international network and activities. In 2007, he joined EFG Eurobank Ergasias S.A., assuming the position of Deputy CEO–Group Risk Executive Officer (2007–2013), overseeing the risk management functions of the Group in Greece and abroad.

In January 2014, he returned to TITAN Cement Group, assuming the position of Group CFO and executive member of the Board of Directors. In July 2019, he was also appointed to the position of Managing Director of Titan Cement International S.A.

As of November 2021, he is the non-executive Chairman of Alpha Bank Cyprus.

He holds a BSc in Economics from the London School of Economics and an MBA from the London Business School.

William-John Antholis

Independent Director
Member of the Remuneration Committee

William-John Antholis is director and CEO of the Miller Center, a nonpartisan affiliate of the University of Virginia that specializes in presidential scholarship, public policy and political history.

From 2004 to 2014, he was Managing Director of the Brookings Institution. He has also served in government, including at the White House's National Security Council and National Economic Council, and at the US State Department's policy planning staff and bureau of economic affairs.

He has published two books, as well as dozens of articles, book chapters and opinion pieces on US politics, US foreign policy, international organizations, the G8, climate change and trade.

He earned his Ph.D. in politics (1993) from Yale University and his BA in government and foreign affairs (1986) from the University of Virginia.

Andreas Artemis

Independent Director
Member of the Nomination Committee

Andreas Artemis has been an executive member of the Board of Directors of Commercial General Insurance Group since 1985 and Chairman since 2002.

He is also a member of the Board of Directors of the Cyprus Employers and Industrialists Federation, as well as of the Council of the Cyprus Red Cross Society.

He has served as member of the Board of Directors of the Bank of Cyprus Group (2000–2005), Vice-Chairman (2005–2012) and Chairman (2012–2013). He has also served as a member of the Board of Directors of the Cyprus Telecommunications Authority (1988–1994) and as Honorary Consul General of South Africa in Cyprus (1996–2012).

He studied Civil Engineering at the Queen Mary and Imperial College of London University and holds a BSc (Engineering) and a MSc degree.

Leonidas Canellopoulos

Executive Director

Leonidas Canellopoulos is the Chief Sustainability Officer of TITAN Group. He is also responsible for Group Corporate Affairs.

Since 2012, he has covered various roles within the Group's Finance and Strategic Planning functions and has served as Cement Operations Director of the Group's Greek Region.

Prior to that, he worked for Separation Technologies LLC.

He is a member of the Board of Directors of the Foundation for Economic and Industrial Research (IOBE) and of Junior Achievement Greece.

He holds a BA in Economics with Honors from Harvard University and an MBA from INSEAD, where he received the Henry Ford II Prize.

Haralambos David

Independent Director
Member of the Remuneration Committee

Haralambos David earned his BS from Providence College and began his career as a certified investment advisor with Credit Suisse in New York.

He then served in several executive positions within Leventis Group Companies in Nigeria, Greece and Ireland.

Today he serves as the Chairman of Frigoglass S.A. and is on the Boards of A.G. Leventis (Nigeria) PLC, the Nigerian Bottling Company Ltd, Beta Glass (Nigeria) PLC, Frigoglass Industries (Nigeria) Ltd and Pikwik (Nigeria) Ltd (a joint venture with Pick n Pay, South Africa).

He is director of the Board of the Anastasios G. Leventis Foundation, Cyprus, and Chairman of the A.G. Leventis Foundation's Olympic Preparation Scholarship Committee.

He is a member of the TATE Modern's African Acquisitions Committee and a member of the Studio Museum's in Harlem, Global Council.

He has served on the boards of Alpha Finance, Greece's Public Power Corporation and Emporiki Bank (Crédit Agricole).

Lyn-Mary Grobler

Independent Director
Member of the Nomination Committee

Lyn-Mary Grobler is an experienced executive with a strong track-record in technology and IT roles. She was appointed Group Chief Information Officer (CIO) at Howden Group Holdings (formerly Hyperion Insurance Group) in 2016.

Prior to this she was Vice-President and CIO Corporate Functions at BP, where she led the transformation of both the organization and the digital landscape through introducing sustained change in process, capability and technology, having held a variety of roles across IT and global trading over 16 years.

She is also Vice-Chairperson of the Bank of Cyprus.

Before BP, she managed large-scale global technology projects and strategies within banking and trading based in both London and South Africa.

She holds a Higher National Diploma in Computer Systems from Durban University in South Africa and a National Diploma in Electronic Data Processing from Cape Peninsula University (South Africa).

Natalia Nikolaidi

Independent Director
Member of the Audit and Risk Committee

Natalia Nikolaidi brings to the Board a unique risk management combination in governance, regulatory and legal matters. Based in New York and London during her 30-year career, she advised on international transactions, projects and high-level regulatory relationships.

She worked in Credit Suisse for 24 years, where she served as global General Counsel for the Investment Banking and Capital Markets Division. Prior to that she was the Head of Risks and Controls for CS's Investment Banking Division. Her work in private practice in New York law firms from 1991 to 1996 focused on corporate finance.

Currently she holds the following non-executive positions: Non-Executive Director of Aegean Airlines S.A., where she chairs the Remuneration and Nominations Committee and the Sustainability Committee; Non-Executive Director of Mytilineos S.A., where she serves on the Sustainability Committee; and Non-Executive Director of SMCP S.A., a French-listed company where she is a member of the Nomination and Compensation Committee.

She graduated in Economics from Yale University and has advanced degrees in Law (Juris Doctor) and International Affairs (Masters) from Georgetown University and in European Union Law from the College of Europe (Bruges, Belgium).

Ioannis Paniaras

Executive Director

Ioannis Paniaras studied Civil Engineering at Imperial College (BSc, MSc) and Business Administration at INSEAD (MBA). He started his career at Knight Piésold, an international mining and engineering consultancy headquartered in London.

Between 1998 and 2015, he held senior management positions in Greece and Germany in S&B Industrial Minerals Group and – in 2015 – in its new parent company, Imerys. He concluded his term there as Vice President of the former S&B Division and Managing Director of S&B Industrial Minerals S.A.

In January 2016, he joined the management of TITAN Group, where he has led, since 2020, its European business as well as Group Sustainability.

From 2016 to 2021 he served as Chairman of the Business Council for Sustainable Development of the Hellenic Federation of Enterprises (SEV).

Since 2022, he has sat on the Board of Quest Holdings S.A. as an independent non-executive director.

Dimitrios Papalexopoulos

Executive Director[2]

Dimitrios Papalexopoulos started his career as a business consultant for McKinsey & Company Inc. in the USA and Germany.

He joined Titan Cement Company S.A. in 1989 and served as the Group's CEO between 1996 and 2019. From 2019 until 2022, he served as Chair of the Group Executive Committee of Titan Cement International S.A.

He is Chairman of the Board of the Hellenic Federation of Enterprises (SEV), Vice-Chairman of the European Round Table for Industry (ERT) and chairs the ERT's Energy Transition and Climate Change Committee. He is a member of the Board of the Foundation for Economic and Industrial Research (IOBE), the Hellenic Foundation for European and Foreign Policy (ELIAMEP) and of Endeavor Greece.

He holds a MSc in Electrical Engineering from the Swiss Federal Institute of Technology (ETHZ) and an MBA from Harvard Business School.

[2] *Since 1 January 2023, Dimitrios Papalexopoulos is the Non-Executive Chair of the Board of Directors of the Company.*

Alexandra Papalexopoulou

Executive Director

Alexandra Papalexopoulou is the Deputy Chair of the Group Executive Committee, with direct oversight of Group Strategy and Business Development, Trading, Legal and the Group's operations in the Eastern Mediterranean.

Her career began as an analyst for the Organization for Economic Co-operation and Development (OECD) and later as an associate at the consulting firm Booz, Allen & Hamilton in Paris in the 1990s.

Joining TITAN Group in 1992, she started out in trading, subsequently moving to business development and then heading Strategic Planning.

She is an independent, non-executive director of Aegean Group and of Coca-Cola HBC, a FTSE 100 company. She is also a member of the Board and Treasurer of the Paul and Alexandra Canellopoulos Foundation and serves on the Board of Trustees of INSEAD Business School.

She holds a BA in Economics from Swarthmore College, USA, and an MBA from INSEAD, France.

Theodora Taoushani

Independent Director
Member of the Nomination Committee

Theodora Taoushani is an advocate, member of the Cyprus Bar Association and a Partner in Lellos P. Demetriades Law Office LLC. She specializes in matters of Corporate/Commercial Law, Corporate Finance and Insurance law.

She started her career in Greece in the insurance industry and on her return to Cyprus she was employed by the Laiki Group from 1987 to 2007, serving in various positions in Laiki Insurance (now CNP) and then as head of the Group's Legal Services Department with responsibility for and supervision of the Group's legal function.

Since 2014 she has served as Executive Director in the Board of Directors of Lellos Demetriades Law Firm. She also holds the following non-executive directorships: TDE (Overseas) Ltd (appointed in 2016), Yellow Dot Ltd (appointed in 2016) and Interchange Group (appointed in 2014).

She holds a BA (Hons) (1980) from Keele University and a Master in Laws (LLM, 1981) from the London School of Economics.

She is often invited to speak at anti-money laundering conferences and is also the office's liaison with the ADVOC network of European lawyers.

Dimitris Tsitsiragos

Independent Director
Member of the Audit and Risk Committee

Dimitris Tsitsiragos has over 30 years of extensive international experience in emerging markets finance across industries, sectors and products.

He started his career in 1985 in New York as a corporate bond evaluator at Interactive Data Services, Inc (former subsidiary of Chase Manhattan Corporation). In 1989, he joined the International Finance Corporation (IFC), a member of the World Bank Group, as an Analyst and retired in 2017 as Vice President, leading IFC's global business operations and stakeholder relations with a global network of governments, financial institutions and private-sector clients. He also chaired IFC's Corporate Credit Committee. During his progressive career at the institution, he held the following positions: Vice President, Europe, Central Asia, Middle East and North Africa (EMENA) (2011–2014) based in Istanbul; Director of Middle East, North Africa and Southern Europe (MENA) (2010–2011) based in Cairo; Director of Global Manufacturing and Services Department (2004–2010); Director of South Asia (2002–2004) based in New Delhi; Manager, New Investments, Central and Eastern Europe (2001–2002); Manager Oil & Gas (2000–2001) and held a number of investment positions in the same unit (1989–2001).

From 2018 to 2022, he served as Senior Advisor, Emerging Markets at the Pacific Investment Management Company (PIMCO). Currently, he also sits on the Board of Alpha Bank (Greece) as an independent director.

He holds an MBA from George Washington University and a BA in Economics from Rutgers University. He has also attended the World Bank Group Executive Development Program at Harvard Business School.

Vassilios (Bill) Zarkalis

Executive Director

Vassilios (Bill) Zarkalis, in addition to his responsibilities as President and CEO of Titan America LLC and Chairman of Separation Technologies (STET) since 2014, has assumed the broader leadership role of Group Chief Operating Officer (COO) and oversight of joint venture Apodi in Brazil.

He is a business executive with an international career, having led diverse global teams across all continents while located mostly in the USA and Switzerland. He dedicated 19 years to The Dow Chemical Co., where he started in commercial roles, growing in experience through a fast succession of global Marketing and Product management responsibilities, culminating in global business unit leadership roles. Among others, he served as Vice President of Dow Automotive, M&A Leader for DuPont-Dow Elastomers, Global Business Director for Dow Specialty Plastics & Elastomers and Global Business Director for Dow Synthetic Latex.

He joined TITAN in 2008 as Group Executive Director for Business Development and Strategic Planning. In 2010, he became the TITAN Group Chief Financial Officer, where he served until 2014 before moving into his current role leading Titan America.

He holds a BSc in Chemical Engineering from the National Technical University of Athens and a MSc from Pennsylvania State University. He has completed advanced leadership, business management and industrial marketing programs at INSEAD, IMD, and Michigan Ross.

Mona Zulficar

Independent Director
Chair of the Remuneration Committee

Mona Zulficar is one of the founding partners of Zulficar & Partners Law Firm, a specialized law firm which has become one of the best-ranked law firms in Egypt since it was established in June 2009. She was previously senior partner at Shalakany Law Firm, serving as Chair of its Executive Committee for many years.

She is recognized in local and international legal circles as a precedent setter and one of Egypt's most prominent corporate, banking and project finance attorneys. As an M&A and capital markets transactions specialist, she has led negotiations in some of Egypt's and the Middle East's largest and most complex successful transactions over the past three decades. She has also played an instrumental role in modernizing and reforming economic and banking laws and regulations as a former member of the board of the Central Bank of Egypt and as a prominent member of national drafting committees. She is also a leading human rights activist, recognized locally and internationally, and has initiated several successful campaigns for new legislation including women's rights, freedom of opinion and family courts.

She served as Vice President of the Constitutional Committee of 50 and played a key role in drafting the 2014 Egyptian Constitution. She also served as a member of the National Council for Human Rights from 2004 to 2012 and from 2013 to September 2021. She has served as Non-Executive Chairperson of EFG Hermes since 2008. In 2015, she was elected President of the Egyptian Microfinance Federation and has chaired several NGOs active in providing social development and microfinance to poor women. Internationally, she served as an elected member of the international Advisory Committee of the United Nations Human Rights Council for two terms, ending in 2011.

She holds a BSc in Economics and Political Science from Cairo University and an LL.M. from Mansoura University, as well as an honorary doctorate in law from the University of Zurich.

2.4 Composition of the Board of Directors

As at 31 December 2022, the Board of Directors was composed of sixteen (16) directors:

- Ten (10) out of the sixteen (16) directors, namely William-John Antholis, Efstratios-Georgios Arapoglou, Andreas Artemis, Haralambos David, Lyn-Mary Grobler, Natalia Nikolaidi, Kyriakos Riris, Theodora Taoushani, Dimitris Tsitsiragos and Mona Zulficar, met on their appointment the independence criteria of Article 7:87 of the BCCA and those of Provision 3.5 of the CG Code.
- Six (6) out of the sixteen (16) directors, namely Leonidas Canellopoulos, Michael Colakides, Ioannis Paniaras, Dimitrios Papalexopoulos, Alexandra Papalexopoulou and Vassilios (Bill) Zarkalis, are executive directors.
- Five (5) out of the sixteen (16) directors are women.
- The directors represent five (5) different nationalities (US, Egyptian, UK, Cypriot and Greek).

COMPOSITION OF THE BOARD OF DIRECTORS AS AT 31 DECEMBER 2022:

Name	Position	Start date of first mandate	Start date of current mandate	End date of current mandate
Efstratios-Georgios Arapoglou	Chair, Independent Non-Executive Director	July 2019	May 2022	May 2025[1]
Kyriacos Riris	Vice-Chair, Independent Non-Executive Director	October 2018	May 2022	May 2025
Michael Colakides	Managing Director	July 2019	May 2022	May 2025
William-John Antholis	Independent Non-Executive Director	July 2019	May 2022	May 2025
Andreas Artemis	Independent Non-Executive Director	July 2019	May 2022	May 2025
Leonidas Canellopoulos	Executive Director	July 2019	May 2022	May 2025
Haralambos David	Independent Non-Executive Director	July 2019	May 2022	May 2025
Lyn-Mary Grobler	Independent Non-Executive Director	December 2021	May 2022	May 2025
Natalia Nikolaidi	Independent Non-Executive Director	May 2022	May 2022	May 2025
Ioannis Paniaras	Executive Director	May 2021	May 2022	May 2025
Dimitrios Papalexopoulos	Executive Director[2]	July 2019	May 2022	May 2025
Alexandra Papalexopoulou	Executive Director	July 2019	May 2022	May 2025
Theodora Taoushani	Independent Non-Executive Director	May 2022	May 2022	May 2025
Dimitris Tsitsiragos	Independent Non-Executive Director	March 2020	May 2022	May 2025
Vassilios (Bill) Zarkalis	Executive Director	July 2019	May 2022	
Mona Zulficar	Independent Non-Executive Director	July 2019	May 2022	May 2025

[1] As of 1 January 2023 Efstratios-Georgios Arapoglou resigned from his position and Marcel-Constantin Cobuz was appointed as member of the Board of Directors.

[2] Dimitrios Papalexopoulos was appointed as Non-Executive Chair of the Board of Directors effective as of 1 January 2023.

2.5 Composition of the Board of Directors

During 2022, the Board of Directors held eight (8) meetings: on 18 January, 16 March, 7 April, 11 May, 12 May, 20 June, 27 July and 9 November 2022.

The non-executive board members, in accordance with Provision 3.11 of the CG Code, held a meeting on 9 November 2022, in the absence of the Managing Director and the other executive directors, in which the attendance rate was 100%.

In 2022, the average rate of attendance by the members of the Board of Directors for all of its meetings and those of its Committees was 98.53% and 100%, respectively.

Directors' individual attendance rates for the meetings of the Board of Directors and those of its Committees held in 2022, were as follows:

DIRECTORS' INDIVIDUAL ATTENDANCE

Director	Board of Directors Meetings	Individual attendance rate in Board Meetings (%)	Non-executive Directors Meetings	Audit and Risk Committee Meetings	Remuneration Committee Meetings	Nomination Committee Meetings	Individual attendance rate in Committee Meetings (%)
Efstratios-Georgios Arapoglou	8/8	100%	1/1	-	-	3/3	100%
Kyriacos Riris	8/8	100%	1/1	7/7	-	-	100%
Michael Colakides	8/8	100%	-	-	-	-	-
William-John Antholis	8/8	100%	1/1	-	3/3	-	100%
Andreas Artemis	8/8	100%	1/1	-	-	3/3	100%
Leonidas Canellopoulos	8/8	100%	-	-	-	-	-
Haralambos David[1]	7/8	87.5%	1/1	5/5	2/2	-	100%
Lyn-Mary Grobler	8/8	100%	1/1	-	-	3/3	100%
Natalia Nikolaidi[2]	4/4	100%	1/1	2/2	-	-	100%
Ioannis Paniaras	8/8	100%	-	-	-	-	-
Dimitrios Papalexopoulos	8/8	100%	-	-	-	-	-
Alexandra Papalexopoulou	8/8	100%	-	-	-	-	-
Theodora Taoushani[3]	4/4	100%	1/1	-	-	2/2	100%
Stylianos Triantafyllides[4]	4/4	100%	-	-	1/1	-	100%
Dimitris Tsitsiragos	8/8	100%	1/1	7/7	-	-	100%
Vassilios (Bill) Zarkalis	8/8	100%	-	-	-	-	-
Mona Zulficar	7/8	87.5%	1/1	-	3/3	-	100%

[1] Haralambos David was a member of the Audit and Risk Committee until 12 May 2022. On 12 May 2022 the Board of Directors appointed him as a member of the Remuneration Committee.

[2] On 12 May 2022, Natalia Nikolaidi was appointed as an independent non-executive member of the Board of Directors by the Annual Shareholders' Meeting and as a member of the Audit and Risk Committee by the Board of Directors. Therefore, she participated in all meetings of the Board of Directors and of the Audit and Risk Committee held after her appointment.

[3] On 12 May 2022, Theodora Taoushani was appointed as independent non-executive member of the Board of Directors by the Annual Shareholders' Meeting and member of the Nomination Committee by the Board of Directors. Therefore, she participated in all meetings of the Board of Directors and of the Nomination Committee held after her appointment.

[4] Stylianos Triantafyllides was a member of the Board of Directors and of the Remuneration Committee until the Annual Shareholders' Meeting held on 12 May 2022. Therefore, he participated in all meetings of the Board of Directors and of the Remuneration Committee held until the end of his mandate.

2.6 Evaluation of the Board of Directors

In accordance with its terms of reference (see Appendix 1, Paragraph 5.3 of the CG Charter), the Board of Directors assesses, at least every three years, its own performance, its interaction with the executive management, as well as its size, composition and functioning and that of its committees. The evaluation is carried out through a formal process, with or without external facilitation.

In December 2020, the Board of Directors decided to carry out a formal Board evaluation without external facilitation. The members of the Board of Directors received a questionnaire, in the form of a survey link, comprising 33 questions and ensuring the anonymity of each participant. The Board's evaluation feedback was presented and discussed at the meeting of the Board of Directors held on 20 January 2021.

The Board of Directors will carry out a new evaluation in 2023.

The Nomination Committee, in its meeting held on 1 April 2022, given that the mandate of the members of the Board of Directors was expiring on 12 May 2022, carried out an evaluation of each member's participation in the meetings of the Board of Directors and those of its Committees, their commitment and constructive involvement in discussions and decision-making, and whether their contribution had adapted to changing circumstances.

2.7 Code of Conduct

The Company has drawn up a Code of Conduct setting out the expectations for the Company's leadership and employees in terms of responsible and ethical behavior, which is included in the CG Charter (see Appendix 1 of the CG Charter – "Terms of Reference of the Board of Directors").

In accordance with the Code of Conduct, the members of the Board of Directors should uphold the highest standards of integrity and always act in the best interest of the Company. They should engage actively in their duties and be able to make their own sound, objective and independent judgments when discharging their responsibilities.

The members of the Board of Directors, both during their membership of the Board of Directors and afterwards, should not disclose to anyone in any manner any confidential information relating to the business of the Company or companies in which the Company has an interest, unless they have a legal obligation to disclose such information. No member of the Board of Directors may use the information described above to his or her own advantage.

Each member of the Board of Directors undertakes not to develop any activities, either directly or indirectly, during the term of his or her mandate, nor perform any actions that conflict with the activities of the Company or its subsidiaries.

2.8 Transactions Policy – Conflicts of interest

Appendix 2 of the CG Charter describes the Company's Transactions Policy. The members of the Board of Directors are required to inform the Board of conflicts of interests as they arise. If a director has a direct or indirect financial interest that conflicts with the interests of the Company, he or she is required to inform the other directors before the Board takes a decision and the Board is required to implement the procedures set forth in Articles 7:96 and 7:97 of the BCCA.

Pursuant to the above articles of the BCCA, the following decisions took place, without the presence of one or more executive members of the Board:

2.8.1 Resolution of the meeting of the Board of Directors held on 18 January 2022: Reporting of the Remuneration Committee

"More specifically, Bill Zarkalis had an initial three-year contract when he joined Titan America as CEO in 2014, which included (over and above any other compensation and bonuses) a deferred cash bonus payment of €100,000 per year. This payment was made for the initial period and subsequently was renewed in line with each contract renewal. Subsequent contracts restated that payment required remuneration committee approval and for this reason the Remuneration Committee convened on 22 November 2021. Upon contract renewal or change, the remuneration elements will be reviewed, and the Remuneration Committee will be consulted again.

Mr. Bill Zarkalis, withdrew from the meeting due to the fact that he had a conflict of interest in accordance with Article 7:96. Likewise, all other executive directors left the meeting.

The non-executive directors, having noted the above recommendation of the Remuneration Committee, decided unanimously and by separate votes the approval of the above annual deferred payment of €100,000 to Mr. Bill Zarkalis, due to the fact that such payment promotes the Company's interest and aligns the interests of the executive management with the interests of the shareholders".

2.8.2 Resolution of the meeting of the Board of Directors held on 16 March 2022: Reporting of the Remuneration Committee

"The executive members of the Board of Directors, Michael Colakides, Leonidas Canellopoulos, Yanni Paniaras, Alexandra Papalexopoulou, Dimitri Papalexopoulos and Bill Zarkalis declared that they have a possible conflict of interest, pursuant to article 7:96 of the Belgian Companies and Associations Code (BCCA) regarding items 1, 3 and 4 and exited from the meeting. The conflict of interest is related to the fact that the executive members of the Board are beneficiaries of the variable remuneration payouts for 2021, the long-term incentive awards to be granted in 2022 and the implementation of the Deferred Compensation Plan. For this reason, all executive members withdrew from the meeting. [...]

The non-executive members of the Board, having noted the above recommendations of the Remuneration Committee, decided unanimously and by separate votes, that the remuneration proposals promote the Company's interests and align the interests of the executive management with the interests of the shareholders. For this reason, the non-executive members of the Board, decided unanimously and by separate votes the following concerning the executive members of the Board, the members of the Management Committee, the members of the Group Executive Committee and the Group Internal Audit and Risk Compliance director:

1. *To approve the variable remuneration payouts (bonuses) for 2021, noting that the relevant variable remuneration payouts, which amount in total to €2,893,661 are paid in accordance with the provisions of the Remuneration Policy and following the appraisal of the performance of each executive director and the achievement of personal and collective targets provided in the Remuneration Policy;*
2. *To approve the LTIP awards for 2022, as recommended by the Remuneration Committee, noting that the value of such long-term incentive awards amount in total to €2,827,000 and are granted subject to the achievement of personal and collective targets provided in the Remuneration Policy;*
3. *To approve salary increases for the year 2022 noting that the value of such increases amount in total to €199,765 and are granted subject to the achievement of personal and collective targets provided in the Remuneration Policy;*
4. *To approve the implementation of the Deferred Compensation plan as presented, noting that the awards granted amount in total to €690,000; and*
5. *To approve the 2021 Remuneration Report and submit it for approval to the AGM of 12 May 2022, and*
6. *To approve the adjustment of the remuneration of the Chair of the Board amounting annually to €235,000 gross".*

2.8.3 Resolution of the meeting of the Board of Directors held on 20 June 2022: Deliberation and decision on executive remuneration

"Mr. Bill Zarkalis, withdrew from the meeting, due to the fact that he had a potential conflict of interest in accordance with Article 7:96. Likewise, all other executive directors left the meeting.

Following the relevant recommendation of the Remuneration Committee, the Board of Directors decided, unanimously and by sperate votes, to: [...]

(2) replace the current expatriate contract of Mr. Bill Zarkalis with a US contract, in line with local and TCI practice, based on an annual gross base salary of 871,760 USD.

It is noted that such amendment promotes the Company's interest and aligns the interests of the executive management with the interests of the shareholders".

2.8.4 Resolution of the meeting of the Board of Directors held on 9 November 2022: Reporting of the Remuneration Committee

"The executive directors of the Board, namely Leonidas Canellopoulos, Michael Colakides, Yanni Paniaras, Dimitri Papalexopoulos, Alexandra Papalexopoulou and Bill Zarkalis, declared that they have a possible conflict of interest, pursuant to article 7:96 of the Belgian Code on Companies and Associations, regarding this item of the agenda and for this reason they withdrew from the meeting. The conflict of interest is related to the fact that Mr. Dimitri Papalexopoulos and Ms. Alexandra Papalexopoulou, Executive Directors of the Board, are the beneficiaries of the recommendations of the Remuneration Committee. [...]

The non-executive members of the Board, having noted the recommendations of the Remuneration Committee and following relevant deliberation, decided, unanimously and by separate votes, that the remuneration proposals promote the Company's interests and align the interests of the management with the interests of the shareholders. For this reason, the non-executive members of the Board, decided, unanimously and by separate votes:

(1) to approve the amendment, effective as of 1 January 2023, of the annual remuneration of the Chair of the Board of Directors from €250,000 to an amount of up to €850,000, consisting of up to €525,000 in cash and up to €325,000 in share-based remuneration subject to approval by the Annual Shareholders' Meeting.

(2) to acknowledge and approve the amount and payment terms of the severance that Mr. Dimitri Papalexopoulos is entitled to receive due to the termination as of 31 December 2022 of his employment agreement with the Company's subsidiary, Titan Cement Company S.A., amounting to 180% of his annual base salary and payable at a time to be mutually agreed.

(3) to acknowledge and approve the amendment of the remuneration of Ms. Alexandra Papalexopoulou received in the framework of her employment agreement with the Company's subsidiary, Titan Cement Company S.A., which will be decreased by approximately 35%, effective as of the date of the transition to her new role as Chair of the Strategy Committee, as well as to approve that Ms. Alexandra Papalexopoulou upon termination of her employment agreement will be entitled to a severance payment equal to 180% of her annual base salary effective in December 2022".

2.9. Dealing Code

The Company has established a Dealing Code, which contains the rules governing transactions in the Company's securities. The legal basis for this Dealing Code is Regulation (EU) No 596/2014 on market abuse, together with its implementing regulations and guidance.

The Dealing Code is included as Appendix 9 to the Company's CG Charter and is addressed to the Company's directors, managers and officers, as well as to Group's directors, managers, officers and employees who are in possession of inside information (the "Addressees").

The Dealing Code is intended to ensure that the Addressees do not misuse inside information, which is prohibited under EU market abuse rules, and do not place themselves under suspicion of misusing such inside information. The Dealing Code is also intended to ensure that persons that possess inside information at a given time maintain the confidentiality of such inside information and refrain from market manipulation, either directly or indirectly.

3. Composition and Operation of Board Committees

3.1 Audit and Risk Committee

3.1.1 Composition

Chair: Kyriacos Riris, independent director
Members: Natalia Nikolaidi, independent director
Dimitris Tsitsiragos, independent director

With a career spanning some 40 years, the Chair of the Audit and Risk Committee has accumulated vast experience in auditing and accountancy, while the other members of the Audit and Risk Committee have collective expertise regarding the activities of the Company.

3.1.2 Role

The Audit and Risk Committee performs all the duties set out in Article 7:99 of the BCCA and is entrusted with the development of a long-term audit program encompassing all the activities of the Company, including:

- monitoring the financial reporting process;
- monitoring the effectiveness of the Company's internal control and risk management systems;
- monitoring the internal audit and its effectiveness;
- monitoring the statutory audit of the annual and consolidated financial statements, including any follow-up on any questions and recommendations made by the External Auditor;
- reviewing and monitoring the independence of the External Auditor, in particular regarding the provision of additional services to the Company.

3.1.3 Activities in 2022

In 2022, the Audit and Risk Committee held seven meetings: on 17 January, 16 February, 15 March, 6 April, 10 May, 26 July and 8 November 2022.

The rate of attendance by the members of the Audit and Risk Committee for all of its meetings was 100%.

The discussions and decisions of the Audit and Risk Committee in 2022 were mainly focused on:

- the review of the Company's annual and half-yearly consolidated financial statements and consolidated quarterly results;
- the review of the Company's annual and half-yearly accounts;
- the review of draft press releases for publication, and of the annual report and the half-yearly report;
- the monitoring of the implementation of the Internal Audit Plan and the review of the internal audit organization, resources and competences;
- the review of the report of the External Auditor on the annual consolidated and stand-alone financial statements and the discussion on their findings;
- the review of the Audit Plan that was presented by the External Auditor;
- the review and approval of non-audit services;
- the monitoring of implementation of the Group Compliance and Anti-Fraud Program and the Group's Cyber Security Status;
- the self-evaluation of the Audit and Risk Committee;
- the review of the terms of reference of the Audit and Risk Committee.

3.1.4 External Auditor

The audit of the Company's financial statements was entrusted, by virtue of the resolution of the Annual Shareholders' Meeting dated 12 May 2022, to PricewaterhouseCoopers, Réviseurs d'Entreprises SRL, with registered office located at 1831 Diegem, Culliganlaan 5, Brussels, represented by Didier Delanoye, for a term of three years, expiring at the end of the Annual Shareholders' Meeting to be held in 2025, related to the approval of the annual accounts for the financial year ending on 31 December 2024.

The responsibilities and powers of the External Auditor are set by law.

The Audit and Risk Committee monitors and assesses the effectiveness, independence and objectivity of the external auditor having regard to the:

- content, quality and insights on key external auditor plans and reports;
- engagement with the external auditor during committee meetings;
- robustness of the external auditor in handling key accounting principles; and
- provision of non-audit services.

The yearly 2022 audit fees for the statutory accounts of the Company were set at €125,756 (plus VAT and out of pocket expenses) (€117,200 in 2021).

The audit fees for the Group and statutory audit of the Company's subsidiaries and affiliates in 2022 amount to €1,509,208 (€1,397,795 in 2021).

Non-audit fees (for the Company, subsidiaries and affiliates) paid or accrued in 2022 amount to €502,521 (€187,116 in 2021) and include:

- Audit-related fees (assurance services for the Company, its subsidiaries and affiliates) €243,122 (€168,055 in 2021);
- Tax advisory, other advisory and compliance services €259,399 (€19,061 in 2021).

The rules governing the composition, tasks and method of functioning of the Audit and Risk Committee are laid down in Appendix 3 of the Company's CG Charter ("Terms of Reference of the Audit and Risk Committee"), which is available on the Company's website (https://www.titan-cement.com/wp-content/uploads/2023/02/TCI_CorporateGovernanceCharter_01.02.2023.pdf).

3.2 Remuneration Committee

3.2.1 Composition

Chair: Mona Zulficar, independent director
Members: William-John Antholis, independent director
Haralambos David, independent director

3.2.2 Role

The Remuneration Committee has the duties set out in Article 7:100 of the BCCA, including the preparation and assessment of proposals for the Board with regard to:

a. the Company's remuneration policy and the remuneration of directors, members of the Company's Management Committee and members of the Group Executive Committee, as well as arrangements concerning early termination;

b. the annual review of the executive management's performance; and

c. the realization of the Company's strategy against performance measures and targets.

3.2.3 Activities in 2022

In 2022, the Remuneration Committee held three meetings: on 9 March, 9 November and 15 December 2022.

The rate of attendance by the members of the Remuneration Committee for all its meetings was 100%.

The discussions and decisions of the Remuneration Committee in 2022 were mainly focused on:

- the variable remuneration payouts for 2021;
- the vesting of the stock options awarded in 2019;
- the salary increases for 2022, the bonus payout for 2021 and LTIP awards for 2022 for the executive members of the Board, the members of the Management Committee, the members of the Group Executive Committee and the Group Internal Audit, Risk and Compliance Director;
- the Remuneration Report for the year 2021;
- the review of the remuneration of the Chair of the Board of Directors;
- the remuneration level of the Strategy Committee to be formed at Board level;
- the review of the severance payments to be offered to departing executives of the Company.

The rules governing the composition, tasks and method of functioning of the Remuneration Committee are laid down in Appendix 5 of the Company's CG Charter ("Terms of Reference of the Remuneration Committee"), which is available on the Company's website (https://www.titan-cement.com/wp-content/uploads/2023/02/TCI_CorporateGovernanceCharter_01.02.2023.pdf).

3.3 Nomination Committee

3.3.1 Composition

Chair: Efstratios-Georgios Arapoglou, independent director
Members: Andreas Artemis, independent director
Lyn-Mary Grobler, independent director
Theodora Taoushani, independent director

3.3.2 Role

The role of the Nomination Committee is to make recommendations to the Board with regard to the appointment of new members of the Board of Directors, the Managing Director, members of the Management Committee and the Group Executive Committee, as well as their orderly succession.

The main duties of the Nomination Committee include:

- the nomination of candidates for any vacant directorships, for approval by the Board of Directors;
- the preparation of proposals for re-appointments;
- the periodical assessment of the size and composition of the Board and making recommendations for any changes; and
- ensuring that sufficient and regular attention is paid to the succession of executives, talent development and promotion of diversity in leadership positions.

3.3.3 Activities in 2022

In 2022, the Nomination Committee held three meetings: on 1 April, 12 May and 9 November 2022.

The rate of attendance by the members of the Nomination Committee for all its meetings was 100%.

The discussions and decisions of the Nomination Committee in 2022 were mainly focused on:

- the nomination of two candidates to be appointed as new members of the Board of Directors by the Annual Shareholders' Meeting, the appointment of whom would increase the number of women serving on the Board of Directors, thus satisfying the Company's commitment to comply with the gender diversity requirements;

- the evaluation of the members of the Board of Directors whose term was expiring at the end of the Annual Shareholders' Meeting held on 12 May 2022 and the proposal for re-appointments and new appointments;
- the proposal on allocation of roles within the Board of Directors and its Committees;
- the presentation of Mr. Marcel Cobuz as a potential Board candidate to replace Mr. Efstratios-Georgios Arapoglou.

The rules governing the composition, tasks and method of functioning of the Nomination Committee, as well as the procedure to be followed by the latter for the appointment and reappointment of Board members, are laid down in Appendix 4 of the Company's CG Charter ("Terms of Reference of the Nomination Committee"), which is available on the Company's website (https://www.titan-cement.com/wp-content/uploads/2023/02/TCI_CorporateGovernanceCharter_01.02.2023.pdf).

3.4 Management Committee

Chair: Michael Colakides, Managing Director and Group CFO
Members: Grigoris Dikaios, Company CFO
Christos Panagopoulos, Regional Director East Med

The main role and main duties of the Management Committee are to implement and monitor the Company strategy, to prepare and present to the Board the financial statements of the Company in accordance with the Company's applicable accounting standards and policies, to prepare the Company's required disclosure of the financial statements and other material financial and non-financial information, to manage and assess the Company's internal control systems and to support the Managing Director in the day-to-day management of the Company and the performance of his other duties.

The Management Committee meets whenever a meeting is required for its proper functioning.

The rules governing the composition, tasks and method of functioning of the Management Committee, as well as the code of conduct, are laid down in Appendix 7 of the Company's CG Charter ("Terms of Reference of the Management Committee"), which is available on the Company's website (https://www.titan-cement.com/wp-content/uploads/2023/02/TCI_CorporateGovernanceCharter_01.02.2023.pdf).

3.5 Group Executive Committee

Chair: Marcel-Constantin Cobuz[1]

Deputy Chair: Alexandra Papalexopoulou

Members: Michael Colakides, Managing Director and Group CFO
Leonidas Canellopoulos, Group Chief Sustainability Officer
Michael Chivers, Group Human Resources Director
Antonios Kyrkos, Group Transformation and Strategic Planning Director
Ioannis Paniaras, Group Executive Director Europe
Christos Panagopoulos, Regional Director Eastern Mediterranean
Fokion Tasoulas, Group Innovation and Technology Director
Vassilios (Bill) Zarkalis, Group Chief Operating Officer – President and CEO of Titan America LLC – Chairman of STET

[1] Marcel-Constantin Cobuz was appointed as a member of the Group Executive Committee on 1 July 2022 and succeeded Dimitrios Papalexopoulos in the position of Chair of the Group Executive Committee on 15 October 2022.

The role of the Group Executive Committee is to facilitate the supervision of Group operations, the cooperation and coordination between the Company's subsidiaries and the monitoring of the Group management performance, while ensuring the implementation of decisions and related accountability.

The Group Executive Committee meets whenever a meeting is required for its proper functioning. During the meetings of the Group Executive Committee held in 2022, a variety of coordination topics were covered, including strategy, quarterly results, Group budget, H&S reviews, sustainability issues, HR issues, procurement, progress of key projects (decarbonization, digitalization), trading activities, diversification, risk, etc.

The rules governing the composition, tasks and method of functioning of the Group Executive Committee, as well as the code of conduct, are laid down in Appendix 8 of the Company's CG Charter ("Terms of Reference of the Group Executive Committee"), which is available on the Company's website (https://www.titan-cement.com/wp-content/uploads/2023/02/TCI_CorporateGovernanceCharter_01.02.2023.pdf).

4. Diversity and Inclusion

TITAN is committed to offering equal opportunities and encourages diversity and inclusion at every level of employment in the Company. A "diverse and inclusive workplace" has been recognized as a material issue for the Group. Diversity includes gender, age, nationality, disability, ethnic origin, sexual orientation, culture, education and professional background. At Group level, particular attention is given to monitoring the implementation of our Human Rights Policy, part of which refers to the promotion of diversity and to ensuring consistent improvement of diversity across the organization. Improving the gender mix at all levels is always an area of focus. Likewise, we focus on inclusion and on creating a working environment that maximizes the potential of all employees.

Currently, the number of women on the Board of Directors respects the 1/3 gender diversity requirements provided by Belgian law.

The Board has also promoted diversity in the composition of the Board Committees, by appointing a woman as Chair of the Remuneration Committee, one woman as a member of the Audit and Risk Committee and two other women as members of the Nomination Committee.

TITAN monitors gender diversity in management at both Group and local levels (see ESG Performance statements, Table 2.2 Focus area: growth enabling work environment).

In 2019, an assessment of Group policies was conducted by the Group Human Resources Department to define priorities and future targets accordingly. Our Group Code of Conduct, Human Rights and CSR policies were updated to incorporate clearer references to diversity and inclusion.

Diversity at Board level has also been promoted through a balanced mixture of academic and professional skills. More specifically, the Board includes directors from a variety of sectors, including, among others, banking and insurance, corporate/business, audit services, public policy and political history, the cement sector, emerging markets and finance, legal services, technology and IT.

As far as residence is concerned, seven Board members have their permanent residence in Cyprus, one in Egypt, four in Greece, two in the UK and two in the USA.

The Group focuses on fostering diversity and inclusion awareness through workshops, training and development programs in the various regions.

The results of diversity promotion efforts in 2022 are published in the ESG Performance review and ESG performance statements, Table 2.2 Focus area: growth enabling work environment.

5. Internal Audit and Risk Management in the Scope of the Financial Reporting Process

The key elements of the system of internal controls utilized to avoid errors in the preparation of the financial statements and to provide reliable financial information are the following:

The assurance mechanism regarding the integrity of the Group's financial statements consists of a combination of embedded risk management processes, applied financial control activities, the relevant information technology utilized and the financial information prepared, communicated and monitored.

Each month the Group's subsidiaries submit financial and non-financial data to the Group's consolidation department and provide explanatory information where necessary.

In consolidating the financial results and statements, the Group utilizes specialized consolidation software and specialized software for reconciling intercompany transactions. These tools come with built-in control mechanisms and have been parametrized in accordance with the Group's needs. Finally, the above tools use best practices regarding the consolidation process, which the Group has to a very large extent adopted.

The Group's management reviews the consolidated financial statements and the Group's Management Information (MI) on a monthly basis. Both sets of information are prepared in accordance with IFRS and in a manner that facilitates their understanding.

The monthly monitoring of the financial statements and Group MI and their analysis by the relevant departments are key elements of the controlling mechanism regarding the quality and integrity of financial results.

The Group's external auditors review the mid-year financial statements of the Group and its material subsidiaries and audit their full-year financial statements. Moreover, they audit the full-year financial statements of the Company. In addition, the Group's external auditors inform the Audit and Risk Committee about the outcome of their reviews and audits.

During its quarterly meetings prior to the financial reporting, the Audit and Risk Committee is informed about the performance of the Group by the Managing Director and Group CFO, and also by the other competent officers of the Company and the Group. It also monitors the consolidated accounts and the financial reporting process, and reports accordingly to the Board of Directors. The Audit and Risk Committee monitors the financial reporting process and the effectiveness of the Group's and the Company's internal control and risk management systems.

The approval of the financial statements (Company and Consolidated) by the Board of Directors is made after the relevant recommendation of the Audit and Risk Committee.

6. Internal Audit

The internal audit is carried out by the Group Internal Audit function. As of January 2020, the function assumed a broader role, taking over responsibility for risk and compliance in addition to the internal audit.

Internal Audit is an independent department with its own written regulation, reporting directly to the Audit and Risk Committee.

The Group Internal Audit workforce consists of 17 executives duly trained and having the appropriate experience to carry out their work. One (1) new hire was added in mid-2022.

The primary role of Internal Audit is to monitor the effectiveness of the internal control environment. Its scope also includes:

- monitoring implementation and compliance with the Company's Internal Regulation, Code of Conduct, Articles of Association and applicable laws in all jurisdictions in which the Group operates;
- providing consulting services (e.g. review of new procedures, post-implementation reviews of new IT systems);
- undertaking special assignments (e.g. fraud investigations).

During the year, the Audit and Risk Committee received in total 37 internal audit reports. Likewise, the Audit and Risk Committee received all progress reports referring to the most important audit findings in 2022.

The Head of the Group's Internal Audit, Risk and Compliance Department participated in all meetings held by the Audit and Risk Committee and had a number of meetings with its Chair, pertaining to the further improvement of the preparation of the Audit and Risk Committee meetings with regard to the Internal Audit.

Following the relevant recommendation of the Audit and Risk Committee, the Board of Directors approved the Internal Audit Plan for 2023 and specified the functions and areas on which the internal audit should primarily focus.

7. Remuneration report 2022

In accordance with the applicable provisions, this Remuneration Report describes the remuneration paid on an individual basis to the members of the Board of Directors and the members of the Management Committee, who are in charge of the daily management.

7.1 Year in overview

In 2022, TITAN Group successfully overcame inflation and supply chain challenges and achieved double-digit sales growth in all its markets. This was attributed to solid volumes, successful pricing strategies, and energy cost efficiency actions which helped offset rising energy and overall production costs as well as transportation costs. Input and energy costs started increasing during the last quarter of 2021 and over the following twelve months those costs intensified further, reaching at times historical high levels. During the course of this period, we increased our prices, targeting to offset the overall increases in costs and to restore our declining margins. In the last quarter of 2022, energy costs improved as a result of cost-saving actions, more use of alternative fuels, and market conditions, allowing a recovery of EBITDA margins.

The Group delivered robust sales of €2,282.2 million reflecting a solid 33.1% increase compared to the previous year. To be noted that sales as well as cost of sales were impacted by inflation and the strong USD. Despite the challenges posed by surging energy costs, the Group's actions to adopt a dynamic price increases strategy and enhance its energy mix, coupled with efficiency gains thanks to digitalization of its manufacturing process, have resulted in a significant EBITDA improvement. In 2022, the Group's EBITDA increased by 20.3% compared to 2021, reaching €331.2 million. The Group's net result after taxes and minority interests also showed significant growth, reaching €109.7 million, an increase of 19.3% from the €91.9 million profit in 2021. Noted that IAS 29 for hyperinflation was applied in the operations in Turkey, leading to a gain on net monetary position of €26.3m and reducing the EBITDA by €3.4 million. A goodwill impairment of €21.8 million was recognized practically reversing the gain that resulted from hyperinflation. The great performance results highlight the Group's ability to adapt to market conditions and to activate effective growth strategies, driving positive financial performance. They also underscore the Group's resilience, adaptability and commitment to transform the Group commercially and technologically while digitizing our customer journey and decarbonizing aggressively, delivering long-term value to all our stakeholders.

7.2 Remuneration of the Board of Directors

The Company's Directors are remunerated in line with the Remuneration Policy. The Remuneration Committee, set up by the Board, is responsible for outlining a remuneration policy for the executive and non-executive directors, taking into account the overall remuneration framework of the Company, as set out in Appendix 5 of the CG Charter. The level of remuneration for the Chair of the Board of Directors is decided by the General Meeting, following respective recommendation of the Board of Directors and of the Remuneration Committee. The Committee also recommends the levels of remuneration of Non-Executive Directors on the basis of their time commitment and responsibilities.

According to the 2022 Remuneration Policy:

- Non-executive directors are paid a basic fixed board fee that covers the time required to perform their duties and where it applies: i) committee chairmanship fees ii) committee membership fees iii) pro-bono travel allowance for non-Greece and non-Cyprus based non-executive board members.
- Non-executive directors do not receive variable compensation linked to results or other performance criteria. As a result, non-executive directors are not entitled to annual bonuses, stock options or performance share units. Neither are they entitled to any supplemental pension scheme nor termination payment.
- The Company provides customary insurance policies covering Board of Directors' activities in carrying out their duties.
- Fees are reviewed, but not necessarily increased annually.

7.2.1 Board of Directors individual remuneration

The remuneration of the Board of Directors and the remuneration of the members of the Board Committees approved by the Annual Shareholders' Meeting of 12 May 2022 are as follows:

Board fees	Per annum, per director
Chair fees	€235,000 gross
Non-Executive Directors	€50,000 gross
Executive Directors	€30,000 gross
Audit and Risk Committee	
Chair fee	€20,000 gross
Member fee	€15,000 gross
Nomination Committee	
Chair fee	€15,000 gross
Member fee	€10,000 gross
Remuneration Committee	
Chair fee	€12,000 gross
Member fee	€8,000 gross

FEES TO THE MEMBERS OF THE BOARD OF DIRECTORS AS ON 31 DECEMBER 2022 AND LAST YEAR'S TOTAL AMOUNTS

	2022				2021
	Total gross amount including fixed fees	Board fees	Committee fees	Pro-bono allowance	Total gross amount including fixed fees
Eftrsatios-Georgios Arapoglou[1]	€237,438	€222,438	€15,000	n/a	€215,000
William-John Antholis	€63,000	€50,000	€8,000	€5,000	€58,000
Andreas Artemis	€60,000	€50,000	€10,000	n/a	€60,000
Leonidas Canellopoulos	€30,000	€30,000	n/a	n/a	€30,000
Michael Colakides	€45,102	€45,102	n/a	n/a	€45,000
Haralambos David[2]	€60,512	€50,000	€10,512	n/a	€65,000
Lyn-Mary Grobler	€70,000	€50,000	€10,000	€10,000	-
Natalia Nikolaidi[3]	€41,671	€32,055	€9,616	n/a	-
Ioannis Paniaras	€30,000	€30,000	n/a	n/a	€19,000
Dimitrios Papalexopoulos	€30,000	€30,000	n/a	n/a	€30,000
Alexandra Papalexopoulou	€30,000	€30,000	n/a	n/a	€30,000
Kyriacos Riris	€70,000	€50,000	€20,000	n/a	€70,000
Theodora Taoushani[4]	€38,466	€32,055	€6,411	n/a	-
Stylianos Triantafyllides[5]	€20,975	€18,082	€2,893	n/a	€58,000
Dimitris Tsitsiragos	€75,000	€50,000	€15,000	€10,000	€65,000
Vassilios (Bill) Zarkalis	€30,000	€30,000	n/a	n/a	€30,000
Mona Zulficar	€62,000	€50,000	€12,000	-	€62,000

[1] Due to the amendment of the annual gross fees decided by the Annual Shareholders' Meeting on 12/5/2022, the Board fees for 2022 were calculated on the basis of annual gross fees of €200,000 for the first 131 days of service and on the basis of annual gross fees of €235,000 for the remaining 234 days of service.
[2] On 12 May 2022, the Board of Directors of the Company decided to appoint Haralambos David as member of the Remuneration Committee. Until such decision, he was serving as member of the Audit and Risk Committee. Therefore, the Committee fees for the period 1 January – 11 May 2022 (131 days of service) were calculated on the basis of the annual gross fees for the Audit and Risk Committee of €15,000 and for the period of 12 May – 31 December 2022 (234 days of service) were calculated on the basis of the annual gross fees for the Remuneration Committee of €8,000.
[3] Natalia Nikolaidi was appointed as member of the Board of Directors and as member of the Audit and Risk Committee on 12 May 2022. Therefore, the fees for 2022 relate to the period 12 May – 31 December 2022.
[4] Theodora Taoushani was appointed as member of the Board of Directors and as member of the Nomination Committee on 12 May 2022. Therefore, the fees for 2022 relate to the period 12 May – 31 December 2022.
[5] Stylianos Triantafyllides was member of the Board of Directors and member of the Remuneration Committee until 12 May 2022. Therefore, the fees for 2022 relate to the period 1 January – 12 May 2022.

7.3 Remuneration of the Executive Directors of the Board and the members of the Management Committee

7.3.1 Remuneration Philosophy and Policy

The 2022 Remuneration Policy ensures that the Company is remunerating on the basis of its short and long-term business plan, so as to continue creating value for customers, shareholders, employees, societies and economies.

The 2022 Remuneration Policy was approved by the Annual Shareholders' Meeting held on 12 May 2022 and is aligned to a great extent with the implementation of the European Shareholder Rights Directive II ("SRD II").

The total amount of remuneration of the Executive Directors and the members of the Management Committee is linked to strategy, relevant performance measures and contributes to the long-term performance of the Company.

Main principles that govern the Remuneration Policy and contribute to the Company's business strategy and sustainability are:

- Establish a fair and appropriate level of fixed remuneration aiming at attracting high caliber senior professionals who can add value to the Company.
- Maintain a balanced approach between fixed and variable remuneration, so as to avoid over relying on variable pay and undue risk taking.
- Establish a balanced approach between short and long-term incentives, to ensure there is focus on short term objectives that will ultimately contribute to the creation of long-term value creation.
- Alignment of executives to shareholder interests and long-term value creation through long-term incentives where the reward is linked to company shares.
- Avoidance of undue risk taking by focusing on financial and non-financial performance metrics in variable pay design.

The level of remuneration for the Managing Director, the Executive Directors and the members of the Management Committee is set by the Board of Directors, following relevant recommendation of the Remuneration Committee and in line with the applicable Remuneration Policy.

The Remuneration Committee regularly reviews the Remuneration Policy, in order to ensure continuous alignment with its principles, as well as market trends and best practices. On an annual basis, the Remuneration Committee recommends the levels of the annual remuneration of the Executive Directors and the members of the Management Committee, as well as of other Group executives on the basis of their performance and responsibilities.

In case of substantial changes, and at least every four years, the Remuneration Policy is submitted for approval to the General Meeting.

In setting the remuneration levels for the Managing Director, as well as of the other Executive Directors and the members of the Management Committee, the Remuneration Committee gathers market insights from various relevant perspectives. These reflect the relevant industries for the Company, the relevant geographies (e.g. Europe, and for specific positions the U.S.), and also take into consideration the size and the scope of the Company and the respective positions.

The Company aims to position the remuneration levels around the relevant market third quartile for the total compensation target (the sum of fixed base remuneration and variable pay target).

In summary key principles of the remuneration policy are as follows:

Attract and retain qualified, high-caliber leaders who drive TITAN's business strategy forward and increase shareholder value through sustainable growth

Long-term incentive plan (LTIP)

Short-term incentive plan (STIP)

~60% of total compensation as variable remuneration

Focus on sustainable performance over the long term. Incentive to improve share performance in alignment with the interests of the shareholders

Focus on short-term performance. Recognition for achieving annual targets at collective and individual level, whilst respecting safety standards

Benefits

Fixed compensation

~40% of total compensation as fixed remuneration

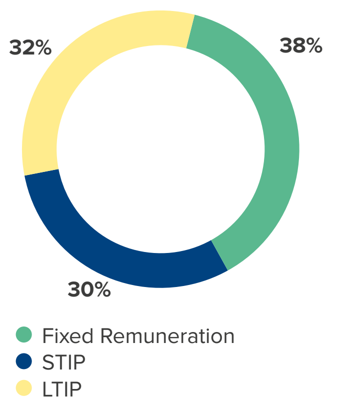
Competitive benefit package for recruitment and retention purposes and ensure the well-being of the Executive Directors

Pay fairly and reasonably for the best and most appropriate person for the role, according to level of responsibility, knowledge and experience required to deliver upon expectation

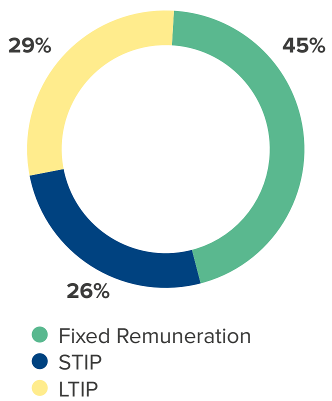
7.3.2 Remuneration opportunities and pay mix of Executive Directors and members of the Management Committee in 2022

Below please find the pay mix (on target) of Total Direct Compensation package of the Executive Directors and the members of the Management Committee.

BOARD EXECUTIVE DIRECTORS (aggregate)



MANAGEMENT COMMITEE (aggregate)



TOTAL DIRECT REMUNERATION - INCENTIVES ON TARGET (FULL YEAR)

Name, Position	Fixed Remuneration[1] (on a full year basis)	Variable Remuneration			Total Direct Remuneration Pay mix
		Value measurement	Short Term Incentive Target	LTI target	
Michael Colakides Managing Director & Group CFO, Board Executive Director	€530,100	Amount	€374,850	€470,000	Fixed 39%
		% of ABS	85%	107%	Variable 61%
Dimitrios Papalexopoulos[2] Chair of Group Executive Committee, Board Executive Director	€615,970	Amount	€532,700	€580,000	Fixed 35%
		% of ABS	100%	109%	Variable 65%
Alexandra Papalexopoulou Deputy Chair of Group Executive Committee, Board Executive Director	€479,680	Amount	€347,480	€450,000	Fixed 36%
		% of ABS	85%	110%	Variable 64%
Leonidas Canellopoulos Board Executive Director	€266,698	Amount	€133,980	€140,000	Fixed 49%
		% of ABS	60%	63%	Variable 51%
Ioannis Paniaras Board Executive Director	€443,910	Amount	€321,300	€380,000	Fixed 39%
		% of ABS	85%	101%	Variable 61%
Vassilios (Bill) Zarkalis Board Executive Director	$966,936	Amount	$851,760	$750,000	Fixed 38%
		% of ABS	100%	88%	Variable 62%
Christos Panagopoulos Management Committee member	€300,300	Amount	€149,940	€160,000	Fixed 49%
		% of ABS	60%	54%	Variable 51%
Grigorios Dikaios Management Committee member	€211,870	Amount	€68,306	€35,000	Fixed 67%
		% of ABS	35%	19%	Variable 33%

[1] Fixed remuneration includes base salary, board fees and pension contributions.
[2] Executive Director, Chair of Group Executive Committee until 15 October 2022.

7.3.3 Fixed Remuneration and Benefits

Fixed pay

The fixed pay considers the level of responsibility, as well as the knowledge and experience required to deliver upon expectations, while ensuring that the Company pays no more than necessary, always supporting its longer-term interests and sustainability. It is reviewed annually, but not necessarily increased, taking into consideration factors including:

- The performance and experience of the individual;
- The performance of the Company;
- The individual's role and responsibilities;
- Pay and employment conditions elsewhere in the Company;
- Rates of inflation and market-wide increases across international locations;
- The geographic location of the executive.

Whilst there is no prescribed maximum level of salary, increases are normally not expected to exceed average increases for the wider workforce considering relevant geography.

Larger increases may be decided in certain circumstances including where the individual's role has an increase in responsibility or experience.

Retirement allowance and other benefits

The Company operates a defined contribution pension plan in which the Executive Directors may participate.

The maximum contribution is up to 10% of Annual Base Salary (first-tier up to 8%, second-tier further up to 2% by matching employee contribution by a ratio of 1:2).

In the event Executives leave the Company prior to 5 years from the entry to the Program, any contributions by the Company are lost (possible deviation is subject to approval by the Chair of the Group Executive Committee or by the Board of Directors if the case concerns executive members of the Board of Directors).

Benefits provided include, but are not limited to company car, fuel, medical and life insurance. Additional benefits which are generally of low cost, may be provided from time to time if they are considered appropriate and in line with market practice. All benefits may at any time be recalled or amended at the Company's discretion.

7.3.4 Variable pay (Short Term, Long Term)

Short-term and Long-term variable pay are treated in accordance with the rules of the relevant plans analyzed below. No specific clauses and/or arrangements in relation to change in control are applicable. No variable remuneration claw back mechanisms were used during FY2022.

Short-term variable pay

2022 performance criteria and outcomes/ Short-Term Incentive (STI)

Following relevant recommendation by the Remuneration Committee, the Board determines the most relevant performance criteria for the short-term incentive plan, setting challenging, but realistic target levels for each of those performance criteria. These KPIs provide the framework for incentive schemes throughout the company.

The target opportunity provided by the STIP is up to 100% of the Annual Base Salary (ABS), and uses three performance criteria:

- Collective (Financial): up to 45% of total payout
- Individual: up to 55% of payout
- Safety: 5%

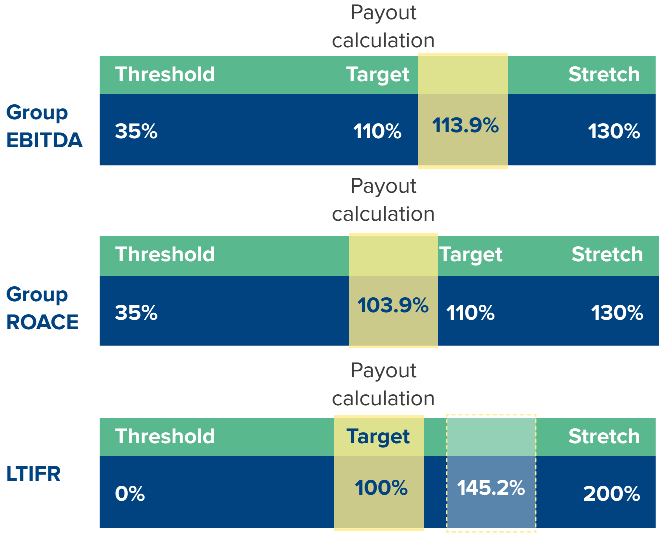
Collective performance measurement is linked by 80% EBIDTA and by 20% to ROACE at Group, Regional/BU level.

Individual performance is measured against a combination of objectives and behaviors.

Safety performance is measured against the Lost Time Injury Frequency Rate target.

Maximum for Financial performance is at 130% of target in case of overachievement, for Individual at 150% in case of extraordinary performance and for Safety at 200%.

GROUP FINANCIAL AND SAFETY PERFORMANCE 2022



**capped due to fatality*

The final assessment is determined at the end of the fiscal year, based on the audited financial results. Any potential payout under the short-term incentive plan occurs annually during the first semester of the next financial year. A minimum level of performance must be achieved before any payment under the plan will be made. Payout is capped for stretch performance. The final assessment of performance under the short-term incentive plan is done by the Remuneration Committee, which in turn make the necessary proposal to the Board of Directors for decision making.

Despite very sharp cost increases in critical cost elements (such as fuel, electricity and shipping freight) in the first half of the year, the overall profitability of the Group was on target. In 2022, at Group level, EBITDA was above the target resulting in a 113.9% payout in the respective part of variable pay and Group ROACE was close to target resulting in a 103.9% payout in the respective part of variable pay.

Furthermore, in 2022, at Group level, the performance achieved against the set target linked to safety (the Lost Time Injuries Frequency Rate index (LTIFR)) was above the target. Payout capped to 100% in the respective part of variable pay due to a fatality.

The Remuneration Committee considered the overall performance and concluded to award the variable pay for 2022 according to the achieved results.

Long-Term variable pay

Long-term incentive grants were awarded according to the 2022 Remuneration Policy.

The number of LTI grants vested in 2022 to the Executive Directors and the members of the Management Committee are disclosed in the table 7.6 below.

Participants are expected to maintain in TCI shares (in brokerage accounts or Fund(s)) at a minimum 20% of the total awards exercised during the last five (5) vesting years (rolling basis). TCI shares, as well as Fund(s) balance, already owned by participants through previous LTI plans are taken into consideration.

Long-Term Incentive Plan (LTIP)

The Long-Term Incentive Plan (LTIP) was first applied in 2020. The LTIP award can be defined up to 125% of Annual Base Salary for the Management Committee and the Executive Directors of the Board.

The individual awards granted, within the limits of the policy, are based on each participant's position, fixed salary, individual performance and potential for development, and are approved by the Board of Directors following relevant recommendation by the Remuneration Committee.

LTIP awards are granted in the form of a conditional grant of a number of TCI shares. The value of each "conditionally granted share" is equal to the average TCI share closing price on Euronext Brussels during the last 7 trading days of March of the grant year.

The vesting schedule is 50% on year 3, 50% on year 4.

The vested number of TCI shares are transferred to the participant. The benefit for the participant is determined based on the value of TCI share at the time of vesting. The LTIP provides the flexibility in the ways to receive the vested benefit, other than TCI shares, upon participant request as contribution to a company-provided pension plan which invests mainly in TCI shares. In this way, their long-term interests remain linked to TCI share.

Deferred Compensation Plan (DCP)

The Deferred Compensation Plan was launched in 2021 with the aim to further align Senior Executives' long-term interests with those of shareholders. DCP substitutes 20% of the LTIP for the eligible Executive Directors of the Board and Management Committee members and the award granted can be defined up to 25% of Annual Base Salary.

DCP awards are granted in the form of a conditional grant of a number of TCI shares. The value of each "conditionally granted share" is equal to the average TCI share closing price on Euronext Brussels during the last 7 trading days of March of the grant year.

DCP awards vest three years from the date of grant, as long as certain, pre-set performance criteria are met. The number of vesting awards ranges from 0% if threshold target is not met, to 50% if threshold is achieved, to 100% for target performance, to a maximum of 160% in case of over-achievement.

Performance Criteria:

- 50% linked to Sustainability KPI: 3-year CO_2 target supporting the decarbonization priority of the Group; reduction of net direct CO_2 emissions/t cementitious product (50%).
- 50% linked Total Shareholder Return (TSR) performance vs a Peer Group Index (50%).

The peer group which formulates the index is the following (as set by the Board of Directors and may change, if required):

1. Lafarge-Holcim	5. CRH
2. Heidelberg	6. Buzzi
3. Cemex	7. Argos
4. Cementir	8. Vicat

The vested number of TCI shares are transferred to the participant. The benefit for the participant is determined based on the value of TCI share at the time of vesting. DCP provides flexibility in the ways to receive vested benefit, other than TCI shares, upon participant's request (e.g. cash, pension plan contributions).

Furthermore, the 2017 Restricted Stock Option Plan (RSIP 2017) is currently under implementation:

2017 Stock Options Plan

According to this three-year plan, the Board of Directors was entitled to grant up to 1,000,000 stock options at a sale price equal to €10.00 per share for each plan. Beneficiaries of the 2017 Stock Option Plan were executive directors, directors holding senior positions at Group or Regional or Country level in companies of TITAN Group, and a limited number of employees, standing out on a continuous basis for their good performance, having a high potential for advancement.

The vesting period of the stock options granted 2017, 2018 and 2019 was three years. The granted options vested in December 2019, December 2020 and December 2021 respectively, provided that the beneficiaries were still employed (or retired) with the Group.

After the completion of the three-year vesting period, the Board of Directors decided the final number of options that the beneficiaries have the right to exercise, based on the following criteria:

a. by 50%, based on the average 3-year Return on Average Capital Employed (ROACE) compared to the target of each 3-year period; and

b. by 50%, based on the overall performance of the Company's TSR compared to the average overall performance of a predefined international cement peer group:

1. Lafarge-Holcim
2. Heidelberg
3. Cemex (in US$)
4. Cementir
5. CRH
6. Buzzi
7. Argos (in US$)
8. Vicat

The timing of grant and vesting as well as percentage (%) of vested options based on the achievement against the above performance criteria are presented below:

2017 STOCK OPTION PLAN

Grant	Vested	Vested options (%)	Expiration
2017	Dec 2019	49.80%	Dec 2023
2018	Dec 2020	35.88%	Dec 2024
2019	Dec 2021	31.83%	Dec 2025

Beneficiaries are entitled to exercise their stock option rights, either in whole or in part, paying the Company the relevant amounts until the expiration date of their stock options, i.e. December of the third year after vesting of the stock options.

2014 Stock Options Plan

According to this three-year plan, the Board of Directors was entitled to grant up to 1,000,000 stock options at a sale price equal to €10.00 per share for each plan. Beneficiaries of the 2014 Stock Option Plan were executive directors, directors holding senior positions at Group or Regional or Country level in companies of TITAN Group, and a limited number of employees, standing out on a continuous basis for their good performance, having a high potential for advancement.

The vesting period of the stock options granted 2014, 2015 and 2016 was three years. The granted options vested in December 2016, December 2017 and December 2018 respectively, provided that the beneficiaries were still employed (or retired) with the Group.

After the completion of the three-year vesting period, the Board of Directors decided the final number of options that the beneficiaries have the right to exercise, based on the following criteria:

a. by 50%, based on the average 3-year Return on Average Capital Employed (ROACE) compared to the target of each 3-year period; and

b. by 50%, based on the overall performance of the Company's TSR compared to the average overall performance of a predefined international cement peer group:

1. Lafarge-Holcim
2. Heidelberg
3. Cemex (in US$)
4. Cementir
5. CRH
6. Buzzi
7. Argos (in US$)
8. Vicat

The timing of grant and vesting as well as percentage (%) of vested options based on the achievement against the above performance criteria are presented below:

2014 STOCK OPTION PLAN

Grant	Vested	Vested options (%)	Expiration
2014	Dec 2016	49.00%	Dec 2020*
2015	Dec 2017	46.00%	Dec 2021*
2016	Dec 2018	81.30%	Dec 2022

Beneficiaries are entitled to exercise their stock option rights, either in whole or in part, paying the Company the relevant amounts until the expiration date of their stock options, i.e. December of the third year after vesting of the stock options.

*Especially for 2014 Stock Option Plan, as per the Board of Directors decision dated 9 April 2020, due to covid-19 market conditions, it has been approved for the expiration date for the grant of 2014 to be extended for one year to December 2021 and for the grant of 2015 to December 2022.

7.4 Total Remuneration of the Executive Directors and the members of the Management Committee for 2022 (Fixed, STI, Benefits)

The remuneration of the Executive Directors and the members of the Management Committee was approved by the Board of Directors following relevant recommendation of the Remuneration Committee and is in full compliance with the 2022 Remuneration Policy and has as follows:

Name, Position	Fixed remuneration		Variable pay - Short-term incentive[1] (based on 2022 results paid in 2023)	Total direct remuneration	Benefits		Total remuneration	Proportion of fixed and short-term variable remuneration[4]
	Annual Base Salary	Board fees			Pension contribution[2]	Allowances + Other Benefits[3]		
Michael Colakides Managing Director	€438,300	€45,102	€413,717	€897,119	€43,830	€28,167	€969,116	fixed 57% variable 43%
Dimitrios Papalexopoulos Chair of Group Executive Committee	€531,178	€30,000	€587,934	€1,149,112	€52,880	€22,549	€1,224,541	fixed 52% variable 48%
Alexandra Papalexopoulou Deputy Chair of Group Executive Committee	€407,625	€30,000	€383,509	€821,134	€40,580	€38,428	€900,142	fixed 57% variable 43%
Leonidas Canellopoulos Board Executive Director	€219,947	€30,000	€147,872	€397,819	€21,895	€17,637	€437,351	fixed 66% variable 34%
Ioannis Paniaras Board Executive Director	€373,687	€30,000	€356,681	€760,368	€37,200	€27,150	€824,718	fixed 57% variable 43%
Vassilios (Bill) Zarkalis* Board Executive Director	$821,760	€30,000	$899,857	$1,753,417	$51,508	$171,356	$1,976,282	fixed 54% variable 46%
Christos Panagopoulos Management Committee	€281,500	-	€177,202	€458,702	€27,150	€101,012	€586,864	fixed 70% variable 30%
Grigorios Dikaios Management Committee	€193,930	€5,000	€69,687	€268,617	€11,636	€29,284	€309,537	fixed 77% variable 23%

* Amounts include allowances linked to B. Zarkalis' international assignment in US and part of the Deferred 3-year assignment success bonus linked to 2021 (fx rate used to convert euros to US dollars : 1,06).
(1) As of 2022, the Remuneration Report does not include the value of LTI awards vested during the year, as Stock Options do not represent a value until exercised and Fund Units until cashed-out respectively; vested awards are presented as number of vested Stock Options and Fund Units under the section "Stock Options/Fund Units balance in 2022".
(2) Defined contribution.
(3) Includes benefits and allowances (such as travel, housing, international assignment related allowance), life insurance, medical plan, company car.
(4) The proportion of Long-term variable remuneration is not depicted in the table, since it is expressed as number of vested Stock Options and Fund Units under the section "Stock Options/Fund Units balance in 2022"

7.5 Long Term variable pay - awards granted in 2022

Name		LTIP		DCP
		Number of shares[2]	Number of Fund units[3]	Number of shares[2]
Michael Colakides*	Managing Director and Group CFO		50,949	7,293
Dimitrios Papalexopoulos[1]	Chair of Group Executive Committee	39,101		9,776
Alexandra Papalexopoulou	Deputy Chair of Group Executive Committee	31,032		7,758
Leonidas Canellopoulos	Board Executive Director	8,689		2,173
Ioannis Paniaras	Board Executive Director	23,585		5,897
Vassilios (Bill) Zarkalis	Board Executive Director	40,940		10,235
Grigorios Dikaios*	Management Committee member, Company CFO		4,743	
Christos Panagopoulos*	Management Committee member		17,345	2,483

* Management Committee members' 2022 LTI amount received as units of Fund which invest mainly in TCI shares.
1 Executive Director, Chair of Group Executive Committee until 15 October 2022.
2 Conditionally granted shares.
3 Fund invests in TCI shares.

7.6 Stock Options/ Fund Units balance in 2022

Following the guidelines of the Executive remuneration disclosure, the table below shows the evolution of outstanding balances of stock options of the Executive Directors and the members of the Management Committee and the balance at the end of the reporting period as well as fund units vested at the end of the reporting year:

Name	Stock Options						Fund Units
	Balance on 31/12/2021	Vested in 2022	Expired in 2022	Exercised in 2022	Non vested	Balance on 31/12/2022	Vested in 2022
Michael Colakides	39,652	0	0	16,260	0	23,392	30,772
Dimitrios Papalexopoulos	70,798	0	0	26,016*	0	44,782	25,964
Alexandra Papalexopoulou	41,336	0	0	13,008*	0	28,328	16,828
Leonidas Canellopoulos	2,292	0	0	0	0	2,292	2,596
Ioannis Paniaras	25,624	0	0	9,756	0	15,868	13,944
Vassilios (Bill) Zarkalis	14,276	0	0	0	0	14,276	26,925
Grigorios Dikaios	4,301	0	0	3,218	0	1,083	2,019
Christos Panagopoulos	9,105	0	0	0	0	9,105	7,885
Total	**207,384**	**0**	**0**	**68,258**	**0**	**139,126**	**126,933**

** Through cash settlement*

7.7 Comparative information on the evolution of remuneration and company performance

The table below shows the change in remuneration of the Board Executive Directors and the Management Committee Members since the Company's establishment in 2019:

Remuneration in €	2022	2021	2020	2019
Remuneration of the Board Executive Directors	5,251,168	4,358,643(5)	3,700,632(3)	3,552,426(1)
Remuneration of the Managing Director, Michael Colakides	969,116	909,647	934,173	859,568
Remuneration of the Management Committee Members	896,401	859,554(6)	1,301,285(4)	1,344,712(2)
Ratio between the highest remuneration of management members and the lowest remuneration (in FTE) of the Company's employees	41x	40x	40x	37x
Annual change in average remuneration(7)	4%	4%	3%(8)	

(1) Dimitrios Papalexopoulos, Alexandra Papalexopoulou, Leonidas Canellopoulos, Takis-Panagiotis Canellopoulos, Vassilios (Bill) Zarkalis.
(2) Grigorios Dikaios, Konstantinos Derdemezis, Christos Panagopoulos.
(3) Dimitrios Papalexopoulos, Alexandra Papalexopoulou, Leonidas Canellopoulos, Takis-Panagiotis Canellopoulos (Jan 1-Mar31), Vassilios (Bill) Zarkalis.
(4) Grigorios Dikaios, Konstantinos Derdemezis (Jan1-Oct31), Christos Panagopoulos.
(5) Dimitrios Papalexopoulos, Alexandra Papalexopoulou, Leonidas Canellopoulos, Ioannis Paniaras (May-Dec), Vassilios (Bill) Zarkalis.
(6) Grigorios Dikaios, Christos Panagopoulos.
(7) Expressed in FTE of the Company's employees other than: the Directors, the members of the Management Committee, other directors and the persons in charge of the daily management.
(8) or 85% including new recruitments added to the Company's headcount in 2020.

Given that the Company was established in 2019, the data referring to the annual change in remuneration, expressed in full time equivalents, of the Company's employees other than the directors, the members of the Management Committee and other executives and the persons in charge of the daily management, are presented jointly with respect to FY2019.

The remuneration of the Board Executive Directors, the Managing Director and the Management Committee Members includes:

- Annual base salary paid
- Board fees
- Short Term Incentives
- Employer pension contribution
- Allowances and other benefits (such as travel, housing, international assignment related allowance, life insurance, medical plan, company car).

It does not include the value of LTI awards vested during the year, as Stock Options do not represent a value until exercised and Fund Units cashed-out respectively.

Following the guidance issued by the Belgian Corporate Governance Commission with regard to remuneration disclosure, as published in November 2020, the ratio between that highest remuneration among the management members of the Company and the lowest remuneration (in full time equivalent) of the Company's employees is 40 times in 2021.

7.8 Executive Directors' contracts

The employment contracts of the Managing Director of the Company as well as of the other Executive Directors and the members of the Management Committee are contracts of indefinite duration.

In case of termination of the employment contract of the Managing Director, the Executive Directors and the members of the Management Committee, at the initiative of the Company, severance payment, as provided in the 2022 Remuneration Policy, cannot exceed 18 months' remuneration.

For the payment of additional compensation in case of retirement or early termination of employment, Board approval is required following respective recommendation of the Remuneration Committee.

Notice periods are according to statutory law provisions and contractual agreements.

The employment contracts of the Managing Director, Board Executive Directors and Management Committee Members, as well as the Group Executive Committee Members are contracts of indefinite duration.

In case of termination of employment at the initiative of the Company, of the Managing Director, the Board Executive Directors, the Management Committee members, or the Group Executive Committee members, as provided in the 2022 Remuneration Policy, compensation is paid, which, as provided in the relevant contractual provision is equal to the compensation provided by the law.

Termination payments are according to local law provisions and should not exceed 18 months' remuneration.

The Board of Directors may consider higher severance payment further to recommendation by the Remuneration Committee.

For the payment of additional compensation in case of retirement or early termination of employment, Board approval is required following respective recommendation of the Remuneration Committee.

Dimitrios Papalexopoulos was Executive Director until December 2022. In alignment with the Company's Remuneration Policy, severance payment of 7 months' total remuneration offered to D. Papalexopoulos as a way for the Group to express its appreciation for the loyalty, hard work and flexibility during the last 33 years.

Notice periods are according to statutory law provisions.

8. Information to be disclosed pursuant to Article 34 of the Royal Decree of 14 November 2007

In accordance with Article 34 of the Belgian Royal Decree of 14 November 2007, the Company hereby discloses the following:

8.1 Capital

On 31 December 2022, the share capital of the Company amounted to €959,347,807.86 and was represented by 78,325,475 shares, without nominal value, with voting rights, each representing an equal share of the capital.

8.2 Shares – Restrictions on voting rights – Special control rights

The shares of the Company are of the same class and are either in registered or dematerialized form. Holders of shares may elect to have their registered shares converted to dematerialized shares, and vice versa, at any time.

The Company's Articles of Association do not impose any restrictions on the transfer of the Company's shares.

Each share of the Company corresponds to one vote at the Shareholder's Meeting.

Article 13 of the Company's Articles of Association provides that in the event shares are held by more than one owner or are pledged, or if the rights attached to the shares are subject to joint ownership, usufruct or any other kind of split-up of such rights, the Board of Directors may suspend the exercise of such voting rights until a sole representative of the relevant shares is appointed.

The voting rights attached to the Company's shares held by the Company itself or by a directly controlled subsidiary are suspended, in accordance with the provisions of Article 7:215 et seq. of the BCCA.

None of the Company's shares carries any special rights of control.

8.3 Shareholder Structure – Notification of major holdings

In accordance with Belgian legal requirements on transparency, the Company's shareholders must submit a transparency notification whenever their voting rights either exceed or fall below the thresholds of 5%, 10%, 15% and all other multiples of 5% of the total voting rights.

The Company's Articles of Association do not provide for a notification threshold lower than 5%.

As at 31 December 2022 and based on the transparency notifications made by the Company's shareholders on 24 June 2021, 28 June 2021 and 25 May 2022, the reported shareholdings in the Company are the following:

- E.D.Y.V.E.M. Public Company Ltd, Andreas Canellopoulos, Leonidas Canellopoulos, Nellos-Panagiotis Canellopoulos, Pavlos Canellopoulos, Takis-Panagiotis Canellopoulos, Trust Neptune, Alexandra Papalexopoulou, Dimitrios Papalexopoulos and Eleni Papalexopoulou who act in concert, hold 29,004,392 shares, corresponding to 37.03% of the Company's voting rights;
- The Paul and Alexandra Canellopoulos foundation holds 7,900,039 shares, corresponding to 10.09% of the Company's voting rights;
- FMR LLC, Fidelity Institutional Asset Management Trust Company, FIAM LLC and Fidelity Management & Research Company LLC hold 7,827,422 shares, corresponding to 9.99% of the Company's voting rights.

The Company's Shareholder Structure and the relevant transparency notifications are available on the Company's website: https://ir.titan-cement.com/en/shareholder-center/shareholder-structure.

8.4 Agreements between Shareholders of the Company, which are known to the Company and contain restrictions on the transfer of shares or on the exercise of voting rights

Following the transparency notification received on 28 June 2021, the Company has been informed that E.D.Y.V.E.M. Public Company Ltd, Andreas Canellopoulos, Leonidas Canellopoulos, Nellos-Panagiotis Canellopoulos, Pavlos Canellopoulos, Takis-Panagiotis Canellopoulos, Trust Neptune, Alexandra Papalexopoulou, Dimitrios Papalexopoulos and Eleni Papalexopoulou, holding in total 29,004,392 shares, which correspond to 37.03% of the Company's voting rights, are acting in concert.

8.5 Control mechanism of any employee scheme where the control rights are not exercised by the employees

There is no employee scheme with such a mechanism.

8.6 Amendment of the Company's Articles of Association

Any amendment of the Company's Articles of Association must be approved by the Extraordinary Shareholders' Meeting and at least 50% of the share capital must be present or represented. If such quorum is not met at the first Extraordinary Shareholders' Meeting, a new Shareholders' Meeting may be convened and shall validly deliberate and resolve irrespective of the share capital present or represented.

An amendment of the Company's Articles of Association is adopted if it has obtained 3/4 of the votes cast, where abstentions are not taken into account, either in the numerator or in the denominator.

8.7 Rules governing the appointment and replacement of Board Members

Pursuant to Article 17 of the Company's Articles of Association, the Company is managed by a Board of Directors that shall consist of a minimum of three directors, who shall be natural persons or legal entities, whether or not shareholders, appointed by the Shareholders' Meeting.

The directors are appointed for a maximum term of three years and may be reappointed. Their mandate may be revoked at any time by the Shareholders' Meeting.

When a legal entity is appointed as director, it must specifically appoint an individual as its permanent representative to carry out the office of director in the name and on behalf of the legal entity. The appointment and termination of the office of the permanent representative is governed by the same disclosure rules as if the permanent representative was exercising the office on his/her own behalf.

Should any of the director's mandates become vacant, for whatever reason, the remaining directors may temporarily fill such a vacancy. The next Shareholders' Meeting must confirm the mandate of the co-opted director; in case of confirmation, the co-opted director shall finish the mandate of his or her predecessor, unless the Shareholders' Meeting decides otherwise. If there is no confirmation, the mandate of the co-opted director shall expire immediately after the Shareholders' Meeting, without prejudice to the validity of the composition of the Board of Directors until that date.

As long as such vacancy is not filled by the Shareholders' Meeting or the Board of Directors, for whatever reason, the directors whose mandate has expired shall remain in function if the Board of Directors would otherwise no longer consist of the minimum number of directors required by law or the Company's Articles of Association.

8.8 Powers of the Board of Directors

The Board of Directors is vested with the power to perform all acts that are necessary or useful for the realization of the Company's purpose, except for those which the law or the Company's Articles of Association reserve to another corporate body.

The powers of the Board of Directors are further detailed in the Company's Articles of Association and in the Company's CG Charter, which are both available on the Company's website (https://www.titan-cement.com/about-us/corporate-governance/).

8.9 Power of the Board of Directors to issue and buy back shares and increase the share capital

8.9.1 Pursuant to Article 6 of the Company's Articles of Association and the relevant resolution of the Extraordinary Shareholders' Meeting of 9 May 2022, the Board of Directors is authorized to increase the share capital of the Company once or several times by a (cumulated) amount of maximum €959,347,807.86. This authorization is valid for a period of five (5) years from the date of publication in the Annexes to the Belgian Official Gazette of the amendment to the Company's Articles of Association approved by the Extraordinary Shareholders' Meeting of 9 May 2022, and may be renewed in accordance with the relevant legal provisions.

8.9.2 Pursuant to Article 6 of the Company's Articles of Association and the relevant resolution of the Extraordinary Shareholders' Meeting of 9 May 2022, the Board of Directors is authorized to increase the share capital of the Company in any and all forms, including but not limited to a capital increase accompanied by the restriction or withdrawal of the preferential subscription right, after receipt by the company of a notification by the Financial Services and Markets Authority (FSMA – Autorité des Services et Marchés Financiers/Autoriteit voor Financiële Diensten en Markten) of a takeover bid for the Company's shares. Such capital increase must comply with the additional terms and conditions laid down in the BCCA. This authorization is valid for a period of three (3) years as of 9 May 2022 and may be renewed for a further period of three years. The amount of such increase will be deducted from the remaining part of the authorized capital specified in the above paragraph 8.9.1.

8.9.3 Pursuant to Article 15 of the Company's Articles of Association, the Company may, without any prior authorization of the Shareholders' Meeting, in accordance with Articles 7:215 et seq. of the BCCA and within the limits set out in these provisions, acquire its own shares, on or outside a regulated market, for a price which respects the legal requirements, but which will in any case not be more than 20% below the lowest closing price in the last thirty trading days preceding the transaction, and not more than 20% above the highest closing price in the last thirty trading days preceding the transaction. This authorization is valid for a period of five (5) years from the date of publication of the amendment to the Company's Articles of Association approved by the Extraordinary Shareholders' Meeting of 9 May 2022.

This authorization covers the acquisition on or outside a regulated market by a direct subsidiary within the meaning and the limits set out in Article 7:221 et seq. of the BCCA.

8.9.4 Pursuant to Article 15 of the Company's Articles of Association, the Board of Directors is authorized, subject to compliance with the provisions of the BCCA, to acquire for the Company's account the Company's own shares if such acquisition is necessary to avoid serious and imminent harm to the Company. Such authorization is valid for a period of three (3) years from the date of publication in the Annexes to the Belgian Official Gazette of the amendment to the Company's Articles of Association approved by the Extraordinary Shareholders' Meeting of 9 May 2022.

8.9.5 Pursuant to Article 15 of the Company's Articles of Association, the Board of Directors is authorized to divest itself of part or all of the Company's shares at any time and at a price it determines, on or outside the stock market or in the framework of its remuneration policy, to personnel or directors of the company or to prevent any serious and imminent harm to the Company. This authorization covers the divestment of the Company's shares by a direct subsidiary within the meaning of the BCCA and is valid without any time restriction, irrespective of whether or not the divestment is to prevent any serious and imminent harm to the Company.

8.10 Important agreements which come into effect, are amended or terminated in the event of change of control of the Company following a public tender offer

The Company, either as a primary obligor or as a guarantor, has entered into a number of financial agreements, which include, as it is common practice in such agreements, a "change of control" clause. This clause allows the Company's counterparties to accelerate the financing or terminate the agreement should a change in the current control structure or ownership of the Company occur by virtue of a public tender offer or otherwise.

In 2022, the Company had in place the following important financial agreements, which include a “change of control” clause:

1. a Multicurrency Revolving Facility Agreement of €208,000,000, entered into among the Group’s subsidiary TITAN Global Finance Plc. and a syndicate of lending banks, with the Company and TITAN Cement Company S.A. as Guarantors;
2. a €19,737,920 bond loan, dated 2 November 2022, between TITAN Cement Company S.A. as issuer, Alpha Bank as Bondholder Agent and Paying Agent and the Company as guarantor;
3. a €30,000,000 facility agreement, dated 25 October 2021, as amended, between TITAN Global Finance Plc. as borrower, Itau BBA International plc as Lender and the Company as guarantor;
4. a USD 40,000,000 facility agreement, dated 15 December 2021, as amended, between TITAN America LLC as borrower, HSBC BANK USA as Lender and the Company as guarantor;
5. a USD 35,000,000 facility agreement, dated 1 July 2014, as amended, between TITAN America LLC as borrower, Wells Fargo Bank as Lender and the Company as guarantor;
6. a USD 60,000,000 facility agreement, dated 8 July 2020, as amended, between TITAN America LLC as borrower, CITIBANK N.A. as Lender and the Company as guarantor;
7. €350,000,000 2.375 per cent guaranteed notes due 2024, issued by TITAN Global Finance Plc. and guaranteed by Titan Cement Company S.A. and the Company;
8. €250,000,000 2.750 per cent Guaranteed Notes due 2027 issued by TITAN Global Finance Plc. and guaranteed by TITAN Cement Company S.A. and the Company; and
9. a €120,000,000 bond loan, dated 27 July 2022, between TITAN Cement Company S.A. as issuer and Piraeus Bank as Bondholder Agent and Paying Agent.

8.11 Agreements between the Company and Board Members or employees providing for compensation if the Board Members resign or are made redundant without valid reason or if the employment of the employees ceases because of a takeover bid

The Company has not entered into any agreement with members of the Board of Directors or employees providing for the payment of compensation upon their resignation or dismissal without valid grounds or upon termination of their tenure or employment due to a public tender offer.

9. Investors’ Information

9.1 Interactions with institutional and individual investors

The Company has been interacting on an ongoing basis with both institutional and retail investors. Senior members of the Company’s management as well as representatives from the investor relations department take part in roadshows and investor conferences organized in various countries. During those meetings, representatives from TITAN and the investor community discuss and exchange updates and information on TITAN’s business performance, strategic goals, focus areas and progress against ESG targets.

During the first months of 2022, investor conferences and roadshows continued to be mainly virtual, due to COVID-19 restrictions. After the gradual easing of COVID-19 related measures in spring 2022, most of the meetings went back to their previous in-person format, whereby the Company took part in various meetings in different locations across Europe. Looking forward, the tendency is to have a mix of physical and virtual investor roadshows and conferences. Moreover, the Company meets and updates on business topics for institutional investors on an ad hoc basis as per investors’ requests. The Investor Relations team regularly updates all the relevant information on the Investor Relations section of the Company’s website, including but not limited to corporate presentations and press releases aiming to provide timely, clear, detailed, transparent and comprehensive information to all shareholders.

Moreover, the Company’s Shareholder Services Department, which is part of the Investor Relations team, is available for any query or request and assists shareholders with day-to-day matters.

9.2 Shareholder Information and Services

The Board of Directors as a whole is responsible for ensuring a satisfactory and effective dialogue with shareholders. The announcements of the annual and interim Group results are accompanied by webcasts and conference calls with analysts and investors.

All regulatory and non-regulatory announcements, as well as all other information related to the Company, are available on the Company’s website (www.titan-cement.com).

9.3 Investor Relations Department

The Investor Relations Department is responsible for monitoring the Company’s relations with its shareholders and investors, and for communicating with the investor community on an equal footing, in a transparent and timely manner, concerning the Company’s performance. The aim is to generate long-term relationships with the investment community and retain the high level of trust that investors have in the Group.

Investor Relations: ir@titan-cement.com
Acting Head of Investor Relations: Spyros Kamizoulis,
e-mail: s.kamizoulis@titancement.com

9.4 Shareholder Services Department

The Shareholder Services Department is responsible for providing timely information to shareholders and for facilitating their participation in General Meetings and the exercise of their rights as shareholders. The Department also responds to correspondence from shareholders on a wide range of issues.

Shareholder Services Manager: Nitsa Kalesi,
e-mail: n.kalesi@titancement.com

9.5 Share Facts

9.5.1 Share Basic Data

Sector	5010 – Construction & Materials
Subsector	50101030 – Cement
Type	Common share
Stock Exchange	Euronext (Brussels and Paris), Athens Exchange
Number of shares	78,325,475
ISIN	BE0974338700
CFI code	ESVUFN

9.5.2 Tickers

	Oasis	Reuters	Bloomberg
Euronext	TITC	TITC.BR	TITC.BB
ATHEX	TITC	TITC.PA	TITC.GA

Risk management

Group Risk Strategy

TITAN Group is active in a diverse geographical business and operational landscape, resulting in a multitude of potential risk exposures, including strategic, sustainability (ESG), operational and financial risks.

In order to effectively identify and mitigate such exposures, the Group manages its risks in accordance with established international practices for industrial companies, embedding key dimensions of Enterprise Risk Management (ERM) into its processes, systems and governance. In particular, the following five main components of the ERM framework are supported by a set of principles, providing the basis for the Group's understanding and management of risks associated with its strategy and business objectives:

a. Governance and Culture, including oversight model, operating structures, definition of desired cultural traits and commitment to core values and development of appropriate talent;
b. Strategy and Objective-setting, including definition of risk appetite, analysis of context, evaluation of options and formulation of strategic objectives;
c. Performance, including risk identification, assessment, and prioritization, implementation of responses and development of risk portfolio view;
d. Review and Revision, including reviews of risk and performance, assessment of changes and continuous improvement of approach;
e. Information, Communication and Reporting, including communication of risk information, use of IT and reporting of risk performance.

Risk Management process

TITAN's Risk Management approach includes management practices to actively address risk, helping to safeguard the long-term sustainability of its business. It comprises a management system including strategy-setting, organization, governance, policies, reporting, communications with stakeholders and measurement of performance across all units of the Group.

The Board has overall responsibility for determining the nature and extent of the principal risks that the Group is willing to assume in achieving its strategic objectives. Risks are addressed on a day-to-day basis by the Group's management at various levels in the organization according to the nature of each risk. As a result, risks are identified and quantified using multiple sources and are reported in the course of the Group's planning and performance management cycle, ensuring a quick and effective response.

Complementing this risk management culture and approach that is integral to the Group's business processes and decision-making (both strategic and operational), the Group undertakes on a regular basis a systematic exercise to assess all material risks faced by the Group that could affect the Company's business model, performance, solvency or liquidity. A risk management committee, consisting of senior managers from the Group's Strategic Planning, Legal and Internal Audit, and Risk and Compliance departments, identifies the Group's main risks and categorizes them as "strategic", "operational", "ESG" or "financial" risks. "ESG" risks are categorized either as "strategic" ESG risks related to climate change or as "operational" ESG risks. All identified risks are then assessed along the following three dimensions, in line with industry best practices:

a. Probability: scale from 1 (rare) to 5 (almost certain)
b. Impact: scale from 1 (incidental) to 5 (extreme)
c. Preparedness: scale from 1 (low) to 5 (high)

Risks are categorized using established risk taxonomies relevant for the Group's business (provided by consultants and external risk experts). The risks are also assessed using a variety of techniques, including the benchmarking of sector practices, enriched with the advanced practices of other industries, the qualitative and quantitative assessment of the risk elements, the evaluation of possible outcomes against the Group's strategic objectives, the risk elaboration of the Group's material issues, the evaluation of risk ownership and the recording of mitigating actions that are adopted or planned. The initial assessment is iterated with input from key Group managers. The risks are cross-referenced with the output of the Group's materiality assessment exercise and reviewed by the Group Executive Committee. Finally, the Board validates the relevant risk assessment and monitors TITAN's risk management and internal control systems, reviewing their effectiveness (covering all material controls, including financial, operational, organizational and compliance controls). To that end, in November 2022 the Board held a meeting specifically dedicated to reviewing the Group's risk assessment and respective mitigation plans against the key business risks.

During the year, a specific assessment of the Group's climate change-related risks and opportunities took place. This exercise covered physical risks such as temperature, flooding and water stress, as well as transition risks such as carbon pricing, reputational damage and litigation. To that effect, TITAN's relevant Sustainability and Risk units engaged with climate risk experts to analyze the risks stemming from climate change, as well as opportunities from the transition to a low-carbon economy, in alignment with the TCFD framework, as can be seen in the specific climate-related financial disclosures (TCFD) section of the Performance Highlights chapter. The results indicated that the Group's climate-related risks are in the same scale of magnitude as those of its sectoral peers. In addition, opportunities related to climate change were also analyzed and quantified. For example, Product Portfolio, Adaptation and Resource Efficiency and Alternative Energy Sourcing opportunities were assessed.

Risk Management, governance, and controls

In TITAN Group, risk is managed at three levels, in line with industry best practices. Risks are managed on a day-to-day basis by the Group's management at various levels in the organization according to the nature of each risk. TITAN's risk governance framework follows a customized approach that best addresses the particularities of each risk area and ensures the optimum degree of risk ownership and accountability for the appropriate mitigation actions. Frontline management executes its risk management role in accordance with policies and standards, monitors and mitigates risks as part of performance management, and identifies and escalates risks as required. This first level of management includes the integration with key business processes (e.g. capital expenses review stage gates, M&A review, strategic planning).

At a second level of risk governance and control, the central risk team (i.e. the Internal Audit, Risk and Compliance unit) ensures adherence to the ERM framework and internal policies and monitors its systematic assessment by aggregating risk insight, integrating input and analysis across the Group, and sharing policies and recommendations across the organization.

At the senior level, the Board has the overall responsibility for determining the nature and extent of the principal risks that the Group is willing to assume to achieve its strategic objectives. The Board, through all its Committees, discusses and assesses on a regular basis the main areas of risk to which the Group is exposed, identifies new risks, defines the risk appetite of the Group and monitors the effectiveness of the risk management and internal controls. The Board has delegated responsibility for the monitoring of the effectiveness of the Group's risk management and internal control systems to the Audit and Risk Committee. In parallel, the Group Executive Committee provides strategic direction, an independent view of risks among all operating units and coordination among them as needed.

According to this framework, strategic and financial risks are managed mainly by the Group Executive Committee, Group Finance and the CapEx Committee. The management of most operational and sustainability risks is to a large extent embedded in the daily operation and processes of the local business units.

A number of risks, including legal and compliance risks, as well as operational and sustainability risks, including environmental risks, risks regarding energy and fuel prices, availability and cost of raw materials, safety at work, labor issues, brand and reputation, are managed both at Group level by the Group Executive Committee and the competent Group functions (Internal Audit, Risk and Compliance, Group Legal, Group Procurement, Group Innovation and Technology, Group ESG Performance, Group IT, Group Communication, Group HR) and also at the local business unit level (Legal, Procurement, Environment, Corporate Social Responsibility, HR units). This approach ensures that line management owns all the operational and sustainability risks that occur at the level of individual businesses and ensures that a strong risk culture is embedded in all relevant decision-making. At the same time, all risks of higher magnitude that are relevant at Group level are managed centrally, where risk data points from multiple sources across the organization are aggregated, insights are integrated and mitigating action plans are crafted that can be shared among all appropriate organizational levels.

The Group Executive Committee is also responsible for setting Group policies and ensuring that they are implemented throughout the Group. To that end, a set of policies provide the necessary framework and reference point for a number of risk areas. In parallel, the ethics and compliance programs implemented throughout TITAN's operations ensure that the Group's principles and values are integrated in the day-to-day operations and that the risk management culture is reinforced across the Group.

The effectiveness of the systems and policies implemented at Group and business unit level are systematically reviewed by the Group Executive Committee and the business units' management, including for compliance with relevant standards of the Group. Whenever weaknesses are identified, corrective measures are taken.

The Group Internal Audit, Risk and Compliance Department reports on the effectiveness of the risk management and internal control frameworks to the Audit and Risk Committee on a regular basis.

The Board and the Audit and Risk Committee receive management reports on the key risks to the business and the steps taken to mitigate such risks on a regular basis, and consider whether the significant risks faced by the Group are being properly identified, evaluated and managed.

TITAN's principal risks

Strategic risks

• Climate change

As the evidence of the effects attributed to climate change become more apparent, there is increased regulatory activity aiming to reduce greenhouse gas (GHG) emissions, especially CO_2. The production of cement is characterized by high CO_2 intensity and is therefore directly impacted by such regulatory changes. Within TITAN's geographical footprint, legally binding climate change regulations are implemented in the EU (Greece and Bulgaria) through the EU Emissions Trading System (ETS), and in Egypt through a CO_2 emissions cap. Gross Scope 1 emissions of our operations in these countries represent approximately 50% of our total Group Scope 1 emissions. Particularly in EU markets, the potential increase of production costs as free CO_2 allowances will gradually be phased out starting from 2026 may lead to loss of sales to imports from non-CO_2 constrained markets (a risk known as "carbon leakage"). Similarly, exports from markets with CO_2 taxation in place are structurally disadvantaged versus exports from non-CO_2 constrained markets, if no regulatory solution is applied to create a level playing field. Although an agreement between the EU Parliament and Council has been reached for the revision of the ETS Directive and the implementation of the Carbon Border Adjustment Mechanism (CBAM) to protect against "carbon leakage", there is no specific provision for exports and the overall effectiveness of such mechanism is still uncertain until 2026. The Group closely monitors relevant regulatory developments and takes proactive measures to mitigate potential negative consequences. A scenario-modelling approach has been adopted for the examination of possible outcomes and for the identification of appropriate roadmaps of mitigating actions to safeguard the Group's business resilience. Such measures include the reduction of the amount of clinker used in the production of cement, the use of alternative fuels with a lower CO_2 footprint, energy efficiency measures, the development of new lower-carbon products and continuous innovation across the value chain.

Moreover, the climate agenda may promote the use of concrete and cement substitutes for construction as being less carbon-intensive, a fact that could negatively affect demand for the Group's core products. In addition, a CO_2 footprint may pose a risk regarding future funding opportunities and creates a reputational risk for our Group and the whole sector, which could also lead to shifts in customer preferences. However, at the same time, opportunities arise from the development and sale of new low-carbon products and solutions. Differentiating our product offering with low-carbon products that add value to the customer is a major pillar of our decarbonization roadmap. Green products represent 19.5% of our portfolio of cement and cementitious products. The Group has committed to increasing the share of green products in its portfolio to over 60% by 2030, offering its customers the products and services that will shape the sustainable world of tomorrow. Our decarbonization roadmap consists of over 90 actions and projects, through which we will accomplish our SBTi validated CO_2 targets by 2030. TITAN is also investing in R&D with regards to the development of low-carbon products (cement and concrete), either based on the application of existing technology (e.g. low-carbon clinker), or on new technologies (e.g. new binders, calcined clays, recarbonated materials, new concretes). The Group is also active in advocating for the adoption of new building codes and building material standards to promote green products.

The possible increase in physical risks (such as coastal flooding, drought, water stress, etc.) as a result of climate change could disrupt our asset base, the continuity of our operations (production and/or distribution) and put our people in danger. The Group has engaged with climate change risk experts to assess the physical risks stemming from climate change according to the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. For 2022, our analysis was extended to cover four climate change scenarios based on the Representative Concentration Pathways (RCPs) from the Intergovernmental Panel on Climate Change (IPCC). With regards to the mitigation of the effects of possible physical impacts on the Group's assets from extreme natural events caused by climate change, the company is implementing a set of proactive protective measures for its assets and is developing continuously updated emergency plans. The Group also follows appropriate design standards, ensures adequate insurance policies against physical damage or temporary loss of business, as well as the ready availability of sufficient liquidity to absorb any potential impacts. Since 2010, the Group has developed and applied an Integrated Water Management System (IWMS) at all operations to monitor and optimize water consumption and to disclose water data in a consistent way, according to the international practices and guidelines of the cement sector. Furthermore, a Water Risk Assessment is made on a regular basis (e.g. every 5 years) for all Group sites, with the use of tools such as the Aqueduct (World Resources Institute) and the Water Risk Filter (World Wildlife Fund). Finally, in case of a local production disruption, the Group is insured for property damage and business interruption and can mobilize other Group business units to replenish product stocks and meet the possible increased demand for repairs in the area.

As part of the transition towards a decarbonized future, there is increased pressure to replace non-renewable fossil fuels by lower-carbon alternatives and reduce raw materials by waste utilization. In addition, recent energy volatility (in terms of availability and cost), especially in Europe, creates additional costs for the manufacturing of our products. Should the Group fall behind in substituting fossil-based thermal energy sources with alternative fuels (e.g. waste derived), and in sourcing renewable electrical energy, it risks being exposed to both regulatory and societal risks with regards to its sustainability performance and to higher production costs, which may hamper its competitive position and eventually its profitability. The Group's alternative fuel (AF) thermal substitution rate stood at 17.5% in 2022, an increase of ca. 13.0% since last year. Dried sewage sludge, refinery sludge, tires, solid recovered fuel/refuse-derived fuel (SRF/RDF) and agricultural waste were used to substitute conventional solid fuels in several of the Group's plants. The increase has been the result of (a) successful permitting, (b) sourcing efforts for new alternative fuels in the local and international markets and (c) investments across several TITAN cement plants in AF processing facilities and the plants' feeding, storage and combustion infrastructure.

• Industry cyclicality

The building materials industry is dependent on the level of activity in the construction sector, which tends to be cyclical and dependent on various factors, including, but not limited to, the level of infrastructure spending, the demand for private and commercial real estate, mortgage lending, local economic activity, inflation and interest rates. The Group's business, operational results or financial condition could be adversely affected by a continued deterioration of the global economic outlook or cyclical weakness in the construction industry on a global scale or in a significant market in which it operates.

• Market conditions

The Group operates both in mature markets such as the USA and Western Europe, and in emerging markets such as Egypt, Turkey and Brazil. Some of these markets contribute significantly to the Group's revenues and/or profitability. As a result, any negative developments in these markets in terms of supply/demand balance, pricing and growth outlook could have a material adverse effect on the Group's business, operational results and financial condition, especially if that market contributes significantly to the Group's revenues and profitability.

• The concentration of a large proportion of the Group's business, operations, and assets in the USA

A large proportion of the Group's business, operations and assets is concentrated in the USA, in Virginia, Florida, North and South Carolina, and New Jersey, and the Group's operational results are heavily dependent on the Group's performance in the USA. In addition, the Group's financial performance in the US market is heavily affected by fluctuations in the US dollar–euro exchange rate, with a weakening of the dollar against the euro having a significant negative effect on the Group's operational results on a consolidated level. Any decrease in cement consumption, building activity or public spending on infrastructure in any of the US markets in which the Group operates, or a combination of the above, or any depreciation of the US dollar against the euro could have a material adverse effect on the Group's operating performance, business and profitability.

• Political and economic uncertainty

The Group operates and may seek new opportunities in markets with differing and, at times, volatile economic, social and political conditions. These conditions could include political unrest, civil disturbance, strikes, currency devaluation, prohibition of capital transfer and other forms of instability and may result in sudden changes to the operating and regulatory environment. Changes in these conditions may adversely affect the Group's business, operational results, financial performance and/or prospects, especially if they concern multiple markets concurrently.

The annual budgeting and strategic review process, along with the regular monitoring of financial results and forecasts, helps track political and economic events that may create uncertainties regarding financial performance. Where political tensions are heightened, mitigation measures are in place to provide maximum protection of TITAN's people and assets.

• Global systemic disruption

Global-level disruptions can affect the Group's operations in diverse and largely unpredictable ways but have a common thread: they would impact almost all our business units/areas of operation (vs. more localized impacts). Such events could have a multitude of sources, for example:

- Climate, e.g. extreme weather events, environmental disasters;
- Societal, e.g. pandemics causing loss of demand due to economic downturn and loss of production due to health crises (including COVID-19), crises of essential resources (food, water);
- Large-scale conflicts, e.g. interstate conflicts, trade wars causing disruptions in supply chains;
- Global data infrastructure, e.g. nationwide cyberattacks, global information and communication infrastructure compromises disrupting global and/or regional financial and trade systems.

To anticipate and mitigate the effects of such globally relevant macro disruptions, the Group is engaging in risk assessments, scenario evaluation and contingency planning at strategic, operational and people (health and safety) levels. In addition, disaster-control protocols to mitigate the effects of health and safety-related crises are continuously updated, and financial resilience measures to bolster the Group's balance sheet and insurance coverage are effected. On a strategic level, the Group's geographical diversification can provide a high degree of resilience against the effects of more regional disruptions.

• Talent Management, Diversity, Equity and Inclusion

Cement companies, including TITAN, face a multitude of potential risks related to their human resources and talent management. Existing processes to recruit, develop and retain talented individuals (including top-level management) and promote their mobility may be inadequate, thus potentially giving rise to risks of employee and management attrition, difficulties in succession planning and an inadequate pipeline of future talent, potentially impeding the continued realization of high operational performance and future growth. In addition, talent attraction could be further impacted if the sector were to be perceived as less attractive than other industries, especially for younger generations.

Moreover, success in enforcing its Human Rights and Diversity, Equity and Inclusion policies is increasingly crucial in determining how the Group is perceived by key stakeholders, such as current and prospective employees, consumers and investors. Greater diversity in the Group's human capital increases the likelihood of innovation that contributes to business growth, and higher degrees of inclusion foster better employee engagement, productivity and company loyalty, resulting in higher talent retention rates and overall employee engagement.

TITAN is actively pursuing a rich agenda of actions to develop its talent management, including the updating and diffusion of its relevant HR policies (such as its Human Rights and Diversity, Equity and Inclusion policies) and people development processes.

Relevant measures pursued include employee surveys, focus groups for feedback, training and capability-building programs, adoption of Diversity, Equity and Inclusion global best practices, provision of ubiquitous access to the TITAN Group reporting platform EthicsPoint® and the fostering of a continuous dialogue on industrial relations with all relevant stakeholders.

Financial risks

The Group, due to the nature of its business and its geographical positioning, is exposed to financial risks associated with foreign currency, interest rates, liquidity and leverage, as well as counterparties. Financial risks are managed by Group Finance and Treasury.

The Group does not engage in speculative transactions or transactions which are not related to its commercial and business activities.

• Foreign currency volatility

Group exposure in foreign currency derives from existing or expected cash flows and from acquisitions and/or investments denominated in currencies other than the euro. The Group's net foreign currency transaction risk mainly arises from USD, EGP, RSD, LEK, GBP, BRL and TRY.

Natural hedges (equity invested in long-term fixed assets and borrowings in the same currency as the activities that are being financed), currency swaps and forward foreign currency contracts are used to manage currency exposures.

• Interest rate risks

The Group's exposure to interest rate changes and increased borrowing costs are managed through employing a mix of fixed- and floating-rate debt and interest rate derivatives, where appropriate. The ratio of fixed to floating rates of the Group's borrowings is decided on the basis of market conditions, Group strategy and financing requirements.

As at 31 December 2022, the Group's ratio of fixed to floating interest rates stood at 88%/12% (31 December 2021: 88%/12%), taking into account outstanding interest rate swaps.

• Liquidity and leverage risks

In order to manage liquidity risks and to ensure the fulfilment of its financial obligations, the Group maintains sufficient cash and other liquid assets, as well as extensive committed credit lines with several international banks, which complement its operating cash flows.

The Group's financial position allows it to have access to the international financial markets and to raise needed funds.

• Counterparty risks

Counterparty risk relates to the inability of one or more of the Group's counterparties, mainly financial institutions, to meet their obligations towards the Group. Financial institutions' inability to meet their obligations towards the Group deriving from placements, investments and derivatives is mitigated by preset limits on the degree of exposure to each individual financial institution as well as by utilizing the collateral mechanism of credit support agreements (ISDA CSA Agreement). As at 31 December 2022, the majority of Group liquidity was held with investment-grade financial institutions with pre-agreed credit support agreements.

• Customer credit risks

The Group is also exposed to risks relating to customer receivables. Customer receivables primarily derive from a large, widespread customer base. The financial status of customers is constantly monitored at business unit level and, where it is deemed necessary, additional security is requested to cover credit exposure. As at 31 December 2021, all outstanding doubtful receivables were adequately covered by relevant provisions.

Operational risks: Environmental, Social and Governance (ESG)

• Health and safety

Cement production and the operation of quarries and ready-mix facilities have inherent safety risks which could be influenced by factors outside the Group's control. Ensuring health and safety and preventing accidents at work is a priority for TITAN. Excellence in the area of health and safety is embedded in all TITAN operations and activities. The Group has implemented detailed policies and procedures promoting Health and Safety, including the presence of health & safety engineers in all production units. Particular emphasis is placed on training and raising safety awareness and on the strict application of safety systems and processes.

TITAN's Group Health and Safety Policy mandates assessment of all incidents, proactive planning, the setting of specific targets, safety training and the monitoring of progress. Health monitoring of employees is performed regularly.

In parallel with all the other preventive measures, TITAN's production and construction sites are regularly audited by the Group's safety specialists.

• Risks related to the environment

The Group's operations are subject to extensive environmental and safety laws and regulations in the USA, the EU and elsewhere, as interpreted by the relevant authorized agencies and the courts. These may impose increasingly stringent obligations and restrictions regarding, among other things, land use, remediation, air emissions, waste and water, biodiversity, and occupational and community health and safety. The costs of complying with these laws and regulations are likely to increase over time. With a view to continuously managing the environmental impact of its operations, TITAN applies management systems to monitor and report the environmental impact in all its plants. The Group's Environment Policy and environmental management provide targets for the reduction of air emissions, the protection of biodiversity, water and waste management, quarry rehabilitation, energy efficiency and community engagement.

• Regulatory compliance risk

The Group is subject to many local and international laws and regulations, including those related to competition law, corruption and fraud, across many jurisdictions of operation and is therefore exposed to changes to those laws and regulations and to the outcome of investigations conducted by governmental, international or other regulatory authorities. Potential breaches of local and international laws and regulations in the areas of competition law, corruption and fraud, among others, could result in the imposition of significant fines and/or sanctions for non-compliance, and may inflict reputational damage.

Compliance risks are proactively addressed at Group level through the TITAN Group Compliance Program, an integrated system of relevant activities, mechanisms and controls, aiming to provide adequate assurance that compliance risks are timely identified, properly assessed and effectively mitigated. Moreover, all operations are continuously monitored by the Group Legal and Group Internal Audit, Risk and Compliance departments and appropriate training is conducted to ensure that the Group's Code of Conduct and relevant Group Policies are effectively adhered to.

Exposure to the risk of corruption is also systematically monitored at local and Group levels. Following the publication of the 2022 Transparency International Corruption Perception Index (see supplement Table "Transparency International – Corruption Perception Index" in the section "ESG Performance Statements"), the perception of corruption follows a negative trend for 30% and a positive trend for 70% of the countries where TITAN currently operates.

The TITAN Group Code of Conduct and Anti-Bribery and Corruption Policy set forth the principles, rules and responsibilities, and provide specific guidance for the preventive and detective procedures in place to mitigate the risk. Business fraud risks are effectively mitigated through the TITAN Group Anti-Fraud Program, while risk assessment associated with third parties is performed through the Third-Party Due Diligence System.

• Governance, Transparency and Ethics

As a publicly listed company, TCI is required to comply with strict governance and reporting obligations. Any performance or non-financial commitment failure could result in a reduction of the share price, reduced earnings and potential reputational damage. ESG disclosure in particular might pose a risk for future sustainability-linked funding.

To mitigate such risks the Group ensures compliance with the Belgian Corporate Governance Code, the Non-Financial Reporting Directive 2014/95/EU, the European Taxonomy Regulation (EU) 2020/852, the International Financial Reporting Standards (IFRS) and the International Integrated Reporting Council (IIRC) principles for integrated reporting. Moreover, reporting frameworks followed include the UN Sustainable Development Goals 2030, the UN Global Compact Communication on Progress Guidelines, the Charter and Guidelines of the Global Cement and Concrete Association (GCCA), the Sustainability Accounting Standards Board (SASB) Standards and the Carbon Disclosure Project (CDP) questionnaires for climate change and water security. In 2021, the Group also started reporting according to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). The separate and consolidated financial statements of the IAR, as well as the ESG performance and statements, are audited by independent verifiers.

Other Operational risks

• Energy volatility

The cost of energy (electricity, fuels) represents a significant part of our overall production cost. Due to recent market volatility (prices and availability), there is a risk that energy costs could exceed anticipated costs, as accounted for in budgets, thereby adversely affecting operating margins and profitability. In the longer term, as the transition to a decarbonized energy landscape materializes, there is a risk that both traditional fossil fuels (petcoke, coal, natural gas) will become more expensive, while the price of alternative fuels will increase simultaneously due to higher demand and limited supply.

Results of operations (profitability) and liquidity can be significantly affected if long-term contracts or fuel inventories are not in place and revenue over cost cannot be achieved. Moreover, disruptions in supply (or late deliveries) of electricity and/or fuels could lead to downtime, impacting both the financial condition of our Group and its reputation.

With the energy cost of the Group (and the cement sector in general) having more than doubled in the last few years, there is a continuous effort to adapt our sourcing strategies and to insource a higher proportion of our energy needs (e.g. alternative fuels, waste heat recovery, renewable energy sources).

• Risks arising from extreme natural disasters

Natural disasters and extreme weather events such as hurricanes, wildfires and earthquakes, could disrupt the continuity of our operations and put our employees in danger. Appropriate infrastructure design and asset construction standards, emergency plans and adequate insurance coverage are among the levers applied to address the impact of extreme natural events.

• Cybersecurity risks

Cyberattacks may compromise the Group's IT (Information Technology) and OT (Operations Technology) systems, data and operations. There is a variety of potential threat actors (from internal staff to full-scale shadow organizations), with a diverse level of motivation, sophistication of attack systems, skills and resources. Attacks could range in seriousness from incidental events in a minor location or domain to a plant-specific event, company-wide attacks and even attacks affecting the broader industry and its external partners (suppliers, banks, customers).

Loss, corruption or leakage of data may be crucial for:

- sales, purchases or financial transactions (including banking fraud)
- confidentiality and GDPR-related commitments
- operations (e.g. plant operational data used by control systems)

The breakdown or corruption of IT systems could require lengthy remediation action, while the breakdown or corruption of OT systems could cause operational disruption in our plants and loss of production.

The Group is taking a variety of measures to address such risks, including the analytical understanding of such threats and the creation of detailed mitigation plans, the development of cybersecurity policies and procedures (including the Group Information Security Policy), the increase of underlying security of critical IT and OT assets, the development of operational recovery plans and the implementation of monitoring and reporting protocols on identified potential risks.

As our IT infrastructure and the digitalization of our processes and operations moves forward, the Group evaluates emerging risks related to cybersecurity on a constant basis. The risks posed by cyber threats are continually expanding and our mitigation actions and protective mechanisms keep adapting, as needed.

• Supply Chain Disruption

The integrity and profitability of the Group's production and customer-facing operations depend on its ability to safeguard critical resources for the uninterrupted manufacturing of its products. Difficulties in securing an uninterrupted and cost-efficient supply of internationally tradeable goods (raw materials, cementitious materials, production consumables, spare parts, etc.) and services (e.g. specialized contractors), due to disruptions in shipping, logistical constraints (port congestion, driver shortages) or emerging trade barriers could have a materially adverse effect on the Group's costs and operational results.

Additionally, should existing suppliers cease operations or reduce their production of key materials, sourcing costs for the Group could increase significantly or necessitate the search for alternatives.

To mitigate such risks, the Group constantly evaluates its supply chain resilience and flexibility, develops strategic options for the provision of its most critical supplies and seeks to secure production inputs through short and long-term contracts to ensure the necessary quantity, quality and availability of required products. It also strives to secure long-term raw material reserves for its most critical production inputs. Finally, by deploying a scenario logic in its planning processes, the Group is proactively developing flexible and resilient sourcing strategies to withstand possible variability in the supply markets.

MANAGEMENT REPORT

ESG performance review

An overview of our performance on the environmental, social and governance pillars, and our ESG statements.

"ANTHESTIRIA" CSR activity in Greece, on the occasion of World Environment Day

ESG performance overview

As presented on pages 28-29, TITAN in 2021 set ambitious Environmental, Social and Governance (ESG) targets for 2025 and beyond, underscoring its enduring commitment to sustainability and value creation for all. They focus on four pillars - decarbonization and digitalization, a growth-enabling work environment, positive local impact and responsible sourcing - all of which are underpinned by good governance, transparency and business ethics. The ESG performance review section of the Management report provides a detailed overview of our annual performance and progress towards meeting our ESG targets. For each of the issues that have been identified as material for TITAN and its stakeholders, we present the foundations that we have built on and describe our management approach to addressing these issues, highlighting important achievements recorded throughout the year.

Focus area: Decarbonization and digitalization

Climate change represents a long-term risk for our planet and society. It requires the mobilization, at global level, of organizations across many sectors, the cement industry among them.

TITAN is committed to the COP21 Paris Agreement goal, which was reaffirmed at COP27 in Sharm el-Sheikh, Egypt, to keep the increase in global average temperature to 1.5°C above pre-industrial levels, and to the UN Sustainable Development Goals 2030. The Group also supports the European Green Deal vision of carbon neutrality by 2050 and endorses the Global Cement and Concrete Association (GCCA) 2050 Climate Ambition, the cement industry's joint effort towards carbon neutrality. Furthermore, TITAN Group participates in the "Business Ambition for 1.5°C" global campaign led by the Science Based Targets initiative (SBTi), joining a number of leading companies worldwide that are committed to keeping global warming to 1.5°C and reaching net-zero emissions by 2050. By signing the "Business Ambition for 1.5°C" commitment letter, TITAN also joined the United Nations Framework Convention on Climate Change (UNFCC) "Race to Zero" global campaign, which encourages more companies, governments, and financial and educational institutions to come together and act for a healthier planet with zero carbon emissions.

The Group aspires to reduce its carbon emissions by increasing the use of alternative fuels, accelerating its efforts in energy efficiency, developing low-carbon products and adopting innovative technologies and solutions. Through participation in European and international consortia, as well as through collaborations in R&D projects, TITAN will continue to develop low-carbon cementitious products and pilot carbon-capture and utilization technologies in its plants, actively contributing to the industry's ambition for a carbon-neutral future. Decarbonization provides opportunities for innovation and growth, as it requires a profound reshaping of the energy and construction materials sectors.

In recognition of its leadership in corporate transparency and performance on climate change, TITAN Group received a top "A" score on climate action from the environmental non-profit organization CDP. TITAN is one of only three cement companies globally to achieve this level in 2022.

2030 decarbonization roadmap

In February, we revisited our Scope 1 decarbonization roadmap for the achievement of our 2030 target. Participation in this process was universal and cross-departmental: senior as well as middle-management from the commercial and technical departments of all business units were involved in the development of this roadmap, which covers all traditional CO_2 emission reduction levers:

1. Reducing clinker content in the final product (clinker-to-cement ratio)
2. Increasing the thermal substitution rate (TSR) of fossil fuels with alternative fuels (AF)
3. Increasing energy efficiency by reducing specific heat consumption through process optimization

The outcome did indeed confirm the Group's ability to reach its stated targets as validated by the SBTi. We compiled a detailed list of over 90 actions and projects, all of which provide significant cost savings, business growth opportunities as well as decarbonization potential. A total CapEx between €100 million and €150 million was identified, to be relatively evenly distributed throughout the 10-year-period to the end of 2030. Even more promising was the expected acceleration of pace regarding the entire decarbonization process: of the aforementioned list, 13 projects - equal to ca. €47 million - were already completed or on course to be completed by late 2022/mid-2023 (e.g. the installation of a new alternative fuel conveying system and a new calciner in the Kamari plant, Greece).

In addition to the CapEx-related projects, the roadmap includes commercial initiatives that do not require any investment. Accordingly, the clinker content of the final product mix was reduced to a historic record low for the Group.

Material issue: Future-ready business model in a carbon-neutral world

Validation of TITAN's CO_2 emissions reduction targets by the Science Based Targets initiative (SBTi)

TITAN Group was among the first three cement companies worldwide to have its CO_2 emissions reduction targets validated by the Science Based Targets initiative (SBTi) as consistent with the reductions required to keep global warming to 1.5°C, in accordance with the goals of the Paris Agreement. With its new science-based targets, TITAN seeks to address not only direct (Scope 1) emissions and indirect emissions from the generation of purchased electricity (Scope 2), but also other indirect emissions of the supply chain (Scope 3).

Using the guidance and resources provided by SBTi, we developed the reduction targets in line with the new criteria and submitted them in September 2022. Following a thorough procedure, the targets, covering greenhouse gas emissions from TITAN's operations (Scope 1, 2 and 3) were validated and approved.

Pre-calciner unit under construction in Kamari plant, Greece

Overall Net-Zero Target

TITAN is committed to reach net-zero GHG emissions across the value chain by 2050 from a 2020 base year.

Near-term validated targets

TITAN is committed to:

- Reducing gross Scope 1, 2 and 3 GHG emissions, covering produced and purchased cement and clinker by 25.1% per tonne of cementitious product sold by 2030 from a 2020 base year
- Reducing gross Scope 1 GHG emissions by 22.8% per tonne of cementitious product by 2030 from a 2020 base year. This target is in alignment with the 35% CO_2 reduction target on net emissions by 2030 from a 1990 base year, announced by TITAN in 2020
- Reducing Scope 2 GHG emissions by 58.1% per tonne of cementitious product from a 2020 base year
- Reducing absolute Scope 3 GHG emissions from the use of sold fossil fuels by 80.9% by 2030 from a 2020 base year

Long-term validated targets

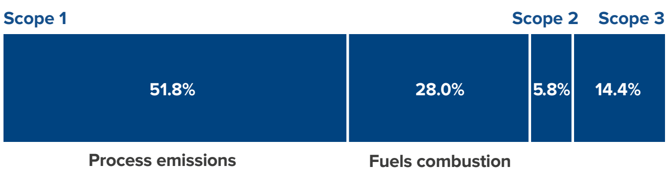
TITAN is committed to:

- Reducing gross Scope 1, 2 and 3 GHG emissions, covering produced and purchased cement and clinker by 95.6% per tonne of cementitious product sold by 2050 from a 2020 base year
- Reducing other absolute Scope 3 GHG emissions by 90.0% within the same timeframe

The SBTi is a partnership between the Carbon Disclosure Project (CDP), the United Nations Global Compact (UNGC), the World Resources Institute (WRI) and the Worldwide Fund for Nature (WWF). It independently assesses and validates corporate emissions reduction targets against the latest climate science.

Climate change mitigation indicators*	2022	2021
Group level (cement operations)		
Specific net Scope 1 CO_2 emissions (kg CO_2/t cementitious product)	619.0	651.6
Alternative fuel thermal substitution rate	17.5	15.5
Clinker-to-cement ratio (%)	78.4	81.0
Specific heat consumption (kcal/kg clinker)	848	841
Specific electrical energy consumption (kWh/t cement)	109.7	113.5

** including our joint venture in Brazil*

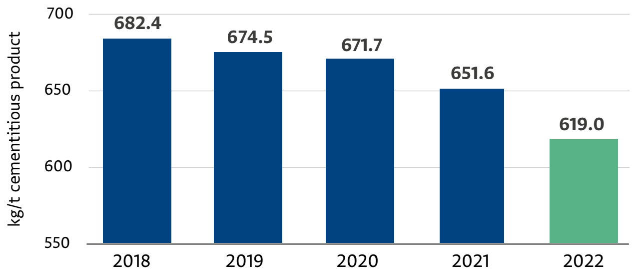


TITAN's Scope 1 CO_2 emissions performance

The Group remains determined to address the climate change challenge and is committed to achieving specific net Scope 1 CO_2 emissions of 590 kg per tonne of cementitious product by 2025 and 500 kg CO_2 per tonne of cementitious product by 2030. Building on the CO_2 reduction already achieved, in 2022 the Group improved its specific net emissions (619 kg CO_2 per tonne of cementitious product), recording a 20.5% reduction compared to 1990 levels, which puts it on track to achieving the set targets and is the highest annual reduction rate recorded by the Group in the last decade.

Within TITAN's geographical footprint, legally binding climate change rules are implemented mainly in the EU (Emission Trading System) and in Egypt (CO_2 emissions cap), where gross Scope 1 emissions of our operations represent 48.9% (28.0% in the EU and 20.9% in Egypt) of the total Group Scope 1 emissions.

SPECIFIC NET CO_2 EMISSIONS (Scope 1)



Alternative fuels (co-processing)

The increased use of alternative fuels in place of non-renewable fossil fuels is a key lever towards the achievement of TITAN's decarbonization targets. Respectively, the utilization of alternative fuels in cement production contributes to the conservation of natural resources, the reduction of CO_2 emissions and the long-term competitiveness of the cement industry.

During 2022, TITAN accelerated its actions, initiatives and investments across many business units towards increasing the cement plants' thermal substitution rate (TSR) and contributed to various local/national waste management efforts.

The Group's alternative fuels TSR reached 17.5% in 2022 vs. 15.5% in 2021, an increase of ca. 13%. This has been the result of (a) continuous sourcing efforts for new alternative fuels in the local/international markets and (b) investments across several TITAN cement plants in alternative fuel processing facilities or in the plants' feeding and combustion infrastructure.

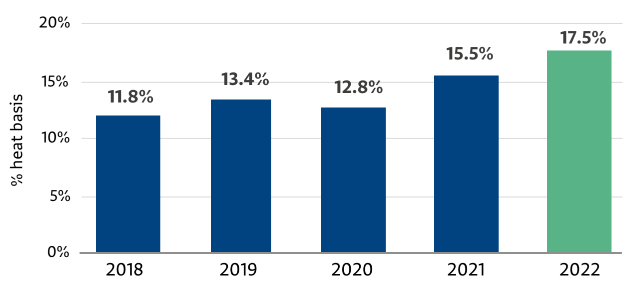
More specifically, the new state-of-the-art alternative fuels production facility in Pennsuco plant, Florida, improved its operation during 2022, increasing the local TSR by 42% vs. 2021 and introducing high-quality RDF as a new fuel type for co-processing in the kiln.

We considerably increased the TSR in our facilities in the Eastern Mediterranean, mainly in the Alexandria plant in Egypt and in the Tokat plant in Turkey, at levels sustainably higher than 20%.

The feeding installation of the Thessaloniki plant, Greece, was also further upgraded, resulting in a significant increase in the plant's alternative fuel consumption for a third consecutive year.

TITAN continues to pursue opportunities to increase and optimize the use of low-carbon fuels in the cement production process, with a steadfast commitment to reduce the environmental footprint of the Group's plants. One of the key investments towards this goal is the new €25 million pre-calciner unit in Kamari plant, Greece. Its installation started in late 2021 and it is expected to be operational in the first quarter of 2023. Additional investments of ca. €14 million are currently under various stages of development which will further improve the storage, handling and feeding infrastructure of Zlatna Panega plant in Bulgaria, Beni Suef plant in Egypt and Thessaloniki plant in Greece.

Fully aligned with its sustainability ambitions and commitment to participate actively in the circular economy, TITAN also plans to diversify into the waste management sector. A first step is the participation in the public tender processes for the PPPs of the mechanical and biological waste treatment (MBT) plants in Greece, in a joint venture with TERNA Energy. In September 2021, the joint venture submitted letters of interest to participate in the tender process for the MBTs of the Central Circular Economy Park in Attica and the Circular Economy Park of Piraeus, as well as the MBT of the Western Sector of the Region of Central Macedonia. In 2022, the newly formed joint venture participated in the competitive dialogue procedure for all three projects and is currently preparing to submit the final application to the state. The operation of MBT plants can maximize recycling and material recovery, minimize landfilling and secure the availability of high-quality alternative fuels, providing a solution to the critical environmental issue of municipal solid waste (MSW).



Green products

Differentiating our offering with commercial low-carbon products to add value to the customer is a major pillar of our decarbonization roadmap. Products and services represent the most significant opportunity, as has emerged from our climate change opportunities assessment. A significant part of our cement product portfolio includes products manufactured with a clinker content significantly lower than that of OPC (Ordinary Portland Cement), prepared by valorizing materials such as fly ash, slag, limestone and pozzolan as their main constituents. Such products allow for a carbon footprint reduction as well as reduced energy and natural raw material consumption in cement manufacturing. Also, through its subsidiary Separation Technologies LLC (ST), TITAN offers valorized fly ash for use in concrete, a product with very low associated carbon emissions, enabling enhanced emission reduction in the value chain.

As per the Group's definition, presented in the ESG performance Statements, Table 2.1.1, green (lower-carbon) products represent 19.5% of our portfolio of cement and cementitious products, with a projection of 34% for 2025 and 62% by 2030.

The Group has further reduced the carbon footprint of its products by accelerating the offering of lower-carbon cements. In 2022, we further progressed in the reduction of the clinker-to-cement ratio, achieving a significant decrease of 2.6 percentage points (78.4% vs. 81.0% in 2021).

Titan America reached its target to have 100% of its cement sales in lower-carbon products by December 2022, becoming the first US-based cement company to fully transition to the production of Type IL Portland-limestone cement.

Also, throughout the year, the Group invested in the significant increase of Titan America's import capacity and expansion of green products to allow Titan America to further support its customers with high-performance products while contributing to mitigating climate change. With a new $37 million investment in its Norfolk import terminal in Virginia, Titan America will further enable the expansion of its offering of lower-carbon cement and cementitious products.

In Greece, the Kamari plant further expanded its export product portfolio, including the less carbon-intensive Type IL, in response to US market needs for sustainable construction. Furthermore, we launched masonry cement MC22.5 X as well as Sulphate Resistant CEM IV/B (P) 32.5 N SR in Greece.

New lower-carbon cements were also launched in high volumes in Albania, Serbia, Kosovo, Egypt and Turkey.

More precisely, Antea plant in Albania started to produce a new Portland-limestone cement (CEM II/B-LL 42.5N), with a reduced carbon footprint, to cover the domestic market. It fully replaced the less sustainable CEM II/A-LL 42.5N.

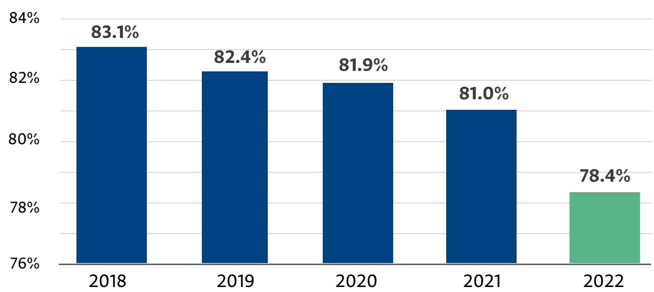
Kosjeric cement plant launched a new low-carbon Portland-composite cement, CEM II/C-M (V-L) 32.5R, for the Serbian bagged cement market. It includes ca. 9% less embodied CO_2 compared to CEM II/B-M (V-L) 32.5R Portland-composite cement, which the plant had produced for many years. This cement is the first Group product to obtain certification under the new standard designation of EN 197-5, which defines framework conditions for a significant reduction of the clinker content in cements - an important step towards carbon neutrality in individual concrete construction, masonry and final construction works.

Sharrcem cement plant in Kosovo, in line with its commitment to continuous improvement in the field of environmental protection and sustainable development by reducing waste, replaced the Portland-composite cement CEM II/B-M (P-W-L) 42.5N with the pozzolanic cement CEM IV/B (P-W) 42.5N, which contains less clinker content and more high-quality fly ash and natural pozzolana.

TITAN Cement Egypt, at its Beni Suef cement plant, entered the masonry cement market for finishing applications for the first time. The new, low-carbon, masonry cement product "12.5X" successfully replaced the CEM II/B-L 32.5R cement product.

Tokat cement plant in Turkey has expanded its product portfolio, including the less carbon-intensive Type IL Portland limestone cement, for export through our new terminal at Samsun port to the growing US market, enabling us to further increase our sales of lower-carbon cement, thus contributing to the Group's net-zero goal towards a greener and more sustainable future.

Overall, in 2022 the shift to lower-carbon cement types reduced the weighted average gross footprint by 21.7 kg CO_2/t cementitious product.



Thermal energy efficiency

TITAN Group thoroughly monitors energy consumption and efficiency in order to reduce its environmental footprint and curtail costs. As energy management and resource efficiency are closely connected to the sector's decarbonization roadmap, the Group is investing in energy efficient equipment (e.g. grate coolers and five-stage preheaters with a pre-calciner and new burners). In a similar way, the regular inspections of equipment and timely preventive maintenance, the careful selection of fuels, the use of mineralizers and process optimization have helped sustain the Group's strong performance in thermal energy consumption.

More specifically, with the development and implementation of process diagnostic tools, we monitor and briefly evaluate performance in critical sections of our cement plants on a regular basis. Thanks to the implementation of these tools, we can identify and address weak points (e.g. false air) and maximize thermal efficiency. In addition, we aim to optimize the kiln gas bypass operation to avoid heat losses.

Also in 2022, we put into operation an innovative method of combustion optimization with the use of hydrogen in cement clinker kilns developed by UTIS, a hydrogen technology company at our Zlatna Panega cement plant, and will soon also start applying the injection of small quantities of hydrogen to enhance combustion at our pyro lines in our Kamari cement plant in Greece, Antea cement plant in Albania, Pennsuco cement plant in the USA and Apodi, our joint venture plant in Brazil.

After the completion of respective trials, we verified that green hydrogen injection in the cement kiln can improve burning conditions in clinker production. At the same time, it can also significantly assist in increasing the utilization of alternative fuels as well as in reducing NOx emissions.

Scope 2 CO_2 emissions performance

In 2022, Scope 2 emissions were reduced by 4.7% (compared to 2021), bringing them to 47.0 kg CO_2 per tonne of cementitious product. As part of our overall commitment to transparency, an external auditor verified our Scope 2 emissions.

In recent years, we achieved a reduction in electrical consumption through the installation of advanced equipment such as low-energy vertical roller mills, roller presses and dynamic separators, or motors with inverters as well as the replacement of electrostatic precipitators with lower energy-consuming bag filters. In 2022, specific electrical energy consumption decreased, reaching 109.7 kWh per tonne of cement compared to 113.5 kWh per tonne of cement in 2021.

In order to meet our 2030 target, several Scope 2 emissions

Solar photovoltaic plant at Usje cement plant, N. Macedonia

reduction opportunities in Greece and SEE were explored, including the installation of waste-heat recovery (WHR) systems, building or purchasing our own renewable assets and securing green power purchase agreements (PPAs) to decrease the price risk of electricity consumption.

In 2022, Usje plant in North Macedonia invested in a solar plant with an installed capacity of 3.1 MW that is expected to substitute about 10% of the daily electrical energy consumption of the plant and will contribute to a reduction of about 3,200 tonnes of Scope 2 emissions. This is the first solar plant in TITAN Group and will pave the way for similar projects in other operating facilities of the Group, as is the case in our cement plants in Bulgaria and Albania, where such projects are already in the design and permitting phase.

Scope 3 CO_2 emissions performance

In 2022, Scope 3 specific emissions were 116.7 kg CO_2 per tonne of cementitious product, representing about 14.4% of our total GHG emissions. Fuel-related activities are the main contributor, accounting for more than 47.5% of the total Scope 3 emissions at Group level. Purchased goods and services is the second most important factor, contributing about 22.0% of the total, while downstream transportation and distribution is the third most important category, at about 21.9%. Although Scope 3 emissions are affected by the specific operating conditions of each facility, such as the sourcing of raw materials and fuels, product mix and market fragmentation, transportation distance and transportation means (e.g. trucks, trains, vessels, etc.), analysis of the data showed that the above three categories are the main contributing factors for the majority of our facilities.

Our new CO_2 targets, which have been validated by the SBTi, include targets on:

- specific Scope 3 emissions related to purchased cement and clinker (part of Category 1)
- absolute Scope 3 emissions related to the sales of fossil fuels (part of Category 11) - specifically the sale of grinded solid fuel, a minor activity in a limited number of countries

Moreover, since last year, TITAN Group has been working on enabling its suppliers to make a decarbonization commitment.

TITAN Group is continuously refining its Scope 3 reporting approach, identifying gaps and exploring alternative ways to increase accuracy while establishing the required management systems needed in consultation with all business units.

Use of internal carbon pricing in strategic planning

TITAN recognizes the importance of market-based carbon pricing in driving decarbonization efforts. By implementing an appropriate carbon price and ensuring long-term predictability, companies are encouraged to invest in the reduction of their carbon emissions.

As part of its efforts to transition to a carbon-neutral future, TITAN is utilizing internal carbon pricing in its long-term strategic planning. This approach allows the company to assess the risks and opportunities arising from the GHG regulatory environment and the transition to net zero. Carbon pricing is a key factor in promoting low-carbon investments in alternative fuels and energy-efficient technologies, which in turn helps to reduce the carbon footprint of its products.

In accordance with its CapEx policy, TITAN utilizes carbon pricing to make informed decisions about investments in relation to climate change. The company evaluates each CapEx project based on its contribution towards the company's decarbonization goals and assesses the risk of its financial returns being impacted by increasing CO_2 prices. By doing so, TITAN is ensuring that its investments align with its commitment to a sustainable future.

Material issue: Innovation with emphasis on digitalization and decarbonization

Innovation with emphasis on decarbonization

TITAN remained strongly committed to investing in research, development and innovation activities in 2022, covering the entire value chain of manufacturing and distributing cement, concrete and cement-based products, with a focus on decarbonization, digitalization and competitiveness.

Our activities in innovation in 2022 addressed all conventional levers to improve our carbon footprint, namely thermal energy efficiency, fuel switching and reducing the clinker-to-cement ratio. As regards clinker reduction through the increased use of supplementary cementitious materials (SCMs), we extended the range of material sources with a minimal or zero-carbon footprint under evaluation in all our locations. Moreover, we scaled up the production of thermally activated clays, utilizing existing infrastructure. Having achieved full-scale production for clays of varying nature, and by continuing long-term testing on concrete durability, we have generated the know-how and capacity to offer the activated materials as part of our sustainable low-carbon solutions, further enabling the transition to decarbonizing cement and concrete in many of the regions in which we operate.

At the same time, we continued to advance in innovative ways to improve our carbon footprint, with an emphasis on carbon capture, utilization and sequestration, and hydrogen technologies.

Our H2CEM project is the only Greek project that has been approved for state aid within the Important Project of Common European Interest (IPCEI) Hy2Use, following rigorous assessment by the European Commission, for activities related to research and innovation, first industrial deployment and the construction of relevant infrastructure in the hydrogen value chain. With the goal of enhancing the substitution of fossil fuels with green hydrogen and other sustainably sourced fuels, H2CEM concerns the production of green hydrogen through electrolysis, powered by renewable energy sources, at TITAN cement plants in Greece. The industrial deployment of green hydrogen will lead to a reduction in CO_2 emissions by 160,000 tonnes per year. Considering the significant technical challenges of transitioning to green hydrogen as a climate-neutral fuel for the cement industry, H2CEM's research and development activities will lead to a deeper understanding of hydrogen combustion phenomena, especially in terms of designing and operating cement production facilities in the future. In this respect, H2CEM is considered a milestone project on the European cement industry roadmap towards decarbonization. With a total budget of €60 million, H2CEM is currently the only project in the second IPCEI that concerns the use of hydrogen as a climate-neutral fuel for cement production.

With regards to carbon-capture, utilization and sequestration (CCUS), in 2022 we successfully tested novel carbon-capture and utilization technologies, proceeding with two pilot demonstrations at our Kamari cement plant, in collaboration with our partners in the EU Horizon2020 projects RECODE and CARMOF. Specifically, three different carbon-capture technologies were tested at Kamari, namely ionic liquids, membranes and vacuum pressure swing adsorption (VPSA), achieving a high purity of captured CO_2 from cement flue gases. In addition, we demonstrated the concept of a CO_2-based circular economy in practice, by reusing the captured CO_2 to produce materials that can be used in the cement-making process.

Furthermore, in 2022, we remained actively engaged in collaborative research actions, including initiatives supported by institutions at both local and regional level. In October, we participated in the Demo Day of the first Open Innovation Challenge of the Global Cement and Concrete Association (GCCA), where six consortia of start-ups and GCCA members were present, aiming to support the scale-up of novel technological solutions, including carbon capture and reuse of captured CO_2 in construction. Furthermore, the HERCCULES project, which was awarded funding by the EU Horizon Europe program in 2022, seeks to demonstrate a unique, integrated and replicable approach to the emerging CCUS value chain in Southeastern Europe, identifying synergies between cement and waste-to-energy sectors, which are of critical importance to the circular economy. In the project, set to begin in 2023, we will deploy hybrid carbon-capture technologies to capture up to 8 tonnes of CO_2 per day from cement flue gases, converting part of the captured CO_2 into low-carbon construction materials, in addition to demonstrating storage at depleted oil wells in Southeastern Europe. Through such collaborative activities and pilot scale implementations, the Group has gained valuable know-how and experience in technologies that have the potential to significantly reduce emissions, paving the way for their deployment on a larger scale.

Concerning innovative construction, in 2022 we printed the first concrete structure in Greece, using the first ever 3D concrete printer made entirely in Greece, at Elefsina plant. Along with our partners in the 3BUILD research project, we successfully completed four years of laboratory and pilot-scale testing to develop the prototype 3D printer and the innovative "printing ink", based on a highly optimized cement mix. The printing system is lightweight and modular, allowing for the construction of concrete buildings and infrastructures with a high degree of design freedom and process automation, offering sustainable, durable and affordable building options. At the same time, we proceeded with a full-scale printing demonstration in the USA, utilizing commercial printers and in-house printing solutions.

At the same time, Titan embarked on a journey with the vision to create the first plant in Greece to produce net-zero clinker/cement. In 2022 feasibility studies were conducted together with a detailed study on the downstream value-chain dynamics. The plant is located near a port, targeting to capture CO_2 and transport it to a storage sink in the Mediterranean Sea.

Digitalization

Digitalization is a strategic objective for TITAN and Industry 4.0 provides TITAN with a great opportunity. Big data, analytics and artificial intelligence will transform the cement industry. TITAN is one of the pioneers in the digital transformation of the sector, especially in cement manufacturing. Digital technologies can unlock significant value and change the landscape in the cement industry. TITAN believes that investing in the digitalization of its operations will enable it to compete successfully in the new operating model that technology is creating for the industry.

TITAN established its Group Digital Center of Competence in 2020 to further strengthen the Group's capabilities to develop and implement new digital solutions, with an emphasis on the manufacturing, supply chain and customer domains, built on the foundation of an integrated data platform and a new flexible and agile working model for its operations.

In the manufacturing domain, the Group Digital Center of Competence continued the rollout of existing Artificial Intelligence-based Real Time Optimizer solutions for its cement manufacturing lines and developed new ones. The Real Time Optimizers, which are both sourced from external partners as well as developed in-house, allow for increased output per production equipment as well as reduced energy consumption. As of 2022, the Group Digital Center of Competence has installed Real Time Optimizers in plants in the USA, Greece, Brazil and Southeastern Europe.

In addition, TITAN is rolling out a machine-learning based failure prediction system tailored to the operating environment of cement plants, thus increasing their reliability and reducing the cost of unplanned maintenance. As of 2022, this system has been installed

The first 3D printed concrete structure in Greece, 3BUILD Research project

in plants in the USA, Egypt and Southeastern Europe. In 2022, TITAN leveraged the machine-learning-based failure prediction system to establish CemAI, a new spin-off digital company which offers failure prediction in cement plants as a service to other cement manufacturers. More information on CemAI is available in the Understanding TITAN - Performance Highlights - Other business activities section on page 50.

Finally, TITAN has fully incorporated advanced digital solutions based on Building Information Modeling (BIM) technology in its major internal infrastructure deployments (including plant upgrades, logistics terminals, etc.).

In the integrated supply chain domain, the Group Digital Center of Competence continued to expand its internal expertise in developing Advanced Analytics and Artificial Intelligence-based tools and developed proprietary tools for forecasting sales demand, distribution network optimization and selected production inputs. As of 2022, TITAN has developed and commissioned machine learning sales demand forecasting tools in its business units in the USA and Greece.

TITAN developed an in-house supply chain network optimization tool tailored to the specificities of bulk materials distribution networks and continued the development of digital twins of the outbound supply chain network of its business units, leveraging the new tool. The digital twin of the network enables the use of analytics for supply chain optimization. In addition, TITAN has invested in telematics solutions for its outbound truck fleet in business units in the USA, Greece and Southeastern Europe.

Finally, TITAN continued the rollout of its in-house, proprietary cement spare parts inventory optimization analytical methodology and has implemented it in its cement plants in Egypt, Greece and the USA as well as in aggregate and block plants in the USA.

In the Customer Experience domain, TITAN is working on improving and digitalizing the way the Group interacts with its customers, to both improve customer experience and create a more efficient commercial operating model. To that end, as of 2022, TITAN has deployed digital customer applications in business units in the USA and Southeastern Europe and in some import businesses in Europe.

TITAN is supporting the digital transformation journey through internal and external capability building efforts (e.g. the Digital Academy established in Greece, partnering with a not-for-profit organization) and by building an ecosystem of partners which includes start-ups, academic institutions, equipment and systems manufacturers, specialized advisers, etc..

Resilience of IT infrastructure and cyberattacks

To address cybersecurity risk, TITAN has implemented an Information Security Management Framework, which includes Group Information Security policies, procedures and guidelines following the ISO 27001 standard. TITAN has invested in an ongoing cybersecurity awareness program carried out annually for all TITAN employees to alert them about proper cyber hygiene and the possible security risks associated with their actions and to help them identify the cyberattacks they may encounter in daily operations.

Furthermore, TITAN has a comprehensive security program and has implemented and maintains security systems including security information and event management (SIEM), web filtering, next-generation firewalls, intrusion protection, multifactor authentication, email protection and Endpoint Detection and Response (EDR).

Security indicators (KPIs) are used to measure and improve its information security status.

The Cybersecurity Strategy and Strategic Plan is managed by a cybersecurity organization with appointed information security managers and a direct link to top management boards, where the execution progress status is regularly reported.

The main cybersecurity actions that took place in 2022 include Group projects and operations carried out in all TITAN business units, including

- Vulnerability management
- External and Internal Penetration tests
- Implementation of new security controls (SIEM, EDR)
- Phishing simulation exercises
- Security awareness training
- Improvement of security measurements

TITAN constantly reduces vulnerabilities and promotes secure infrastructure design by enhancing existing proactive prevention capabilities and building new ones for rapid detection and response. In 2022, the company did not experience any security breaches.

Focus area: Growth-enabling work environment

Material issue: Safe and healthy working environment

Response to COVID-19

In 2022 we continued enforcing actions to safeguard our people and operations against COVID-19. The pandemic was less intense in most of the geographies of TITAN's operations. We leveraged the considerable experience gained in 2021 and managed to effectively mitigate the impact in all production facilities, in close cooperation with medical experts.

We conducted targeted protective measures for our employees and contractors working on-site, while we promoted remote working, where possible, and followed tailored plans and digital applications which ensured uninterrupted teamwork.

TITAN continued to support intense measures for hygiene and sanitization in response to the pandemic, including promoting social distancing, maintaining mandatory mask use, offering PCR and rapid testing, and rationalizing traveling and large meetings and events. In addition, we continued the good practice of offering medical and psychological support by experts or through health care programs.

Health and Safety

The entire TITAN organization, from the Group Executive Committee to the employees working in the field, is committed to continuously improving health and safety conditions at work, for our own personnel, contractors and visitors.

In pursuit of this goal, we identify hazards in the workplace and take effective measures to mitigate risks.

Occupational Health and Safety is managed as a unified system of goals and desired outcomes, which promotes and ensures continuous improvement. Together, Health and Safety certification, site auditing and incident investigation serve to improve safety behavior and reduce risk.

Certification

In Europe, Egypt and Turkey, 100% of the cement plants and more than 86% of the combined ready-mix concrete and aggregates are ISO 45001-certified. All TITAN activities in the USA comply with the requirements of the relevant OHS bodies.

Audits

All integrated cement plants and occasionally other selected sites are annually audited by Group HSE. In 2022, particular emphasis was placed on liquid fuels and a Group guideline was produced to assist the sites with the safe handling and storage of these substances.

Equal attention was paid to the execution of emergency plans under special conditions. The difficulties encountered were mainly due to space limitations or ergonomic difficulties and led to the appropriate improvements.

Audits are also conducted by regional or national Health and Safety organizations and external bodies. Installations, procedures and personnel (own and contractors) are examined and the recommendations, combined with those resulting from the investigation of accidents and selected near misses, are implemented by operations management. In 2022, the total number of audits exceeded 3,400. Of those, more than 2,550 were in the cement plants, a 50% increase over 2021.

Accident rates

The Lost Time Injuries Frequency Rate (LTIFR) of own personnel decreased to 0.63 LTIs per million worked hours, a 30.76% improvement over 2021, continuing a trend which has brought an LTIFR decrease of 73.86% since 2017.

The LTIFR of contractors decreased to 1.43 LTIs per million worked hours, a 7.7% reduction from 2021. Contractor LTIFR had been increasing since 2017, though - since 2019 - at a considerably lower pace. Despite our efforts, there was one contractor fatality. We recognize that alignment of contractor operations to TITAN standards is a continuous challenge.

Training

Average training hours in health and safety per person increased in 2022, both for own personnel and contractors. Numerous training arrangements, varying from in-person to online contact and e-learning, were employed. The e-learning module released in 2022 includes detailed analyses of process safety issues related to solid fuels grinding.

Improvements

Safety in ready-mix operations, especially on the road and at the concrete pouring site, was a focus point.

In Turkey, TITAN improved its ready-mix operations by introducing new safety and operation procedures and training managers in their application and follow-up. Mixer trucks, concrete pumps and their operators received particular attention.

In Greece, a specially developed mobile phone application informs mixer truck drivers of the hazards that they are likely to encounter on the site they are approaching. At the jobsite, a specially developed feeding arrangement eliminates work at height when feeding additives into the mixer truck.

Safe driving was also addressed through improvement programs in Albania and the USA.

In Albania, the more routes followed by TITAN silo trucks most frequently were examined and the hazardous points were identified. Drivers will be trained in 2023 to safely overcome the anticipated difficulties.

In the USA, for the second year running, TITAN ready-mix truck drivers were trained in rollover prevention, using the Truck Driving Simulator. All drivers with less than six months experience were trained.

Wellbeing initiatives

Our Group has a long history of putting people first and providing pioneering programs which support employees and their wellbeing.

Our Health and Wellbeing framework, launched in 2020, supports our commitment to cultivate a safe and healthy work environment for all. The framework helps us apply an integrated, holistic approach across the Group and drives initiatives which address the physical, mental, financial and social dimensions of health and wellbeing.

Recognizing wellbeing as a top priority, all business units run initiatives, covering all four dimensions of our framework, to support employees' health and quality of life. Indicatively, Healthy Habits, a 210-training hours program launched in Serbia, focuses on practical ways of building a wellbeing agenda, such as quitting smoking, starting a healthy diet, attending periodic medical check-ups and starting physical activities, all in view of promoting self-care and a positive lifestyle. It also offers research results, success factors and an easy-to follow action plan.

The Group Mental Health campaign, which was launched in October 2021, ran in five phases throughout 2022. It covered topics such as destigmatizing mental health, managing stress levels, attaining a positive attitude, practicing gratitude and mindfulness, helping someone who is suffering and raising awareness on depression and suicide. A dedicated Mental Health page was created on the Group Intranet, where all the campaign materials - videos, recommended readings and an assessment questionnaire - were made available to all employees, to support them in taking the qualitative steps needed to retain and improve their wellbeing and build their mental resilience.

The TITAN Employee Assistance Program (EAP) consulting support service continued to offer counseling to our employees and their families.

Material issue: Diverse and inclusive workplace

At TITAN, we are committed to creating an inclusive, bias-free culture and work environment, where diversity is promoted and all our people are treated fairly and have equal opportunities for growth.

In 2022, we launched our Group Diversity, Equity and Inclusion policy, which sets out our principles, definitions, scope and approach to diversity and inclusion. The policy has been translated into all languages spoken in the countries in which we operate to help ensure that its principles are embraced by all employees across our operations.

We also established the Group Diversity, Equity and Inclusion Council, positioned to actively sponsor diversity, equity and inclusion at Board and Management level and across the Group. Holding the responsibility for the Group's Diversity, Equity

Employee assistance program

and Inclusion strategy, global initiatives, internal and external communication and evaluation of progress on goals, the Council reports to the TITAN Board of Directors, through its Chair.

In March 2023, as part of our commitment to promoting diversity, equity, and inclusion, we became a signatory of the United Nations Women's Empowerment Principles (WEPs). Established by UN Women and the UN Global Compact, the principles will help enhance and expedite TITAN's efforts for the advancement of gender equality and women's empowerment in the workplace, supplementing our existing policy and practices in the field.

A number of initiatives promoting Diversity, Equity and Inclusion were launched, such as the mentorship program in Titan America, which was initiated by one of the three Employee Resource Groups operating in the USA and was designed to enhance business acumen among Black and African American employees. Also, the Women Empowerment project was launched in Egypt as part of the Employee Engagement action plan and in alignment with the objective to support female employees in their growth and leadership journey.

Our 2025 ESG target to achieve at least 1/3 representation of women on the Board of Directors has already been met. We are on course to meet the second target related to increasing the participation of women in senior roles, talent pools and new hires by 20%.

The share of women in management increased to 19.4% in 2022 from 16.5% in base year 2020, while the share of women in new hires compared to 2020 increased by 23.7%. Employment by ethnicity in the USA, where employee race data is recorded, has broadly remained stable.

Material issue: Continuous development of our people

Upskilling and reskilling opportunities

Our talent development initiatives are a critical business priority, and we are investing in becoming an employer of choice, where people can expand their knowledge, gain new skills and contribute to business transformation. In 2022, this commitment became even stronger through the investment in Health and Safety, Digital Skills and People Development learning initiatives. Technical training remains a high priority. In 2022 we launched three new courses created by our internal technical education team. The Raw Mix Design, Solid Fuels Grinding and Ball Mill Cement Grinding courses aim to optimize the production process and improve plant performance. Our 2022 investment resulted in 124,504 total training hours, an increase of 13.8% since 2021.

A safe workplace is fundamental to our success. Our objective is to keep our people in all facilities safe and prevent any serious injury. In 2022 we strengthened our Safety and Health training agenda, to reinforce safety as a key part of our core values. Along with the annual e-learning courses available to our employees through our Learning Management System, new training sessions were launched in all countries, increasing the number of total training hours on Health and Safety by 18.9%.

In 2022 we selected Leadership as an area of focus. Strong, future-oriented leadership is key for successfully executing our strategy and becoming more agile, inclusive and accountable. To guide our leaders, support their development and move our organization forward in our digital transformation journey, we rolled out a flagship leadership program, the TITAN Leadership Academy. This program is addressed to our top 150 leaders worldwide and, through diverse modules, seeks to empower them to lead our vision for the future.

We believe that each employee should own their learning and development path. This is why we encourage self-paced learning, and for this reason we continue to invest in an external learning platform. Eligible employees can navigate the platform and complete any training they find relevant to their career development and capacity building. In 2022, more than 9,300 hours of training were completed on this learning platform.

Following our 2022 focus on Leadership, our business units launched their respective learning initiatives. The customized Titan America Leadership Development Program called LEAD (Leadership Excellence Acceleration and Development) provided a wide range of uniquely designed learning and development opportunities and resources to support professional growth and leadership development, investing in 1,536 total training hours. In Albania, a local Leadership Academy engaged 60 current and future leaders, providing support to employees to explore their limits, grow as individuals and learn new ways of working. In North Macedonia the Leadership learning series amounted to 910 training hours. In Kosovo, Sharrcem's Leadership Program, which included 7 training modules tailored to managers, heads and specialists, was delivered to 41 employees.

During 2022, our Greece business unit partnered with ALBA Graduate Business School to launch a mini-MBA focused on leadership, from which 14 employees graduated after completing 420 learning hours. This program was designed to offer a contemporary overview and a shared framework of the key knowledge, concepts, tools and managerial competencies that are required to succeed in today's challenging business environment. The program provided a context in which participants orchestrated and aligned their knowledge, skills and competencies and got the opportunity to learn and reflect on how organizational units can collaborate and interact to implement strategy and to co-create value for the organization.

Technical development programs were implemented locally as well. In Egypt, our "cementology" program, which aims to upskill the core technical competencies required for all technical employees, continued with the second cohort in 2022, clocking up 805 training hours that were focused on process, quality and the environment.

Employee engagement and human resources management system

We have capitalized on recent investments in human resources management systems (HRMS) to use data and effectively manage all key processes throughout the employee life cycle, from talent acquisition to performance management, learning and development, career planning and reward management. TITAN's HRMS data on recruitment, learning and performance are analyzed to provide insights and inform improvement efforts and investment decisions on future programs. In addition, performance data and individual development plans are used in the People Development Review process and Talent Spotlight sessions, both of which are integral parts of the Group's Strategic Workforce Planning.

Training program of young engineers at TITAN Greece

Recognition as an Employer of Choice in Greece

In Greece, TITAN has been repeatedly recognized for its financial and ESG performance. This recognition comes from our peers and society, based on objective criteria relating not only to financial information, but also on initiatives that demonstrate purpose, innovation, extroversion and sustainability.

Such noteworthy recognition comes from **Fortune magazine's Most Admired Companies** in Greece. TITAN has been included in the Top 20 companies every year since the awards were introduced in Greece in 2014, voted by more than 2,000 executives from companies with a strong corporate reputation.

Furthermore, for its overall financial performance and its growth trajectory, TITAN has also been recognized among the **True Leaders** of the Greek Economy practically every year for the 12 years these awards have been held. The True Leaders awards are under the auspices of the Finance Ministry and the Hellenic Federation of Enterprises and are organized by ICAP CRIF, the Greek affiliate of the CRIF network, which operates in 45 countries.

We held an annual Performance Management cycle for our white-collar employees, who represent 42% of our total workforce, with a completion rate of 93%. The remaining 7% of the white-collar workforce are the new hires who were not eligible for the 2022 Performance Management cycle. Our priority is people and although blue-collar employees who consist 58% of our total workforce do not have an official profile on our HR Management System, most business units use local performance review forms to provide feedback and set goals for future performance, with a completion rate of 35%.

In 2022, we ran a Group-wide Employee Engagement survey using a short and focused questionnaire to measure our people's engagement, enablement and energy, as well as critical dimensions around authority and empowerment, direction, confidence in leaders, development, performance management, work structure and processes, collaboration, wellbeing and diversity and inclusion.

For the first time, the engagement survey was conducted fully digitally, across the Group, and the results were swiftly shared with the Group and business unit management teams. Recognizing the essential role that people managers play in their teams' engagement and enablement, a dedicated virtual development session was run for the top 150 leaders as part of our Leadership Academy series, with the intention of equipping our leaders in proactively managing the findings, building highly engaged teams and driving our business growth.

Based on the strengths and areas for improvement that our people identified through the survey, Group-wide, local and team-level action plans are designed with the aim of enhancing our workplace experience and driving business performance.

The Leadership Acceleration lab is an exciting leadership development experience, designed to help leaders further grow and accelerate their impact on business growth strategy. A development journey for a group of leaders across all countries, it is conducted in collaboration with the Oxford Leadership program. It involves world-class consultants with global expertise and comprises pre-work, a 3-day face-to-face program, a 10-week action learning sprint, peer-coaching and coaching.
Key topics within this group of senior leaders are:
• Green trends impacting our industry and customer behaviors, and TITAN's strategic response
• Strengthening our commercial and digital capabilities
• Practicing our growth mindset
• Focusing on growing adaptive leadership skills
It was a great experience for leaders to work with internal and external facilitators, unlearn and learn, experiment with new ideas and build stronger bonds with their peers across the Group. Members of the Group Executive Committee participated in several sessions and guided leaders' learning and experiments.

Focus area: Positive local impact

Material issue: Environmental positive impact

Over the years, TITAN Group has devoted large amounts of human resources and capital expenditures, investing heavily in best available techniques (BAT), reaching and sustaining a strong environmental performance that meets existing and potential new regulatory requirements as well as our own targets, which are often more demanding, placing us among the top performers in our sector.

The Group implements environmental management systems (EMS) across its operations, realizing solutions that best fit local needs as well as international commitments. All Group cement plants have an ISO 14001 environmental management system, except those located in the USA, which follow a system that is aligned with local and federal regulatory requirements.

Air emissions

In recent years, the Group ran an extensive investment program to install new or upgrade de-dusting equipment in the stacks of kiln lines. Electrostatic (ESP) filters were replaced either by bag filters or by hybrid filters (a combination of bag and ESP technology). Our efforts are now concentrated on mitigating fugitive dust. On that front, we have covered conveyors and elevators in closed systems, reduced air leakages and spillage points, ensured proper maintenance of the installation using vacuum cleaning, enclosed storage areas with natural wind barriers, used water spray and ensured road wetting and housekeeping as well as paving where feasible. The systematic monitoring of fugitive dust emissions not only reduces the impact on nearby areas but also safeguards the health of employees. The Group ensures the proper maintenance and optimal functioning of machinery and equipment and applies rigorous rules on the transport of materials within its plants and beyond.

Monitoring and reporting air emissions are part of the Group's effort to mitigate its impact on the environment. Aligning with legal and sectoral requirements, TITAN monitors and reports dust, NOx, SOx, TOC, HCl, HF and NH_3 emissions, mostly through continuous emissions monitoring systems. Minor emissions such as PCDD/PCDF and trace elements are spot measured by accredited independent Laboratories.

Group environmental performance in main air emissions is presented in the following table:

Group level (cement operations)	2022	2021
Air emissions (g/t clinker)		
Specific dust emissions	21.7	16.6
Specific NOx emissions	1,251	1,263
Specific SOx emissions	257	245

Furthermore, air emission dispersion studies, which consider all local characteristics (atmospheric and geomorphological conditions) and are conducted in collaboration with local academics, ensure that the operation of plants does not have any negative impact on the air quality of the adjacent areas.

Rehabilitation and biodiversity

The restoration of affected land area and the protection of biodiversity are a key focus area in TITAN's sustainability strategy, which aims at the preservation of the natural capital as well as the welfare of local communities in the areas of our operation. In order to mitigate the impact that raw materials extraction inevitably has on local biodiversity and ecosystems, TITAN has developed standard practices for quarry rehabilitation and biodiversity management at sites of high biodiversity value, in line with the respective GCCA Guidelines. TITAN's commitment to biodiversity and sustainable land stewardship is part of its Environmental Policy and Climate Change Mitigation Strategy and is aligned with the relevant ESG Targets for 2025.

The sites of high biodiversity value are determined through risk assessment at corporate level, every 5 years with the use of available tools such as the Integrated Biodiversity Assessment Tool (IBAT) and/or from regional or national designations at local level. According to the most recent biodiversity risk assessment that was made in 2020–2021, two new sites of high biodiversity value were identified, namely the Drimos and Thisvi quarries in Greece, adding to the ten already known cases.

In 2022, we enhanced our efforts to further communicate our biodiversity corporate strategy and actions at local level with our relevant internal stakeholders. In this respect, the Group Corporate Center and the Aggregates Division in Greece organized specific workshops, which achieved two-way interaction: the top-down communication of the corporate approach on biodiversity and the bottom-up presentation of best practices on quarry rehabilitation and biodiversity management applied in the different business units.

Furthermore, and with regard to our ongoing partnerships with international organizations, associations and global collaborations, TITAN continued in 2022 its active participation in the Biodiversity and Industry Platform of CSR Europe. The platform was launched in 2020 as a cross-sectoral business-led initiative to drive the biodiversity agenda and for the practical integration of biodiversity into decision-making in business. Two years later, the platform developed and published a Biodiversity Risk Scan that seeks to help companies identify and prioritize the potential biodiversity impacts of a project, and a Strategic Guidance to Biodiversity Management, which provides a practical biodiversity management model illustrated by good practices from different companies in various sectors.

Local impact indicators	2022	2021
Number of active quarry sites with high biodiversity value	12	12
Percentage of active quarry sites in high biodiversity value areas with biodiversity management plans	83%	83%
Percentage of active quarry sites with quarry rehabilitation plans	91%	91%
Percentage of disturbed quarry land areas that have been rehabilitated	23.8%	22.6%

In 2022, Usje Plant in North Macedonia completed the rehabilitation plan at one of its quarries that has recently been opened. However, the percentage of active quarry sites with quarry rehabilitation plans at Group level remained the same as last year, since another green-field quarry area was opened in North Macedonia which has not yet developed a rehabilitation plan according to TITAN standards. The rehabilitation plans for the remaining four sites are scheduled for completion in 2023-2024, to meet the respective target by 2025.

The share of rehabilitated land increased in 2022, mainly due to the inclusion of conservation and easement areas around Titan America quarry sites where rehabilitation and mitigation activities are taking place. The share of rehabilitated areas across the Group's quarry sites is expected to grow further towards the target set for 2025.

The percentage of active quarry sites with biodiversity management plans (BMPs) remained at the same level. However, TITAN's Aggregates Division in Greece proceeded in 2022 with the scoping of the biodiversity baseline study at Drimos quarry which, according to the 2020 biodiversity risk assessment - made for all Group sites with the use of the Integrated Biodiversity Assessment Tool (IBAT) - has been recognized as being in proximity to or part of areas of high biodiversity value. The study - together with the respective BMP - will be completed in 2023. A similar study and BMP are also planned in 2023-2024 for the last remaining site with high biodiversity value, namely the Thisvi quarry, Greece.

Material issue: Social positive impact

In 2022 we continued our engagement with stakeholders in all areas of Group operations with the ambition to contribute to the sustainability of local communities. TITAN is implementing a framework of initiatives in each country, in line with the Group Framework Guidance, and tailored to local needs while leveraging opportunities for the promotion of open dialogue and collaborative actions with its stakeholders. TITAN's target is to have Community Engagement Plans (CEPs) aligned with material issues for stakeholders and UN SDGs 2030 at all of its key operations by 2025.

In total, 212 initiatives were implemented in 2022 at 20 key operations across all countries and including Brazil, with the engagement of at least 6,000 participants, despite the persisting difficulties for social interaction caused by COVID-19 restrictions in some geographic areas. More than 2,000 participants were TITAN employees, who acted as volunteers. In total, more than 859,640 people in the local and broader communities of our operations were direct and indirect beneficiaries of the CEPs, while the total cost for all our initiatives reached €1.7 million, of which 60% was contributed in kind.

TITAN assessed all 2022 initiatives with in-house criteria for meeting an adequate or high level of alignment with the material issues important for both our stakeholders and our business activities as well as for the level of engagement with local stakeholders. Our assessment on the connection of material issues with initiatives was based on the SASB Materiality Map methodology. We identified the Social Capital area as the most relevant material issues for our business units, as addressed by initiatives for community engagement, followed by Human Capital, specifically for the engagement and wellbeing of our employees. We found that the areas of Leadership and Governance, Business Model, Innovation and Environment were also relevant, although for a smaller number of initiatives. The main initiatives towards the sustainability of our communities focused primarily on supporting education (18%) and promoting voluntary work (17%), followed by supporting our communities in conditions of crisis (14%), and social cohesion and mitigation of inequalities (13%). The areas of cultural heritage and recreational activities, initiatives for skills for new jobs including training, internships, traineeships and apprenticeships, and infrastructure for the communities were also assessed as being important at Group level, with local conditions guiding business unit efforts and resource allocation.

Overall, out of a total of 526 interns (45% females) at Group level, 57 were hired. In Greece and Albania, the issue of bullying among youngsters and on the internet was addressed by separate initiatives in collaboration with local municipalities and schools.

TITAN continued to support blood donations in 2022, with a total of 652 employees and contractors in business units volunteering in blood donation programs. In Greece we increased our active pool of potential bone marrow donors to 679, with a total of 4 donorships to date. TITAN's business units were actively engaged in national initiatives to continue improving local community infrastructure related to public schools and universities, hospitals and health care programs, healthy lifestyle programs for kids, and recreation and sports centers.

Community Engagement Plans (CEPs)	2022
Number of initiatives and actions under the CEPs	212
Participants (TITAN employees, business partners, NGOs, local authorities and people from communities)	6,012
TITAN volunteer-employees who were among the participants	2,016
Beneficiaries from communities	859,642
Social investment (in cash and in kind) for community initiatives	€1.7m

Material issue: Economic positive impact

TITAN highly values the positive economic impact of its operations on local communities and is continuously seeking to maintain and further increase local spend, ensuring that 2/3 of our total spend is directed to local suppliers and communities as per our 2025 ESG targets.

The importance of creating value with our stakeholders has necessitated a focused approach for our expenditures on local suppliers. TITAN's business units are continuously working on implementing a number of localization projects, where local companies are being selected for the supply of specific products and services. This enables TITAN's business units to limit the risks of global supply chain disruptions and at the same time contributes to the sustainability of the local communities.

During 2022, TITAN decided to upgrade its definition on locality (in line with UNCTAD Guidance) for cases of countries with a governmental structure characterized as a "federation of states". This in specific applies today to the USA and the upgraded term "local" refers to suppliers with company tax registration in the same state as the tax registration of the business unit or location of operations, and in states which are "neighboring" (adjacent) to the above.

Overall local spend was increased in 2022, reaching an average of 67.6% at Group level (excluding Brazil).

Focus area: Responsible sourcing

Material issue: Resource efficiency, recycling and recovery, contributing to the circular economy

We are committed to the circular economy, taking actions to minimize, reuse, recycle or recover materials and energy in order to preserve natural resources, reduce CO_2 emissions and manage waste efficiently. In 2022, we implemented circular economy programs and practices across all our activities. We eliminated the landfilling of waste while contributing to the conservation of natural resources and mitigation of climate change.

The Group continued its efforts to increase the use of alternative raw materials in clinker, cement and concrete production, designing and developing new low-carbon cement products to address the current and future needs of its customers. The use of alternative raw materials in the production of clinker and cement increased in 2022 (7.7% of total consumption vs. 6.6% in 2021).

Water management

Effective water management inside and outside the premises of our sites is an important aspect of our environmental performance and sustainability strategy, under the focus area of responsible sourcing. Therefore, our management approach and policy endorse our commitment to conserving the quantity and sustaining the quality of water resources in all our facilities and their neighboring areas. The aim is to reduce the withdrawal and consumption of freshwater, by establishing recycling and promoting responsible and efficient practices for water usage and discharges.

We have been operating an Integrated Water Management System (IWMS) at all our operations for many years to monitor and optimize

A herd of wild horses at TITAN quarry in Lepenou, Greece

Donation following the wildfire crisis, Greece water consumption and to disclose water data in a consistent way, according to international practices and cement sector guidelines. TITAN's initiatives and investments in relevant facilities and systems over the past two decades have resulted in a substantial improvement in water management.

Water risk assessment also constitutes a significant component of TITAN's sustainable management of water resources. Therefore, in 2020 we completed the water risk assessment for all our Group sites with the use of Aqueduct, a tool developed by the World Resources Institute (WRI). A total of 153 sites were assessed and results showed that 73% of the Group's cement and cement grinding plant sites, 65% of quarries for aggregates and industrial minerals, and 62% of ready-mix concrete sites operate in water-stressed areas. Furthermore, a specific scenario-modelling assessment of the Group's climate-related risks and opportunities took place, in line with the implementation of the Task Force on Climate-Related Financial Disclosures (TCFD) framework. This assessment indicated that water stress poses the third highest physical risk (after coastal flooding and drought) for cement manufacturing facilities throughout TITAN's global operations. The results of this assessment and also future water risk assessments, along with the evaluation of local conditions at sites operating in water-stressed areas, will be used to identify related risks and opportunities and make the appropriate decisions to further enhance our practices for sustainable water management.

All our efforts in water management are also reflected and acknowledged by the "A-" score achieved in the Water Security questionnaire of the Carbon Disclosure Project (CDP) in 2022. This score, an improvement on the previous year, corresponds to the Leadership band for companies "implementing current best practices".

TITAN continued in 2022 to seek opportunities to further enhance practices towards sustainable water management, with a focus on sites in water-stressed areas, as identified by the water risk assessment conducted with WRI's Aqueduct tool and WWF's Water Risk Filter, as well as by the specific assessment of risks related to climate change undertaken in collaboration with recognized climate risk experts. Priority is given to cement plant sites which are the largest water users among Group activities, as presented in the Notes of Table 2.4 of the ESG Statements.

In 2022, the Group's total water withdrawal, discharge and consumption levels fell by 1.6% to 3.3%, which is mainly due to more efficient water use in some cement plants and aggregates sites.

Water consumption at the Group's cement and grinding plants and their attached quarries further decreased by 2.2% to reach 240.4 l/t cementitious material, a reduction that remains well above the target set for 2025.

The use of recycled water as a share of overall water consumption increased to 68.0%, approaching the 70% target set for 2025.

Healthy Lifestyle at School, CSR activity at Antea, Albania

Water management	2022	2021
Group level (all operations)		
Total water withdrawal, million m^3	42.3	43.2
Total water discharge, million m^3	31.4	31.9
Total water consumption, million m^3	10.9	11.3
Group level (cement operations)		
Specific water consumption, l/t cementitious product	240.4	245.7
Percentage of water recycled over water demand, %	68.0	66.1

Energy efficiency management

Improved energy efficiency is a key prerequisite not just in addressing climate change but also in preserving resources, enhancing energy safety and reducing the reliance on imported fossil fuels. It is therefore one of our foremost priorities. Thermal and electrical energy are essential elements for a high-intensity cement and construction materials producer. This means that what we do affects natural resources and has significant implications for communities.

In 2020, as part of the Environmental, Social and Governance (ESG) targets for 2025 and beyond, TITAN committed to having 85% of its clinker production covered by ISO 50001 or energy audits.

The Group thoroughly monitors energy consumption and efficiency in order to reduce its environmental footprint and curtail costs (30-40% of the total). As energy management is closely connected to the sector's decarbonization roadmap as well as resource efficiency, the Group is investing in low energy demand equipment and in energy efficiency measures.

In recent years, the reduction of electrical consumption was achieved through the installation of advanced equipment such as low-energy vertical roller mills, roller presses and dynamic separators, or motors with inverters as well as the replacement of electrostatic precipitators with low energy-consumption bag filters. In Bulgaria, the plant's decarbonization roadmap was supported by the energy efficiency study carried out by VDZ (Verein Deutscher Zementwerke), the association for the German cement industry.

In a similar way, the frequent inspections of equipment and timely maintenance by plant teams, and the replacement or installation of new energy-efficient equipment (e.g. grate coolers and 5-stage preheaters with a calciner, new burners, selection of fuels, use of mineralizers as well as optimization of operations) helped sustain the good performance in thermal energy consumption.

In 2016, the Group made its first step in applying energy efficiency management systems in its cement production plants. Since then, 10 of our integrated cement plants have successfully completed the process and their Energy Efficiency Management Systems have been certified according to the international standard ISO 50001:2018.

As a result, in 2022, the Group's clinker capacity covered with ISO 50001 or energy audits represents 86% of its total clinker production, exceeding the target of 85% set for 2025.

Waste management

In the context of the global transition towards a circular economy, the Group has worked steadily on the reduction of landfill waste. In 2022, 6 TITAN cement plants received their zero-waste certification. Five of those plants received the highest Platinum rating as a result of diverting virtually 100% of plant waste from landfill.

As a result, the Group's clinker capacity covered with "Zero Waste to Landfill" certification now represents 55% of its total clinker production, exceeding the target of 50% set for 2025.

Waste produced by the Group as part of its everyday activities is collected, stored and disposed of through authorized contractors for reuse, recycling or recovery, with the aim of minimizing landfill. Although hazardous wastes correspond to a small amount of the disposed wastes (about 0.1% of the total), they are properly managed according to local requirements by all of our facilities across all activities and business units.

As a result, in 2022, the percentage of the total waste produced that was diverted from landfill increased slightly to 84.8%, compared to 83.6% in 2021. Furthermore, the percentage of concrete returns diverted from landfills have stood consistently over 85.0% in the last five years, reaching 87.5% in 2022.

Material issue: Reliable and sustainable supply chain

In 2022, TITAN continued its Group Procurement transformation program by further improving the sourcing efficiency of the global categories while focusing more extensively on supply chain sustainability topics. Supplier landscape optimization, building and maintaining long-term supplier relationships and a holistic review of supplier performance (including sustainability) are key elements for enabling "total cost" optimization, transparency of value creation and propagation of sustainability practices in the supply chain.

The Group has been closely working in accordance with its Sustainable Supply Chain Roadmap, which outlines specific milestones and deadlines to ensure that the responsible sourcing targets (as part of TITAN's ESG Targets) are achieved in a timely manner:

"We will ensure that 70% of our key suppliers meet TITAN ESG supplier standards by 2025."

TITAN's Group Procurement Policy is the cornerstone of this initiative, which sets forth the fundamental principles governing Procurement in the Group, incorporating upgraded procurement practices that enhance the Group's commitment to being a socially responsible, ethical and environmentally sensitive business organization.

During 2022, TITAN updated its Group Code of Conduct for Procurement to bring it in line with the Group Procurement Policy. The Group Code of Conduct was published on TITAN's website and distributed to all business units for further dissemination to supply chain constituents.

Additionally, the process of expanding the respective ESG criteria to be used for the evaluation of TITAN's "key suppliers" was completed in 2022. The newly developed ESG criteria are in line with the GCCA guidelines for Sustainable Supply Chain management and the 10 UN Global Compact principles.

TITAN defines key suppliers as critical suppliers (according to GCCA Guidance for Sustainable Supply Chain management) with a meaningful level of spend (i.e. 80%) for each TITAN business unit. Key suppliers for the global categories and the individual business units have been identified and a process of ESG evaluation has been initiated.

With that in mind, the Group has expanded its cooperation with Avetta, the leading provider of supply chain risk management (SCRM) software to include a full ESG evaluation cycle of the identified "key suppliers" by using the "Avetta One" solution.

Good governance, transparency and business ethics

Through sound corporate governance, we aim to ensure that every management decision is aligned with our purpose and our core values, takes due account of our sustainability considerations and serves the best interests of our stakeholders. Our ESG targets for 2025 and beyond, in direct alignment with our commitment to the UN Sustainable Development Goals (SDGs) and the UN Global Compact, are underpinned by strong governance, transparency and business ethics.

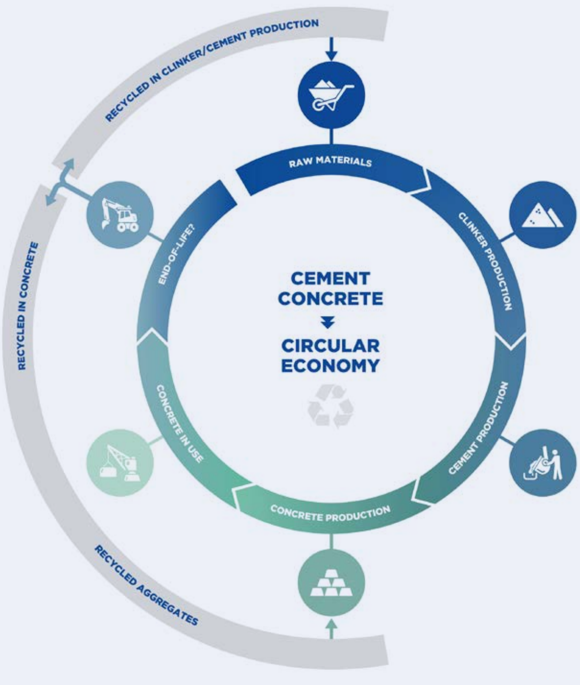
Concrete recycling in Greece and the USA

TITAN Greece has a tradition in concrete recycling. In recent years, we have developed and are implementing an innovative solution: we recycle concrete returns and construction and demolition waste in the production of cement, sending a clear message that buildings and concrete are fully recyclable.

Staying aligned with the growing need to contribute towards saving natural, non-renewable resources, our cement plants in Greece received and utilized as alternative raw materials in the production of cement over 50,000 tonnes of concrete returns and concrete production waste, mainly from the units of our subsidiary, Interbeton, thus diverting the waste from landfill.

Overall, our operations in Greece utilized over 125,000 tonnes of concrete returns, concrete production waste and construction and demolition waste from small and large projects of the public and private sector, thus achieving an 8% increase compared to 2021.

Titan America accepts customers' unused concrete, which is typically returned to the ready-mix plant where most of it is recycled. After the material hardens and a sufficient quantity is stockpiled, third-party companies bring in portable crushing equipment to size the aggregate to the relevant application, mostly base rock. These third parties then replace virgin aggregate, a process which keeps waste out of landfills.



Sustainability is embedded firmly in our strategy through the regular review of all issues that are material to the business and our stakeholders, the definition of appropriate actions and targets, and the adherence to environmental, social and governance policies. Our two governance bodies, the Board of Directors and the Group Executive Committee, oversee the implementation of our strategy and sustainability imperatives and reflect the culture of good governance, transparency and business ethics that is prevalent across the Group.

Compliance program and policies

A strong compliance culture across TITAN Group, underpinned by our values and ethical standards, is a key driver of our performance and a solid foundation on which operational excellence is achieved. Our disciplined approach and consistent efforts to ensure compliance are enabled through the TITAN Group Compliance Program, a dynamic, risk-based program incorporating awareness and training, assurance activities, continuous monitoring and oversight.

The Corporate Code of Conduct and the Group Policies convey the rules, standards and principles, providing the necessary guidelines to employees and business collaborators. All employees have unrestricted access to Group Policies in all local languages on the Intranet. The polices are also available on our website (www.titan-cement.com/about-us/corporate-governance/group-policies).

Group Policies cover all strategic compliance areas such as Anti-Bribery and Corruption, Conflict of Interest, Protection of Personal Data, Competition Law, Global Sanctions, Whistleblowing, Environmental and Climate mitigation, Human Rights, and Health and Safety. The set of Group Policies is enriched by the Diversity, Equity and Inclusion Policy and the Group Code of Conduct for Procurement, confirming our commitment to sustainability and responsible supply chain management.

During 2022, we placed special attention on ensuring compliance with global sanctions. To this end, we implemented the Third-Party Due Diligence System as a set of control activities, supported by a fully automated world-class data-driven engine. It enables the corporate analysis, assessment and enhanced screening of third parties as well as identification of red flags in relation to sanctions, sustainability and other integrity risks.

As awareness and training are considered imperative, a Regulatory Compliance Training program was launched across the Group, with specialized training for specific roles, in addition to e-learning. A starting point was Global Sanctions, Third-Party Due Diligence System and Anti-Fraud Awareness training sessions, delivered on site and remotely, in close cooperation with Group Legal. In total during 2022, 4,774 compliance training hours were conducted for 1,169 employees.

Anti-bribery and corruption

Doing business with absolute transparency and integrity, and demonstrating accountability to the utmost degree, are strong and non-negotiable commitments in TITAN Group and comprise indispensable parts of our long-lasting culture and robust ethical standards. The effective management of governance and ethics considerations and deterring bribery and corruption risks are considered fundamental to the implementation of our sustainability strategy and the achievement of our 2025 objectives.

Our zero-tolerance stance against bribery and corruption across TITAN Group is confirmed through a consistent management approach and a strong governance structure prescribed in the Group Corporate Governance Charter. It is supported by a comprehensive framework of tools, controls and deterrence mechanisms, overseen by the Audit and Risk Committee, a Board Committee comprised of non-executive and independent Board members. The Group Compliance and Anti-Fraud Department, part of Group Internal Audit Risk and Compliance, maintains the overall responsibility for monitoring compliance risks and coordinating relevant controlling activities, in cooperation with management and the Legal Department.

The TITAN Group Code of Conduct and Anti-Bribery and Corruption Policy set forth the principles, rules and responsibilities, and provide specific guidance for the preventive and detective procedures in place to mitigate the risk. Risk assessment activities and the detection of negative events and red flags associated with third parties who perform services for or on behalf of TITAN Group are undertaken through the Third-Party Due Diligence System, a highly automated structured set of activities and control mechanisms. In 2022, training efforts on anti-bribery and corruption reached 1,728 learning hours, with the participation of 21.7% of the total employee population.

Business fraud risks are effectively mitigated through the TITAN Group Anti-Fraud Program, a modular and comprehensive system incorporating dynamic elements, risk assessment, proactive activities and ongoing monitoring. The Program, outlined by the Anti-Fraud Program Framework, covers a wide spectrum of possible fraud schemes related to Corruption, Asset Misappropriation and Financial Statements risks. Deployed throughout the Group, it aims to provide a protection shield for assets and resources, corporate reputation and credibility, cultural strengths and operational efficiency. The emphasis is placed on fraud prevention, mainly through the Fraud Risk Assessment projects in high-risk areas, as well as the early detection of any possible indications or instances of occupational fraud, through the EthicsPoint reporting platform and anti-fraud analytics.

Group Management Summit 2022

150 Senior leaders from all regions met at our Annual Group Summit in Athens, Greece

After four years of remote working and virtual collaboration of our leaders across the globe, our management team from all our regions met at our annual "Summit" in Athens, Greece, to discuss our strategy, our goals, our transformation progress and all the opportunities and challenges that lie ahead. The Summit focused on the launching of three major strategic initiatives to reinforce TITAN's strategy implementation and accelerate its growth- and customer-focused transformation journey:

- Grow our business
- Focus on customer
- Build on talent

Workshop from the Group Management Summit 2022

In 2022, 9 cases in total were reported through the EthicsPoint platform, 8 of which have already been thoroughly examined by the responsible committees, while action plans for remediation have been set for all substantiated cases. Detailed information is provided in Table 2.5.1 “Governance Core Indicators” in the ESG performance statements.

In 2022, there were three cases of significant fines related to non-compliance of TITAN operations with environmental laws. Titan Mid Atlantic was fined for violation of the effluent limit for combined wash water and stormwater related to discharge treatment at ready-mix sites. Titan Florida LLC was required to settle two cases for not reporting on time scheduled air emission tests at Pennsuco cement plant in 2019 and 2020. Corrective actions to upgrade the internal reporting procedures and on-time documentation at Titan America were taken to avoid such occurrences in the future (see Table “2.5.5 Political contributions and Fines and other non-monetary sanctions” in the section “ESG Performance Statements”).

Human rights

Consistent with the United Nations Guiding Principles on Business and Human Rights, TITAN is committed to respecting and supporting human rights with regard to its employees, the communities where it operates and its business partners. Human rights is one of the key subject areas of the TITAN Group Compliance Program, which provides a well-structured framework to address relevant activities in a disciplined and holistic way across the Group.

TITAN’s commitment to respecting the human rights of all people, and particularly of stakeholders who may be affected by our operations, is specified according to the UN Business and Human Rights Guidelines in the Group HR Policy adopted in 2018.

To intensify our efforts to ensure compliance not only with regulatory but also with ESG requirements, and to ensure a responsible supply chain, a comprehensive Third-Party Due Diligence system, supported by an online tool, is already in operation. Our Whistleblowing Policy, introduced in 2020, encourages employees to report possible misconduct, fraud or abuse. In parallel, EthicsPoint, the Group reporting platform launched in 2020, provides a uniform, anonymous and strictly confidential channel, through a globally available digital tool, to facilitate the confidential reporting of any concern and to ensure that incidents are reported, examined and resolved with a remedy plan, if and when necessary, thus fostering a culture of integrity and ethical conduct.

The outcomes of the feedback received from local stakeholders regarding material topics such as Health and Safety, Diversity, Equity and Inclusion, and Labor Rights are taken into consideration by TITAN, which manages relevant risks with the Group Code of Conduct, specific policies and management systems. The risks relevant to these areas are mitigated within our operations but also in the supply chain through the implementation of the ESG criteria.

In 2022, our approach to community engagement was further enhanced with the introduction of a new Framework Guidance for stakeholder engagement which aims to provide an effective and practical set of guidelines for business units on using their channels of communication with stakeholders, focusing on recommended practices for essential stakeholder engagement in key operations as a priority, and without excluding or underrating the feedback of other stakeholders. The Guidance, which is currently being pilot tested in one of the countries in which we operate, also specifies practical steps for a procedure to ensure the equitable and responsive approach for the collection and assessment of stakeholders’ complaints (including employees, customers, local communities, NGOs, etc.), considering the local specificities in each country. Such complaints or “grievances” may include environmental and social issues (incidents or allegations) collected by various channels of communication and brought to the business unit’s attention for possible remediation plans.

Corporate Sustainability Due Diligence Directive Roadmap

In 2022, the European Commission adopted a proposal for a Directive on corporate sustainability due diligence. The aim of this directive is to foster sustainable and responsible corporate behavior and to anchor human rights and environmental considerations in companies’ operations and corporate governance. The Directive establishes a corporate due diligence duty for identifying, bringing to an end, preventing, mitigating and accounting for negative human rights and environmental impacts in the operations of companies and their subsidiaries and their chains of activities.

In 2022, TITAN took the initiative to form an internal working group of experts from different Group corporate functions and conducted a preliminary assessment of the requirements of the CSDD proposal, global references of best practice for due diligence and the preparedness level of existing management systems in place in our Group. A roadmap for implementation has already been developed for 2023-2024, and TITAN aims to be ready to report on its due diligence approach and to cover the requirements of the new directive. The roadmap provides 3 “waves” of actions - governance, risk assessment and risk management - and the monitoring of the system’s effectiveness and reporting practices, which should be in place by the end of 2024. Already in 2022 our joint venture in Brazil conducted a human rights assessment following the UN Guiding Principles.

TCFD Framework

In June 2017, the Task Force on Climate-Related Financial Disclosures (TCFD), established by the G20’s Financial Sustainability Board (FSB), published recommendations to encourage financial institutions and non-financial companies to disclose information on climate-related risks and opportunities. The TCFD recommendations are widely recognized as authoritative guidance on the reporting of financially material climate-related information. The European Commission encourages companies to implement them as well as the TCFD Construction and Building Materials Preparer Forum Report.

Construction and building materials are vulnerable to climate-related transition and physical risks. Transition risks, such as the introduction of carbon pricing policies, have the potential to increase operational costs throughout the value chain. Physical risks, such as extreme weather events, could disrupt supply chains, halt operations and damage valuable assets.

The Board of Directors, which has the overall responsibility to set the company’s sustainability strategy, has placed climate change at the forefront of TITAN’s sustainability agenda. The Group undertakes on a regular basis a systematic exercise to assess all material risks faced by the Group that could affect its business model and performance. This exercise identifies the Group’s main hazards as well as the most vulnerable geographical areas in which TITAN operates. These core and complementary governance mechanisms are supported by the Group Research, Innovation and Quality department, the Group Strategic Planning and Group Internal Audit, Risk and Compliance departments and the Group ESG performance department.

Under the supervision of its main governance body for climate-related issues (ExCo Sustainability) and in collaboration with recognized climate risk experts, the Group has worked on identifying, assessing and managing the risks from climate change, and the opportunities from the transition to a low-carbon economy, in alignment with the TCFD Framework, which is demonstrated on page 39.

The main elements of the approach we applied are:

- the exposure of our assets to hazards related to climate change
- the vulnerability of our assets to hazards related to climate change
- the financial risks induced on our assets by the hazards and their relevant vulnerability

Specific metrics are used to measure the impact of each hazard on our assets using a reference baseline. Our methodology covers both physical risks such as temperature, flooding and water stress, as well as transition risks such as carbon pricing, reputational damage and litigation. In addition, opportunities related to climate change are also analyzed and quantified. The methodology is built on principles similar to catastrophe risk models but is driven by climate model and socioeconomic model data on climate-related hazards, driving econometric models with hazard inputs and business data, and translating risk into financial terms to provide decision-relevant insights.

For 2022, our analysis was extended to cover four climate change scenarios based on the Representative Concentration Pathways (RCPs) from the International Panel on Climate Change (IPCC), namely RCP8.5, RCP6.0, RCP4.5 and RCP2.6. The "high emissions" scenario, RCP8.5, is related to an expected increase of the global mean surface temperature in 2100 in the range of 4.2 to 5.4°C as a result of no major global effort to limit GHG. RCP6.0 is related to an expected increase of the global mean surface temperature in 2100 in the range of around 2.0°C because of lower GHG, while RCP4.5 is related to an expected increase of the global mean surface temperature in 2100 in the range of around 3.0°C as a result of GHG emissions that coincide with current pledges on reducing GHG. Finally, RCP2.6, the "low emissions" scenario, is related to an expected increase of the global mean surface temperature in 2100 in the range of 0.9 to 2.3°C.

The climate-related scenario assessment covers the cement manufacturing facilities throughout TITAN's global operations, encompassing 13 of our cement manufacturing facilities in 9 countries across Greece, Southeast Europe, Egypt, Turkey and the USA. The main physical risks for the Group already identified are coastal flooding, drought, water stress and extreme temperatures. The Group faces the highest physical risk from coastal flooding, while drought poses the second-highest physical risk. TITAN faces minimal or no risk from tropical cyclones due to climate change. The financial impact from physical risks can be seen in Chapter C2 of the CDP questionnaire.

Within TITAN's geographical footprint, legally binding climate change rules are implemented mainly in the EU (ETS) and in Egypt (CO_2 emissions cap), where the gross Scope 1 emissions of our operations represent 48.9% of the total Group Scope 1 gross emissions. Under the current regulatory EU framework, TITAN's financial exposure to the ETS is minimized as the Group has no shortfall of ETS emission rights based on its existing operating model. The Group's plants in Greece and Bulgaria, where the EU Emissions Trading Scheme (EU ETS) is in force, are operating in Phase IV (2021-2030 with a long EUAs (EU Allowances) position, which should last for at least five years, thus minimizing the Group's financial exposure. The price of CO_2 rights will become critical for the Group if the regulatory framework changes in such a way that a shortfall is created. TITAN Egypt is closely following the restrictions on fuel-related emissions imposed by the Egyptian government and actions are being taken to minimize our emissions accordingly, to avoid any economic impact.

Furthermore, transition opportunities related to climate change have been identified as follows:

- Innovation: development of new low-carbon products to address new customer preferences
- Energy: sourcing of low-emissions energy that can lead to reduced energy costs
- Cost: improvements in energy efficiency across production and the supply chain, and efficient use of materials, water and waste management can lead to cost optimization

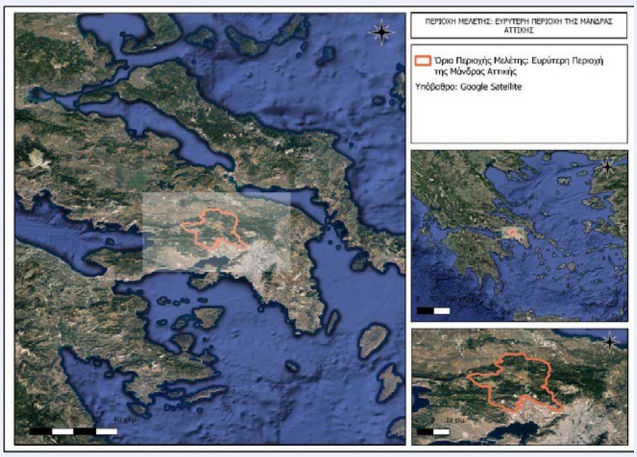
The links with the TCFD pillars are available on page 39.

Complementing the Group's climate risk assessment with local studies

Case study: Greece

2021 was a year of multiple wildfires in Greece after a historic heatwave that affected the country, with temperatures reaching 47°C. In close and direct collaboration with the national and local government and relevant authorities, and the Paul and Alexandra Canellopoulos Foundation, TITAN contributed not only to the immediate response to the repercussions of the wildfires, but also to the long-term rehabilitation and prevention effort, as well as the preparation and mitigation of the effects of the climate crisis.

Within the scope of better understanding and preparing for the effects of the climate crisis, TITAN Greece collaborated with the National and Kapodistrian University of Athens and the National Observatory of Athens for the assessment and prioritization of natural and climate risks for the period 2026-2045 that may potentially impact its facilities and the local communities where it operates in Greece. This was presented to the competent local authorities so as to engage with them towards climate change adaptation.



The study area of the performed simulations in the case of Kamari plant

The study assessed flooding, mudflow and landslide risk with the use of advanced models and statistic tools, the risk of wildfires using indexes on "Burn probability", "Flame length" and "Fireline intensity", and forecasted climate risks for the period 2026-2045 by applying special climatic models.

ESG criteria in remuneration policy

TITAN recognizes that linking environmental, social and governance (ESG) performance to executive pay can help hold executive management to account for the delivery of the Group's ESG targets, while strengthening the oversight of the sustainability agenda at Board level. As per the Group's remuneration policy, a three-year target that is compatible with the path to reduce our net CO_2 emissions to 500 kg per tonne of cementitious product by 2030, approved by SBTi under the 1.5°C pathway, is included in the performance objectives of the deferred compensation plan (DCP) for executive members of the Board and the members of the Executive Committee. (more information is available in the Remuneration Report, p. 65-73)

The reduction of net direct CO_2 emissions per tonne of cementitious product is linked also to the business unit managers' annual performance appraisal and reward system (salary/bonus). In addition, 5% of the Short-Term Incentive Scheme (STIP) of executives is linked to the Lost Time Injury Frequency Rate and 5% of the annual performance bonus of all employees that receive performance appraisals is linked to LTIFR performance.

EU Taxonomy Regulation

In 2022 we expanded our approach to meet the additional regulatory requirements of the EU Taxonomy Regulation (EU) 2020/852 reporting framework, in specific for the "alignment" of business economic activities and products which meet the criteria and requirements for the Taxonomy KPIs (sales turnover, operational expenditures and capital expenditures). The Regulation requirements were specific to climate change mitigation and adaptation, adhering to the Commission Delegated Regulation EU 2021/2178 of 6 July 2021 (EU 2021/2139), while the only Taxonomy-eligible transitional economic activities were defined according to the Regulation criteria as related to the "manufacture of cement clinker, cement or alternative binder" (NACE code C23.51, in accordance with the statistical classification of economic activities established by Regulation (EC) No 1893/2006). In addition, the production and sale of fly ash may be considered a Taxonomy-eligible activity (NACE code E38.32), but not material to disclose due to its non-significant share of the total Group turnover. The above-mentioned Regulation EU 2021/2178 specifies the content and presentation of information to be disclosed by undertakings concerning environmentally sustainable economic activities and the methodology to comply with that disclosure obligation.

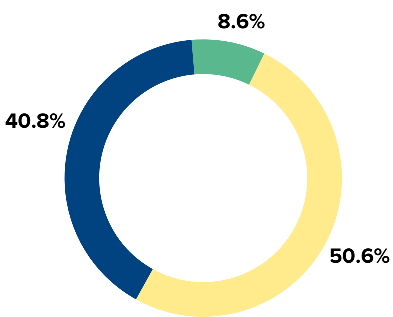
In compliance with Article 8 of the Taxonomy Regulation, we disclose that, based on the Group consolidated data, €1,349.6 m or 59.2% of the Group turnover in 2022 was generated from the main Taxonomy eligible economic activity of "manufacture of cement clinker, cement or alternative binder", while the total respective CapEx corresponded to €135.5 m (56.1% of total CapEx) and the total operating expenditures corresponded to €72.8 m (58.2% of total operating expenditures). Revenue from fly ash processing did not exceed 0.2% of the total Group turnover and was considered non-significant for the respective disclosures.

In its reporting on Taxonomy-aligned figures related to the above KPIs, TITAN conducted the review and assessment of expenditures on all products and project activities which were related to the main economic activity in 2022. The approach was "bottom-up", coordinated by the Group, and leveraged the contribution of experts in each business unit. The assessment methodology adhered to the technical criteria for the substantial contribution to two environmental objectives which are determined by the Taxonomy Regulation for the specific economic activity: Climate Change Mitigation and Climate Change Adaptation, explicitly for meeting the threshold values for performance in CO_2 emissions for each of the two objectives.

The assessment also ensured that the economic activity meets the requirements for the "Do no significant harm" principle, as referred to in Article 3 (b) and (d) and Article 17, and the "Minimum safeguards", referred to in Article 18 of the Taxonomy Regulation. In specific for the assessment of "Do no significant harm", according to the technical criteria under the Regulation Annexes I and II, TITAN complies with all applicable EU regulations and adopts the requirements of the Industrial Emissions Directive specifications and BAT emission limits through the environmental permitting process of cement plants (Directive 2010/75/EU). We also conduct a thorough assessment at Group level and with granularity per country for the protection of biodiversity and sustainable land stewardship and water, as fundamental elements of our sustainability strategy. In order to mitigate the impacts of raw material extraction on biodiversity and ecosystems, the Group has developed standard practices for quarry rehabilitation and biodiversity management at sites of high biodiversity value, in line with the respective GCCA Guidelines. The same holds for water, where we run a periodic assessment of areas where we operate for water risk levels and prioritize our investments and operating plans accordingly, while aligning with GCCA Guidelines for measuring and reporting our performance on water efficiency.

TAXONOMY- ALIGNED TURNOVER

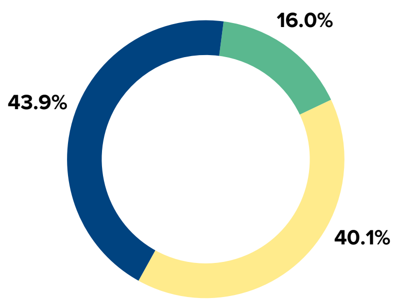
(Based on climate change criteria)



- Taxonomy-aligned
- Taxonomy eligible (not-aligned)
- Taxonomy non-eligible

TAXONOMY- ALIGNED CapEx

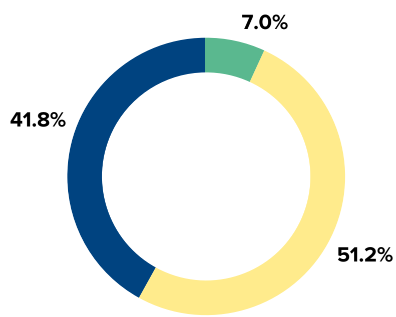
(Based on climate change criteria)



- Taxonomy-aligned
- Taxonomy eligible (not-aligned)
- Taxonomy non-eligible

TAXONOMY- ALIGNED OpEx

(Based on climate change criteria)



- Taxonomy-aligned
- Taxonomy eligible (not-aligned)
- Taxonomy non-eligible

The areas of environmental performance for biodiversity and water are addressed with relevant targets for 2025, underscoring our commitment to contribute to the prosperity of our local communities and achieve a positive local impact where possible. Related to the circular economy, our economic activity actively contributes to the shift from fossil fuels towards alternative fuels in the European Union and internationally, as well as to the substitution of raw materials with alternative ones. TITAN's decarbonization strategy, which addresses the co-processing of alternative fuels, is a crucial "lever" and aligns with our circular economy model to promote waste reduction, reuse, recycling and recovery of materials and energy use as a key priority. Through co-processing, energy and raw materials are recovered and the landfill of waste is reduced. For all the above, we provide an assessment of our performance and key priorities in Table 2.5.2 "Taxonomy KPIs 2022" of the ESG performance statements. Furthermore, TITAN has set ambitious goals for energy efficiency management and waste management until 2025.

Regarding "Minimum safeguards", TITAN ensures the alignment of its economic activity with the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the Declaration of the International Labor Organization on Fundamental Principles and Rights at Work and the International Bill of Human Rights, by adhering to the implementation of Group Policies for Human Rights, Corporate Social Responsibility, Code of Conduct, Diversity, Equity and Inclusion, and EthicsPoint for receiving and assessing employees' complaints, etc. (This is not an exhaustive list. See also Table 2.5.3 "ESG Policies" in the ESG performance Statements).

The turnover for Taxonomy-aligned products based on climate change adaptation criteria reached 8.6% of the total turnover of the Group in 2022, whereas the proportion of operating expenditures (OpEx) reached 7.0%.

The turnover for Taxonomy-aligned products based on climate change mitigation criteria reached 4.6% of the total turnover of the Group in 2022, whereas the proportion of capital expenditures (CapEx) and operating expenditures (OpEx) reached 16.0% and 4.0%, respectively.

Independent assessment of ESG performance

We are committed to continuously improving our sustainability performance and further aligning our targets with the expectations of our stakeholders. To this end, we engage with ESG Rating agencies, valuing their assessments and feedback. In the last 3 years TITAN has received improved assessments from MSCI, Sustainalytics, ISS, Refinitiv, Moody's ESG Solutions and S&P CSA. In 2022, Titan Cement International received an MSCI ESG Rating of "AA" for a second consecutive year. TITAN Group received a

Receiving the award at the CDP A-List awards ceremony

top "A" score on climate action from the environmental non-profit organization CDP. TITAN was one of only three cement companies globally to achieve this level in 2022. This score recognizes TITAN's leadership in corporate transparency and performance on climate change. In addition, TITAN received an "A-" score on water security. TITAN Group is one of the 283 companies across all sectors that achieved an "A" on climate, out of nearly 15,000 companies rated. More information on the Group's ESG performance assessment by ESG Rating agencies is available on the corporate website (https://www.titan-cement.com/sustainability/esg-ratings/).

We also value the feedback we receive yearly from our independent external assurance providers. Building on our long-term commitment to transparency with our stakeholders, TITAN has received an independent review of its sustainability performance uninterruptedly since 2006. Each assurance cycle includes site visits at both a representative sample of TITAN's operations and at the Group's corporate center, with the participation of both plant and Group subject matter experts and management teams. The assurance of the 2022 Integrated Annual Report included two plant audits - of Beni Suef plant in Egypt and Pennsuco plant in the USA - and the Group's corporate center audit, with the participation of

IAR 2022-assurance audits at Beni Suef Cement plant, Egypt, and Pennsuco cement plant, USA more than 50 employees throughout the Group.

Also in 2022, TITAN, as a full member of the GCCA, was successfully audited by the GCCA and a third-party auditor for its compliance with the GCCA Sustainability Charter. After the 2-day audit, we received valuable feedback from GCCA on TITAN's sustainability strategy.

As shown on Table 2.5.4 in the Group Management Systems in the ESG performance statements section, as part of the certification of TITAN's cement plants for ISO systems, our plants are audited by external certification bodies on an annual basis, as required by the relevant ISO standards.

Political involvement and lobbying activities

TITAN has in place a procedure for the annual recording, consolidating and reporting of data related to contributions for political involvement and other lobbying activities across all countries of operation. Cases of such contributions during the past several years were reported only by our operations in the USA (Titan America), and were related to the funding of political candidates in local, regional and statewide-level elections, and the same holds for disclosures in the present report under the ESG Performance Statements (see, in specific, "Table 2.5.5 Political contributions and Fines and other non-monetary sanctions").

In 2022, it was decided that Titan America would implement an internal Guidance for engaging in proactive outreach programs to develop long-term relationships with both regulators and elected officials and for behaving as a responsible corporate citizen and good neighbor in the communities near our operations in the USA.

All political involvement is compliant with all applicable campaign financing laws.

Product responsibility

Aiming at creating value for our customers and other stakeholders in the construction value chain, several initiatives and actions have taken place both at product and service level.

TITAN has published several new and updated cement Environmental Product Declarations (EPDs), based on the GCCA guidance and tools, to reflect its continuous improvement efforts in decarbonization. New EPDs were developed for innovative ready-mix products such as the Antaeus HPC and Dry Mortars, as well as for limestone aggregates for the Xirorema quarry, the first aggregates quarry with an EPD in Europe. Third-party verified EPDs for all cement and key concrete products produced in Greece have been published and updated as needed since 2021, marking our product and process excellence and supplying customers with the information they need for sustainable construction. To communicate the importance of decarbonization and provide guidance to customers in selecting green building materials, TITAN in Greece launched the Vesta green rating scheme for cement and concrete, a third-party verified private labeling system that classifies products according to their embodied carbon versus their technical characteristics (performance). Vesta had a great impact on B2B customers such as ready-mix producers, precast and mortar companies, facilitating the transition to lower-carbon footprint cements.

TITAN offered a valuable service to pioneering ready-mix and precast customers who are required (e.g. by LEED, BREEAM, etc.) to declare the environmental performance of their products with TITAN cements. TITAN offered in-house expertise to these customers, assisting them in the development of life cycle assessment and third-party EPDs published for their products. This ongoing initiative provides a major push to upshift the industry's awareness on decarbonization.

All Safety Data Sheets (SDS) of our products comply with the European Regulation on Chemicals (REACH) and Classification Labelling Packaging (CLP) Regulation requirements in providing health, safety and environmental information. Particularly for bagged cement, information for safe use is printed on the bag, while for bulk cement customers, all relevant information is provided with the delivery document. For cements traded in the EU and UK, the relevant cement product SDS are registered with the competent authority in each country.

Customer satisfaction

TITAN Greece obtains a holistic view of our customers' satisfaction by conducting ad hoc surveys on a thematic basis (e.g. bagged products) and regular, area-focused surveys as described in our Quality Management System. The TITAN brand enjoys high recognition for value, technical characteristics, ease of use, aesthetics and durability. These surveys are designed to evaluate our performance in areas such as perceived quality, product range, addressing special needs, pricing, delivery times, comparison with competition, etc. The results are assessed using both a quantitative and a qualitive approach by our sales, marketing and quality teams.

In Titan America, customer surveys take place typically every two years, facilitated by an independent third party. The surveys report a Net Promotor Score (NPS), which indicates how likely a customer is to recommend Titan to someone else. The surveys cover all aspects, including service, quality, delivery, support and billing. All survey responses are carefully reviewed and used to make continuous improvements.

Overall, in all regions, we use web-based databases to keep track of complaints, defective materials and any other customer input. This information is reviewed regularly by management to address any concerns and corrective actions if necessary.

Product awards

TITAN has been recognized in the Corporate Superbrands Greece 2021-2022, receiving the highest score in the Construction Materials category. TITAN stood out for the high quality of the products and services it offers to its local and global customers. Superbrands awards operate in 85 countries.

Titan America businesses received the following awards in 2022:

1. National Ready Mix Concrete Association (NRMCA) "Excellence in Quality Award": Titan Florida Ready Mix, S&W Ready Mix, Titan Virginia Ready Mix
2. ACI New Jersey Chapter "Grand Award": Essex Cement

Russia’s invasion of Ukraine

The military conflict since the Russian invasion of Ukraine has created geopolitical uncertainties with macroeconomic implications. The world remains hostage to the tragic events in Ukraine, which translate not only into human suffering and loss but also adverse consequences across the global economy in the form of inflationary pressures, supply chain disruptions and mounting geopolitical uncertainties. TITAN Group has no exposure to Ukraine, Russia or other affected regions. Nevertheless, developments in the energy sector and the broader macro implications are anticipated to impact market trends and further increase inflation risks.

Transparency

TITAN has reported on its financial and sustainability performance annually for more than 30 years, demonstrating its commitment to transparency and to keeping stakeholders regularly and comprehensively informed and engaged. We report on all issues that are material to our stakeholders and measure our performance against key sustainability performance indicators, according to internationally recognized reporting standards. At the same time, the Group encourages, standardizes and supports its business units in publishing annual sustainability reports (or integrated reports), increasing our transparency and engagement with our stakeholders at local level. In 2022, 8 business units published their annual sustainability/integrated reports.

Also, in many regions in which the Group operates, air emission data are available through public platforms, with our cement plants in Greece, North Macedonia and Serbia facilitating such initiatives, while our cement plants in Egypt and Turkey provide access to similar platforms for the local authorities. In addition, an awareness-raising platform on co-processing in the cement industry is available for our stakeholders in Greece.

Also, as Titan Cement International S.A. is an EU-based company, we are registered in the EU Transparency Registry (TR ID number: 447669443576-63), thus ensuring and promoting transparent and ethical interest representation. The transparency register is a database that lists organizations that try to influence the policy implementation process of EU institutions. In this way, the register allows for public scrutiny, giving citizens and other interest groups the possibility to track lobbying activities.

Earthquake in Turkey

We are devastated by the unspeakable tragedy caused by the earthquake in the south-eastern part of Turkey in February 2023. Adoçim Çimento, our TITAN company in Turkey, while not affected, was among the first to launch a donation drive. Relief goods, including food, clothing and heaters, were shipped to the people of one of the most impacted areas, reaching them in less than 48 hours after the earthquake. In addition, we offered fuel and food supplies to the Greek Rescue Team. More initiatives are already being planned, both at Group level and by our business units, while our teams in Turkey are working closely with local authorities to learn more about how we can help the affected communities.

ESG performance statements

TITAN's approach for ESG Performance reporting in the Integrated Annual Report

The approach of TITAN to ESG Performance reporting is consistent with voluntary commitments to the IIRC principles, UNGC Communication on Progress (CoP), the GCCA Charter and Guidelines, and TCFD recommendations, and provides a connection with the Sustainability Accounting Standards Board (SASB) Framework. In 2022, our approach was further expanded for covering the additional regulatory requirements of the EU Taxonomy Regulation specifically for the 'alignment' of business economic activities and products. The Regulation requirements were specific to climate change mitigation and adaptation in 2022, while the only Taxonomy-eligible and material economic activities defined according to the Regulation criteria were related to the manufacture of cement clinker, cement or alternative binder (NACE code C23.51, in accordance with the statistical classification of economic activities established by Regulation (EC) No 1893/2006).

Changes in the structure and content of the 2022 Integrated Annual Report (IAR) ESG Statements

New Key Performance Indicators (KPIs) and other disclosures under each focus area:
•Decarbonization and Digitalization: Scope 1, 2 and 3 specific GHG/CO_2 emissions covering produced and purchased cement and clinker for both up to 2030 (or 'near term') and 2050 (or 'long term') and Scope 3 absolute GHG/CO_2 emissions of sold fossil fuels in Table 2.1.
•Growth-enabling work environment: Parental leave programs, and Employees with disabilities KPIs in Table 2.2.
•Positive local impact: PM10 under absolute air emissions, and Total use of land related to quarries rehabilitation in Table 2.3.
•Responsible sourcing: Water consumption by source, consumption in areas at material water risk including areas of high water-stress, and consumption as % share of water recycled. Energy consumption and production for total amount of energy consumed within the organization, % share of electricity consumed, and % share of renewable energy consumed. Waste management as % per type of treatment (composted, recycled, or landfilled), hazardous and non-hazardous waste amount by weight directed to disposal by type of waste treatment and waste stream, and hazardous waste disposal with breakdown by destination or usage. See Table 2.4.
•Good governance, transparency, and business ethics: for training hours on anti-bribery and corruption (Table 2.5.1), revenues from sustainability-related products and % share of net sales from sustainability-related products in Table 2.5.2. We added Table 2.5.10 'Value Creation Indicators', and introduced the new Table 2.5.11 'Connecting our Disclosures with TITAN COP according to the enhanced platform of the UNGC'. Our COP is a stand-alone report and publicly available under the UNGC platform (references and link to the web site in Table 2.5.11).

Baseline years for KPIs

For monitoring progress on ESG 2025 targets the baseline year, if relevant, is 2020. For CO_2 emissions, all SBTi gross specific emissions targets refer to 2020 as the baseline year except for the target on absolute Scope 3 GHG emissions from the use of sold fossil fuels that refers to 2020 as the baseline year. Furthermore, the specific net CO_2 emissions target refers to 1990 as the baseline year in line with the Kyoto Protocol.

Consolidation of data for KPIs

The consolidation (aggregation) of ESG performance indicators (KPIs) was made according to the following methodologies:
1. For the material issues: "Future-ready business model in a carbon neutral world", "Environmental positive impact", "Resource efficiency and recycling and recovery, contributing to circular economy", the consolidation was made based on the share of equity held by the Group at the end of 2022.
2. For the material issues: "Innovation with emphasis on digitalization and de-carbonization", "Safe and healthy working environment", "Diverse and Inclusive workplace", "Continuous development of our people", "Social positive impact", "Economic positive impact" and "Reliable and Sustainable Supply Chain", the consolidation was made with 100% contribution for all subsidiaries, irrespectively of the percentage of property share held by TITAN.
3. Last, about "Good governance, transparency, and business ethics" the consolidation of data related to "Compliance and business ethics" followed the above '(2)', while the data and info related to "Board structure" and "Board effectiveness" are specific for TITAN Group Board of Directors.

A detailed list of TITAN Group subsidiaries and TITAN's share of equity is provided in Table 2.5.8, in this section on ESG performance statements. Performance of previous years was recalculated to reflect changes in share of equity in 2022, only where this was required.

Indicators denoted as "(incl. Brazil)" incorporate the performance of our JV in Brazil (Apodi) together with the performance of all TITAN subsidiaries while indicators not marked as such exclude Brazil's performance. No data of other JVs except Apodi were consolidated in the indicators, because of non-significant contribution.

The use of 'average yearly' exchange rates for all TITAN subsidiaries' currencies in 2022 was in accordance with TITAN's accounting policy for the foreign currency translation, in specific for the income and expenses for statements of profit or loss and comprehensive income.

See the Notes below for facilitating the ESG performance statements review (in connection with KPIs under Tables 2.1, 2.2, 2.3, 2.4, and 2.5.1).

Assurance: Specific KPIs included in the scope of ERM Certification and Verification Services (ERM CVS) assurance engagement (ERM CVS Independent assurance statement).

GCCA: Specific KPIs calculated according to sector commitments integrated by TITAN, following the GCCA Charter and Framework Guidelines. See Table 2.5.9.

UNGC: TITAN follows the reporting requirements for the UN Global Compact concerning Communication on Progress (COP) according to the Enhanced platform and Guidance published by the UNGC in 2022. See table 2.5.11.

UNCTAD: TITAN has adopted under its reporting framework the applicable KPIs according to the Guidance on Core Indicators for Sustainability and SDG Impact Reporting (latest publication 2022).

TCFD: TITAN reports according to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

SASB: TITAN aligns with the requirements of the Sustainability Accounting Standard Board (SASB), which merged with the International Integrated Reporting Council (IIRC) in 2021 to form the Value Reporting Foundation (VRF). In 2022 the VRF was consolidated under the International Financial Reporting Standards (IFRS) Foundation to support the work of the International Sustainability Standards Board (ISSB).

Guidelines for KPIs and other disclosures

Table 2.5.9 “Sector and Other Standards for the Non-financial disclosures in 2022” provides detailed references for guidance documents for the sector (GCCA) and other global institutions (UNCTAD and UNGC) which are incorporated in the reporting approach of TITAN. Connections of KPIs are exemplified under the ESG performance statements for all focus areas of Decarbonization and Digitalization (see Table 2.1), Growth-enabling work environment (Table 2.2), Positive local impact focus area (Table 2.3), Responsible sourcing (Table 2.4), and Good governance, transparency, and business ethics (Tables 2.5.1 and 2.5.10), specifically for the reporting guidance according to UNGC COP see Table 2.5.11.

ESG performance statements -

1. Material Issues

	TITAN Group	Albania	Bulgaria	Egypt	Greece
1	Future-ready business model for a carbon-neutral world	**Safe and healthy working environment for our employees and business partners**	**Safe and healthy working environment**	**Environmental and energy management**	Customer satisfaction with sustainable, innovative and quality products and services
2	Safe and healthy working environment	**Employee engagement, continuous development and wellbeing**	Customer relations	**Health and safety**	Positive local social, economic and environmental net impact
3	Good governance, transparency and business ethics	Customer satisfaction	**Employee development and wellbeing**	**Competitiveness and business model resilience**	**Health, safety and wellbeing for our employees**
4	Diverse and inclusive workplace	**Good governance, transparency, and business ethics**	**Climate change mitigation and adaptation**	**Good governance, transparency, and business ethics**	**Future-ready business model in a carbon-neutral world**
5	Positive local social, economic and environmental impact	Supporting our local communities well-being	**Quality and sustainability of products**	Positive impact for our communities	**Good governance, transparency and ethics**
6	Innovation with emphasis on digital and decarbonization	**Environmental management**	**Efficient use of energy and natural resources (water, raw materials, and fuels)**	**Employee engagement and development**	**Resource efficiency, recycling and recovery, contributing to a circular economy**
7	Continuous development of our people	**Responsible, reliable, and sustainable supply chain**	**Good governance, transparency and business ethics**		**Innovation with emphasis on digital and de-carbonization**
8	Reliable and sustainable supply chain	Stakeholder relations and engagement	Sustainability of communities		**Employee engagement and continuous development**
9	Resource efficiency, recycling and recovery, contibuting to circular economy	**Climate change and energy**	**Responsible and reliable supply chain**		**Reliable and sustainable supply chain**
10		**Business model innovation**	**Biodiversity conservation**		**Diverse and inclusive workplace**
11					

Additional issues material to stakeholders based on the last materiality validation in 2022

		Albania	Bulgaria	Egypt	Greece
1		n/a	•Visual impacts •Data Security •Business Model Resilience •Customer Welfare	•Management of the legal & regulatory environment •Continuous development of our people	•Competitive Behavior •Access and Affordability •Selling Practices and Product Labeling

Level of Material Issues:
Global Material Issues
Sectoral Material Issues
Local Material Issues

Tables

Kosovo	North Macedonia	Serbia	Turkey	USA
Safe and healthy working environment for our employees and business partners along the value chain	**Environmental management of local impacts and protection of natural resources**	**Environmental protection and investments**	**Health, safety and wellbeing**	**Protect our people and promote health and safety**
Environmental performance	**Safe and healthy working environment for our employees and business partners**	**Safe and healthy working environment**	Marketing and customer satisfaction (quality, product innovation, and safety)	Optimize and develop access to raw materials, including cement
Engaging and contributing to our local communities	Building trust of our customers and improving their satisfaction	**Employment and employees wellbeing**	**Environmental management**	**Attract, develop and maintain talent in an open, inclusive and diverse culture**
Good governance, transparency, and business ethics	**Good governance and business ethics**	Economic performance and market presence	**Good governance, compliance and business ethics**	**Mitigate climate change impacts and optimize energy use**
Employee engagement and development	Continue engaging and contributing to sustainability of communities	Product quality and safety	**Employee engagement, collaboration and people development**	**Innovation and quick adaptation**
Climate change and energy efficiency	**Decarbonization energy efficiency, and business model resilience**	Stakeholder engagement and welfare of communities	**Climate change and energy**	**Actively manage biodiversity and ecosystems (including water)**
Diverse and inclusive workplace	**Employee engagement, development and well-being**	**Climate change and energy**	**Efficient use of resources and contribution to a circular economy**	Community relations and engagement; license to operate
Responsible, reliable, and sustainable supply chain	**Maintaining a sustainable and reliable supply chain**	**Good governance, transparency, and business ethics**	Sustainable growth and resilient infrastructure	**Sustainability of concrete/ sustainability of our products**
		Responsible and sustainable supply chain	**Responsible supply chain management**	Incoming regulation; increasing regulation complexity
		Responsible use of resources and contribution to a circular economy, biodiversity, and forestry	Social license to operatate and contribution to local communities' sustainability	Communication (internal and external)
			Digitalization	Brand reputation and exposure through social media

Kosovo	North Macedonia	Serbia	Turkey	USA
•Customer Welfare •Customer Privacy •Data Security •Access & Affordability •Product Design & Lifecycle Management	•Product Design & Lifecycle Management	•Access & Affordability •Competitive Behavior •Data Security	•Visual impacts •Impacts of Climate Change •Access & Affordability •Diversity and inclusion	•Circular economy •Sustainable supply chain •Environmental management •Data security •Competitive behavior •Digitalization

Notes

The first column of Table 1 provides the order of prioritization of the material issues for TITAN Group, and each BU, according to the outcomes of the materiality assessment of the last cycle in 2020 and 2021, respectively. In 2022, through the validation of the materiality assessment, additional issues were identified and are also presented.

About definitions:
The boundaries of reporting for every material issue are defined by the principles of 'strategic focus and future orientation', 'connectivity of information', 'stakeholder relationships', 'materiality', 'conciseness', 'reliability and completeness', and 'consistency and comparability', aligned with the guidance of the International Integrated Reporting Council (IIRC)[1]:

Strategic focus and future orientation
TITAN's integrated annual report provides insight into the organization's strategy, and how it relates to its ability to create value in the short, medium and long term and to its use of and effects on the Capitals (Financial, Manufacturing, Intellectual, Human, Social and Relationship and Natural capital). We highlight inside the report significant risks, opportunities and dependencies flowing from the organization's market position and business model.

Connectivity of information
We aim to address the connection between financial and non-financial information in the report, in order to present a holistic picture of the combination, interrelatedness and dependencies between the factors that affect the organization's ability to create value over time. The report provides connectivity of information throughout management reporting, analysis, and decision-making.

Stakeholder relationships
TITAN provides insights into the nature and quality of the organization's relationships with its key stakeholders, including how and to what extent the organization understands, takes into account and responds to their legitimate needs and interests. The report presents the approach for stakeholder engagement, which ensures their feedback and provides useful insights about matters that are important to them, including economic, environmental, and social issues that also affect the ability of the organization to create value.

Materiality
A matter is material if it is of such relevance and importance that it could substantively influence the assessments of providers of financial capital about the organization's ability to create value over the short, medium, and long term. In determining whether a matter is material, TITAN's senior management and those charged with governance to consider whether the matter substantively affects, or has the potential to substantively affect, the organization's strategy, its business model, or one or more of the capitals it uses or affects.

Conciseness
TITAN's report includes sufficient context to understand the organization's strategy, governance, performance, and prospects without being burdened with less relevant information that is redundant in nature. Disclosures about material matters include concise information supports the above. We also seek a balance in our report between conciseness and the other Guiding Principles, in particular completeness and comparability.

Reliability and completeness
The report includes all matters related to our material issues and provides both positive and negative information with respect to TITAN's performance across all focus areas of our materiality framework, in a balanced way and without material error. The reliability of TITAN's disclosures is enhanced by mechanisms of robust internal control and reporting systems, stakeholder engagement, internal audits and implementation of internal processes and standard operating practices, and the independent (external) assurance verification by third-party auditors. With regard to completeness, TITAN ensures that all material information has been identified with consideration given to the materiality of our sector, which was integrally part of the assessment in the last materiality cycle (2020).

Consistency and comparability
We ensure consistency of the reported disclosures by safeguarding that TITAN's reporting policies are followed consistently from one reporting period to the next unless a change is needed in order to improve the quality of information. This includes reporting the same key performance indicators assuming they continue to be material across reporting periods. When making significant changes we promptly explain the reason and describe (and quantify if practicable and material) their effect. With regard to comparability of reported information is intended to enable comparison with other organizations to the extent it is material to the organization's own ability to create value over time. About comparability, the information in TITAN's report is presented in a way that enables comparison with other organizations in the same sector, following the agreed common framework of guidelines for sustainability performance in the areas of health & safety and environment, providing information according to standardized performance KPIs with common definitions across all companies in the sector and using benchmark data, such as industry or regional benchmarks.

1. Source: 'The International <IR> Framework' (IIRC, January 2021). Further information about the IIRC can be found on its website www.theiirc.org.
2. TITAN uses the equivalent term "significance".

2. ESG Key Performance Indicators (KPIs)

2.1 Focus area: De-carbonization and Digitalization

2.1.1 Material Issue: Future-ready business model in a carbon-neutral world

Cement and cementitious production activities

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
1.1	Scope 1 gross CO_2 emissions[3]	million t	9.8	10.5	9.9	10.3	11.1	●	●	●	●	●	EM-CM-110a.1	SDG 9.4
1.2	**Scope 1 gross CO_2 emissions (incl. Brazil)[1,2]**	**million t**	**10.2**	**11.0**	**10.4**	**10.7**	**11.5**		●	●	●	●	EM-CM-110a.1	
1.3	Greece	million t	2.5	2.9	2.5	3.0	3.0		●	●	●	●		
1.4	USA (incl. Brazil)[1,2]	million t	2.6	2.7	2.7	2.6	2.5		●	●	●	●		
1.5	Southeastern Europe	million t	2.4	2.6	2.5	2.5	2.5		●	●	●	●		
1.6	Eastern Mediterranean	million t	2.7	2.8	2.8	2.6	3.5		●	●	●	●		
1.7	Scope 1 specific gross CO_2 emissions	kg/t cementitious product	648.2	681.9	697.9	701.1	708.8	●	●	●		●		
1.8	Scope 1 specific gross CO_2 emissions (incl. Brazil)[1,2]	kg/t cementitious product	646.4	678.3	694.7	698.3	704.5		●	●		●		
1.9	Scope 1 gross CO_2 emissions coverage rate	% clinker production	100.0	100.0	100.0	100.0	100.0							
1.10	Scope 1 gross CO_2 emissions covered under limiting regulations	%	51.1	51.2	49.8	55.1	56.9			●	●		EM-CM-110a.1	
1.11	Scope 1 gross CO_2 emissions covered under limiting regulations (incl. Brazil)[1,2]	%	48.9	48.9	47.7	53.0	54.9			●	●		EM-CM-110a.1	
1.12	Scope 1 net CO_2 emissions	million t	9.3	10.1	9.6	10.0	10.8	●	●	●	●	●		
1.13	**Scope 1 net CO_2 emissions (incl. Brazil)[1,2]**	**million t**	**9.8**	**10.5**	**10.1**	**10.4**	**11.2**		●	●	●	●		
1.14	Greece	million t	2.3	2.7	2.3	2.8	2.8		●	●	●	●		
1.15	USA (incl. Brazil)[1,2]	million t	2.5	2.7	2.6	2.6	2.5		●	●	●	●		
1.16	Southeastern Europe	million t	2.4	2.5	2.4	2.5	2.5		●	●	●	●		
1.17	Eastern Mediterranean	million t	2.6	2.7	2.7	2.5	3.4		●	●	●	●		
1.18	Scope 1 specific net CO_2 emissions	kg/t cementitious product	619.8	654.2	674.0	676.6	686.1	●	●	●		●		
1.19	Scope 1 specific net CO_2 emissions (incl. Brazil)[1,2]	kg/t cementitious product	619.0	651.6	671.7	674.5	682.4		●	●		●		
1.20	Scope 1 net CO_2 emissions coverage rate	% clinker production	100.0	100.0	100.0	100.0	100.0							
1.21	Avoided Scope 1 net CO_2 emissions (cumulative since 1990)[4]	million t	33.6	31.2	29.3	27.8	26.3			●	●	●		
1.22	Scope 2 CO_2 emissions[5,6]	million t	0.7	0.8	0.9	0.9	1.0	●	●	●	●	●		
1.23	**Scope 2 CO_2 emissions (incl. Brazil)[1,2]**	**million t**	**0.7**	**0.8**	**0.9**	**0.9**	**n/a**		●	●	●	●		
1.24	Greece	million t	0.2	0.2	0.3	0.3	0.3		●	●	●	●		
1.25	USA (incl. Brazil)[1,2]	million t	0.1	0.1	0.1	0.1	n/a		●	●	●	●		
1.26	Southeastern Europe	million t	0.2	0.2	0.3	0.3	0.3		●	●	●	●		
1.27	Eastern Mediterranean	million t	0.2	0.2	0.2	0.2	0.3		●	●	●	●		

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
1.28	Scope 2 specific CO_2 emissions	kg/t cementitious product	48.7	51.5	61.0	62.2	64.0		●	●		●		SDG 9.4
1.29	Scope 2 specific CO_2 emissions (incl. Brazil)[1,2]	kg/t cementitious product	47.0	49.3	58.3	59.9	n/a							
1.30	Scope 2 CO_2 emissions coverage rate	% clinker production	100.0	100.0	100.0	100.0	100.0							
1.31	Scope 3 CO_2 emissions[2,7,12]	kt	1,744.5	1,564.1	1,669.7	n/a	n/a	●	●			●		
1.32	**Scope 3 CO_2 emissions (incl. Brazil)[1,2,12]**	**kt**	**1,827.4**	**1,647.1**	**1,754.6**	**n/a**	**n/a**		●			●		
1.33	Category 1 - Purchased goods and services[2,13]	kt	385.4	385.9	425.8	n/a	n/a	●	●			●		
1.34	Category 3 - Fuel and energy related activities[2]	kt	829.8	710.0	714.9	n/a	n/a	●	●			●		
1.35	Category 4 - Upstream transportation and distribution[2]	kt	141.1	127.4	152.1	n/a	n/a	●	●			●		
1.36	Category 6 - Business travels[2]	kt	0.4	0.2	0.1	n/a	n/a	●	●			●		
1.37	Category 7 - Employee commuting[2]	kt	5.8	5.0	3.7	n/a	n/a	●	●			●		
1.38	Category 9 - Downstream transportation and distribution[2]	kt	382.0	335.6	373.2	n/a	n/a	●	●			●		
	Scope 3 CO_2 emissions per region[12]													
1.39	Greece[2]	kt	508.6	423.5	400.9	n/a	n/a		●			●		
1.40	USA (incl. Brazil)[1,2]	kt	334.2	311.8	338.9	n/a	n/a		●			●		
1.41	Southeastern Europe[2]	kt	443.8	408.3	409.9	n/a	n/a		●			●		
1.42	Eastern Mediterranean[2]	kt	540.8	503.6	605.0	n/a	n/a		●			●		
1.43	Scope 3 specific CO_2 emissions[2,12]	kg/t cementitious product	116.7	102.8	117.9	n/a	n/a	●	●			●		
1.44	Scope 3 specific CO_2 emissions (incl. Brazil)[1,2,12]	kg/t cementitious product	116.7	102.8	117.9	n/a	n/a		●			●		
1.45	Scope 3 CO_2 emissions coverage rate[2]	% clinker production	100.0	100.0	100.0	n/a	n/a							
1.46	Scope 3 specific CO_2 emissions covering purchased cement and clinker (incl. Brazil)[1,2]	kg/t cementitious product sold	942.6	924.3	925.0	n/a	n/a							
1.47	Scope 3 absolute CO_2 emissions of fossil fuels (incl. Brazil)[1,2]	t	4,107	24,648	85,488	n/a	n/a							
1.48	Scope 3 absolute CO_2 emissions of fossil fuels (incl. Brazil) - reduction vs. 2020[1,2]	%	-95.2	-71.2	0.0	n/a	n/a							
1.49	Scope 1, 2 and 3 specific CO_2 emissions covering produced and purchased cement and clinker (incl. Brazil, near term)[1,2]	kg/t cementitious product sold	697.8	731.1	756.6	n/a	n/a							
1.50	Scope 1, 2 and 3 specific CO_2 emissions covering produced and purchased cement and clinker (incl. Brazil long term)[1,2]	kg/t cementitious product sold	697.8	731.1	756.6	n/a	n/a							
1.51	Conventional fossil fuels substitution rate	% Heat	82.5	84.5	86.9	86.5	88.0	●	●	●	●	●		
1.52	Alternative fuel substitution rate	% Heat	17.5	15.5	13.1	13.5	12.0	●	●	●	●	●	EM-CM-130a.1	
1.53	Biomass in fuel mix[8]	% Heat	6.1	4.8	3.8	4.3	3.4	●	●	●	●	●	EM-CM-130a.1	
1.54	Conventional fossil fuels substitution rate (incl. Brazil)[1,2]	% Heat	82.5	84.5	87.2	86.6	88.2		●	●	●	●		
1.55	Alternative fuel substitution rate (incl. Brazil)[1,2]	% Heat	17.5	15.5	12.8	13.4	11.8		●	●	●	●	EM-CM-130a.1	
1.56	Biomass in fuel mix (incl. Brazil)[1,2,8]	% Heat	6.5	5.0	3.8	4.4	n/a		●	●	●	●	EM-CM-130a.1	

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
1.57	Fuel mix, energy consumption for clinker and cement production	% Heat	100.0	100.0	100.0	100.0	100.0			●		●		SDG 7.2 SDG 12.2 SDG 13.1
1.58	**Conventional fossil fuels**	**% Heat**	**82.5**	**84.5**	**86.9**	**86.5**	**88.0**			●		●		
1.59	Coal, anthracite, and waste coal	% Heat	28.8	44.7	33.0	42.8	32.6			●		●		
1.60	Petroleum coke	% Heat	37.9	28.5	44.8	38.5	51.2			●		●		
1.61	Lignite	% Heat	1.5	1.2	1.7	1.6	1.0			●		●		
1.62	Other solid fossil fuel	% Heat	1.1	1.9	1.8	1.4	1.4			●		●		
1.63	Natural gas	% Heat	11.8	7.4	5.0	1.0	0.5			●		●		
1.64	Heavy fuel (ultra)	% Heat	0.9	0.3	0.3	0.6	0.8			●		●		
1.65	Diesel oil	% Heat	0.5	0.4	0.4	0.6	0.5			●		●		
1.66	Gasoline, LPG (Liquified petroleum gas or liquid propane gas)	% Heat	0.1	0.1	0.0	0.1	0.1			●		●		
1.67	**Alternative fossil and mixed fuels**	**% Heat**	**17.2**	**15.5**	**13.0**	**13.1**	**11.5**		●	●	●	●		
1.68	Tyres	% Heat	4.1	2.9	3.0	3.1	2.8		●	●	●	●		
1.69	RDF	% Heat	6.2	5.6	3.6	3.9	1.7		●	●	●	●		
1.70	Impregnated saw dust	% Heat	0.7	0.7	0.8	0.7	0.7		●	●	●	●		
1.71	Mixed industrial waste	% Heat	1.9	1.5	1.2	1.4	1.8		●	●	●	●		
1.72	Other fossil based and mixed wastes (solid)	% Heat	4.4	4.7	4.4	4.0	4.5		●	●	●	●		
1.73	Biomass fuels	% Heat	0.3	0.1	0.1	0.4	0.5		●	●	●	●		
1.74	Dried sewage sludge	% Heat	0.2	0.0	0.0	0.0	0.0		●	●	●	●		
1.75	Wood, non-impregnated saw dust	% Heat	0.0	0.0	0.0	0.3	0.4		●	●	●	●		
1.76	Agricultural, organic, diaper waste, charcoal	% Heat	0.1	0.0	0.0	0.0	0.0		●	●	●	●		
1.77	Other	% Heat	0.0	0.0	0.0	0.0	0.0		●	●	●	●		
1.78	Alternative fuels consumption (total)	t	349,514	335,700	234,451	269,665	244,395		●	●	●	●	EM-CM-130a.1	
1.79	Alternative fuels consumption (total) (incl. Brazil)[1,2]	t	368,179	350,807	240,346	278,384	248,572		●	●	●	●	EM-CM-130a.1	
1.80	Clinker to cement ratio	%	78.8	81.7	82.4	82.9	83.7		●	●		●		
1.81	Clinker to cement ratio (incl. Brazil)[1,2]	%	78.4	81.0	81.9	82.4	83.1		●	●		●		
1.82	Moderate carbon products[2,9]	% cement production	72.2	45.4	41.3	n/a	n/a					●		
1.83	Green (lower carbon) products[1,2,10]	% cement production	19.5	16.2	14.3	n/a	n/a					●		

2.1.2 Material issue: Innovation with emphasis on digitalization and decarbonization

All Activities

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
1.84	Annual investment in Research and Innovation[2,11]	million €	11.7	10.7	10.5	7.9	5.8					●		SDG 13.2

Notes

Notes for specific KPIs

1. New indicator. More details you may find in the section “TITAN’s approach for ESG Performance reporting” section.
2. Relevant information is not available for the specific years denoted as 'n/a'.
3. Direct CO_2 emissions related to the operation of TITAN’s clinker, cement, and cementitious production facilities.
4. Avoided CO_2 emissions is the total accumulated quantity for the period between the specific year and the base year which in the case of CO_2 emissions is 1990 in accordance with the Kyoto protocol. The base year performance for specific net Scope 1 CO_2 emissions was 778kg/t Cementitious product, adjusted for the equity of year 2022.
5. Indirect CO_2 emissions related to emissions released for the production of the electrical energy consumed at TITAN’s clinker, cement and cementitious production facilities. For their calculation, we use emission factors provided by the supplier of the electrical energy (market based) or other publicly available data sources (location based).
6. 2020 figures adjusted based on updated information received post IAR 2020 publication.
7. Indirect CO_2 emissions related to the emissions of the supply chain.
8.% of energy originated from biomass over the total thermal energy consumption.
9. Moderate carbon products refer to produced cement types with a carbon footprint that is at least 10.0% lower than that of a typical OPC type as well as any cementitious product sold to be used as cement or concrete additive.
10. Green (lower carbon) products refer to produced cement types with a carbon footprint that is at least 25.0% lower than that of a typical OPC type as well as any cementitious product sold to be used as cement or concrete additive.
11. For the definition see Table 2.5.10 “Value Creation Indicators”.
12. Scope 3 analysis covers 6 (out of 15) categories, namely purchased goods and services, fuel and energy-related activities, upstream transportation and distribution, business travel, employee commuting and downstream transportation and distribution, that are considered relevant to cement activities according to the GCCA analysis.
13. Scope 3 Category 1 emissions do not include emissions related to services like data services, professional services, maintenance services, catering services, security services,
cleaning services, etc. as there are not considered to contribute significantly to the overall Scope 3 emissions while reliable relevant information are not readily available.

Connection of KPIs with the SASB Standards

Connection of ESG performance indicators with metrics according to SASB Standards, specifically:
-EM-CM-110a.1 under the topic “Greenhouse Gas Emissions” for Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations.
-EM-CM-110a.2 under the topic “Greenhouse Gas Emissions” for the discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets: The connection with the ESG performance review is provided by the disclosures under the section 'Understanding TITAN', in specific see: 'Making progress towards our ESG Targets', and 'Climate-related financial disclosures (TCFD)'.
-EM-CM-130a.1 under the topic “Energy Management” for total energy consumed, percentage grid electricity, percentage alternative, and percentage renewable.

2.2 Focus area: Growth-enabling work environment

2.2.1 Material issue: Safe and healthy working environment

All activities

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
2.1	Employee fatalities	#	0	0	1	0	0	●	●	●	●			SDG 3.6
2.2	Employee fatality rate	$\#/10^4$ persons	0.0	0.0	1.9	0.0	0.0	●	●	●	●			SDG 3.8
2.3	Contractor fatalities	#	1	0	2	0	2	●	●	●	●			SDG 4.3
2.4	Third-party fatalities	#	0	0	0	0	0	●	●	●	●			SDG 8.8
2.5	Employee Lost Time Injuries (LTIs)	#	7	10	6	16	17	●	●	●	●			
2.6	Employee Lost Time Injuries Frequency Rate (LTIFR)	$\#/10^6$ h	0.63	0.91	0.57	1.44	1.54	●	●	●	●		EM-CM-320a.1	
2.7	Employee lost working days[4]	d	762	417	256	637	615	●	●	●				
2.8	Employee Lost Time Injuries Severity Rate[4]	$d/10^6$ h	68.5	38.1	24.1	57.4	55.7	●	●	●	●			
2.9	Contractor Lost Time Injuries (LTIs)	#	11	11	10	10	9	●	●	●	●			
2.10	Contractor Lost Time Injuries Frequency Rate (LTIFR)	$\#/10^6$ h	1.4	1.6	1.5	1.4	1.1	●	●	●	●		EM-CM-320a.1	

All activities

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
2.11	Near misses	#	3,727	3,603	3,467	3,746	2,169			●			EM-CM-320a.1	SDG 3.6
2.12	Training man-hours on health and safety / employee[5]	h/person	11.2	9.5	6.9	14.1	13.0			●	●			SDG 3.8
2.13	Training man-hours on health and safety / contractor[5]	h/person	12.7	10.8	10.4	12.3	14.9			●	●			SDG 4.3
2.14	Expenditures for Health and Safety, Group[2]	€	5,413,748	6,532,210	8,501,138	n/a	n/a			●	●			SDG 8.8

Cement production activities

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
2.15	Employee fatalities	#	0	0	0	0	0	●	●	●	●			SDG 3.6
2.16	Employee fatality rate	$\#/10^4$ persons	0.0	0.0	0.0	0.0	0.0	●	●	●	●			SDG 3.8
2.17	Contractor fatalities	#	1	0	2	0	2	●	●	●	●			SDG 4.3
2.18	Third-party fatalities	#	0	0	0	0	0	●	●	●	●			SDG 8.8
2.19	Employee Lost Time Injuries (LTIs)	#	3	7	2	10	8	●	●	●	●			
2.20	Employee Lost Time Injuries Frequency Rate (LTIFR)	$\#/10^6$ h	0.5	1.1	0.3	1.6	1.3	●	●	●	●		EM-CM-320a.1	
2.21	Employee lost working days	d	43	283	176	440	416	●	●	●				
2.22	Employee Lost Time Injuries Severity Rate	$d/10^6$ h	6.7	44.9	29.2	69.9	65.0	●	●	●	●			
2.23	Contractor Lost Time Injuries (LTIs)	#	8	8	8	8	6	●	●	●	●			
2.24	Wellbeing initiatives for employees, Group[1,2]	#	355	118	43	n/a	n/a							
2.25	Wellbeing initiatives for employees, Group (incl. Brazil)[1,2]	#	366	129	n/a	n/a	n/a							

2022 Performance by region

Code	ESG Performance Indicators	Unit	Greece and Western Europe	USA	SEE	EM	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
2.26	Employee fatalities	#	0	0	0	0		●	●	●			SDG 3.6 SDG 3.8 SDG 4.3 SDG 8.6 SDG 8.8 SDG 10.3
2.27	Employee fatality rate	$\#/10^4$ persons	0.0	0.0	0.0	0.0		●	●	●			
2.28	Contractor fatalities	#	0	0	0	1		●	●	●			
2.29	Third-party fatalities	#	0	0	0	0		●	●	●			
2.30	Employee Lost Time Injuries (LTIs)	#	0	4	2	1		●	●	●			
2.31	Employee Lost Time Injuries Frequency Rate (LTIFR)	$\#/10^6$ h	0.0	0.7	1.0	0.7		●	●	●		EM-CM-320a.1	
2.32	Employee lost working days	d	0	719	22	21		●	●				
2.33	Employee Lost Time Injuries Severity Rate	$d/10^6$ h	0.0	133.9	10.9	14.6		●	●	●			
2.34	Contractor Lost Time Injuries (LTIs)	#	2	0	3	6		●	●	●			
2.35	Contractor Lost Time Injuries Frequency Rate (LTIFR)	$\#/10^6$ h	1.2	0.0	1.8	1.6		●	●	●		EM-CM-320a.1	
2.36	Training man-hours on health and safety / employee[1,5]	h/person	9.4	8.3	16.9	15.0			●	●			
2.37	Training man-hours on health and safety / contractor[1,5]	h/person	14.2	4.5	14.7	12.7			●	●			

2022 Performance by activity

Code	ESG Performance Indicators	Unit	Cement	Aggregates	Ready-Mix	Other	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
2.38	Employee fatalities	#	0	0	0	0		●	●	●			SDG 3.6 SDG 3.8 SDG 4.3 SDG 8.6 SDG 8.8 SDG 10.3
2.39	Employee fatality rate	$\#/10^4$ persons	0.0	0.0	0.0	0.0		●	●	●			
2.40	Contractor fatalities	#	1	0	0	0		●	●	●			
2.41	Third-party fatalities	#	0	0	0	0		●	●	●			
2.42	Employee Lost Time Injuries (LTIs)	#	3	0	4	0		●	●	●			
2.43	Employee Lost Time Injuries Frequency Rate (LTIFR)	$\#/10^6$ h	0.5	0.0	1.2	0.0		●	●	●		EM-CM-320a.1	
2.44	Employee lost working days	d	43	0	719	0		●	●				
2.45	Employee Lost Time Injuries Severity Rate	$d/10^6$ h	6.7	0.0	213.6	0.0		●	●	●			
2.46	Contractor Lost Time Injuries (LTIs)	#	8	0	3	0		●	●	●			
2.47	Contractor Lost Time Injuries Frequency Rate (LTIFR)	$\#/10^6$ h	1.3	0.0	5.0	0.0		●	●	●		EM-CM-320a.1	
2.48	Training man-hours on health and safety / employee[1,5]	h/person	12.3	11.9	8.8	6.1			●	●			
2.49	Training man-hours on health and safety / contractor[1,5]	h/person	13.1	9.1	12.7	9.1			●	●			

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
2.2.2	**Material issue: Diverse and inclusive workplace**													
2.50	Average employment, Group[6]	#	5,411	5,352	5,363	5,382	5,424			●				SDG 5.4 SDG 8.5 SDG 8.6 SDG 8.8 SDG 10.3
2.51	Average employment, Group (incl. Brazil)[1,2]	#	5,880	5,823	5,834	n/a	n/a							
2.52	Number of employees by year end, Group	#	5,486	5,358	5,359	5,400	5,365			●				
2.53	Number of employees by year end, Group (incl. Brazil)[1,2]	#	5,964	5,827	5,838	5,891	5,893							
	Number of employees / region													
2.54	Greece[1]	#	1,257	1,208	1,175	1,172	1,159							
2.55	USA (including Brazil)[1]	#	2,852	2,747	2,786	2,798	2,751							
2.56	Southeastern Europe[1]	#	1,107	1,130	1,132	1,157	1,203							
2.57	Eastern Mediterranean[1]	#	748	742	745	764	780							
2.58	**Employee turnover / gender, Group avg.**	%	**16.6**	**10.6**	**11.3**	**12.3**	**11.0**			●				
2.59	Females	%	16.5	9.1	10.4	11.1	14.2							
2.60	Males	%	16.6	10.9	11.5	12.5	10.5							
	Employee turnover / age, Group[2,7]													
2.61	Under 30[2]	%	35.5	31.8	26.8	28.6	n/a							
2.62	Between 30-50[2]	%	16.7	10.8	9.9	10.7	n/a							
2.63	Over 50[2]	%	12.7	6.8	10.7	11.6	n/a							
2.64	Employees left, Group[7]	#	909	569	606	666	592			●				
	Employees left / age, Group													
2.65	Under 30	#	161	121	97	111	119							
2.66	Between 30-50	#	453	293	277	309	281							
2.67	Over 50	#	295	155	234	246	192							
	Employees left / gender													
2.68	Females	#	128	65	69	73	91							
2.69	Males	#	781	504	539	593	501							
2.70	Employee new hires, Group avg.[7]	%	20.5	15.5	10.7	14.2	10.3			●				
2.71	Employee new hires, Group avg. (incl. Brazil)[1,2]	%	20.2											
2.72	Employee new hires, Group[7]	#	1,123	829	575	769	551			●				
	Employee new hires / gender[7]													
2.73	Females	#	186	143	77	119	77			●				
2.74	Males	#	937	686	498	650	474			●				

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
	New hires / age, Group[7]													SDG 5.4 SDG 8.5 SDG 8.6 SDG 8.8 SDG 10.3
2.75	Under 30	#	324	241	140	204	157			●				
2.76	Between 30-50	#	583	415	330	417	294			●				
2.77	Over 50	#	216	173	105	148	100			●				
	Employment / type, Group[7]													
2.78	Full time	#	5,385	5,247	5,311	5,297	5,342			●				
2.79	Part Time	#	24	30	48	42	28			●				
2.80	Temporary	#	77	81	80	61	54			●				
	Employment / type, Group (incl. Brazil)													
2.81	Full time[1,2]	#	5,863	n/a	n/a	n/a	n/a							
2.82	Part Time[1,2]	#	24	n/a	n/a	n/a	n/a							
2.83	Temporary[1,2]	#	77	n/a	n/a	n/a	n/a							
	Employment / category[7]													
2.84	Senior managers	#	114	116	121	114	121			●				
2.85	Managers	#	669	657	649	641	481			●				
2.86	Administration/technical	#	1,572	1,514	1,459	1,460	1,616			●				
2.87	Semi-skilled/unskilled	#	3,131	3,071	3,130	3,185	3,214			●				
	Employment / category (incl. Brazil)													
2.88	Senior managers[1,2]	#	138	n/a	n/a	n/a	n/a							
2.89	Managers[1,2]	#	716	n/a	n/a	n/a	n/a							
2.90	Administration/technical[1,2]	#	1,813	n/a	n/a	n/a	n/a							
2.91	Semi-skilled/unskilled[1,2]	#	3,297	n/a	n/a	n/a	n/a							
	Employment / age, Group	#												
2.92	Under 30	#	453	380	362	388	n/a							
2.93	Between 30-50	#	2,716	2,708	2,806	2,894	n/a							
2.94	Over 50	#	2,317	2,270	2,191	2,118	n/a							
	Employment / age, Group (incl. Brazil)													
2.95	Under 30[1,2]	#	560	n/a	n/a	n/a	n/a							
2.96	Between 30-50[1,2]	#	3,040	n/a	n/a	n/a	n/a							
2.97	Over 50[1,2]	#	2,364	n/a	n/a	n/a	n/a							
	Employment / gender[7]													
2.98	Females	#	775	716	663	657	641			●				
2.99	Males	#	4,711	4,642	4,696	4,743	4,783			●				

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
	Employment / gender (incl. Brazil)													
2.100	Females[1,2]	#	869	n/a	n/a	n/a	n/a							SDG 5.4
2.101	Males[1,2]	#	5,095	n/a	n/a	n/a	n/a							SDG 8.5
2.102	Share of women in employment, Group avg.[7]	%	14.1	13.4	12.4	12.2	11.8			●				SDG 8.6
2.103	Share of women in management, Group avg.[7]	%	19.4	17.6	16.5	15.5	16.5			●	●			SDG 8.8
2.104	Share of women in management, Group avg. (incl. Brazil)[1,2]	%	19.4	n/a	n/a	n/a	n/a							SDG 10.3
2.105	Share of women in Senior Management, Group avg.[7]	%	12.3	14.7	14.1	14.9	19.0			●	●			
2.106	Number of employees with dissabilities, Group[1,2]	#	58	n/a	n/a	n/a	n/a							
2.107	Number of parental leaves, Group[1,2]	#	63	n/a	n/a	n/a	n/a							

2.2.3 Material issue: Continuous development of our people

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
2.108	Training investment / (trained) employee, Group avg.[3,7]	€	168	205	105	202	205			●	●			
2.109	Training investment, Group[3]	€	814,226	962,196	485,331	900,495	1,035,398			●	●			SDG 4.3
	Training investment / gender, Group[7]					`								SDG 4.4
2.110	Females	€	225,001	239,806	112,819	209,268	187,153			●	●			SDG 5.1
2.111	Males	€	589,225	722,390	372,512	691,659	848,245			●	●			SDG 5.5
2.112	Trained employees, Group total[7]	#	4,860	4,693	4,606	4,465	5,064			●				SDG 8.5
2.113	Share of trained employees, Group avg.[7]	%	88.6	87.6	86.0	82.7	93.4			●				SDG 10.2
2.114	Share of trained employees, Group avg. (incl. Brazil)[1,2]	%	87.3	n/a	n/a	n/a	n/a							SDG 10.3
2.115	Share of trained female employees (in total female employees). Group avg.[7]	%	91.2	96.8	93.2	95.1	97.5			●				SDG 16.5
2.116	Share of trained female employees (in total female employees), Group avg. (incl. Brazil)[1,2]	%	86.9	n/a	n/a	n/a	n/a							
	Trained employees / category, Group[7]													
2.117	Senior Managers	#	107	113	106	133	142							
2.118	Managers	#	646	689	651	538	643							
2.119	Administration/technical	#	1,525	1,520	1,408	1,824	2,007							
2.120	Semi-skilled/Unskilled	#	2,582	2,371	2,441	1,970	2,272							
	Trained employees / age group, Group													
2.121	Under 30	#	413	357	318	461	510			●				
2.122	Between 30-50	#	2,604	2,603	2,631	2,644	2,982			●				
2.123	Over 50	#	1,843	1,733	1,657	1,360	1,572			●				

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
2.124	Training hours, Group	#	124,504	109,364	79,350	137,272	138,114	●		●	●			
2.125	Average training hours / employee (over the total number of direct employees), and breakdown per gender, Group[4]	h/person	22.7	20.4	14.8	25.4	25.5			●	●			SDG 4.3 SDG 4.4 SDG 5.1 SDG 5.5 SDG 8.5 SDG 10.2 SDG 10.3 SDG 16.5
2.126	Average female	#	27.9	25.7	18.1	35.3	35.7	●						
2.127	Average male	#	21.8	19.6	14.4	24.1	24.1	●						
	Training hours / subject, Group													
2.128	Company onboarding	#	2,343	2,651	942	6414	n/a	●						
2.129	Compliance	#	4,774	8,974	6,359	1,191	1,430	●			●			
2.130	Sustainability	#	423	554	525	970	955	●			●			
2.131	Decarbonization[1,2]	#	848	n/a	n/a	n/a	n/a							
2.132	Digital & IT[2]	#	5,069	9,718	2,767	11767.25	n/a	●						
2.133	Environment	#	2,150	3,186	2,115	3,722	3,136	●						
2.134	Foreign languages	#	3,988	3,692	2,837	3,113	3,929	●						
2.135	Functional competence	#	8,176	7,856	4,994	3,512	23,152	●						
2.136	Generic competence	#	9,041	4,711	2,947	6,302		●						
2.137	Health and Safety	#	60,614	50,992	36,912	76,372	69,591	●						
2.138	Managerial skills	#	9,605	4,243	3,615	10,297	15,223	●						
2.139	Other	#	9,364	1,738	3,620	1,276	2,440	●						
2.140	Security	#	975	136	586	407	761	●						
2.141	Technical know-how	#	7,136	10,916	11,132	11,931	17,497	●						
2.142	Share of employees with performance evaluation, Group avg.	%	58.3	60.7	58.7	58.8	48.6							
2.143	Share of female employees with performance evaluation, Group avg.[2]	%	84.5	83.4	82.1	n/a	n/a							
2.144	Share of female employees in talent pools, Group avg.[2]	%	13.8	13.9	13.0	n/a	n/a							

Notes

Notes for specific KPIs

1. New indicator. More details you may find in the section "TITAN's approach for ESG Performance reporting" and in the below:
•"Headcount of employees by geographical area" following the same principles with the KPI "Number of employees as of 31 December 2022, Group total".
•"Parental leave" as total number of TITAN employees that took parental leave, with breakdown by gender. Employees who become parents are entitled to parental leave, regardless of gender.
•"Employees with disabilities" provides the total number of TITAN employees with disabilities, with breakdown by gender. There is no discrimination under TITAN's policies about salaries and other benefits for employees with disabilities.
The introduction of the above KPIs aims to strengthen our reporting on performance for the Material Issue Diverse and Inclusive workplace, under the Focus Area Growth-enabling work environment. The coverage of data for TITAN's subsidiaries was 100% in 2022.
•"Decarbonization" was introduced as a new subject area and presented separately in this report for the first time, whereas in the past respective subjects to GHG emissions were covered under Environment.
2. Relevant information is not available for the specific years denoted as 'n/a'.
3. For the definition see Table 2.5.10 "Value Creation Indicators".
4. Figure(s) for 2020 adjusted to include previously unreported data.
5. The KPI was calculated for closing of the reporting period 2022 in accordance with the practice for all Safety data, being the use of "Average Employment" (see Note 6 below). This is consistent with all years prior to 2022. As exception, the KPI for "Performance by activity" was calculated by using the figures of "Number of employees by year end", due to different data consolidation criteria and methodology, but with insignificant impact on the results.
6. The calculation was made according to Belgian Law (sec. 165 XIVB of RD of 30 January 2001).
7. KPIs calculated on the basis of "Average Employment" data for year 2018. Since 2019 the specific KPIs have been calculated on the basis of the number of employees as of 31 December for each year. Figures for the KPI "Share of trained female employees (in total female employees)" which were calculated above 100% (because of the Turnover for Females, or other reasons) needed to be reported as 100% (adjusted to 100% of female employees).

Connection of KPIs with the SASB Standards

Connection of ESG performance indicators with the metric EM-CM-320a.1 according to SASB Standards, under the topic (area) "Workforce Health and Safety": Specifically, the connection concerns the KPIs of near misses and frequency rate for full-time employees, and contract employees.

2.3 Focus area: Positive local impact

2.3.1 Material issue: Environmental positive impact

Air emissions

Cement production activities

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
3.1	Overall coverage rate	%	76.4	72.0	65.4	74.1	79.8	●	●	●			EM-CM-120a.1	SDG 3.9
3.2	Coverage rate continuous measurement	%	76.4	77.8	77.7	78.6	81.0	●	●	●			EM-CM-120a.1	SDG 9.4
3.3	Dust emissions (total)	t	255	207	225	178	156	●	●	●			EM-CM-120a.1	
3.4	Specific dust emissions	g/t clinker	21.7	16.6	19.3	14.7	12.1	●	●	●			EM-CM-120a.1	
3.5	Coverage rate for dust emissions	%	100.0	100.0	100.0	100.0	100.0	●	●	●			EM-CM-120a.1	
3.6	Avoided dust emissions (cumulative since 2003)[3]	t	69,232	65,132	60,700	56,600	52,310	●		●	●			
3.7	Dust emissions (PM10)[1]	t	103	n/a	n/a	n/a	n/a							
3.8	NOx emissions (total)	t	14,718	15,729	14,962	15,317	16,881	●	●	●			EM-CM-120a.1	
3.9	Specific NOx emissions	g/t clinker	1,251	1,263	1,282	1,269	1,307	●	●	●			EM-CM-120a.1	
3.10	Coverage rate for NOx emissions	%	100.0	100.0	100.0	100.0	100.0	●	●	●			EM-CM-120a.1	
3.11	Avoided NOx emissions (cumulative since 2003)[3]	t	302,678	282,474	261,235	241,555	221,025	●		●	●			
3.12	SOx emissions (total)	t	3,028	3,051	2,953	2,335	2,632	●	●	●			EM-CM-120a.1	
3.13	Specific SOx emissions	g/t clinker	257.4	245.0	253.1	193.4	203.8	●	●	●			EM-CM-120a.1	
3.14	Coverage rate for SOx emissions	%	100.0	100.0	100.0	100.0	100.0	●	●	●			EM-CM-120a.1	
3.15	Avoided SOx emissions (cumulative since 2003)[3]	t	41,563	39,665	37,290	35,350	32,630	●		●	●			
3.16	TOC emissions (total)	t	804	493	435	682	547		●	●			EM-CM-120a.1	
3.17	Specific TOC emissions	g/t clinker	68.4	39.6	37.3	56.5	42.3		●	●			EM-CM-120a.1	
3.18	Coverage rate for TOC emissions	%	90.9	96.4	90.9	98.9	100.0		●	●			EM-CM-120a.1	
3.19	PCDD/F emissions (total)	mg	195.7	339.4	211.3	152.5	227.7		●	●			EM-CM-120a.1	
3.20	Specific PCDD/F emissions	ng/t clinker	16.6	27.3	18.1	12.6	17.6		●	●			EM-CM-120a.1	
3.21	Coverage rate for PCDD/F emissions	%	90.9	83.3	96.8	100.0	100.0		●	●			EM-CM-120a.1	
3.22	Hg emissions (total)	kg	279.1	279.6	360.3	494.5	492.8		●	●			EM-CM-120a.1	
3.23	Specific Hg emissions	mg/t clinker	23.7	22.5	30.9	41.0	38.2		●	●			EM-CM-120a.1	
3.24	Coverage rate for Hg emissions	%	100.0	94.5	100.0	97.0	100.0		●	●			EM-CM-120a.1	
3.25	Cd and Tl emissions (total)	kg	183.5	181.8	166.5	221.3	267.2		●	●			EM-CM-120a.1	
3.26	Specific (Cd and Tl) emissions	mg/t clinker	15.6	14.6	14.3	18.3	20.7		●	●			EM-CM-120a.1	
3.27	Coverage rate for (Cd and Tl) emissions	%	76.4	72.0	77.7	75.1	81.0		●	●			EM-CM-120a.1	
3.28	Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V emissions (total)	kg	3,874.2	2,546.7	2,092.6	2,101.1	2,479.6		●	●			EM-CM-120a.1	
3.29	Specific (Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V)	mg/t clinker	329.4	204.6	179.4	174.0	192.0		●	●			EM-CM-120a.1	
3.30	Coverage rate for (Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V) emissions	%	76.4	72.0	77.7	75.1	81.0		●	●			EM-CM-120a.1	
3.31	Integrated cement plants and cement grinding plants with certified Environmental Management System (ISO 14001 or similar)	% of plants	86.7	86.7	86.7	86.7	86.7			●				

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
All activities														
3.32	**Environmental complaints[2]**	#	**17**	**13**	**2**	**10**	**n/a**							
3.33	Greece[2]	#	4	6	2	8	n/a							
3.34	USA[2]	#	2	0	0	0	n/a							
3.35	Southeastern Europe[2]	#	9	6	0	1	n/a							
3.36	Eastern Mediterranean[2]	#	2	1	0	1	n/a							
Rehabilitation														
Cement production and aggregates activities														
3.37	Sites with rehabilitation plans[5]	%	91.0	91.0	91.0	94.0	78.0	●	●	●			EM-CM-160a.1	SDG 15.3
3.38	Total land use[1,2,5]	million m²	29.2	28.8	26.7	n/a	n/a						EM-CM-160a.2	SDG 15.4
3.39	Rehabilitated areas over affected areas (cumulative)[2,5,8]	%	23.8	22.6	23.6	n/a	n/a			●			EM-CM-160a.2	SDG 15.9 SDG 15a
3.40	Sites with Environmental Management System (ISO14001 or similar)[5]	%	78.0	78.0	79.0	77.0	80.0			●			EM-CM-160a.1	
Biodiversity														
Cement production and aggregates activities														
3.41	Sites in high biodiversity value areas[5,6]	#	12	12	10	10	10		●	●			EM-CM-160a.1	SDG 15.3
3.42	Sites with biodiversity management plans[5,7]	#	10	10	9	9	9		●	●			EM-CM-160a.1	SDG 15.4
3.43	Sites with biodiversity management plans	%	83.3	83.3	90.0	90.0	90.0	●	●	●			EM-CM-160a.1	SDG 15.9
Investments in environmental protection														
All activities														
3.44	**Environmental expenditures across all activitie**	**million €**	**65.3**	**25.3**	**22.2**	**26.6**	**29.1**			●	●			
3.45	Environmental management	million €	17.8	16.7	13.9	16.8	16.3			●	●			SDG 7b
3.46	Reforestation	million €	0.5	0.5	0.3	0.5	0.5			●	●			SDG 9.4
3.47	Rehabilitation	million €	0.4	0.8	0.7	0.6	0.5			●	●			
3.48	Environmental training and awareness building	million €	0.2	0.3	0.3	0.2	0.2			●	●			
3.49	Application of best available technologies	million €	42.7	4.8	4.2	6.4	9.6			●	●			
3.50	Waste management	million €	3.7	2.0	2.7	2.1	1.9			●	●			

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
2.3.2 Material issue: Social positive impact														
3.51	Donations, Group[10]	€	1,725,438	2,310,864	2,125,725	2,532,248	2,263,920			●	●			SDG 2.1 SDG 2.3 SDG 4.3 SDG 4.4 SDG 9.3
3.52	Donations, Group (incl. Brazil)[1,2,10]	€	1,754,492	n/a	n/a	n/a	n/a							
3.53	Donations in cash, Group[10]	€	1,040,869	1,836,286	1,560,093	2,020,330	1,626,390			●	●			
3.54	Donations in kind, Group[10]	€	684,569	474,578	565,633	511,918	637,530			●	●			
3.55	Employees from local community, Group avg.[11]	%	83.8	83.3	83.2	83.3	80.8							
3.56	Employees from local community, Group avg. (incl. Brazil)[1,2,11]	%	85.7	n/a	n/a	n/a	n/a							
3.57	Internships, Group	#	482	391	251	396	477			●				
3.58	Internships, Group (incl. Brazil)[1,2]	#	526	n/a	n/a	n/a	n/a							
3.59	New entry level jobs from internships/traineeships, Group	#	46	24	15	24	23			●				
3.60	Internships from Local Community, Group avg.	%	87.1	83.4	95.6	58.8	61.2							
3.61	Key operations with Community Engagement Plans related to material issues and Group policies	#	18 of 18	15 of 15	14 of 14	6 of 14	3 of 14	●		●	●			
3.62	Key operations with Community Engagement Plans aligned with material issues and Group policies (incl. Brazil)[1,2]	#	20 of 20	17 of 17	n/a	n/a	n/a							
3.63	Total number of Initiatives under Community Engagement Plans, Group[2]	#	203	142	124	n/a	n/a							
3.64	Total number of Initiatives under Community Engagement Plans, Group (incl. Brazil)[1,2]	#	212	149	n/a	n/a	n/a							
3.65	Total number of Participants to Community Engagement Plans, Group[2,4]	#	5,911	2,750	3633	n/a	n/a							
3.66	Total number of Participants to Community Engagement Plans, Group (incl. Brazil)[1,2,4]	#	6,012	n/a	n/a	n/a	n/a							
3.67	TITAN Employees, volunteers to Community Engagement Plans, Group[2]	#	1,923	1,873	n/a	n/a	n/a							
3.68	TITAN Employees, volunteers to Community Engagement Plans, Group (incl. Brazil)[1,3]	#	2,016	n/a	n/a	n/a	n/a							
3.69	Social investment (in cash and in kind) for community initiatives, Group[2,4]	million €	1.7	1.3	1.5	n/a	n/a							
3.70	Social investment (in cash and in kind) for community initiatives, Group (incl. Brazil)[2,4]	million €	1.7	n/a	n/a	n/a	n/a							
3.71	Blood donations (TITAN employees, business partners and communities), Group[2]	#	652	579.0	n/a	n/a	n/a							
2.3.3 Material issue: Economic positive impact														
3.72	Local Spend, Group avg.[2,10]	%	67.6	65.1	67.0	65.4	n/a			●	●			
3.73	Local Spend, Group avg. (incl. Brazil)[1,2,10]	%	66.7	n/a	n/a	n/a	n/a							

Notes

Notes for specific KPIs

1. New indicator. More details you may find in the section "TITAN's approach for ESG Performance reporting" section.
2. Relevant information is not available for the specific years denoted as 'n/a'.
3. Avoided air emissions are the total accumulated quantities (for each specific emission separately) for the period between the specific year and the base year which in the case of air emissions is 2003, the year of publishing the first sustainability report of TITAN Group. The base year performance for specific dust emissions was 370g/t Clinker, for specific NOx emissions was 2,969g/t Clinker and for specific SOx emissions was 419g/t Clinker, adjusted for the equity of year 2022.
4. Specifically, with regard to the KPIs of Total number of Participants to Community Engagement Plans (CEPs), TITAN Employees as volunteers to Community Engagement Plans, and Total amount of 'social investment' for the implementation of Community Engagement Plans related to the KPI Key operations with CEPs connected with material issues and Group policies these were incorporated for the first time in the ESG performance statements in the TITAN IAR 2020. In 2022 TITAN progressed further with the alignment of BUs for implementing the Framework Guidance for CEPs which was introduced for the first time in 2021. Actions were focused on the collection and consolidation of data for the KPIs of "Participants" and "Beneficiaries" of CEPs, with respective definitions as below:
-"Participants" are persons who had active involvement (engagement) in the initiatives for Community Engagement, and the figure includes the sum of the number of persons of two sub-categories: (a) Direct Employees who volunteered, or/and had active role because of their position/role in the BU organization, and (b) Partners (Local Authorities, Specialists e.g., Academia or other Experts, NGOs, Suppliers and Contractors, and possibly also Customers etc.).
-"Beneficiaries" are persons who – directly or indirectly – have received or will receive benefits from the initiatives for Community Engagement. In order to estimate this figure, the BU requires to have an overall view of the initiative, and the impacts this has in the local community. The number of Beneficiaries may include also some of the Participants.
5. Coverage includes all quarries attached to cement plants and quarries for aggregates production, which are wholly-owned and under full management control of TITAN. Since 2021, all Titan Cement Egypt quarries have been excluded from the baseline and the calculations of the respective local impact indicators, as they are no longer considered to be under full management control of TITAN due to changes in mining legislation in the country.
6. Active quarries within, containing or adjacent to areas designated for their high biodiversity value, see Table "TITAN Group Quarry Sites with High Biodiversity Value".
7. Active quarries with high biodiversity value where biodiversity management plans are actively implemented, see Table "TITAN Group Quarry Sites with High Biodiversity Value".
8. Calculated as the percentage of the impacted/disturbed quarry areas that have been rehabilitated (total and cumulative), aggregated at Group level. 2020 was the initial year for disclosing data for this indicator.
9. Total amount of expenditures (capital and operational) for those investments whose primary purpose is the prevention, reduction and elimination of pollution and other forms of degradation to the environment (UNCTAD Guidance, 2022). In 2022 TITAN incorporated in this disclosure the figure of total capital expenditures (Capex) which are aligned with the EU Taxonomy Regulation, in specific projects for meeting the Technical Screening Criteria for the environmental objectives of climate change mitigation and climate change adaptation.
10. For definitions related to "Social investment" (in cash and in kind) for community initiatives", "Donations", and "Local Spend", see Table 2.5.10.
11. Specific information is not available for the operations of TITAN in USA. The percentages for the Group Average are calculated excluding the employment of TITAN in USA. For the specific method of calculation see the Note under the Table 2.2 "Focus area: Growth-enabling work environment".

Connection of KPIs with the SASB Standards

Connection of ESG performance indicators with metrics according to SASB Standards, specifically:
-EM-CM-120a.1 under the topic (area) "Air Quality" for air emissions of pollutants including NOx, SOx, particulate matter (PM10), dioxins/furans, volatile organic compounds (VOCs), polycyclic aromatic hydrocarbons (PAHs), and (7) heavy metals.
-EM-CM-160a.1 and EM-CM-160a.2 under the topic (area) "Biodiversity Impacts" for the environmental management policies and practices for active sites,

TITAN Group Quarry Sites with High Biodiversity Value

Site	Country	Raw Material use	Location	Status	Biodiversity Management Plan	Notes
Pennsuco Quarry	USA	Cement and Aggregates	Miami Dade Florida	Inside area for protection of freshwater ecosystems (wetlands) on local/state level	YES	According to New Permit (April 2010), Under Lake Belt Plan - 'Restoring Littoral Shelf Areas' BMP developed in 2012
Center Sand Quarry	USA	Aggregates	Clermont, Florida	Inside area for protection of freshwater ecosystems (wetlands) on local/state level	YES	Relocate Gopher Tortoise Protected Species into new-created Conservation Area - Monitoring Program ongoing BMP developed in 2013
Corkscrew Quarry	USA	Aggregates	Naples, Florida	Inside area for protection of freshwater ecosystems (wetlands) on local/state level	YES	Preservation of wetlands from invasive species; need to adjust BMP as per the GCCA Sustainability Guidelines for quarry rehabilitation and biodiversity management
Zlatna Panega Quarry	Bulgaria	Cement	Zlatna Panega	Inside area for protection of freshwater ecosystems (wetlands) on local/state level	YES	Baseline assessment by an "Initial Ecological Scoping Study" (ATKINS). A structured BMP was developed in end 2013 acc. to CSI Guidance; implemented in 2014
Xilokeratia Quarry	Greece	Cement	Milos Island	Inside area for protection of freshwater ecosystems (wetlands) on local/state level	YES	Biodiversity Studies for the 'baseline' assessment completed in 2015, followed by BMPs. The Apsalos and Aspra Homata quarries are covered by the same biodiversity study and BMP
Apsalos (West and East) Quarries	Greece	Cement	Apsalos, Pella	Inside area for protection of freshwater ecosystems (wetlands) on local/state level	YES	
Aspra Homata United Quarry	Greece	Cement	Apsalos, Pella	Inside area for protection of freshwater ecosystems (wetlands) on local/state level	YES	
Rethimno Quarry	Greece	Aggregates	Rethymno, Crete Island	Inside area for protection of freshwater ecosystems (wetlands) on local/state level	YES	
Leros Quarry	Greece	Aggregates	Leros Island	Inside area for protection of freshwater ecosystems (wetlands) on local/state level	YES	Biodiversity Study completed in 2018, followed by BMP
Agrinio Quarry	Greece	Aggregates	Agrinio, Aitoloakarnania	Inside area for protection of terrestrial ecosystems on national level	YES	Biodiversity Study completed in 2021, followed by BMP
Drimos Quarry	Greece	Cement and Aggregates	Drimos, Thessaloniki	Inside area for protection of terrestrial ecosystems on national level	NO	Biodiversity Study planned for 2023
Thisvi Quarry	Greece	Aggregates	Thisvi, Viotia	Adjacent to NATURA 2000 area for protection of marine ecosystems (SCI)	NO	Biodiversity Study planned for 2024

Notes

1. The above table is complementary to the Table 2.3, "Focus area: Positive local impact", and specifically for the Indicators: 3.41. Sites in high biodiversity value areas, 3.42. Sites with biodiversity management plans (number), 3.43. Sites with biodiversity management plans (percentage).
2. In 2020 an updated biodiversity risk assessment was made for all TITAN Group sites with the use of the Integrated Biodiversity Assessment Tool (IBAT). Based on this assessment, 2 new sites (Thisvi Quarry and Drimos Quarry) were added to the above list.
3. The above table includes the needed disclosures for supporting TITAN's performance monitoring and reporting according to the sectoral commitments (GCCA Sustainability Guidelines for Quarry Rehabilitation and Biodiversity Management, May 2020). This information, combined with the disclosures under the respective section of this report, also covers the requirements for reporting according to the SASB Standards for "Biodiversity Impacts" and in more specifically the KPI EM-CM-160a.1 Description of environmental management policies and practices for active sites.

2.4 Focus area: Responsible sourcing

2.4.1 Material issue: Resource efficiency, recycling and recovery, contributing to circular economy

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
All Activities														
4.1	**Water consumption (total)**	**million m^3**	**10.9**	**11.3**	**11.1**	**11.0**	**10.7**	●	●	●				SDG 6.3 SDG 6.4 SDG 6.5
4.2	Greece	million m^3	1.5	1.6	1.5	1.5	1.6							
4.3	USA	million m^3	7.6	7.9	7.8	7.7	7.2							
4.4	Southeastern Europe	million m^3	1.0	0.9	0.9	0.9	0.7							
4.5	Eastern Mediterranean	million m^3	0.8	0.9	0.9	0.8	1.1							
4.6	**Water withdrawal (total, by source)[2]**	**million m^3**	**42.3**	**43.2**	**41.3**	**39.8**	**39.2**	●	●	●	●		EM-CM-140a.1	
4.7	Groundwater	million m^3	38.9	39.8	37.8	36.4	35.5						EM-CM-140a.1	
4.8	Municipal water	million m^3	0.9	1.0	0.9	0.9	1.1						EM-CM-140a.1	
4.9	Rainwater	million m^3	0.2	0.2	0.2	0.2	0.2						EM-CM-140a.1	
4.10	Surface water	million m^3	0.7	0.8	0.8	0.8	0.9						EM-CM-140a.1	
4.11	Quarry water used (from quarry dewatering)	million m^3	0.1	0.1	0.1	0.1	0.1							
4.12	Ocean or sea water	million m^3	1.3	1.3	1.3	1.3	1.3							
4.13	Waste water	million m^3	0.1	0.1	0.1	0.1	0.1							
4.14	**Water discharge (total, by destination)[3]**	million m^3	**31.4**	**31.9**	**30.2**	**28.8**	**28.5**	●	●	●	●			
4.15	Surface (river, lake)	million m^3	29.9	30.4	28.7	27.3	27.0							
4.16	Sub-surface water (well)	million m^3	0.0	0.1	0.1	0.1	0.0							
4.17	Ocean or sea	million m^3	1.3	1.3	1.3	1.3	1.3							
4.18	Off-site treatment	million m^3	0.1	0.1	0.1	0.1	0.1							
4.19	Other[4,5]	million m^3	0.0	0.0	n/a	n/a	n/a							
4.20	**Water consumption (total, by source)[1]**	**million m^3**	**10.9**	**n/a**	**n/a**	**n/a**	**n/a**							
4.21	Groundwater[1]	million m^3	9.5	n/a	n/a	n/a	n/a							
4.22	Municipal water[1]	million m^3	0.8	n/a	n/a	n/a	n/a							
4.23	Rainwater[1]	million m^3	0.2	n/a	n/a	n/a	n/a							
4.24	Surface water[1]	million m^3	0.2	n/a	n/a	n/a	n/a							
4.25	Quarry water used (from quarry dewatering)[1]	million m^3	0.1	n/a	n/a	n/a	n/a							
4.26	Ocean or sea water[1]	million m^3	0.0	n/a	n/a	n/a	n/a							
4.27	Waste water[1]	million m^3	0.1	n/a	n/a	n/a	n/a							
4.28	**Water recycled (total)[1]**	**million m^3**	**26.2**	**n/a**	**n/a**	**n/a**	**n/a**							
4.29	Water demand covered with recycled water[1]	%	38.2	n/a	n/a	n/a	n/a							
Cement and cementitious production activities														
4.30	**Water consumption (total)**	**million m^3**	**3.6**	**3.8**	**3.7**	**3.7**	**4.0**	●	●	●				SDG 6.3 SDG 6.4 SDG 6.5
4.31	Greece	million m^3	0.9	1.0	1.0	1.0	1.0							
4.32	USA	million m^3	1.0	1.1	1.1	1.1	1.2							
4.33	Southeastern Europe	million m^3	0.9	0.9	0.9	0.9	0.7							

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
4.34	Eastern Mediterranean	million m^3	0.7	0.8	0.8	0.7	1.0							SDG 6.3
4.35	Water withdrawal (total)[2]	million m^3	7.7	7.8	7.6	7.6	7.9	●					EM-CM-140a.1	SDG 6.4
4.36	Water discharge (total)[3]	million m^3	4.1	4.0	3.9	3.9	4.0	●						SDG 6.5
4.37	Water recycled (total)	million m^3	16.5	15.2	15.5	15.1	17.7		●	●	●		EM-CM-140a.1	
4.38	Specific water consumption	l/t cementitious product	240.4	245.7	260.5	255.7	256.5	●	●	●	●			
4.39	Specific water consumption	l/t cement	241.2	250.9	260.8	257.3	259.2	●	●	●	●			
4.40	Water demand covered with recycled water	%	68.0	66.1	67.2	66.5	69.0							
4.41	Avoided water consumption (cumulative since 2003)[6]	million m^3	40.3	36.3	32.5	29.1	25.5			●	●			
4.42	Water consumption in high water stress areas	million m^3	2.1	n/a	n/a	n/a	n/a							

2.4.1 Material issue: Resource efficiency, recycling and recovery, contributing to circular economy

Ready-mix concrete activities

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
4.43	Total water withdrawal	million m^3	3.1	3.1	3.0	3.0	2.9			●	●			SDG 6.4
4.44	Specific water withdrawal	l/m^3 concrete	566.5	572.8	577.8	598.3	589.7			●	●			SDG 6.5

All Activities

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
4.45	Thermal energy consumption	TJ	41,946	44,834	41,229	43,102	45,740		●	●	●		EM-CM-130a.1	SDG 7
4.46	Thermal energy consumption[1]	% of total	86.9	87.2	87.1	87.2	87.5							SDG 12
4.47	Electrical energy consumption	TJ	6,298	6,580	6,116	6,328	6,549		●	●	●		EM-CM-130a.1	
4.48	Electrical energy consumption[1]	% of total	13.1	12.8	12.9	12.8	12.5							
4.49	Total energy consumption[1]	TJ	48,244	51,414	47,345	49,430	52,289							
4.50	Renewable energy of total energy consumption[1]	% of total	8.0	6.9	n/a	n/a	n/a							

Cement production activities

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
4.51	Percentage of production covered by ISO50001 or energy audits	% clinker production	85.9	86.2	54.9	40.5	40.7	●		●		●		SDG 7.2 SDG 7.3
4.52	Thermal energy consumption (Cement, grinding plants and attached quarries)	TJ	41554	43756	40786	42160	45176	●	●	●	●	●	EM-CM-130a.1	SDG 9.4 SDG 12.2
4.53	Specific thermal energy consumption	kcal/kg clinker	844	840	835	834	836	●	●	●	●	●		

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
4.54	**Specific thermal energy consumption (incl. Brazil)[1,2]**	**kcal/kg clinker**	**848**	**841**	**n/a**	**n/a**	**n/a**		●	●	●	●		SDG 7.2 SDG 7.3 SDG 9.4 SDG 12.2
4.55	Greece	kcal/kg clinker	893	895	874	866	854		●	●	●	●		
4.56	USA (incl. Brazil)	kcal/kg clinker	791	n/a	n/a	n/a	n/a		●	●	●	●		
4.57	Southeastern Europe	kcal/kg clinker	842	839	845	843	844		●	●	●	●		
4.58	Eastern Mediterranean	kcal/kg clinker	870	849	852	856	864		●	●	●	●		
4.59	Electrical energy consumption (Cement, grinding plants and attached quarries)	TJ	5,971	6,204	5,773	5,981	6,206	●	●	●	●	●	EM-CM-130a.1	
4.60	Electrical energy consumption (Cement, grinding plants and attached quarries)	GWh	1,659	1,723	1,604	1,661	1,724	●	●	●	●	●	EM-CM-130a.1	
4.61	Specific electrical energy consumption	kWh/t cement	110.8	115.0	113.0	115.4	113.7					●		
4.62	**Specific electrical energy consumption (incl. Brazil)[1,2]**	**kWh/t cement**	**109.7**	**113.5**	**111.7**	**114.8**	**113.7**					●		
4.63	Greece	kWh/t cement	124.4	132.1	130.6	137.4	135.6					●		
4.64	USA (incl. Brazil)	kWh/t cement	109.8	n/a	n/a	n/a	n/a					●		
4.65	Southeastern Europe	kWh/t cement	100.8	100.6	104.8	104.5	102.8					●		
4.66	Eastern Mediterranean	kWh/t cement	104.3	106.5	100.4	101.7	109.1					●		
4.67	Renewable energy as part of total electrical energy consumption[5]	% Electrical energy consumed	22.1	24.0	22.8	n/a	n/a					●		
	Ready mix concrete activities													
4.68	Specific electrical energy consumption in concrete production	kWh/m^3 concrete	3.2	3.7	3.5	3.7	3.8			●	●			SDG 6.4 SDG 6.5
	All Activities													
4.69	**Natural raw materials extracted (total, wet)**	**million t**	**32.7**	**34.9**	**32.5**	**32.4**	**33.6**			●				SDG 12.2
4.70	Raw materials extracted for clinker and cement production	million t	18.8	18.9	17.9	18.5	20.2			●				
4.71	Raw materials extracted for aggregates	million t	13.9	16.1	14.5	13.8	13.5			●				
	Cement production activities													
4.72	Materials consumption (total, dry)	million t	21.4	22.0	20.6	21.1	22.5			●				SDG 12.2 SDG 12.4 SDG 12.5
4.73	Extracted (natural) raw materials consumption (dry)	million t	19.7	20.5	19.3	19.6	21.2							
4.74	Alternative raw materials consumption (dry)	million t	1.6	1.5	1.3	1.5	1.2							
4.75	Alternative raw materials use (of total raw materials consumed)	% Dry	7.7	6.6	6.4	7.1	5.5	●	●		●			
4.76	Alternative raw materials rate (based on clinker-to-cement equivalent factor)	% Dry	8.8	7.6	7.2	8.1	6.4	●	●	●	●			

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
4.77	Avoided consumption of natural resources and landfilling of alternative materials and fuels (cumulative since 2003)[6]	million t	29.5	27.5	25.7	24.1	22.4			●	●			SDG 12.2 SDG 12.4 SDG 12.5
All Activities														
4.78	**Waste disposal (total, wet)**	**t**	**339,552**	**315,623**	**331,709**	**308,218**	**258,032**			●	●		EM-CM-150a.1	SDG 12.2 SDG 12.4 SDG 12.5
4.79	Non-hazardous waste (total)	t	339,143	315,178	331,201	307,241	255,943			●	●		EM-CM-150a.1	
4.80	Hazardous waste (total)	t	409	445	508	977	2,089			●	●		EM-CM-150a.1	
4.81	**Externally recycled waste materials (total, wet)**	**t**	**288,033**	**263,729**	**273,828**	**236,736**	**200,684**			●	●			
4.82	Reused	t	6,526	23	125	53	1,832							
4.83	Recycled	t	280,798	262,928	273,193	236,610	198,831							
4.84	Recovered	t	709	778	510	74	21							
4.85	Waste disposal, breakdown by destination-usage (wet)	% w/w	100	100	100	100	100			●	●		EM-CM-150a.1	SDG 12.2 SDG 12.5
4.86	Reuse	% w/w	2	0	0	0.0	1			●	●		EM-CM-150a.1	
4.87	Recycled	% w/w	82.7	83.3	82	76.8	77.1			●	●		EM-CM-150a.1	
4.88	Recovered (including energy recovery)	% w/w	0.2	0.2	0.2	0.0	0.0			●	●		EM-CM-150a.1	
4.89	Incineration	% w/w	0.0	0.0	0.0	0.0	0.0			●	●		EM-CM-150a.1	
4.90	Landfilled	% w/w	14.5	16.4	17.3	23.1	22.1			●	●		EM-CM-150a.1	
4.91	Composted	% w/w	0.0	n/a	n/a	n/a	n/a			●	●		EM-CM-150a.1	
4.92	Other (incl. storage)	% w/w	0.7	0.1	0.1	0.1	0.1			●	●		EM-CM-150a.1	
4.93	Hazardous waste disposal, breakdown by destination-usage (wet)	% w/w	100.0	0.0	0.0	0.0	0.0							
4.94	Reused[1]	% w/w	0.4	n/a	n/a	n/a	n/a							
4.95	Recycled[1]	% w/w	43.8	n/a	n/a	n/a	n/a							
4.96	Recovered[1]	% w/w	11.8	n/a	n/a	n/a	n/a							
4.97	Incineration[1]	% w/w	0.0	n/a	n/a	n/a	n/a							
4.98	Landfilled[1]	% w/w	43.0	n/a	n/a	n/a	n/a							
4.99	Other (incl. storage)[1]	% w/w	1.0	n/a	n/a	n/a	n/a							

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
Cement production activities														
4.100	Integrated cement plants with "Zero Waste to Landfill" certification	% clinker production	54.9	56.2	29.5	n/a	n/a							SDG 12.2 SDG 12.4
Ready mix concrete activities														
4.101	Recycled/reused concrete (internally and externally)	% returned concrete	87.5	86.0	90.3	86.6	86.9			●	●			SDG 12.2 SDG 12.4

2.4.2 Material Issue: Reliable and Sustainable Supply Chain

All Activities

Code	ESG Performance Indicators	Unit	2022	2021	2020	2019	2018	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
4.102	Key suppliers meeting TITAN ESG standards[5,7]	%	See Note below	n/a	n/a	n/a	n/a							SDG 6 SDG 7 SDG 12 SDG 13

Notes

Notes for specific KPIs

1. New indicator. More details can be found in the section “TITAN’s approach to ESG Performance reporting”.
2. Total withdrawal also includes quantities of water withdrawn by TITAN and supplied to third parties without being used in any of TITAN facilities.
3. Total discharge also includes quantities of water withdrawn by TITAN and supplied to third parties without being used in any of TITAN facilities.
4. Refers to the quantities of water withdrawn by TITAN and supplied to third parties without being used in any of TITAN facilities.
5. Relevant information is not available for the specific years denoted as 'n/a'.
6 .Avoided natural resources consumption is the total accumulated quantity (for water and raw materials/fuels separately) for the period between the specific year and the base year which in the case of natural resources is 2003, the year of publishing the first sustainability report of TITAN Group. The base year performance for specific water consumption was 504lt/t Cement, adjusted for the equity of year 2022. According to TITAN’s approach, all quantities of alternative raw materials and fuels would, otherwise, have been handled as waste and would have been landfilled, with subsequent impacts to the local environment, land, water resources, and ecosystems.
7. TITAN progressed in 2022 according to the internal Roadmap for Sustainable Supply Chain as described in the management report under the focus area “Responsible Sourcing”, and material issue “Reliable and sustainable supply chain”.

Connection of KPIs with the SASB Standards

Connection of ESG performance indicators with metrics according to SASB Standards, specifically:
-EM-CM-130a.1 under the area “Energy Management” for total energy consumed, percentage grid electricity, percentage alternative, and percentage renewable.
-EM-CM-140a.1 under the area “Water Management” for total fresh water withdrawn, percentage recycled, percentage in regions with high or extremely high baseline water stress. See also Table “TITAN Group Cement Plant Sites within water-stressed Areas” part of the ESG performance statements.
-EM-CM-150a.1 under the area “Waste Management” for amount of waste generated, percentage hazardous, percentage recycled.
-Connection of the disclosures under Note 7 of the above “Notes for specific KPIs”, about the 2022 progress aligned with the Sustainable Supply Chain Roadmap of TITAN cover the requirements for reporting according to the SASB Standards for the area “Business Ethics and Transparency” and more specifically the metric (KPI) EM-MM-510a.1. The connection concerns the description of the management system for prevention of corruption and bribery throughout the value chain.

TITAN Group Cement Plant Sites within water-stressed Areas

Site	Country	Water Stress
Antea	Albania	>80%
Zlatna Panega	Bulgaria	>80%
Alexandria	Egypt	40-80%
Beni Suef	Egypt	40-80%
Kamari	Greece	40-80%
Patras	Greece	40-80%
Thessaloniki	Greece	40-80%
Kosjeric	Serbia	40-80%
Tokat	Turkey	40-80%

Notes

1. The water risk assessment for all TITAN Group sites was conducted in 2020 with the use of the World Resources Institute's (WRI) Aqueduct tool.
2. The above table presents the cement plant sites (as the larger water users among Group activities) that operate within water-stressed areas, namely the areas where the Baseline Water Stress Indicator is >40%, as classified by the Aqueduct tool.
3. The Water Stress Indicator measures the ratio of total water withdrawals to available renewable surface and groundwater supplies. Higher values indicate more competition among users.
4. This information for the activities that operate in water-stressed areas, combined with the disclosures under the section 'Non-financial performance overview' of this report, also covers the requirements for reporting according to the SASB Standards for 'Water Management' and more specifically the KPI EM-CM-140a.1 (1) Total fresh water withdrawn, (2) percentage recycled, (3) percentage in regions with High or Extremely High Baseline Water Stress.

2.5 Good governance, transparency and business ethics

2.5.1 Governance Core Indicators

Code	Governance Core Indicators	Notes	Performance 2022	Reporting Standards
	Board structure			
5.1	Number and percentage of female board members		Number of females: 5 Contribution to the total: 31.25%	SDG 5.5 SDG 16.5 SDG 16.6 SDG 16.7 UNGC UNCTAD SASB
5.2	Number of nationalities represented on the Board		5	
	Board members by age range			
5.3	Under 30		0	
5.4	Between 30-50		1	
5.5	Over 50		15	
5.6	Number of independent board members		10/16	
	Board effectiveness			
5.7	Number of board meetings and attendance rate	2	8 meetings were held in 2022. The average attendance rate in the 8 meetings was 98.53%.	
5.8	Audit and Risk Committee: Number of meetings and attendance rates	3	7 with 100% attendance	
5.9	Nomination Committee: Number of meetings and attendance rates	3	3 with 100% attendance	
5.10	Remuneration Committee: Number of meetings and attendance rates	3	3 with 100% attendance	
	Compliance and business ethics			
5.11	Grievance mechanism (Ethicspoint) coverage	4	100%	
5.12	Number of cases reported in EthicsPoint	4	In 2022, 9 cases in total were reported through the EthicsPoint platform, all classified as allegations (compared to 11 cases in 2021, of which 10 were classified as allegations).	
5.13	Percentage of unionised employees (%)	5	31.7%	
5.14	Percentage of employees covered by Collective Bargain Agreements (CBAs)	6	50.33%	
5.15	Average number of hours of training on subjects related to Compliance, per employee	7	0.87	
5.16	Anti-bribery and corruption training	1, 7	1.728 hours	

Notes for specific KPIs

1. New indicator.
2. Number of board meetings during the reporting period and number of board members who participated in each board meeting during the reporting period divided by the total number of directors sitting on the board multiplied by the number of board meetings during the reporting period.
3. Number of board meetings during the reporting period and number of audit committee members who participated in each audit committee meeting during the reporting period divided by the total number of members sitting on the audit committee multiplied by the number of audit committee meetings during the reporting period.
4. Of the nine (9) cases classified inside the TITAN EthicsPoint as allegations in 2022, eight (8) cases were thoroughly examined by the respective regional committees and reviewed by the Group Supervisory Committee, while one (1) case is still in process of examining. Out of these eight (8) cases, two (2) were found fully substantiated, two (2) were partially substantiated and two (2) were unsubstantiated. One (1) case was not investigated due to insufficient information, while one (1) case was rejected for further investigation as lacking seriousness or sense. Action plans for remediation were implemented for substantiated cases, in more specific concerning cases related to the areas 'Health & Safety', and 'People, Workplace Respect'. Since 2020 the Group has established a common platform of use by all countries, providing access to anonymous reporting of incidents to all Titan employees, called TITAN EthicsPoint". Further, TITAN assesses allegations when received by separate whistleblowing channels. Two (2) such cases of allegations, related to the area of business integrity and additional to the above-mentioned (not received in EthicsPoint) were examined thoroughly and one (1) was found to be substantiated, which resulted in immediate disciplinary actions for remediation, while the unsubstantiated case was considered for further enhancing the processes of control over the specific area.
5. Specific information provided by the Adocim BU under confidentiality for the names of employees.
6. In 2022 this percentage reached 50.33%, slightly decreased compared to 52.3% in 2021. The breakdown by employees in USA (TITAN America) and other countries was 9.7% vs. 83.5%, close to the respective figures of 2021 (9.1% and 85.5% respectively). TITAN keeps annual records of number and duration of strikes and lockouts inside internal data collection systems (zero cases recorded in 2022 related directly to our operating facilities).

7. Average number of hours of training per employee and per year, on policies & internal procedures of TITAN (priority being on the Code of Conduct, Policies for Human Rights, Anti-Bribery, GDPR, although this list should not be considered as exhaustive). The KPI is calculated as total hours of training in the subject areas, divided by the total number of employees. TITAN categorizes these training subjects under the overall subject area: "Compliance" (see Table 2.2 “Focus area: Growth-enabling work environment”, for the KPI "Training hours per subject, Group total"). TITAN also provides the total number of hours for anti-bribery and corruption training in 2022, connected with the above. This information is extracted from the human resources management system in each country and consolidated on Group level following the same rules and practices as the above data for compliance trainings.

Additional Notes

8. TITAN does not operate in or near areas of conflict, according to data of the Uppsala Conflict Data Program UCDP - see the website: Uppsala Conflict Data Program (uu.se).

9. In 2022 TITAN followed an enhanced process of receiving feedback from our stakeholders in each country of operation by promoting the principles of open and structured communication and implemented a project for validating the existing materiality matrix on the level of each BU. For details see the section “Focusing on material issues” of this report, and more specific the “Dynamic Materiality”. About outcomes of the BUs Validation Materiality Project 2022 see Table 1.1 “Material issues”, part of the ESG performance statements.

About background work: Preparatory work on the analysis and the assessment of the Materiality Assessment for all countries of operation was completed in 2020, including focused research in each country by a third party. This process enabled the engagement of TITAN's management in each country, and the due diligence at BU level with respect to human rights and indigenous peoples' rights and possible related conflicts. The country-level research concluded that no matters of conflict with respect to the above had emerged or are expected. No new information on the subject matter was noted in the press/media in any of the countries of our operations, either in 2021 or in 2022.

10. In 2022 TITAN continued the development by operating a dedicated Group e-platform to record our community initiatives and actions at each BU level, as well as to facilitate the self-assessment and alignment of BUs with Group targets and key priorities. Community Engagement Plans are implemented in all countries where we operate, covering programs of initiatives for contributing to the sustainability of local communities and enhance the engagement with our stakeholders, aiming at long-term positive impacts for communities and the society. See the section “Social Positive Impact” in the Management Report for the assessment of TITAN's community engagement initiatives across all countries of operations in 2022.

No incidents were recorded in 2022 concerning site shutdowns or project delays due to non-technical factors, such as those resulting from pending regulatory permits or other political delays related to community concerns, community or stakeholder resistance or protest, and armed conflict.

Connection of KPIs and other disclosures with the SASB Standards

- The disclosures of Note 6 (above) about the percentage of employees covered by collective bargaining agreements and number and duration of strikes and lockouts cover the requirements for reporting according to the SASB Standards for the topic (area) of “Labor Relations” and in more specific the metrics (KPIs) EM-MM-310a.1 and EM-MM-310a.2.

2.5.2 Taxonomy KPIs

KPI: Turnover

Economic activities	Code	Turnover		Substantial contribution criteria[2]		DNSH criteria ('Does Not Significantly Harm')[3]		Minimum safeguards[4]	Taxonomy-aligned proportion of Turnover 2022	Taxonomy-aligned proportion of Turnover 2021	Category enabling activity	Category transitional activity
				Climate change mitigation	Climate change adaptation	Climate change mitigation	Climate change adaptation					
		mEUR	%	%	%	Y/N	Y/N	Y/N	%	%	E	T
A. Taxonomy-Eligible Economic Activities'Manufacture of cement clinker, cement or alternative binder'												
A1. Turnover of environmentally sustainable activities (Taxonomy-aligned)[1]	NACE code C23.51	195.6	8.6%	4.6%	8.6%	Y	Y	Y	8.6%	n/a	n/a	T
A2. Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)[1]	NACE code C23.51	1,154.0	50.6%						50.6%	n/a	n/a	
Total A1+A2 (Total of Taxonomy-Eligible Economic Activities)		1,349.6	59.2%						59.2%	n/a	n/a	
B. Taxonomy Non-eligible Economic Activities												
Turnover of Taxonomy non-eligible Economic Activities		932.6	40.8%									
TITAN Group (Total)		2,282.2	100.0%									

Specific Note on Turnover
The calculation of turnover covered the revenue recognized pursuant to International Accounting Standard (IAS) 1, paragraph 82(a), as adopted by Commission Regulation (EC) No 1126/2008 (1), and as defined in Article 2, point (5), of Directive 2013/34/EU.
The turnover figures represent consolidated data at Group level, after eliminations for third-party transactions.

KPI: CapEx

Economic activities	Code	CapEx		Substantial contribution criteria[2]		DNSH criteria ('Does Not Significantly Harm')[3]		Minimum safeguards[4]	Taxonomy-aligned proportion of CapEx 2022	Taxonomy-aligned proportion of CapEx 2021	Category enabling activity	Category transitional activity
				Climate change mitigation	Climate change adaptation	Climate change mitigation	Climate change adaptation					
		mEUR	%	%	%	Y/N	Y/N	Y/N	%	%	E	T
A. Taxonomy-Eligible Economic Activities 'Manufacture of cement clinker, cement or alternative binder'												
A1. CapEx of environmentally sustainable activities (Taxonomy-aligned)[1]	NACE code C23.51	38.6	16.0%	16.0%	0.0%	Y	Y	Y	16.0%	n/a	n/a	T
A2. CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)[1]		96.9	40.1%						40.1%	n/a	n/a	
Total A1+A2 (Total of Taxonomy-Eligible Economic Activities)		135.5	56.1%						56.1%	n/a	n/a	
B. Taxonomy Non-eligible Economic Activities												
CapEx of Taxonomy non-eligible Economic Activities		106.4	43.9%									
TITAN Group (Total)		241.9	100.0%									

Specific Note on CapEx

The capital expenditures (CapEx) covered additions to tangible and intangible assets during 2022 considered before depreciation, amortization, and any re-measurements, including those resulting from revaluations and impairments, for the relevant financial year and excluding fair value changes. Under the CapEx figure, we included costs that are accounted based on IAS 16.73 (e)(i)(iii), IAS 38.118 (e)(i), IAS 40.76 (a)(b), and IFRS 16.53(h).

KPI: OpEx

Economic activities	Code	OpEx		Substantial contribution criteria[2] Climate change mitigation	Substantial contribution criteria[2] Climate change adaptation	DNSH criteria ('Does Not Significantly Harm')[3] Climate change mitigation	DNSH criteria ('Does Not Significantly Harm')[3] Climate change adaptation	Minimum safeguards[4]	Taxonomy-aligned proportion of OpEx 2022	Taxonomy-aligned proportion of OpEx 2021	Category enabling activity	Category transitional activity
		mEUR	%	%	%	Y/N	Y/N	Y/N	%	%	E	T
A. Taxonomy-Eligible Economic Activities 'Manufacture of cement clinker, cement or alternative binder'												
A1. OpEx of environmentally sustainable activities (Taxonomy-aligned)[1]	NACE code C23.51	8.8	7.0%	4.0%	7.0%	Y	Y	Y	7.0%	n/a	n/a	T
A2. OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)[1]	NACE code C23.51	64.0	51.2%						51.2%	n/a	n/a	
Total A1+A2 (Total of Taxonomy-Eligible Economic Activities)		72.8	58.2%						58.2%	n/a	n/a	
B. Taxonomy Non-eligible Economic Activities												
OpEx of Taxonomy non-eligible Economic Activities		52.2	41.8%									
TITAN Group (Total)		125.0	100.0%									

Specific Note on OpEx
For calculating the figure of operational expenditures (OpEx), we considered all direct non-capitalized costs that relate to research and development (research and innovation investments), building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant, and equipment by TITAN or third party to whom activities are outsourced, that are necessary to ensure the continued and effective functioning of such assets.
The calculation of OpEx for specific economic activities (related to the Taxonomy-aligned products) was made according to the approach of proportionality, using as proportional metric the amounts (tonnes) of products sold, and excatly related and connected with the calculations of the Taxonomy KPI.

General Notes for all Taxonomy KPIs

TITAN as a parent undertaking presents the share of our group turnover, CapEx and OpEx for the reporting period 2022, which are associated with Taxonomy-eligible economic activities related to the first two environmental objectives (climate change mitigation and climate change adaptation) in accordance with Art. 8 Taxonomy Regulation and Art. 10 (2) of the Art. 8 Delegated Act. TITAN has adopted the definitions for the KPIs according to the Commission Delegated Regulation (EU) 2021/2178 (Annex I: KPIs of non-financial undertakings).

1. The economic activities in this category are associated with NACE code C23.51 in accordance with the statistical classification of economic activities established by Regulation (EC) No 1893/2006. An economic activity in this category is a transitional activity as referred to in Article 10(2) of the Taxonomy Regulation. In addition to the economic activity of manufacture of cement clinker, cement or alternative binder, the economic activity of processing and selling of fly ash could also be considered as Taxonomy-eligible activity, although not economically material to disclose, since its contribution to the total Turnover of the Group did not exceed 0.2% in 2022.
TITAN's reporting methodology on Taxonomy aligned KPIs for 2022: We conducted the assessment of all products and project activities' expenditures, and the consolidation of figures for the Group level followed the same rules as for other KPIs under the ESG performance statements, whereas the F/X rates for currencies of different countries were assumed as an average for 2022, consistent with TITAN's practices for financial statements and adhering to IFRS principles.
2. About the Substantial Contribution Criteria as applicable in 2022: The assessment methodology was in adherence to the Technical Criteria for the substantial contribution to the two environmental objectives, explicitly for meeting the threshold values for performance in CO_2 emissions for each of the two objectives.
3. The assessment also ensured that the economic activity meets the requirements for the 'Do no significant harm' as referred to in Article 3 (b) and (d) and Article 17 of the Taxonomy Regulation.
4. The assessment also ensured that the economic activity meets the requirements of the 'Minimum safeguards' referred to in Article 18 of the Taxonomy Regulation. TITAN ensures the alignment of the economic activity according to the UN Guiding Principles on Business and Human Rights by enforcing the implementation of our Group Policies for Human Rights, Corporate Social Responsibility, Anti-bribery and corruption, Code of Conduct and Code of Conduct for Procurement, Diversity, Equity and Inclusion (for more information see Table 2.5.3 "ESG Policies" in this section).

2.5.3 ESG Polices and Code of Conduct

	New or Updated in 2022	TITAN Focus Areas mostly relevant				
		Decarbonization and Digitalization	Growth-enabling work environment	Positive local impact	Responsible sourcing	Good governance, transparency and business ethics
Code of Conduct			●			●
Code of Conduct of Procurement	√			●	●	●
Group Policies						
Anti-Bribery and Corruption Policy						●
Competition Law Compliance Policy						●
Conflict of Interest Policy						●
Corporate Social Responsibility (CSR) Policy				●		
Protection of Personal Data Policy			●			●
Diversity Equity and Inclusion (DE&I) Policy	√		●			
Environmental Policy (Climate change incl.)		●		●	●	
Human Rights Policy			●	●	●	●
Information Security Policy		●				●
Occupational Health and Safety (OH&S) Policy			●			
Procurement Policy				●	●	
Sanctions Policy						●
Whistleblowing Policy						●

2.5.4 Group Management Systems

Area	Albania	Bulgaria	Egypt	Greece	Kosovo	North Macedonia	Serbia	Turkey	USA
Health & Safety	ISO 45001 All operations (1 terminal excluded)	ISO 45001 All operations (1 terminal excluded)	ISO 45001 All integrated cement plants	ISO 45001 All operations (1 RMC, 1 aggregate quarry and 2 terminals excluded)	ISO 45001 All operations (3 terminals excluded)	ISO 45001 All operations (2 terminal and 1 quarry excluded)	ISO 45001 All operations	ISO 45001 1 integrated cement plant, 1 grinding cement plant, 1 terminal and 3 RMC units	All operations conform with the regulatory framework of MSHA and OSHA
Environment	ISO 14001 All operations (1 terminal excluded)	ISO 14001 All operations	ISO 14001 All integrated cement plants	ISO 14001 All operations (2 terminals excluded)	ISO 14001 All operations	ISO 14001 All operations	ISO 14001 All operations	ISO 14001 1 integrated cement plant, 1 grinding cement plant and 1 RMC unit	All operations conform with the regulatory framework of EPA
Quality	ISO 9001 All operations	ISO 9001 All operations (2 quarries excluded)	ISO 9001 All integrated cement plants	ISO 9001 All operations (1 quarry excluded)	ISO 9001 All operations	ISO 9001 All operations (1 quarry excluded)	ISO 9001 All operations	ISO 9001 All operations (1 terminal excluded)	Quality ASHTO All operations
Energy		ISO 50001 All RMC units Energy audits 1 integrated cement plant	ISO 50001 All integrated cement plants	ISO 50001 All integrated cement plants, Energy audits All RMC units All aggregates quarries		ISO 50001 1 integrated cement plant		ISO 50001 All integrated cement plants 3 quarries for cement raw materials 1 RMC unit	ISO 50001 All integrated cement plants
Social	GHRMS/SF and SA 8000 All operations	GHRMS/SF All operations	GHRMS/SF All operations	GHRMS/SF All operations	GHRMS/SF and SA 8000 All operations	GHRMS/SF All operations	GHRMS/SF All operations	GHRMS/SF All operations	GHRMS/SF All operations

2.5.5 Political contributions and fines and other non-monetary sanctions

Country	Political contributions[1] (in Euros)	Significant fines[2] (in Euros)	Total number of non-monetary sanctions[2]
Albania	0	0	0
Brazil	0	0	0
Bulgaria	0	0	0
Egypt	0	0	0
Greece	0	0	0
Kosovo	0	0	0
North Macedonia	0	0	0
Serbia	0	0	0
Turkey	0	0	0
USA[1,2]	23,740	149,332	0

Notes

1. Total value of political contributions by country, including the total monetary value of financial and in-kind contributions made directly and indirectly. In 2022, TITAN America contributed with the total amount of 23,740 Euros various political organizations in support of local elections in Virginia and Florida. From the total amount spend, 14,244 Euros was offered to support political institutions and candidates in Virginia (payment made by Titan America LLC), and 9,496 Euros was offered to support political institutions and candidates in Florida. Except the above, no other cases of political contributions were recorded, neither financial nor in-kind, directly, or indirectly.
In 2022, it was decided that Titan America would implement an internal Guidance for engaging in proactive outreach programs to develop long-term relationships with both regulators and elected officials and behaving as a responsible corporate citizen and good neighbor in the communities near our operations in the USA. All political involvement is compliant with all applicable campaign financing laws.

2. In 2022 Titan Mid Atlantic was fined for violation of effluent limit for combined wash water and stormwater related to discharge treatment at ready mix sites, and the amount paid was 25,336 Euros. Titan Florida LLC was required to settle two (2) cases for not reporting on-time concerning scheduled air emission tests at Pennsuco cement plant in 2019 and 2020, and the amounts of fines paid were 95,816 and 28,180 Euros, respectively. No other cases of significant fines are reported for 2022 (and see below 'clarification'), however we need to mention one (1) fine of administrative nature for 146,604 Euros paid by Titan America LLC for failure to make timely deposit of payroll taxes according to the Tax Authority (IRS) regulations. Clarification: TITAN considers 'significant fine' any fine over 10,000 Euros, and the annual reporting of the monetary value of significant fines and total number of non-monetary sanctions covers cases of non-compliance with laws and regulations, including but not limited to environment, use of products and services, labor issues, anti-corruption, anti-competitive behavior and anti-trust or monopoly practices.

Connection of KPIs and other disclosures with the SASB Standards

The above disclosures cover the requirements for reporting according to the SASB Standards for 'Pricing Integrity and Transparency' and in more specific the metric (KPI) EM-CM-520a.1. 'Total amount of monetary losses as a result of legal proceedings associated with cartel activities, price fixing, and anti-trust activities'.

2.5.6 Environmental Audits

Area		Albania	Bulgaria	Egypt	Greece	North Macedonia	Kosovo	Serbia	Turkey	USA	Total
Environmental Management System	External	2	1	9	5	3	1	1	1	16	**39**
	Internal	1	0	2	18	1	1	1	0	2	**26**
Energy Management System/Energy audits	External	0	1	2	4	1	1	0	0	2	**11**
	Internal	0	0	2	5	1	1	0	0	0	**9**
CO_2 emissions	External	0	2	0	4	2	1	0	0	0	**9**
	Internal	0	0	2	5	1	1	0	0	0	**9**
Waste Management	External	0	2	3	4	0	1	0	13	0	**23**
	Internal	0	0	2	2	1	1	0	0	0	**6**
Complaints	External	0	0	2	3	3	0	0	0	1	**9**
	Internal	0	0	0		0	0	0	0	0	**0**
Permitting	External	1	1	3	2	9	0	0	1	0	**17**
	Internal	0	0	0	1	9	0	0	0	0	**10**
Other	External	1	1	2	0	1	0	1	0	0	**6**
	Internal	0	0	0	0	0	0	0	0	0	**0**
TOTAL	**External**	**4**	**8**	**21**	**22**	**19**	**4**	**2**	**15**	**19**	**114**
	Internal	**1**	**0**	**8**	**31**	**13**	**4**	**1**	**0**	**2**	**60**

2.5.7 Consolidated Report on Payments to Governments for extractive operations

Legal entity	Country	Payment type	Amount (€)
TITAN CEMENT S.A.	Greece	Quarry Rental Fees/Taxes	625,820
INTERBETON S.A.	Greece	Quarry Rental Fees	2,131,825
		Municipality Taxes	676,432
Alexandria Portland Cement Co	Egypt	Clay Tax	2,279,043
		Quarry Royalties	1,089,022
Beni Suef Cement Co	Egypt	Clay Tax	3,032,485
		Quarry Royalties	1,398,360
		Road Maintenance	140,011
TBAE	Egypt	Quarry Royalties	190,629
Zlatna Panega Cement AD	Bulgaria	Concession Fees	210,000
Cementi Antea Sha	Albania	Extraction Fees	458,401
Titan America LLC	USA	Sales / Mitigation Fees	418,666
SHARRCEM SH.P.K.	Kosovo	Extraction Royalties	226,640
Titan Cementarnica Usje A.D.	North Macedonia	Concession Fees	252,120
Titan Cementara Kosjeric A.D.	Serbia	Concession Fees	192,151
ADOCIM A.S.	Turkey	Permission/Forestation Fees	275,778
		TOTAL	13,597,382

Note

TITAN Cement International S.A. hereby reports, in accordance with article 3:33 of the Belgian Companies and Associations Code, that TITAN Cement Group during 2022 has paid to Governments (i.e. national, regional or municipal authorities of EU Member States and third countries) the total amount of €13,597,381.75 for extractive operations as presented in the above table. As specified in article 6:2 par. 2 of the Royal Decree dated 29 April 2019 on the execution of the Belgian Companies and Associations Code, the limit for disclosing the respective data is set at 100,000€ as a single payment or as a series of related payments.

2.5.8 TITAN Group Basis for Calculating ESG Performance Indicators, using the share of equity[1]

Region	Country	Activity	2022	2021
USA	USA	All	100%	100%
	Brazil	All	50%	50%
Greece and Western Europe	Greece	All	100%	100%
Southeastern Europe	Albania	All	100%	100%
	Bulgaria	All	100%	100%
	North Macedonia	All	100%	100%
	Kosovo	All	100%	100%
	Serbia	All	100%	100%
Eastern Mediterranean	Egypt	All	100%	100%
	Turkey	Adocim all activities	75%	75%
		Marmara grinding plant	100%	100%

Note

1. The term "share of equity" is used as a "proxy" of the percentage of property share, and applied for the consolidation (aggregation) of data on Environmental performance indicators of all subsidiaries and of the JV (Brazil), for KPIs denoted as ‘consolidated including Brazil’ or simply ‘including Brazil’. Specifically, this apples to KPIs in the Tables: 2.1.1 Material issue: Future-ready business model in a carbon neutral world, 2.3.1 Material issue: Environmental positive impact, and 2.4.1 Material issue: Resource efficiency, recycling and recovery, contributing to circular economy.

About the rest of KPIs in the Tables: 2.1.2 Material issue: Innovation with emphasis on digitalization and de-carbonization, 2.2.1 Material issue: Safe and healthy working environment, 2.2.2 Material issue: Diverse and Inclusive workplace, 2.2.3 Material issue: Continuous development of our people, 2.3.2 Material issue: Social positive impact, 2.3.3 Material issue: Economic positive impact, and 2.4.2 Material issue: Reliable and sustainable supply chain, the consolidation of data was made with 100% contribution of all subsidiaries and the JV in Brazil (company Apodi), for KPIs denoted as ‘consolidated including Brazil’ or simply ‘including Brazil’.

TITAN followed the above rule concerning the JV for first time in 2022, to allow for inclusion of selected KPIs of the company Apodi under a plan for the gradual consolidation of ESG Performance Statements together with our subsidiaries.

2.5.9 Sector and Other Standards for the Non-financial disclosures in 2022

Sector Association or Initiative	Guidelines and other documents of reference	Published
GCCA[1]	Sustainability Charter	Latest edition (publications between 2019 and 2021)
	Sustainability Framework Guidelines	
	Sustainability Guidelines for the monitoring and reporting of safety in cement and concrete manufacturing. This document has been agreed within the GCCA to have extended application to concrete and other related activities [Pillar 1]	
	Sustainability Guidelines for the monitoring and reporting of CO_2 emissions from cement manufacturing [Pillar 2]	
	Sustainability Guidelines for the monitoring and reporting of water in cement manufacturing [Pillar 4]	
	Sustainability Guidelines for the monitoring and reporting of emissions from cement manufacturing [Pillar 4]	
	Sustainability Guidelines for co-processing fuels and raw materials in cement manufacturing [Pillar 5]	
	Sustainability Guidelines for quarry rehabilitation and biodiversity management [Pillar 4]	
	Guidance for Sustainable Supply Chain Management [Pillars 1, 3 and 5]	
Supplementary to the GCCA standards: (Previously) WBCSD/CSI	Recommended Good Practices for: (a) Contractor Safety, and (b) Driving Safety	2009
	Cement Sector Scope 3 GHG Accounting and Reporting Guidance	2016
UNCTAD[2]	Guidance on Core Indicators for Sustainability and SDG Impact Reporting	2022
UNGC COP[3]	Questionnaire Guidebook for the COP	2022

Notes

1. The Global Cement and Concrete Association (GCCA) has built its Sustainability Charter around five (5) Sustainability Pillars, to encompass the full sustainability spectrum for its work purposes:
Pillar 1: Health and Safety, Pillar 2: Climate Change and Energy, Pillar 3: Social Responsibility, Pillar 4: Environment and Nature and Pillar 5: Circular Economy.
The terminology of the 'Pillars' is specific to the GCCA Charter of commitments for member companies, and details are available in the Charter and Framework Guidelines in the GCCA website: https://gccassociation.org/sustainability-innovation/sustainability-charter-and-guidelines/
TITAN continued efforts in 2022 for implementing the GCCA 2050 Roadmap to Net Zero Concrete “Concrete Future” and focused on SBTi Targets for the 1.5 degrees scenario, while continuing active participation in various working groups and contributing with knowhow and expertise, in line with its practice since the foundation of the Sectoral Association.
In 2022 TITAN participated in the first GCCA Compliance Charter Audit, with purposes including (a) supporting members in developing implementing their sustainability strategy (focused but not limited to GCCA obligations), (b) enabling the assessment of members' sustainability performance and benchmark with peer companies, (c) Identifying areas where the GCCA guidelines and charter need to be clarified or strengthened.
2. The UNCTAD Guidance provides meaningful connections of KPIs with the most relevant SDGs and specific targets for each SDG, and is leveraged under the reporting approach of TITAN for all focus areas of De-carbonization and Digitalization, Growth-enabling work environment, Positive local impact focus area, Responsible sourcing, and Good governance, transparency, and business ethics.
3. The Guidance of the UNGC COP was enhanced in 2022 and is considered essential for reporting on progress with respect to TITAN's commitments for the UNGC Ten Principles. See Table 2.5.11 for details on the UNGC COP guidance and specific connections with KPIs and other disclosures in this Report.
Overall: Tables 2.1, 2.2, 2.3, 2.4, 2.5.1, 2.5.10, and 2.5.11 provide references and connections for the standards under the above Notes (1), (2) and (3).

2.5.10 Value creation indicators

Value Creation Core Indicators[1]	Unit	2022
Gross value added[2]	million €	737.5
Net value added[3]	million €	583.9
Total spend on suppliers, local, national and international for goods and services[4a]	million €	1,877
% local spend of TITAN[4b]	%	67.6
Taxes to national and local authorities[5]	million €	123.8
Payments in cash to shareholders and minorities[5]	million €	38.6
Social investment (in cash and in kind) for community initiatives, (incl. Brazil)[6]	million €	1.7
Climate change mitigation investments (Taxonomy aligned CapEx)[7]	million €	38.6
Alternative fuels and raw materials	million t	2.0
Salaries, (contributions to) pensions, and social benefits, including additional benefits beyond those provided by law[8]	million €	354.1
Investments in training of direct employee[9]	million €	0.8
Internships (incl. Brazil)	#	526
Investments for research and innovation[10]	million €	11.7
Capital expenditures[11]	million €	241.9

Notes

The following Notes are inclusive of definitions for terms used specifically for value creation and distribution to stakeholders.

General Note on the consolidation of data
Consolidation (aggregation) of data for the above Value Creation Core Indicators, except of “Investments for the environment” and “Alternative fuels and raw materials”, was made with 100.0% contribution for all BUs where TITAN has an equity share of more than 50.0% (in line with the method of full consolidation in the Financials). The contribution of Turkey included Adocim Cemento Beton Sanayi ve Ticaret AS with 100%. In addition, the consolidation of data for the KPIs “Investments for the environment” and “Alternative fuels and raw materials” was made taking into account the "share of equity" as presented in Table 2.5.8.

Notes for the standards, guidance, and terms used

Most terms related to the Value Creation Core Indicators were adopted from the “Guidance on Core Indicators for entity reporting on the contribution towards the attainment of the Sustainable Development Goals” (in short: UNCTAD Guidance, 2022), and incorporated under the TITAN standards. The related terms are outlined here and connected with the KPIs in the Index above. The figures for the Value Creation Core Indicators are provided in “Understanding TITAN, Creating and sharing value”.

1. The economic value created and distributed to key stakeholders has been calculated using the United Nations UNCTAD Guidance on Core indicators for entity reporting on the contribution towards the attainment of the Sustainable Development Goals (2022 edition).

2. Revenue minus costs of bought-in materials, goods, and services (called also: Value Added, according to the UNCTAD Guidance, 2022). TITAN's approach is based on the verified and disclosed Financial Statements for the same reporting period, acc. to the IFRS.

3. Net value added. Revenue minus costs of bought-in materials, goods and services and minus depreciation on tangible assets (UNCTAD Guidance, 2022). TITAN s approach is based on the verified and disclosed Financial Statements for the same reporting period, acc. to the IFRS.

4a. According to TITAN Standards and the application of the IFRS, and in accordance with the approach for “% local spend of TITAN".

4b. The ratio of spend on local suppliers over the total spend on all suppliers, as a percentage. Costs of local procurement are a general indicator of the extent of an entity’s linkages with the local economy (UNCTAD Guidance, 2022). Local are those suppliers which provide goods or services to TITAN and have company tax registration inside the country of interest, same as the country of TITAN BUs location and tax registration. For countries with a governmental structure characterized as federation-of-states this applies specifically today to the USA, where different states have local governments and vast geographical extent, the term local refers to those suppliers with company tax registration in the same state with the tax registration of the BU or location of operations, and also in the states which are neighboring to the state of the BU or location of operations (the definition is applicable to TITAN’s operations in the USA, for the above KPI figure). TITAN discloses the respective KPI with historical data in Table 2.3 of the ESG Performance Statements.

5. According to TITAN Standards and the application of the IFRS, see Financial Statements.

6. "Social investment” as total expenditures incurred in cash and in kind, and investments of funds (both capital expenditures and operating ones) for TITAN BUs’ community initiatives. See Table 2.3.2 related to Community Engagement Plans for details. Target beneficiaries were stakeholders in the broader communities, while TITAN employees from local communities were included as beneficiaries of specific initiatives for community engagement. Also, with reference to Table 2.3.2 the amount of "Donations" is reported as equivalent to charitable/voluntary donations and investments of funds (the approach is in line with the UNCTAD Guidance, 2022).

7. Total capital expenditures (Capex) in 2022 which are aligned with EU Taxonomy Regulation, in specific projects for meeting the Technical Screening Criteria for the environmental objectives of climate change mitigation and climate change adaptation.

8. According to TITAN Standards and the application of the IFRS, see Financial Statements.

9. Total expenditures including the direct and indirect costs of training for direct employees (including costs such as trainers’ fees, training facilities, training equipment, related travel costs etc.) reported also per employee and per year, and broken down by employee category (UNCTAD Guidance, 2022). TITAN discloses the respective KPI with historical data in Table 2.2 of the ESG Performance Statements.

10. Investments for Research and Innovation. Total amount of expenditures on research and development (R&D) and Innovation by the reporting entity during the reporting period (UNCTAD Guidance, 2022). It includes all expenditures for the R&D and Innovation activities, and projects, and including salaries, participations, travelling and other expenses of our employees which are related directly and indirectly, and other expenditures for promoting innovative technologies and products. TITAN uses the verified and disclosed Financial Statements for the same reporting period. TITAN discloses the respective KPI with historical data in Table 2.1 of the ESG Performance Statements.

11. Capital expenditures, commonly known as CapEx, are funds used by a company to acquire, upgrade, and maintain physical assets such as property, buildings, an industrial plant, technology, or equipment.

2.5.11 Connecting our disclosures with the TITAN COP according to the enhanced platform of the UNGC

Sections[2]	Question[2,3]	UNGC Principles[2]	Reference to the Report[2]
Governance	G1: Board/senior management engagement	1,7,10	**Understanding TITAN** About the report Overview Performance highlights: Good governance, transparency, and business ethics **Management report** Corporate Governance and risk management: Corporate Governance Statement ESG Performance review: Good governance, transparency, and business ethics ESG performance statements: TITAN's approach for ESG Performance reporting, and Tables 2.5.1, 2.5.3.
	G2: Publicly stated commitment		
	G3: Code of conduct		
	G4: Individual or group responsible		
	G5: Formal structure		
	G6 and G.6.1: Risk assessment processes		
	G7 and G7.1: Due diligence		
	G9: Lessons		
	G10: Executive pay linked to sustainability performance		
	G12: Sustainability reporting		
	G8 and G8.1: Raising concerns about the company's conduct	1,3,7,10	
	G11: Board composition	16	
	G13: Information assurance	10	
Human Rights[4]	HR1: Material topics	1,2	**Understanding TITAN** Overview Performance highlights: Focusing on material issues and stakeholder engagement **Management report** Corporate Governance and risk management ESG Performance review: Good governance, transparency, and business ethics ESG performance statements: Tables 1.1, 2.5.1, 2.5.3 - 2.5.7, 2.5.9.
	HR2 and HR2.1: Policy commitment		
	HR3: Stakeholder engagement		
	HR4: Prevention/mitigation		
	HR5: Training		
	HR6: Prevention/mitigation progress assessment		
	HR8: Practical actions		
Labour	L1 and L1.1: Policy commitment	3,4,5,6	**Understanding TITAN** Overview Performance highlights: Good governance, transparency, and business ethics ESG Performance **Management report** Corporate Governance and risk management ESG Performance review: Good governance, transparency, and business ethics ESG performance statements: Tables 2.2.1, 2.2.2., 2.2.3, 2.5.1, 2.5.3-2.5.7, 2.5.9.
	L2: Stakeholder engagement		
	L3: Prevention/mitigation		
	L4: Training		
	L5: Prevention/ mitigation progress assessment		
	L9: Injury frequency		
	L10: Incident rate		
	L11: Remedy		
	L12: Practical actions		
	L1.2: Freedom of association and collective bargaining	3,4,6	
	L6: Collective bargaining agreements		
	L7: Women in managerial positions	6	

Sections[2]	Question[2,3]	UNGC Principles[2]	Reference to the Report[2]
Environment	E1 and E1.1: Policy commitment	7,8	**Understanding TITAN** Overview Performance highlights ESG Performance **Management report** Corporate Governance and risk management ESG Performance review: Focus areas: De-carbonization and Digitalization, Growth-enabling work environment, Positive local impact, Responsible sourcing Good governance, transparency, and business ethics ESG performance statements: Tables 2.1.1, 2.3.1. and TITAN Group Quarry Sites with High Biodiversity Value supplement table, also Tables 2.4.1, 2.5.2, 2.5.3.
	E2: Stakeholder engagement		
	E3: Prevention/mitigation		
	E4: Prevention/mitigation progress assessment		
	E4.1: Goals and targets		
	E4.2: Measuring progress against targets		
	E6: Greenhouse gas emissions		
	E6.1: Scope 3 emissions detail		
	E14: Conversion of natural ecosystems		
	E16: Air pollution		
	E17: Waste		
	E18: Hazardous waste		
	E7: R&D investment in low-carbon products and services	7,8,9	
	E8: Climate adaptation		
	E9: Renewable energy		
	E10: Low carbon products/services		
	E11: Water withdrawal and consumption		
	E12: Water intensity		
	E13: Sites in or adjacent to key biodiversity areas		
	E15: Ecosystem restoration and protection		
	E20: Practical actions		
	E: Sector (Construction & materials)		
Anti-corruption	AC1 Compliance programme	10	**Understanding TITAN** Performance highlights **Management report** Corporate Governance and risk management ESG Performance review: Good governance, transparency and business ethics ESG performance statements: Tables 2.5.1, 2.5.3-2.5.7, 2.5.9.
	AC1.1 Year of programme review		
	AC2 Policy		
	AC3 Training		
	AC3.1 Training frequency		
	AC4 Compliance monitoring		
	AC5 Incidents of corruption		
	AC6 Measures to address suspected incidents of the corruption		
	AC7 Collective action against corruption		
	AC8 Practical actions		

Notes

1. The COP Guidebook published by the UNGC in 2022 provides assistance to companies for reporting their progress in the implementation of the UNGC Ten Principles and the Sustainable Development Goals (SDGs) in each of the areas: Governance, Human rights, Labour, Environment and Anti-corruption. The UNGC introduced new requirements in 2022 for reporting on the COP and activated the Enhanced platform, in line with their new Policy for the COP. The new Questionnaire (in the electronic platform), and the COP Guidebook comprise the global standard for all companies reporting on the COP effectively in 2023. Information and useful references to the 2022 “Early Adopters" program of the UNGC are available on the UNGC website:www.unglobalcompact.org.
2. The connection among the ‘Questions’ under the COP with specific codification under the different areas of the Questionnaire, and the Ten Principles of the UNGC is facilitated by references in the Report (including the ESG performance statements). About connection to the SDGs, see the references to Tables 2.1, 2.2, 2.3, 2.4, and 2.5, of the ESG performance statements.
3. Questions which were reported as non-applicable to TITAN (or omitted in few cases) were not included in the above table.
4. With reference the area of Human Rights: TITAN does not operate in or near areas of conflict, according to data of the Uppsala Conflict Data Program UCDP - see the web site: Uppsala Conflict Data Program (uu.se). In 2022 TITAN implemented a project for validating the existing materiality matrix on the level of each BU (see section “Focusing on material issues”), which enabled the engagement of TITAN's management in each country, and the due diligence on BU level with respect to human rights and indigenous peoples' rights and possible related conflicts. No matters of conflicts with respect to the above emerged or are expected. No new information on the subject matter was noted in the press/media in any of the countries of our operations. No incidents were recorded in 2022 concerning site shutdowns or project delays due to non-technical factors, such as those resulting from pending regulatory permits or other political delays related to community concerns, community or stakeholder resistance or protest, and armed conflict.

Connection of KPIs and other disclosures with the SASB Standards

- With reference to above Note 4, we cover the requirements for reporting according to the SASB Standards for two topics (areas): “Security, Human Rights and Rights of Indigenous Peoples” and in more specific the metrics (KPIs) EM-MM-210a.1, EM-MM-210a.2, and EM-MM-210a.3, and ” Community Relations”, in more specific the metrics (KPIs) EM-MM-210b.1, and EM-MM-210b.2, concerning the discussion of process to manage risks and opportunities associated with community rights and interests.
- Concerning the topic (area) of “Business Ethics and Transparency” and in specific the connection with the metric (KPI) EM-MM-510a.2, see supplement Table "Transparency International - Corruption Perception Index 2022”.

Transparency International - Corruption Perception Index

Countries with TITAN key operations sorted by Transparency International CP Index 2022

Country	CPI 2022 rank	CPI 2021 rank	Change in rank[2]
USA	24	27	▼
Greece	51	58	▼
Bulgaria	72	78	▼
Kosovo	84	87	▼
North Macedonia	85	87	▼
Turkey[1]	101	96	▲
Brazil	94	96	▼
Serbia[1]	101	96	▲
Albania	101	110	▼
Egypt[1]	130	117	▲

Notes

1. According to the above Table there were no operations of TITAN's subsidiaries in countries with a lower ranking than Egypt in 2022. There were in total 58 countries which ranked lower, in positions between 123 and 180 in 2022. Please note that in the cases of: Turkey, Serbia, and Egypt, the CPI 2022 rank was higher (deteriorated) compared to the CPI 2021 rank. This disclosure covers the requirements for reporting according to the SASB Standards for the topic (area) "Business Ethics and Transparency" and in more specific the metric (KPI) EM-MM-510a.2 about production in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index.

2. Symbols for the change in rank explained:
▼ Improving conditions in the country reflected by the decrease of rank
▲ Deteriorating conditions in the country reflected by the increase of rank.

MANAGEMENT REPORT

Financial review

An overview of our financial performance and our financial statements.

Roanoke cement plant, USA

Financial performance overview

Review of the year 2022

In 2022, Titan Cement Group successfully overcame inflation and supply chain challenges and achieved double-digit sales growth in all its markets. This was attributed to solid volumes, successful pricing strategies, and energy cost efficiency actions which helped offset rising energy and overall production costs as well as transportation costs. Input and energy costs started increasing during the last quarter of 2021 and over the following twelve months those costs intensified further, reaching at times historical high levels. During the course of this period, we increased our prices, targeting to offset the overall increases in costs and to restore our declining margins. In the last quarter of 2022, energy costs improved as a result of cost-saving actions, more use of alternative fuels, and market conditions, allowing a recovery of EBITDA margins. On the customer front, the offering of green products and solutions was almost at 20% of production, serving amongst other iconic projects across our markets such as the Cairo Monorail in Egypt, the "Ellinikon" project and the new subway line 4 in Athens, Greece, and Virginia's Thimble Shoals Tunnel in the US.

The Group delivered robust sales of €2,282.2m reflecting a solid 33.1% increase compared to the previous year. To be noted that sales as well as cost of sales were impacted by inflation and the strong USD. Despite the challenges posed by surging energy costs, the Group's actions to adopt a dynamic price increases strategy and enhance its energy mix, coupled with efficiency gains thanks to digitalization of its manufacturing process, have resulted in a significant EBITDA improvement. In 2022, the Group's EBITDA increased by 20.3% compared to 2021, reaching €331.2m. The Group's net result after taxes and minority interests also showed significant growth, reaching €109.7m, an increase of 19.3% from the €91.9m profit in 2021. Noted that IAS 29 for hyperinflation was applied in the operations in Turkey, leading to a gain on net monetary position of €26.3m and reducing the EBITDA by €3.4m. A goodwill impairment of €21.8m was recognized practically reversing the gain that resulted from hyperinflation.

Market dynamics remained favorable during 2022, allowing the Group to increase domestic volumes. At Group level, domestic cement, ready-mix, and fly-ash volumes increased for another consecutive year, while we have seen some slowdown in third-party cement exports, aggregates, and building light pre-cast volumes. Group domestic cement sales have increased by 2% (excluding exports) to 17.2m tons driven by higher volumes in the US, Greece, and Southeast Europe. Volumes in Ready-mix increased by 2%, reaching 5.6 million m^3 mostly thanks to the continuous strength of the Greek market.

Investments and Financing

Group capital expenditures during the year reached a 15-year high at €241.9m compared to €126.0m in 2021. Growth, energy cost efficiencies, logistics costs' optimization, and capacity debottlenecking CapEx projects, mainly in US markets, increased during 2022. The Group invested in energy-saving projects, allowing higher use of lower-cost alternative fuels, improved cement production efficiencies through digital technology, expanded our warehouse capacity to accommodate larger production volumes, optimized logistics, and reduced carbon footprint, primarily in the US and EU. Those projects will result in incremental financial benefits for the Group starting in 2023 and more so in 2024. The significant group capital expenditures for 2022 were aligned with Group's strategic objectives, demonstrating its continued commitment to sustainable and responsible business practices for long-term growth. It is noted that the cost of CapEx was also affected by prevailing inflation and the strength of the US dollar. More than 50% of the CapEx for 2022 was directed to the US, as part of the Group's $300m growth investment program in the US during 2021-2023.

Working Capital increased in 2022 by €92m as a direct result of higher group sales, inflationary pressures on inventories, and higher inventory levels addressing supply chain disruptions.

Following an EBITDA increase to €331.2m (+€56.0m), higher capital expenditures and higher working capital needs to support sales growth, Operating Free Cash Flow (OFCF) for the year 2022 reached €18.8m versus €104.7m in 2021.

Year-end net debt increased by €84.1m to €797.3m (2021: €713.2m), while the leverage ratio of Net Debt/EBITDA ratio dropped to 2.4x thanks to the increased EBITDA. The Group has a low exposure to interest rate risk as more than 80% of its debt is either in fixed rates or covered by long-term interest rate hedges. There is no material debt maturity within the next 18 months.

In December 2022, Standard & Poor's re-affirmed its previous rating for Titan Cement International S.A. of "BB" with a stable outlook.

Post-balance sheet event

In early 2023, the Group took a participation in «Aegean Perlites», a company operating perlite and pozzolan quarries on the Greek island of Yali, thereby gaining direct access to a key raw material that will allow the enlargement of the Group's offering of low-carbon cementitious products and securing the long term pozzolan sourcing needs of the Group.

Resolutions of the Board of Directors

Share buy-back

The Group completed the program that began in October 2021 and initiated two additional share buy-back programs in March and July 2022. Each program was for €10m and a duration of up to six months. Overall, in 2022, in the context of the aforementioned share buyback programs, 1,947,721 shares were acquired by the Group for an amount of €23.8m. A new share buyback program of €10 million, approved last January, was initiated on March 1st, 2023.

Proposed dividend

Following improved profitability in 2022, the Board of Directors is proposing to the Annual General Assembly of Shareholders, scheduled to take place on May 11th, 2023, a dividend distribution of €0.60 per share. This represents an increase of 20% versus previous year.

Regional review of the year 2022

Titan America delivered a year of robust growth in 2022 as well as in the last quarter, both in terms of sales and profitability, the latter underscoring the full effect of successful price increases implemented throughout the year. Our markets grew again significantly above the US average, as our customers saw their activities expand and their backlogs increase.

Substantial progress was made on capital expenditure projects, including works at the Norfolk and Tampa import terminals and related rail logistics facilities, all designed to accommodate expected higher volumes and de-bottleneck logistics constraints. Our cement sales volume increased, especially in Florida where housing demand and related nonresidential and infrastructure construction spending continued to grow. The Group's operations in the US showed an improvement in the fuel mix and a reduction in the clinker-to-cement ratio, driven by the full conversion to lower-carbon Type IL cement. There was also a reduction of CO_2 (net Scope 1) emissions by 9%. The digitalization systems implemented in both cement plants (end-to-end RTOs in the cement production equipment and failure prediction detection solutions) provided significant efficiency improvements and financial benefits for Titan America. Persistent cost challenges across all cost inputs, including solid fuels, electricity, transportation, and labor were effectively counterbalanced by successful price increases and cost improvements along the year.

Florida had been one of the US states benefiting the most from internal population migration, supported by business relocation and corporate activity expansion. The Carolinas were also following suit in attracting business investment into the region while Virginia has been attracting those wishing to be in close proximity to the country's decision centers. Cement volumes in the Essex import terminal improved, supported by residential and commercial high-rises, while infrastructure projects have been strong across our regions.

Overall, Titan America sales in 2022 increased versus 2021, reaching $1.4 billion. In euro terms, sales increased by 33.6% to €1,314.3 million. EBITDA also increased by 19.1% during the year, reaching €188.2 million ($194.8 million, up 4.0%).

Greece closed the year on the positive trend recorded throughout. Higher domestic cement sales were recorded, marking a year of solid sales performance. Sales were in double-digits up both for the year and the last quarter, which was particularly strong aided by very mild weather conditions.

Despite higher energy, raw materials and transportation costs, regional profitability improved as price increases were realized on time to account for the increased cost. The combination of a series of actions -further increase in alternative fuel and alternative raw material utilization, lower clinker to cement ratio products, as well as successive operational efficiencies- also helped mitigate part of the increase in energy costs. Demand in the market continued to be fueled by large and smaller public projects, by real estate and non-residential developments across the country and by tourism-related investments. There is also a number of further major infrastructure projects in the pipeline that have not materialized yet. The residential market along with renovation has been growing in large urban centers and, overall, remained stable.

Net CO_2 emissions dropped significantly in 2022, while the construction of the pre-calciner, that will help to further increase the usage of alternative fuels, is near completion, expected to be operational in the first half of 2023.

Export volumes to third parties were reduced for the year, accommodating our CO_2 emissions optimization. The majority of cement exports were channeled to Titan America and the Group's own terminal network in Europe also recorded robust growth in terms of both volumes and prices.

Sales for Greece and Western Europe in 2022 increased by 22.0% to €326.4 million, while EBITDA increased by €4.9 million to €28.5 million.

The Group's markets in Southeastern Europe moved along the patterns already witnessed throughout the year. The region as a whole has been hit exceptionally harsh by high energy prices and overall input costs which spilled over into construction sentiment translating into some softness in demand. Amid very tight market though in terms of supply, as some producers were hampered by the market adversities, Group volumes held up better than the overall market levels as we were able to effectively serve the whole region taking advantage of our strategic geographic footprint covering the area extensively. Demand was sustained via big residential and commercial projects, as well as large infrastructure projects which have foreign financial backing. Pricing and efficiency gains covered the accumulated negative impact of the cost increases, reversing the negative trend of the first half of 2022 and leading to an improved EBITDA. Our plants performed at high reliability levels, covering temporary market shortages on the part of competitors and thereby increasing our overall market share. On the product side, the Group introduced successful high-performing, lower CO_2 cements across all countries, in line with our decarbonization blueprint for 2030.

Total sales for the Southeastern region in 2022 grew by 33% reaching €385.9 million versus €290.6 million in 2021. In terms of EBITDA price increases and cost efficiency measures covered the increase in energy, raw materials and logistics costs, thus leading to €95.0 million in 2022, up by 16% versus the previous year's €81.9 million.

EMED performance improved in a volatile environment. In Egypt, the market regulation agreement put in place by the government in July 2021 was extended and continued to balance supply and demand, resulting in healthier price levels. Cement demand was on a positive trend for a second consecutive year, with stronger construction activity stemming from state infrastructure projects and affordable housing. Cement consumption in the country was up, while TITAN recorded volume growth and a significant sales increase supported by higher prices and expansion into new cement products. However, Egypt's economy was significantly hit by the consequences of the war in Ukraine. Depending both on wheat imports as well as tourism revenue, the country suffered under tremendous foreign exchange shortages, that resulted to ca. 50% devaluation of the Egyptian Pound and a spike in interest rates. In December, Egypt agreed to a $3 billion financial support package with the IMF, committing to a broad range of monetary and fiscal reforms as well as a greater role for the private sector. Implementation of this plan is moving slowly.

In Turkey, domestic cement volumes have declined as the country is in a tight macroeconomic spot and suffers from hyperinflation (reached the level of 90% at its peak). Many government projects have stopped, and overall investment activity remains muted. Across different micro markets in the country however, diverging trends can be observed: areas which are attractive tourist destinations or popular internal migration havens, i.e., the Marmara region, have witnessed a growth in consumption in the year, while others, like more inland and eastward regions have witnessed a slowdown in demand. Capitalizing on the recent launch of its new cement export terminal in the Black Sea port of Samsun, the Group started channeling production of Type IL cement to the US. Significant price increases have successfully offset production costs hikes, also affected by the international energy turbulences.

Total sales for the Eastern Mediterranean for 2022 grew by 48% to reach €255.6 million versus €172.8 million in 2021 and EBITDA improved by 66% to €19.6 million versus €11.8 million both testifying to a better performance and successful demand and cost mitigation strategies.

In Brazil, after three consecutive years of growth, cement demand declined by 2.8% in 2022. The decline was attributed to slower economic growth and higher interest rates, which increased the cost of real estate financing, thereby negatively affecting housing starts. Cement consumption in the northeast, Apodi's natural market, declined by a higher rate due to above-average wet weather during the year and lower disposable income levels prevalent in the region. Apodi managed to offset the lower sales volumes and increasing input cost by focusing on product mix and pricing. Sales expanded in the more lucrative bulk cement segment, serving the pre-cast industry, the expansion of the Fortaleza airport and the growing regional wind park sector.

As a result, Apodi posted a significant increase in sales to €115.9 million versus €83.8 million in 2021, while EBITDA reached €21.1 million versus €19.5 million in 2021.

Outlook

Global conditions remain challenging and while risks of a deep recession appear to have been avoided for the time being, any growth outlook remains unclear and is highly dependent on variables such as energy costs, the evolution of inflation, and the monetary authorities trying to balance fighting inflation and the risks of a recessionary economy. At the same time, unprecedented levels of government support and initiatives, on both sides of the Atlantic, generate investment and demand for our products, giving cause for cautious optimism.

The US economy remains in a strong state, and while inflationary pressures and attendant monetary tightening raise concerns of a slowdown.Housing starts remain below their historic levels while the deficit in housing persists. Light non-residential and industrial activity is expected to remain solid, supporting in turn the investment boom witnessed in the Group's key markets. Positive momentum from the IIJA, the IRA, and the CHIPS Act is starting to flow, with material impact expected in the second half of the year, providing a healthy run rate for the years ahead. Proposed DoT budgets for the next couple of years look robust, and high levels of spending are also set to provide long-term tailwinds for activity on the ground. Despite a softening of the single-family residential market, the multi-family and the commercial segments remain very strong with numerous investments in data centers, high-tech investment development as well as retail warehousing. Home improvement is also very strong, accounting for the growth in both retail cement and the Group's building products segment. Strong state finances are slowly translating into increased public infrastructure works, needed to support the attendant investment development across our geographic footprint.

In Greece, the local market has enjoyed a solid start to the year and the country appears not to have been debased by the global macroeconomic turbulence, buffered by the robustness of its tourism industry which is set for another record year as well as the influx of various tranches of EU funding promoting digitalization, energy efficiency and upgrade of related infrastructure. Growth is spread throughout the country either via residential development, small-scale industrial as well as municipal development, and of course tourism-related infrastructure and facilities. Mega infrastructure development and urban regeneration projects are also in the pipeline, offering good traction in the years ahead. Continuous breakthrough investments at the Group's plants allow for considerable efficiencies and operational optimization accruing financial benefits to our results.

The region of Southeastern Europe, consistent with its track record, is expected to hold up to the levels recorded in 2022. While not expecting any substantial volume growth, solid margins should be maintained, especially considering the Group's success in effectively supplying the whole regional market. Demand should be supported by road, rail and infrastructure projects which are slated to commence in the year. In what will remain a tight market, the Group has the capacity through its regional network to meet demand, satisfying any supply gaps.

In Egypt, with the new agreement and support program with the IMF, the much-needed structural reforms to revamp its domestic economy may take some time to materialize. Amidst the macroeconomic uncertainty, consumption will probably suffer. The continuation of the cement production quota for another year does provide a buffer however in sustaining cement production and profitability of operations. Concurrently, the Group is investing to expand its alternative fuel utilization facilities that will lead to considerable efficiencies in its cost performance.

In Turkey, the recent tragic events of the massive earthquake ravaging the south of the country and the tremendous needs for reconstruction arising, will affect cement consumption for the years to come, as demand at national level will shoot up. In this context and amidst the political uncertainty highlighted by the upcoming Presidential and parliamentary elections, volatility remains. The Group aims to improve its cost competitiveness embarking on an ambitious alternative fuel investment which will see it become the first cement producer in Turkey to burn biomass, resulting in considerable cost savings. Utilization of the export terminal in Samsun will provide an additional sales opportunity for Titan.

The world, and our industry, are undergoing a structural transition which will see economic production shifting to greener, more efficient, new and innovative ways of producing goods, more smartly utilizing resources, with digital technology and material innovation at the forefront. As such, our Group has recognized the opportunities and challenges ahead and is working towards the direction of transforming its business and offering in a manner that is sustainable, closer to the customer, more efficient in its use of resources and means of production and in the end more profitable for all stakeholders of the Group.

Treasury shares

The Group completed the program that began in October 2021 and initiated two additional share buy-back programs in April and August 2022. Each program was for €10 million and a duration of up to six months.

In implementation of these programs, during the period from 1 January, 2022 until 31 December 2022, the Company acquired directly 361,354 own shares and indirectly through its subsidiary Titan Cement Company S.A. 1.586,367 shares, representing 0.46% and 2.03% respectively of the share capital of the Company. The total value of these transactions amounted to €23,814 thousand. On 31.12.2022 the Company holds 773,527 own shares representing 0.99% of the Company's share capital and Titan Cement Company S.A. (Titan S.A.), a direct subsidiary of the Company, holds 2,590,510 shares of the Company, representing 3.31% of the Company's voting rights.

Sale of treasury stock in the framework of Stock Option Plans

Titan S.A., a direct subsidiary of the Company, sold in 2022 to Titan Group employees, in implementation of existing stock option plans, 80,833 shares of the Company, representing approximately 0.10% of the share capital of the Company, for a total amount of €808,330 (i.e.€10/Company share).

Going concern disclosure

The Board of Directors having taken into account:

a. the Company's financial position;
b. the risks facing the Company that could impact on its business model and capital adequacy; and
c. the fact that no material uncertainties are identified to the Company's ability to continue as a going concern in the foreseeable future and in any event over a period of at least twelve months from the date of approval of the Financial Statements

states that they consider it appropriate for the Company to continue to adopt the going concern basis in preparing its Financial Statements and that no material uncertainties are identified to the Company's ability to continue to adopt the going concern basis in preparing its Financial Statements in the foreseeable future and in any event over a period of at least twelve months from the date of approval of the Financial Statements for the fiscal year 2022.

Viability statement

The Board of Directors have assessed the prospects of the Company having regard on its current position and the major risks facing the Company over a period of five years, which was considered as appropriate to draw conclusions. The Board of Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment.

Annual report of the board of directors and financial accounts for the fiscal year 2022

The Board of Directors considers that the Annual Report and the Financial Accounts for the fiscal year 2022, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

Financial statements

The Annual Consolidated Financial Statements presented on the following pages were approved by the Board of Directors on 30th of March 2023.

Chair of the Board of Directors
Dimitrios Papalexopoulos

Managing Director and Group CFO
Michael Colakides

Company CFO
Grigorios Dikaios

Financial Consolidation Director
Athanasios Ntanas

Consolidated Income Statement

(all amounts in Euro thousands)	Notes	Year ended 31 December 2022	2021
Sales	3	2,282,207	1,714,623
Cost of sales	5	-1,889,522	-1,403,728
Gross profit		**392,685**	**310,895**
Other operating income	4	8,058	10,728
Administrative expenses	5	-188,319	-153,951
Selling and marketing expenses	5	-28,654	-26,391
Net impairment losses on financial assets	20	-3,974	-1,722
Other operating expenses	4	-2,166	-831
Operating profit before impairment losses on goodwill	3	**177,630**	**138,728**
Impairment losses on goodwill	13	-21,799	-
Operating profit		**155,831**	**138,728**
Finance income	6	7,567	4,255
Finance expenses	6	-41,969	-37,835
Loss from foreign exchange differences	6	-12,416	-73
Gain on net monetary position in hyperinflationary economies	6	26,307	-
Net finance costs	6	***-20,511***	***-33,653***
Share of profit of associates and joint ventures	15	1,876	3,291
Profit before taxes		**137,196**	**108,366**
Income tax	8	-26,715	-16,811
Profit after taxes		**110,481**	**91,555**
Attributable to:			
Equity holders of the parent		109,655	91,923
Non-controlling interests		826	-368
		110,481	**91,555**
Basic earnings per share (in €)	9	**1.5286**	**1.2290**
Diluted earnings per share (in €)	9	**1.5275**	**1.2242**

The primary financial statements should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income

(all amounts in Euro thousands)		Year ended 31 December	
	Notes	2022	2021
Profit after taxes		**110,481**	**91,555**
Other comprehensive income:			
Items that may be reclassified to income statement			
Exchange (losses)/gains on translation of foreign operations	*35*	-18,742	6,602
Currency translation differences on transactions designated as part of net investment in foreign operation		-8,913	5,707
Gains on cash flow hedges	*35*	30,244	3,093
Reclassification to income statement	*35*	*-5,760*	-1,723
Income tax relating to these items	*18*	-2,471	-1,009
Items that will not be reclassified to income statement			
Asset revaluation surplus		-	242
Effect due to changes in tax rates	*18*	-	263
Re-measurement gains on defined benefit plans	*25*	1,823	1,240
Share of other comprehensive gains/(losses) of associates and joint ventures		13	-5
Income tax relating to these items	*18*	-382	-372
Other comprehensive (loss)/income for the year net of tax		**-4,188**	**14,038**
Total comprehensive income for the year net of tax		**106,293**	**105,593**
Attributable to:			
Equity holders of the parent		98,251	113,625
Non-controlling interests		8,042	-8,032
		106,293	**105,593**

The primary financial statements should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

(all amounts in Euro thousands)	Notes	2022	2021
Assets			
Property, plant and equipment	11	1,664,474	1,545,382
Investment properties	12	11,240	10,980
Goodwill	13	280,834	271,986
Intangible assets	14	83,873	91,444
Investments in associates and joint ventures	15	100,412	88,753
Derivative financial instruments	35, 36	3,479	2,488
Receivables from interim settlement of derivatives	35, 36	12,103	6,185
Other non-current assets	17	19,933	18,556
Deferred tax assets	18	5,730	8,867
Total non-current assets		**2,182,078**	**2,044,641**
Inventories	19	394,672	305,131
Receivables and prepayments	20	294,829	236,344
Income tax receivable		1,925	1,611
Derivative financial instruments	35, 36	3,601	1,715
Receivables from interim settlement of derivatives	35, 36	11,491	9,079
Cash and cash equivalents	21	105,703	79,882
Total current assets		**812,221**	**633,762**
Assets held for sale	11	-	238
Total Assets		**2,994,299**	**2,678,641**
Equity and Liabilities			
Equity and reserves attributable to owners of the parent	22, 23	1,394,533	1,321,626
Non-controlling interests	15.3	29,741	15,260
Total equity (a)		**1,424,274**	**1,336,886**
Long-term borrowings	32	704,821	641,461
Long-term lease liabilities	33	58,777	46,004
Derivative financial instruments	35, 36	12,103	6,185
Payables from interim settlement of derivatives	35, 36	3,450	1,070
Deferred tax liability	18	130,113	113,604
Retirement benefit obligations	25	20,217	22,063
Provisions	26	52,209	56,001
Non-current contract liabilities	27	1,328	1,692
Other non-current liabilities	27	13,159	12,849
Total non-current liabilities		**996,177**	**900,929**
Short-term borrowings	32	122,496	89,242
Short-term lease liabilities	33	16,870	16,378
Derivative financial instruments	35, 36	9,644	8,742
Payables from interim settlement of derivatives	35, 36	2,822	-
Trade and other payables	28	387,725	302,611
Current contract liabilities	28	13,934	9,998
Income tax payable		5,863	1,544
Provisions	26	14,494	12,311
Total current liabilities		**573,848**	**440,826**
Total liabilities (b)		**1,570,025**	**1,341,755**
Total Equity and Liabilities (a+b)		**2,994,299**	**2,678,641**

The primary financial statements should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

(all amounts in Euro thousands)	Attributable to equity holders of the parent			
	Ordinary shares	Share premium	Share options	Ordinary treasury shares
Restated balance at 1 January 2021	**1,159,348**	**5,974**	**5,307**	**-124,120**
Profit for the year	-	-	-	-
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive income/(loss) for the year	-	-	-	-
Cancellation of treasury shares	-	-	-	92,820
Deferred tax on treasury shares held by subsidiary	-	-	-	-
Distribution of reserves (note 10)	-	-	-	-
Dividends distributed	-	-	-	-
Purchase of treasury shares (note 22)	-	-	-	-3,230
Sale - disposal of treasury shares for option plan (note 22)	-	-	-	2,757
Share based payment transactions (note 24)	-	-	886	-
Tax expenses due to share capital transactions	-	-	-	-
Deferred tax adjustment on revaluation reserves (note 18)	-	-	-	-
Withholding tax on dividend distribution of subsidiaries	-	-	-	-
Acquisition of non-controlling interest	-	-	-	-
Transfer among reserves (note 23)	-	-	-2,280	-
Restated Balance at 31 December 2021	**1,159,348**	**5,974**	**3,913**	**-31,773**
Balance at 31 December 2021	**1,159,348**	**5,974**	**3,913**	**-31,773**
Hyperinflation restatement	-	-	-	-
Restated Balance at 1 January 2022	**1,159,348**	**5,974**	**3,913**	**-31,773**
Profit for the year	-	-	-	-
Other comprehensive (loss)/income	-	-	-	-
Total comprehensive (loss)/income for the year	-	-	-	-
Deferred tax on treasury shares held by subsidiary	-	-	-	-
Distribution of reserves (note 10)	-	-	-	-
Dividends distributed	-	-	-	-
Purchase of treasury shares (note 22)	-	-	-	-23,814
Sale - disposal of treasury shares for option plan (note 22)	-	-	-	1,386
Capital reduction/transfer to distributable reserves (note 23)	-200,000	-	-	-
Acquisition of non-controlling interest	-	-	-	-
Transfer among reserves (note 23)	-	-	-2,166	-
Balance at 31 December 2022	**959,348**	**5,974**	**1,747**	**-54,201**

The primary financial statements should be read in conjunction with the accompanying notes.

Other reserves (note 23)	Retained earnings	Total	Non-controlling interests	Total equity
-875,492	**1,080,345**	**1,251,362**	**23,994**	**1,275,356**
-	91,923	91,923	-368	91,555
21,702	-	21,702	-7,664	14,038
21,702	**91,923**	**113,625**	**-8,032**	**105,593**
-65,318	-27,502	-	-	-
-9,610	-	-9,610	-	-9,610
-30,780	-	-30,780	-	-30,780
-	-	-	-1,143	-1,143
-	-	-3,230	-	-3,230
-	-1,526	1,231	-	1,231
-	-	886	-	886
-	-767	-767	-	-767
-213	-	-213	-	-213
-	-414	-414	-23	-437
14	-478	-464	464	-
-207,001	209,281	-	-	-
-1,166,698	**1,350,862**	**1,321,626**	**15,260**	**1,336,886**
-1,166,698	**1,350,862**	**1,321,626**	**15,260**	**1,336,886**
35,699	-	35,699	6,828	42,527
-1,130,999	**1,350,862**	**1,357,325**	**22,088**	**1,379,413**
-	109,655	109,655	826	110,481
-11,404	-	-11,404	7,216	-4,188
-11,404	**109,655**	**98,251**	**8,042**	**106,293**
80	-	80	-	80
-38,108	-	-38,108	-	-38,108
-	-	-	-398	-398
-	-	-23,814	-	-23,814
-	-578	808	-	808
200,000	-	-	-	-
-	-9	-9	9	-
118,621	-116,455	-	-	-
-861,810	**1,343,475**	**1,394,533**	**29,741**	**1,424,274**

Consolidated Cash Flow Statement

(all amounts in Euro thousands)		Year ended 31 December	
	Notes	2022	2021
Cash flows from operating activities			
Profit after taxes		**110,481**	**91,555**
Depreciation, amortization and impairment of assets	*29*	175,371	136,481
Interest and related expenses	*29*	39,143	35,972
Other non-cash items	*29*	27,565	10,733
Changes in working capital	*29*	-91,911	-43,978
Cash generated from operations		**260,649**	**230,763**
Income tax paid		-16,679	-12,172
Net cash generated from operating activities (a)		**243,970**	**218,591**
Cash flows from investing activities			
Payments for property, plant and equipment	*11, 12*	-234,499	-118,910
Payments for intangible assets	*14*	-7,394	-7,134
Proceeds of share capital decrease in associates and joint ventures		-	336
Payments for acquisition of subsidiaries, net of cash acquired	*16*	-	-45
Proceeds from sale of PPE, intangible assets and investment property	*29*	5,748	8,694
Proceeds from dividends		1,180	934
Interest received		893	535
Net cash flows used in investing activities (b)		**-234,072**	**-115,590**
Net cash flows after investing activities (a)+(b)		**9,898**	**103,001**
Cash flows from financing activities			
Acquisition of non-controlling interests		-	-40,814
Payments due to share capital decreases		-	-767
Dividends paid and share capital returns		-38,618	-31,985
Payments for shares purchased back	*22*	-23,814	-3,230
Proceeds from sale of treasury shares	*22*	808	1,231
Payments for financial assets designated at FVTPL		-1,380	-50
Interest and other related charges paid	*34*	-35,646	-36,153
Proceeds from borrowings and derivative financial instruments	*34*	561,530	243,129
Payments of borrowings and derivative financial instruments	*34*	-425,975	-347,968
Principal elements of lease	*34*	-16,036	-16,309
Net cash flows from/(used in) financing activities (c)		**20,869**	**-232,916**
Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)		**30,767**	**-129,915**
Cash and cash equivalents at beginning of the year	*21*	79,882	206,438
Effects of exchange rate changes		-4,946	3,359
Cash and cash equivalents at end of the year	*21*	**105,703**	**79,882**

The primary financial statements should be read in conjunction with the accompanying notes.

Contents

1. Corporate information and summary of significant accounting policies

TITAN Cement International S.A. (the Company or TCI) is a société anonyme incorporated under the laws of Belgium. The Company's corporate registration number is 0699.936.657 and its registered address is Rue de la Loi 23, 7th floor, box 4, 1040 Brussels, Belgium, while it has established a place of business in the Republic of Cyprus in the address Andrea Zakou 12 & Michail Paridi str, MC Building, 2404 Egkomi, Nicosia, Cyprus. The Company's shares are traded on Euronext Brussels, with a parallel listing on Athens Stock exchange and Euronext Paris.

The Company and its subsidiaries (collectively the Group) are engaged in the production, trade and distribution of a wide range of construction materials, including cement, concrete, aggregates, cement blocks, dry mortars and fly ash. The Group operates primarily in Greece, the Balkans, Egypt, Turkey, the USA and Brazil.

Information on the Group's structure is provided in note 16.

These consolidated financial statements were authorized for issue by the Board of Directors on 30 March 2023.

Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union and interpretations (IFRIC) issued by the IFRS Interpretations Committee.

The preparation of financial statements, in conformity with IFRS, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in significant accounting estimates and judgments in note 2. They have also been prepared on historical cost basis, except for investment properties, certain financial assets and liabilities (including derivative instruments) and plan assets of defined benefit pension plans measured at fair value.

The official language of these consolidated financial statements is French. They are presented in euros, all values are rounded to the nearest thousand (€000), except when otherwise indicated, and the financial period is the calendar year starting on 1 January 2022 and ending on 31 December 2022.

In addition, they have been prepared with the same accounting policies of the prior financial year, except for the application of the IAS 29 "Financial Reporting in Hyperinflationary Economies" and the new or revised standards, amendments and/or interpretations that are mandatory for the periods beginning on or after 1 January 2022.

1.1.1 Application of IAS 29 - Hyperinflation in Turkey

The Turkish economy is considered as hyperinflationary from June 2022. As a result, IAS 29 "Financial Reporting in Hyperinflationary Economies" has been applied to the Group subsidiaries (Adocim Cimento Beton Sanayi ve Ticaret A.S. and Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S.), whose functional currency is the Turkish Lira, and they prepare financial statements based on a historical cost approach. IAS 29 requires to report the results of the Group's operations in Turkey, as if these were highly inflationary as of 1 January 2022. Specifically, IAS 29 requires:

• Adjustment of historical cost of the non-monetary assets and liabilities for the change in purchasing power caused by inflation from the date of initial recognition to the end of the reporting date;

• Non-adjustment of the monetary assets and liabilities, as they are already expressed in the measuring unit current at the end of the reporting period;

• Adjustment of the income statement for inflation and its translation with the closing exchange rate instead of an average rate; and

• Recognition of gain or loss on net monetary position in profit or loss in order to reflect the impact of inflation and exchange rate movement on holding monetary assets and liabilities in local currency.

The financial statements of Group subsidiaries, whose functional currency is the currency of a hyperinflationary economy, are adjusted for inflation and then translated into euros. Prior year comparatives have not been restated for hyperinflation in the consolidated financial statements. The difference between the closing balance of Group's equity on 31.12.2021 and its opening balance on 01.01.2022 was recognised in equity. Any difference from the ongoing application of re-translation to closing exchange rates and hyperinflation adjustments will be recognised in other comprehensive income. In the consolidated income statement ended on 31.12.2022, the Group recognized a total gain on net monetary position of €26.3 mil. in net finance cost.

On the application of IAS 29, the Group used the conversion coefficient derived from the consumer price index published by TurkStat (TUIK). The conversion coefficient was 1,128.45 and 686.95 on 31.12.2022 and 31.12.2021 respectively.

1.1.2 The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2022 and have been endorsed by the European Union:

Amendments to IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets as well as Annual Improvements (effective 1 January 2022).

The package of amendments includes narrow-scope amendments to three Standards as well as the Board's Annual Improvements, which are changes that clarify the wording or correct minor consequences, oversights or conflicts between requirements in the Standards.

• Amendments to IFRS 3 Business Combinations update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.

• Amendments to IAS 16 Property, Plant and Equipment prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.

• Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets specify which costs a company includes when assessing whether a contract will be loss-making.

• Annual Improvements 2018-2020 make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.

Amendment to IFRS 16 Leases Covid 19-Related Rent Concessions beyond 30 June 2021 (effective 01/04/2021), with early application permitted).

The amendments extend, by one year, the May 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification. In particular, the amendment permits a lessee to apply the practical expedient regarding COVID-19-related rent concessions to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022 (rather than only payments originally due on or before 30 June 2021). The amendment is effective for annual reporting periods beginning on or after 1 April 2021 (earlier application permitted, including in financial statements not yet authorised for issue at the date the amendment is issued).

1.1.3 The following new amendments have been issued, is not mandatory for the first time for the financial year beginning 1 January 2022 but have been endorsed by the European Union:

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (effective 1 January 2023).

The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies. The IAS 1 amendment requires companies to disclose their material accounting policy information rather than their significant accounting policies. Further, the amendment to IAS 1 clarifies that immaterial accounting policy information need not be disclosed. To support this amendment, the Board also amended IFRS Practice Statement 2, 'Making Materiality Judgements', to provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted (subject to any local endorsement process).

Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (effective 1 January 2023).

The amendment to IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted (subject to any local endorsement process).

Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective 1 January 2023).

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The main change in the amendments is an exemption from the initial recognition exemption of IAS 12.15(b) and IAS 12.24. Accordingly, the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. Early adoption is permitted.

1.1.4 The following new standards and amendments have been issued, but are not mandatory for the first time for the financial year beginning 1 January 2022 and have not been endorsed by the European Union:

Amendments to IAS 1 'Presentation of Financial Statements: Classification of Liabilities as current or non-current' (effective 01/01/2024), affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those items.

They:

• Clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;

• Clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

• Clarify how conditions with which an entity must comply within 12 months after the reporting period, such as covenants, affect the corresponding liability's classification.

Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (effective 1 January 2024).
The amendments explain how an entity accounts for a sale and leaseback after the date of the transaction, specifically where some or all the lease payments are variable lease payments that do not depend on an index or rate. They state that, in subsequently measuring the lease liability, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use it retains. Any gains and losses relating to the full or partial termination of a lease continue to be recognised when they occur as these relate to the right of use terminated and not the right of use retained.

1.2 Consolidation

1.2.1 Subsidiaries

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Subsidiaries are all entities (including special purpose entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group uses the full acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition- by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognized in the income statement.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interest and the fair value of any other participation previously held in the subsidiary acquired over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the amount recognized for non-controlling interest and the fair value of any other participation previously held in the subsidiary acquired the gain is recognised in profit or loss (note 1.6).

Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments.

The subsidiaries' financial statements are prepared as of the same reporting date and using the same accounting policies as the parent company. Intra-group transactions, balances and unrealised gains/losses on transactions between group companies are eliminated.

1.2.2 Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as transactions with the owners in their capacity as owners. The difference between consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Any profit or loss and any item of the Statement of Other Comprehensive Income is allocated between the share-holders of the parent and the non-controlling interest, even if the allocation results in a deficit balance of the non-controlling interest.

1.2.3 Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

1.2.4 Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has rather than the legal structure of the joint arrangement. The Group has assessed the nature of its joint arrangement and determined it to be a joint venture. Joint ventures are consolidated with the equity method of consolidation.

Under the equity method of accounting, interests in joint ventures are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long- term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of joint ventures have been adjusted where necessary to ensure consistency with the policies adopted by the Group. The financial statements of the joint venture are prepared as of the same reporting date with the parent company.

1.2.5 Associates

Associates are entities over which the Group has significant influence (holds directly or indirectly 20% or more of the voting power of the entity) but which it does not control. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill (net of any cumulative impairments losses) identified on acquisition.

Under the equity method the Group's share of the post-acquisition profits or losses is recognised in the income statement and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognize further losses, unless the Group has incurred legal or constructive obligations or made payments on behalf of the associates.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amount previously recognized in other comprehensive income is reclassified to profit or loss where appropriate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of the impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount adjacent to "share of profit/(loss) of associates and joint ventures" in the income statement.

Profit and losses resulting from upstream and downstream transactions between the Group and its associate are recognized in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates; unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

The financial statements of the associates are prepared as of the same reporting date with the parent company.

1.3 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured in the functional currency, which is the currency of the primary economic environment in which each Group entity operates. The consolidated financial statements are presented in Euros.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates (i.e. spot rates) prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised under finance function in the account "gain/(loss) from foreign exchange differences" of the income statement, except when deferred in other comprehensive income as qualifying net investment hedges. When the related investment is disposed of, the cumulative amount is reclassified to profit or loss.

Exchange differences arising from intragroup long term loans and receivables that are designated as part of a reporting entity's net investment in a foreign operation shall be recognised in profit or loss in the separate financial statements of the reporting entity, or, of the individual financial statements of the foreign operation, as appropriate. In the consolidated financial statements such exchange differences shall be recognized in other comprehensive income and included in "currency translation differences reserve on transactions designated as part of net investment in foreign operation" in other reserves. Where settlement of these intragroup long term loans and receivables is planned or is likely to occur in the foreseeable future, then these transactions cease to form part of the net investment in the foreign operation.

The exchange differences arising up to that date are recognized in other comprehensive income and after that date, they are recognized in profit or loss. On disposal of the net investment in a foreign operation, the accumulated in other reserves exchange differences are reclassified from equity to profit or loss.

Translation differences on non-monetary financial assets and liabilities, such as equity investments held at fair value are included in the income statement. Translation differences on non-monetary financial assets, such as equities classified at fair value through other comprehensive income, are included in other comprehensive income.

Group companies

The financial statements of all Group entities (none of which operate in a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

• Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet.

• Income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates, excluding foreign entities in hyperinflationary economies (note 1.1.1).

• All exchange differences resulting from the above are recognised in other comprehensive income and subsequently included in "foreign currency translation reserve".

• On the disposal of a foreign operation (partly or fully disposed), the cumulative exchange differences relating to that particular foreign operation, recognized in the "foreign currency translation reserve" within equity, are recognised in the income statement as part of the gain or loss on sale. On the partial disposal of a foreign subsidiary, the proportionate share of the cumulative amount is re-attributed to the non-controlling interest in that operation.

On consolidation, exchange differences arising from the translation of borrowings designated as hedges of investments in foreign entities, are taken to other comprehensive income and included under "currency translation differences on derivative hedging position" in other reserves.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognized in other comprehensive income.

1.4 Property, plant and equipment

Property, plant and equipment (PPE) is stated at historical cost less accumulated depreciation and impairment losses, except for land (excluding land improvements and quarries), which is shown at cost less impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the items and any environmental rehabilitation costs to the extent that they have been recognised as a provision (refer to note 1.20). Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement as incurred. Subsequent costs are depreciated over the remaining useful life of the related asset or to the date of the next major subsequent cost whichever is the sooner. Depreciation, with the exception of quarries and land, is calculated using the straight-line method to allocate the cost of the assets to their residual values over their estimated useful lives as follows:

Category of PPE	Indicative useful lives
Buildings	Up to 50 years
Plant and machinery	Up to 40 years
Motor vehicles	5 to 20 years
Office equipment furniture and fittings (including computer equipment and software integral to the operation of the hardware)	2 to 10 years
Minor value assets	Up to 2 years

Land on which owned quarries are located is depreciated on a depletion basis. This depletion is recorded as the material extraction process advances based on the unit-of-production method. Other land is not depreciated. The cost of the exploration of non-owned quarries is recognised as operating cost in profit or loss as incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount (refer to note 1.8 - Impairment of non-financial assets other than Goodwill).

An item of PPE and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss.

Interest costs on borrowings specifically used to finance the construction of PPE are capitalised during the construction period if recognition criteria are met (refer to note 1.29).

1.5 Investment properties

Investment property is property held for long-term rental yields or for capital appreciation or both and that is not occupied by any of the subsidiaries of the Group. Owner-occupied properties are held for production and administrative purposes. This distinguishes owner-occupied property from investment property.

Investment property is measured initially at cost, including related transaction costs and where applicable borrowing costs (refer to 1.29).

After initial recognition investment property is carried at fair value. Fair value reflects market conditions at the reporting date and is determined internally on an annual basis by management or external valuators. The best evidence of fair value is provided by current prices in an active market for similar property in the same location and condition and subject to the same lease terms and other conditions (comparable transactions). When such identical conditions are not present, the Group takes account of, and makes allowances for, differences from the comparable properties in location, nature and condition of the property or in contractual terms of leases and other contracts relating to the property.

A gain or loss arising from a change in the fair value of investment property is recognized in the period in which it arises in the income statement within "other income" or "other expense" as appropriate.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure other than those a rational market participant would take into account when determining the value of the property.

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the income statement within the gain or loss from fair value adjustment on investment property. Investment properties are derecognised when they have been disposed.

If an investment property becomes owner-occupied, it is reclassified as PPE. Its fair value at the date of reclassification becomes its deemed cost for subsequent accounting purposes.

If an item of owner-occupied property becomes an investment property because its use has changed, IAS 16 is applied up to the date of transfer, since investment property is measured at fair value. The property is fair valued at the date of transfer and any revaluation gain or loss, being the difference between fair value and the previous carrying amount, is accounted for as a revaluation surplus or deficit in equity in accordance with IAS 16. Revaluation surplus is recognized directly in equity through other comprehensive income, unless there was an impairment loss recognized for the same property in prior years. In this case, the surplus up to the extent of this impairment loss is recognized in profit or loss and any further increase is recognized directly in equity through other comprehensive income. Any revaluation deficit is recognized in profit or loss.

1.6 Goodwill and intangible assets (other than goodwill)

1.6.1 Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed is smaller than the fair value of the net assets of the acquired subsidiary, the difference is recognized in the profit or loss. Goodwill represents the future economic benefits arising from assets that are not capable of being individually identified and separately recognized in a business combination.

Goodwill is not amortized. After initial recognition, it is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each cash-generating-unit that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Impairment reviews are undertaken annually (even if there is no indication of impairment) or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of the value-in-use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Where goodwill has been allocated to a cash-generating-unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

1.6.2 Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The Group's intangible assets have a finite useful life.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement as the expense category that is consistent with the function of the intangible assets.

Acquired computer software programs and licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software when these are expected to generate economic benefits beyond one year. Costs associated with developing or maintaining computer software programs are recognised as an expense as incurred.

The amortization methods used for the Group's intangibles are as follows:

Category of intangible assets	Amortization Method	Indicative useful lives
Patents, trademarks and customer relationships	straight-line basis	up to 20 years
Licenses (mining permits)	straight-line basis / depletion method	shorter of: the permit period and the estimated life of the underlying quarry unit-of-production method
Development costs (non-owned quarries)	note 1.7	note 1.7
Computer software	straight-line basis	3 to 10 years

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

1.7 Deferred stripping costs

Stripping costs comprise the removal of overburden and other waste products. Stripping costs incurred in the development of a quarry before production commences are capitalised as follows:

Where such costs are incurred on quarry land that is owned by the Group, these are included within the carrying amount of the related quarry, under PPE and subsequently depreciated over the life of the quarry on a units-of-production basis. Where such costs are incurred on non-owned quarries, these are included under 'Development expenditure' under Intangible assets and amortised over the shorter of the contract term and the estimated life of the quarry reserve.

1.8 Impairment of non-financial assets other than Goodwill

Assets that have an indefinite useful life (land not related to quarries) are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised, as an expense immediately, for the amount by which the asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. An asset's recoverable amount is the higher of an asset or cash generating units (CGU) fair value less costs of sell and its value-in-use.

1.9 Leases

1.9.1 Lessees

Leases are recognized as a right-of-use (ROU) asset and a corresponding lease liability at the date at which the leased asset is available for use. Each lease payment is allocated between the lease liability and interest, which is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The ROU asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis, unless there is a transfer of ownership or purchase option which is reasonably certain to be exercised at the end of the lease term. In this case, the lessee depreciates the ROU asset over the useful life of the underlying asset. The Group presents ROU assets that do not meet the definition of investment property in the account "property, plant and equipment", in the same line item as it presents underlying assets of the same nature that it owns. ROU assets that meet the definition of investment property are presented with investment property.

The lease liability is initially measured at the commencement date at the present value of the lease payments during the lease term that are not yet paid. It is discounted by using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate (IBR). The IBR is the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of a similar value in a similar economic environment with similar terms and condition.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is re-measured when there is a modification that is not accounted for as a separate lease; a change in future lease payments arising from a change in an index or rate; a change in the estimate of the amount expected to be payable under a residual value guarantee; and if the Group changes its assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Lease liabilities include the net present value of the following lease payments:

• Fixed payments (including in-substance fixed payments)

• Variable lease payments that are based on an index or a rate

• Amounts expected to be payable by the lessee under residual value guarantees

• The exercise price of a purchase option if the lessee is reasonably certain to exercise that option

• Payments of penalties for terminating the lease if the lessee will exercise that option

The ROU asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain re-measurements of the lease liability. When ROU asset meets the definition of investment property is initially measured at cost, and subsequently measured at fair value, in accordance with the Group's accounting policy.

The initial measurement of the ROU asset is comprised by:

• The amount of the initial measurement of lease liability

• Any lease payments made at or before the commencement date less any lease incentives received

• Any initial direct costs, and

• Restoration costs

For short term leases and certain leases of low value assets, the Group has elected not to recognise ROU assets and lease liabilities. It recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

For leases that contain both lease and non-lease components, the Group chose not to separate them, except for terminals in which non-lease components are separated from lease components.

1.9.2 Lessors

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Operating leases of PPE are recognized according to their nature in the statement of financial position.

Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.
Contingent rents are recognised as revenue in the period in which they are earned.

Leases in which the Group transfers substantially all the risks and benefits of ownership of an asset are classified as finance leases. The Group presents a receivable at an amount equal to the net investment in the lease. The net investment of a lease agreement is the gross investment, discounted at the interest rate implicit in the lease.

1.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity), but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Appropriate allowance is made for damaged, obsolete and slow moving items. Write-downs to net realisable value and inventory losses are expensed in cost of sales in the period in which the write-downs or losses occur.

1.11 Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non- current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional and subsequently measured at amortised cost using the effective interest method, less loss allowance.

1.12 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments with a maturity of normally three months or less from the date of acquisition, and bank overdrafts, if they exist. Bank overdrafts are included within borrowings in current liabilities in the balance sheet. The components of cash and cash equivalents have a negligible risk of change in value.

1.13 Share capital

Any excess of the fair value of the consideration received over the par value of the shares issued is recognized as “share premium” in shareholders’ equity. Incremental external costs directly attributable to the issue of new shares or share options are shown in equity as a deduction, net of tax, from the proceeds.

Where the Company or its subsidiaries purchases the Company’s own equity share capital (treasury shares), the consideration paid including any attributable incremental external costs net of income taxes is deducted from total shareholders’ equity until they are cancelled or sold. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributed incremental transaction costs and the related income tax effect, is included in shareholders’ equity.

1.14 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. In subsequent periods, borrowings are carried at amortised cost using the effective interest method. Any difference between proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transactions costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group entity has an unconditional right to defer settlement for at least 12 months after the balance sheet date.

1.15 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit and loss, it is not accounted for.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, joint arrangements and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the related deferred income tax liability is settled.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

1.16 Employee benefits

1.16.1 Pension and other retirement obligations

The Group operates various pension and other retirement schemes, including both defined benefit and defined contribution pension plans in accordance with the local conditions and practices in the countries in which it operates. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognized in the statement of financial position in respect of defined benefit pension or retirement plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.
The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Past service costs are recognized in profit or loss on the earlier of:

• The date of the plan amendment or curtailment, and

• The date that the Group recognizes restructuring-related costs
Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation:
Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements under other operating expenses/income

Net interest expense or income under finance expenses

Re-measurements, comprising of the actuarial gains and losses, the effect of the asset ceiling, excluding net interest (not applicable to the Group) and the return on plan assets (excluding net interest), are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. Once the contributions have been paid, the Group has no further payment obligations.
The regular contributions constitute net periodic costs for the year in which they are due and as such are included in staff costs.

1.16.2 Termination benefits

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

The Group recognises termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits. The obligating event is the termination and not the service. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

1.16.3 Profit sharing and bonus plans

A liability for employee benefits in the form of profit sharing and bonus plans is recognised in other provisions when the following conditions are met:

there is a formal plan and the amounts to be paid are determined before the time of issuing the financial statements; or

past practice has created a valid expectation by employees that they will receive a bonus/ profit sharing and the amount can be determined before the time of issuing the financial statements.

1.16.4 Share-based payments

Share-based compensation benefits are provided to members of senior management via Group share schemes that cover several subsidiaries.

Equity-settled transactions
The fair value of options granted under the Share Option Programs is recognised as an employee benefits expense in the Income Statement, with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

• Including any market performance conditions (for example, an entity's share price);

• Excluding the impact if any service and non-market performance vesting conditions (for example profitability, sales growth targets and remaining an employee of the entity over a specified time period); and

• Including the impact of any non-vesting conditions (for example, the requirement for employees to save)

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. Share options are exercised at given prices, which are normally at a discount of the share's market price at grant dates. When the options are exercised, either the Company issues new shares, or the Group settles the awards with existing treasury shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium reserve.

Cash-settled transactions

The fair value of the awards granted to employees for nil consideration under the Long-term Incentive Plans is measured initially and at each reporting date up to and including the settlement date, at the fair value of the liability with changes in fair value recognised as employee benefits expense in the Income Statement. At each reporting date, the Group revises its estimation of the number of the awards that they will vest and it recognises the impact of the revised estimates in the Income Statement.

1.17 Government grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

1.18 CO_2 Emission rights

Emission rights are accounted for under the net liability method. Allocated allowances that are granted free of charge are recognised as an intangible asset at cost, which is nil. Emission rights purchased in excess of those required to cover shortages are recognised as an intangible asset, at cost. To the extent that emissions generated to date exceed the volume of allowances held, the Group recognizes a liability. If emissions do not exceed allowances held, there is no obligation to purchase additional allowances and, therefore, no liability to provide for additional emission allowances required. The Group has chosen to measure the net liability on the basis of the period for which the irrevocable right to the cumulative emissions rights have been received. Proceeds from the sale of granted emission rights are recorded as a reduction to cost of sales.

1.19 Provisions and contingencies

Provisions represent liabilities of uncertain timing or amount and are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presenting in the income statement net of any reimbursement.

Provisions are not recognized for future operating losses. The Group recognises a provision for onerous contracts when the economic benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract.

Restructuring provisions comprise lease termination penalties and employee termination payments, and are recognised in the period in which the Group becomes legally or constructively committed to payment. Costs related to the ongoing activities of the Group are not provided for in advance.

Where the effect of the time value of money is material, provisions is measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due the passage of time is recognized as a finance expense.

Possible obligations and present obligations which do not meet the recognition criteria of a provision are not recognised on the statement of financial position, but are disclosed as contingent liabilities. Contingent liabilities are current obligations arising from past events that might, but will probably not, require an outflow of resources embodying economic benefits, or the obligations cannot be reliably estimated. Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to a reporting entity. Contingent assets are disclosed only when an inflow of economic benefits is probable. A contingent asset is not recognised, because it might result in the recognition of income that is never realized. When it becomes virtually certain that an inflow of economic benefits will arise, then the asset should be recognised. Contingent assets and liabilities are initially recognised and subsequently measured as provisions do.

1.20 Site restoration, quarry rehabilitation and environmental costs

Companies within the Group are generally required to restore the land used for quarries and processing sites at the end of their producing lives to a condition acceptable to the relevant authorities and consistent with the Group's environmental policies. Provisions for environmental restoration are recognised when the Group has a present legal or constructive obligation as a result of past events and, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions associated with environmental damage represent the estimated future cost of remediation. Estimating the future costs of these obligations is complex and requires management to use judgment.

The estimation of these costs is based on an evaluation of currently available facts with respect to each individual site and considers factors such as existing technology, currently enacted laws and regulations and prior experience in remediation of sites. Inherent uncertainties exist in such evaluations primarily due to unknown conditions, changing governmental regulations and legal standards regarding liability, the protracted length of the clean-up periods and evolving technologies. The environmental and remediation liabilities provided for reflect the information available to management at the time of determination of the liability and are adjusted periodically as remediation efforts progress or as additional technical or legal information becomes available.

Estimated costs associated with such rehabilitation activities are measured at the present value of future cash outflows expected to be incurred. When the effect of the passage of time is not significant, the provision is calculated based on undiscounted cash flows. Where a closure and environmental obligation arises from quarry/mine development activities or relate to the decommissioning PPE the provision can be capitalized as part of the cost of the associated asset (intangible or tangible). The capitalized cost is depreciated over the useful life of the asset and any change in the net present value of the expected liability is included in finance costs, unless they arise from changes in accounting estimates of valuation.

1.21 Revenue

Throughout these consolidated financial statements, the term "sales" has been used for "revenue".

Revenue is the amount of consideration expected to be received in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (value-added tax, other sales taxes etc.).

Revenue is recognized when (or as) a performance obligation is satisfied by transferring the control of a promised good or service to the customer. A customer obtains control of a good or service if it has the ability to direct the use of and obtain substantially all of the remaining benefits from that good or service. Control is transferred over time or at a point in time.

Revenue from the sale of goods is recognised when control of the good is transferred to the customer, usually upon delivery and there is no unfulfilled obligation that could affect the customer's acceptance of the products. The main products of the Group
are cement, clinker, ready-mix, fly ash and other cementitious products.

Revenue arising from services is recognised in the accounting period in which the services are rendered, and it is measured using either output methods or input methods, depending on the nature of service provided.

A receivable is recognized when there is an unconditional right to consideration for the performance obligations to the customer that are satisfied

A contract asset is recognized when the performance obligation to the customer is satisfied before the customers pays or before payment is due, usually when goods or services are transferred to the customer before the Group has a right to invoice.

A contract liability is recognized when there is an obligation to transfer goods or services to a customer for which the Group has received consideration from the customer (prepayments) or there is an unconditional right to receive consideration before the Group transfers a good or a service (deferred income). The contract liability is derecognized when the promise is fulfilled and revenue is recorded in the profit or loss statement.

1.22 Dividend distribution

Dividend to the Company's shareholders is recognized in the financial statements in the period in which the Board of Directors' proposed dividend is ratified at the Shareholders' Annual General Meeting.

1.23 Segment information

Segment information is presented on the same basis as the internal information provided to the chief operating decision maker. The chief operating decision maker is the person (or the group of persons) that allocates resources to and assesses the operating results of the segments.

For management purposes, the Group is structured in five operating segments: Greece and Western Europe, North America, South Eastern Europe, Eastern Mediterranean and Joint Ventures. Each region has a regional Chief Executive Officer (CEO) who reports to the Group's CEO. In addition, the Finance Department is organized also by region for effective financial controlling and performance monitoring.

1.24 Financial assets

Classification and measurement

The Group classifies its financial assets in the following measurement categories:

• Those to be measured subsequently at fair value (either through OCI or through profit or loss) and,

• Those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expenses. Trade receivables are initially measured at their transaction price.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Under IFRS 9, debt financial instruments are subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVPL). The classification is based on two criteria: a) the business model for managing the assets and b) whether the instruments' contractual cash flows represent "solely payments of principal and interest" on the principal amount outstanding (the 'SPPI criterion').

The new classification and measurement of the Group's debt financial assets are, as follows:

I. Debt instruments at amortised cost for financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on de-recognition is recognised directly in the income statement.

II. Debt instruments at FVOCI, with gains or losses recycled to profit or loss on de-recognition. Financial assets in this category are debt instruments that meet the SPPI criterion and are held within a business model both to collect cash flows and to sell. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in profit or loss. Interest income from these financial assets is included in finance income using the effective interest rate method.

III. Financial assets at FVPL comprise derivative instruments and equity instruments, which the Group had not irrevocably elected, at initial recognition or transition, to classify at FVOCI. This category would also include debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell. A gain or loss on financial assets that subsequently measures at FVPL is recognized in income statement.

Other financial assets are classified and subsequently measured, as follows:

IV. Equity instruments at FVOCI, with no recycling of gains or losses to profit or loss on de-recognition. This category only includes equity instruments, which the Group intends to hold for the foreseeable future and which the Group (or the Company) has irrevocably elected to so classify upon initial recognition or transition. Equity instruments at FVOCI are not subject to any impairment accounting. Dividends from such investments continue to be recognised in profit or loss, when the right to receive the payment is established, unless they represent a recovery of part of the cost of the investment.

V. Financial assets designated as measured at FVPL at initial recognition that would otherwise be measured subsequently at amortized cost or at FVOCI. Such a designation can
only be made, if it eliminates or significantly reduces an "accounting mismatch" that would otherwise arise.

1.25 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset recognised amounts, and there is an intention to settle on the net basis the liability or realise the asset and settle the liability simultaneously. The legally enforceable right to offset should not depend on future events but it should apply in the ordinary course of business. However, it should be allowed for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

1.26 Impairment of financial assets

The Group records an allowance for expected credit losses (ECLs) for all financial assets not held at FVPL.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For contract assets, trade receivables and lease receivables, the Group have applied the standard's simplified approach and have calculated ECLs based on lifetime expected credit losses.

For other financial assets, the ECL is based on the 12-month ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

1.27 Derivative financial instruments and hedging activities

Initially, derivatives are recognized at fair value at commencement date and subsequently, they are re-measured at their fair value
at each reporting date. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in other comprehensive income (OCI) and later is reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

• Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment

• Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment
• Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

• There is "an economic relationship" between the hedged item and the hedging instrument.
• The effect of credit risk does not "dominate the value changes" that result from that economic relationship
• The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

The full fair value of a hedging derivative is classified as a non- current asset or liability when the remaining hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

1.27.1 Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The gain or loss relating both to the effective and ineffective portion of interest rate swaps hedging fixed rate borrowings is recognized in the income statement within "Finance income/expense"

1.27.2 Cash flow hedges

The effective portion of gains or losses from measuring cash flow hedging instruments is recognized in OCI and accumulated in reserves, in the account "hedging reserve from cash flow hedges". The gain or loss relating to the ineffective portion is recognized immediately in the income statement within "Finance income/expenses".

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss.

1.27.3 Net investment hedge

Hedges of net investments in foreign entities are accounted for similarly to cash flow hedges. Where the hedging instrument is a derivative, any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in currency translation differences on derivative hedging position in other reserves. The gain or loss relating to the ineffective portion is recognised immediately in other income/expenses in the income statement. However, where the hedging instrument is not a derivative (for example, a foreign currency borrowing), all foreign exchange gains or losses arising on the translation of a borrowing that hedges such an investment (including any ineffective portion of the hedge) are recognized in equity in “translation differences on derivative hedging position” in “other reserves”.

Gains or losses accumulated in equity are included in the income statement when the foreign operation is (partially or fully) disposed of. The Group’s “other reserves” include gains that have resulted from such hedging activities carried out in the past.

Derivatives that are not part of a hedging relationship

Any gains or losses arising from changes in the fair value of financial instruments that are not part of a hedging relationship are included in finance income / (expenses), gain / (loss) from foreign exchange differences and cost of sales in the income statement for the period in which they arise, depending on their nature.

1.28 De-recognition of financial assets and liabilities

1.28.1 Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

• the rights to receive cash flows from the asset have expired;

• the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a “pass-through” arrangement; or

• the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the assets, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group’s continuing involvement in the asset. A respective liability is also recognized.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

1.28.2 Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of income.

1.29 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the respective assets until such as the asset is substantially ready for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the profit of loss in the period in which they are occurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

1.30 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

1.31 Gains/losses on disposal of non-current assets, restructuring costs and other significant gains/ losses

Gains/losses on disposal of non-current assets, restructuring costs and other significant gains/losses are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the group. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

2. Significant accounting estimates and judgments

The preparation of the financial statements requires management to make estimations and judgments that affect the reported disclosures. They are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In addition, they form the basis for making judgments about the carrying value of assets and liabilities that are not readily available from other sources. The resulting accounting estimates will, seldom equal the related actual results by definition.
The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

2.1 Impairment of goodwill

Impairment tests for goodwill use the recoverable amounts of cash-generating units that are determined based on value-in-use calculations. These calculations require the use of estimates, which mainly relate to future earnings and discount rates.

The Group considers the assumptions used in the impairment test of goodwill for Turkish subsidiaries to have significant risk, due to high levels of inflation and economic uncertainty in Turkey (note 13).
Moreover, the closely examines the recoverable amount of goodwill allocated to the subsidiaries in Bulgaria to be sensitive to the operating margin and discount rate used in the impairment test of goodwill (note 13).

2.2 Impairment of joint ventures

The determination of the recoverable amount for each joint venture requires significant judgments in respect of assumptions about the future results of the business and the discount rates applied to future cash flow forecasts.

As political instability in Brazil increases, the Group considers the assumptions used in the impairment test of the carrying amount of the investment for Brazilian joint ventures to have risk (note 15.2).

3. Operating segment information

For management information purposes, the Group is structured in five operating segments: Greece and Western Europe, North America, South Eastern Europe, Eastern Mediterranean and Joint Ventures. Each operating segment is a set of countries. The aggregation of countries is based mainly on geographic position.

Each region has a regional Chief Executive Officer (CEO) who is a member of the Group Executive Committee and reports to the Group's CEO. In addition, the Group's finance department is organized by region for effective financial control and performance monitoring.

Management monitors the operating results of its business units separately for the purpose of making decisions, allocating resources and assessing performance. Segment performance is evaluated based on earnings before interest, taxes, depreciation, amortization & impairment (EBITDA). EBITDA calculation includes the operating profit plus depreciation, amortization and impairment of tangible and intangible assets and amortization of government grands.

Information by operating segment

(all amounts in Euro thousands)	For the year ended 31 December 2022				
	Greece and Western Europe	North America	South Eastern Europe	Eastern Mediterranean	Total
Sales	402,985	1,314,294	385,894	267,237	2,370,410
Inter-segment sales	-76,557	-	-	-11,646	-88,203
Sales to external customers	**326,428**	**1,314,294**	**385,894**	**255,591**	**2,282,207**
Earnings before interest, taxes, depreciation, amortization and impairment (EBITDA)	28,494	188,186	94,958	19,564	331,202
Depreciation, amortization and impairment of tangible and intangible assets	-23,387	-84,915	-25,347	-19,923	-153,572
Operating profit before impairment losses on goodwill	5,107	103,271	69,611	-359	177,630
ASSETS					
Property, plant & equipment	306,493	762,952	288,532	306,497	1,664,474
Intangible assets and goodwill	35,576	238,610	60,229	30,292	364,707
Other non-current assets	28,445	20,811	10,011	723	59,990
Current assets	236,423	339,782	130,714	105,302	812,221
Total assets of segments excluding joint ventures	**606,937**	**1,362,155**	**489,486**	**442,814**	**2,901,392**
Investment in joint ventures (note 15.2)					92,907
Total assets					**2,994,299**
LIABILITIES					
Non-current liabilities	357,356	490,274	70,332	78,215	996,177
Current liabilities	142,170	292,779	66,196	72,703	573,848
Total liabilities	**499,526**	**783,053**	**136,528**	**150,918**	**1,570,025**
Capital expenditures (note 11, 12, 14)	42,724	156,528	28,293	14,348	241,893
Impairment of property, plant and equipment (note 11)	-	-496	-737	-	-1,233
Impairment of Goodwill (note 13)	-	-	-	-21,799	-21,799
Allowance for doubtful debtors (note 20)	335	-3,504	-298	-507	-3,974
Investment in associates (note 15)	3,459	-	4,046	-	7,505
Non-qualified deferred compensation plans (note 17, 25)	-	2,715	-	-	2,715
Non-current assets excluding financial instruments, deferred tax assets and post employment benefit assets	355,354	1,001,541	357,459	336,666	2,051,020

Summarized financial information of the joint ventures, based on their IFRS financial statements, is disclosed in note 15.2.
Capital expenditures consist of additions of property, plant and equipment and intangible assets.
Impairment charges are included in the income statement.
Sales refer to the sale of goods and services. There are sales between operating segments. Total assets and capital expenditures are presented in the operating segment of the company that owns the assets.

3. Operating segment information (continued)

Information by business activities

(all amounts in Euro thousands)	For the year ended 31 December 2022			
	Cement	Ready mix concrete, aggregates and building blocks	Other activities	Total
Sales	1,358,836	912,663	10,708	2,282,207

The cement activity includes cement and cementitious materials. The business activities that are common to all segments of the Group are the production and trade of cement, ready-mix concrete, aggregates and transportation services.

Greece and Western Europe segment is also engaged in the production and trade of dry mortars. North America segment includes the production and trade of building blocks and the processing of fly ash. Finally, South Eastern Europe and Eastern Mediterranean segments are engaged in the processing of alternative fuels.

Other activities include, among others, transportation services. None of these activities have the prerequisite magnitude to be presented separately.
At Group level, "Sales" is derived from a set of customers none of which separately represents greater than or equal to 10%.

Information by operating segment

(all amounts in Euro thousands)	For the year ended 31 December 2021				
	Greece and Western Europe	North America	South Eastern Europe	Eastern Mediterranean	Total
Sales	333,515	983,590	290,613	172,800	1,780,518
Inter-segment sales	-65,885	-	-10	-	-65,895
Sales to external customers	**267,630**	**983,590**	**290,603**	**172,800**	**1,714,623**
Earnings before interest, taxes, depreciation, amortization and impairment (EBITDA)	23,558	157,962	81,926	11,763	275,209
Depreciation, amortization and impairment of tangible and intangible assets	-22,173	-69,969	-25,467	-18,872	-136,481
Operating profit before impairment losses on goodwill	1,385	87,993	56,460	-7,110	138,728
ASSETS					
Property, plant & equipment	289,177	656,036	279,592	320,577	1,545,382
Intangible assets and goodwill	34,559	224,355	60,110	44,406	363,430
Other non-current assets	28,375	15,220	9,728	943	54,266
Current assets	197,290	237,698	117,716	81,296	634,000
Total assets of segments excluding joint ventures	**549,401**	**1,133,309**	**467,146**	**447,222**	**2,597,078**
Investment in joint ventures (note 15.2)					81,563
Total assets					**2,678,641**
LIABILITIES					
Non-current liabilities	237,052	458,840	77,914	127,123	900,929
Current liabilities	132,875	185,244	69,171	53,536	440,826
Total liabilities	**369,927**	**644,084**	**147,085**	**180,659**	**1,341,755**
Capital expenditures (note 11, 12, 14)	24,601	79,562	15,369	6,512	126,044
Allowance for doubtful debtors (note 20)	-456	-777	-370	-119	-1,722
Investment in associates (note 15)	3,398	-	3,792	-	7,190
Non-qualified deferred compensation plans (note 17, 25)	-	3,307	-	-	3,307
Non-current assets excluding financial instruments, deferred tax assets and post employment benefit assets	330,757	880,370	347,984	364,922	1,924,033

Summarised financial information of the joint ventures, based on their IFRS financial statements, is disclosed in note 15.2.
Capital expenditures consist of additions of property, plant and equipment, intangible assets and investment property.
Impairment charges are included in the income statement.
Sales refer to the sale of goods and services. There are sales between operating segments. Total assets and capital expenditures are presented in the operating segment of the company that owns the assets.

3. Operating segment information (continued)

Information by business activities

(all amounts in Euro thousands)	For the year ended 31 December 2021			
	Cement	Ready mix concrete, aggregates and building blocks	Other activities	Total
Sales	1,011,199	692,751	10,673	1,714,623

Reconciliation of profit

Net finance costs, and other income/loss are not allocated to individual segments as the underlying instruments are managed on a Group basis.

(all amounts in Euro thousands)	2022	2021
Operating profit before impairment losses on goodwill	**177,630**	**138,728**
Impairment losses on goodwill	-21,799	-
Operating profit	**155,831**	**138,728**
Finance income	7,567	4,255
Finance expenses	-41,969	-37,835
Loss from foreign exchange differences	-12,416	-73
Gain on net monetary position in hyperinflationary economies	26,307	-
Share of profit of associates (note 15.1)	1,226	585
Share of profit of joint ventures (note 15.2)	650	2,706
Profit before taxes	**137,196**	**108,366**

4. Other income and expenses

Other operating income and expenses

(all amounts in Euro thousands)	2022	2021
Scrap sales	936	48
Income from services	1,317	1,215
Rental income	2,825	2,550
Gains on disposal of PPE, intangible assets and investment property (note 11, 29)	188	5,747
Fair value gain from investment property (note 12)	509	333
Other income	2,283	835
Other income total	**8,058**	**10,728**
Restructuring cost	-1,111	-255
Various recurrent taxes - fees	-81	-354
Other expenses	-974	-222
Other expenses total	**-2,166**	**-831**

The restructuring cost is related to voluntary retirement incentive programs in all Group operating segments.

5. Expenses by nature

(all amounts in Euro thousands)	2022	2021
Staff costs and related expenses (note 7)	-374,647	-328,879
Raw materials and consumables used	-635,631	-481,338
Energy cost	-479,790	-279,296
Changes in inventory of finished goods and work in progress	18,444	20,309
Distribution expenses	-235,978	-194,204
Third party fees	-151,950	-136,410
Depreciation, amortization and impairment of tangible, intangible assets and government grants (note 11, 14, 27)	-153,572	-136,481
Other expenses	-93,371	-47,771
Total expenses by nature	**-2,106,495**	**-1,584,070**
Included in:		
Cost of sales	-1,889,522	-1,403,728
Administrative expenses	-188,319	-153,951
Selling and marketing expenses	-28,654	-26,391
	-2,106,495	**-1,584,070**

The above expenses include the amount of €8.8 million (2021: €8.8 million) that is relating to research and development activities, aimed at advancing innovation within the context of climate change mitigation and sustainable construction.

In 2022, the global price increases in fuels, electricity and freights resulted in higher costs across the Group, especially in raw materials, energy and distribution expenses.

A reclassification between the distribution expenses and other expenses has been made in 2021 for comparative purposes.

6. Net finance costs and foreign exchange differences

(all amounts in Euro thousands)	2022	2021
i) Finance income		
Interest income and related income	1,345	1,176
Fair value gains on derivatives (note 35)	6,222	3,079
Finance income	**7,567**	**4,255**
ii) Finance expenses		
Interest expense and related expenses	-37,641	-34,620
Finance costs of actuarial studies (note 25)	-185	-186
Unwinding of discount of rehabilitation and other provisions (note 26)	-1,296	-501
Interest expense on lease liabilities	-2,847	-2,528
Finance expense	**-41,969**	**-37,835**
iii) Loss from foreign exchange differences		
Net exchange gains	7,221	25,385
Fair value losses on derivatives (note 35)	-19,637	-25,458
Losses from foreign exchange differences	**-12,416**	**-73**
iv) Gain on net monetary position in hyperinflationary economies		
Gain on net monetary position in hyperinflationary economies	**26,307**	**-**

Losses from foreign exchange differences incorporate mainly the effects of changes in foreign exchange rates of intragroup loans and the fair value of derivatives that hedge the volatility of foreign currencies associated with these intragroup loans (note 35a).

7. Staff costs

(all amounts in Euro thousands)	2022	2021
Wages, salaries and related expenses	332,758	294,606
Social security costs	30,343	27,615
Share-based payment expense (note 24)	3,692	2,829
Fair value of share options granted to directors and employees (note 29)	-	886
Other post retirement and termination benefits - defined benefit plans (note 25)	9,150	3,384
Total staff costs	**375,943**	**329,320**

The average number of Group employees for the fiscal year 2022 was 5,411 (2021: 5,352).

8. Income tax expense

(all amounts in Euro thousands)	2022	2021
Current tax	17,172	11,717
Deferred tax (note 18)	6,467	2,612
Non deductible taxes and differences from tax audit	3,076	2,482
	26,715	**16,811**

Tax Reconciliation

The profit before tax of the Group companies is taxed at the applicable rate corresponding to the country in which each company is domiciled. The local income tax rates vary, thus resulting in corresponding tax rate differentials. A weighted average tax rate is determined by taking tax rate differentials into account.

The following table provides the reconciliation of prima facie tax payable to income tax expense:

(all amounts in Euro thousands)	2022	2021
Profit before tax	**137,196**	**108,366**
Impairment of goodwill	-21,799	-
Profit before tax and impairment of goodwill	**158,995**	**108,366**
Tax calculated at the parent company tax rate of 12.5% (2021 : 12,5%)	17,150	13,546
Effect of different tax rates in the countries that the Group operates	10,386	5,695
Tax calculated at weighted average tax rate of 17.3% (2021: 17,8%)	27,536	19,241
Tax adjustments in respect of:		
Income not subject to tax	-3,417	-2,226
Expenses not deductible for tax purposes	3,755	4,969
Effect of (recognized)/de-recognized deferred tax asset on tax carryforward losses	-600	1,898
Tax incentives	-4,094	-3,521
Effect of change in tax rate	-	127
Utilization of prior years unrecognized losses	513	-120
Base Erosion and Anti-Abuse Tax	-	527
Tax on loss from disposal of treasury shares	-	-6,174
Change in recognition of net operating loss carryforwards	867	-46
Other	2,155	2,136
Effective tax charge	**26,715**	**16,811**

Deferred tax assets are recognized for the carryforwards of unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilized.

On 31 December 2022, certain Group entities had tax carry forward losses of €91.4 million (2021: €127.4 million). These entities have recognized deferred tax assets amounting to €19.7 million (2021: 22.4 million), attributable to losses amounting to €86.1 million (2021: €93.2 million), as these deferred tax assets will be recoverable using the estimated future taxable income based on approved business plans (note 18).

For the remaining €5.3 million tax carry forward losses, no deferred tax asset has been recognized, since they did not meet the recognition criteria according to IAS 12. Tax carry forward losses amounting to €4.5 million expire up to 2024 , €0,1 million expire up to 2025 and €0.7 million expire up 2026.

9. Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to shareholders for the year by the weighted average number of shares in issue during the year, excluding shares purchased by the Group and held as treasury shares.

(all amounts in Euro thousands unless otherwise stated)	2022	2021
Net profit for the year attributable to equity holders of the parent	109,655	91,923
Weighted average number of ordinary shares in issue	71,735,065	74,795,239
Basic earnings per ordinary share (in €)	**1.5286**	**1.2290**

Diluted EPS are calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. Options granted to employees under the Group's plans 2014 and 2017 (note 24) are considered to be potential ordinary shares.

(all amounts in Euro thousands unless otherwise stated)	2022	2021
Net profit for the year attributable to equity holders of the parent	109,655	91,923
Weighted average number of ordinary shares for diluted earnings per share	71,735,065	74,795,239
Share options and awards	52,640	294,514
Total weighted average number of shares in issue for diluted earnings per share	71,787,705	75,089,753
Diluted earnings per ordinary share (in €)	**1.5275**	**1.2242**

10. Dividends and return of capital

For the year ended 31.12.2022

Proposed dividends not recognised at the end of the reporting period

The Board of Directors will propose to the Annual General Assembly of Shareholders, scheduled to take place on 11 May 2023, the distribution of dividend €0.60 (60 cents) per share.

Return of capital paid

Following the authorization granted to the Board of Directors by the Extraordinary Meeting of the Company's Shareholders on 13 May 2019, the Board of Directors of Titan Cement International SA decided on the 16th of March 2022 the return of capital of €0.50 (50 cents) per share to all the Shareholders of the Company on record on 28th of April 2022.

For the year ended 31.12.2021

Return of capital paid

Following the authorization granted to the Board of Directors by the Extraordinary Meeting of the company's Shareholders on the 13th of May 2019, the Board of Directors of Titan Cement International SA decided on the 22nd of March 2021 the return of capital of €0.40 (40 cents) per share to all the Shareholders of the Company on record on the 29th of April 2021.

11. Property, plant and equipment

(all amounts in Euro thousands)	Year ended 31 December 2021							
	Land	Quarries	Buildings	Plant & equipment	Motor vehicles	Office furniture, fixtures and equipment	Assets under construction	Total
Opening balance	**232,721**	**118,706**	**190,926**	**796,272**	**55,472**	**11,130**	**71,983**	**1,477,210**
Additions	60	6,178	101	2,399	380	769	90,077	99,964
Interest capitalization	-	-	-	-	-	-	461	461
Disposals (NBV)	-824	-	-138	-217	-110	-1	-178	-1,468
Reclassification of assets from/to other PPE categories	283	-	2,283	58,473	18,906	3,605	-78,155	5,395
Transfers from/to other accounts	1	-471	54	477	-	-12	-3,724	-3,675
Depreciation charge (note 29)	-3,249	-10,975	-10,817	-72,946	-14,682	-3,848	-	-116,517
Exchange differences	13,080	8,007	-4,553	3,177	3,541	66	5,876	29,194
Ending balance	**242,072**	**121,445**	**177,856**	**787,635**	**63,507**	**11,709**	**86,340**	**1,490,564**
Right of use assets								
Opening balance	**12,035**	**-**	**18,216**	**11,073**	**10,687**	**22**	**-**	**52,033**
Additions	272	-	5,184	10,884	2,606	-	-	18,946
Disposals (NBV)	-	-	-43	-67	-88	-	-	-198
Reclassification of assets from ROU's to PPE	-	-	-	-1,257	-4,138	-	-	-5,395
Depreciation charge (note 29, 33)	-1,459	-	-4,869	-4,501	-3,116	-19	-	-13,964
Exchange differences	923	-	932	1,136	405	-	-	3,396
Ending balance	**11,771**	**-**	**19,420**	**17,268**	**6,356**	**3**	**-**	**54,818**
At 31 December 2021								
Cost	323,716	239,047	457,687	2,005,400	292,025	59,930	86,877	3,464,682
Accumulated depreciation	-64,375	-117,602	-259,472	-1,194,052	-222,162	-48,206	-	-1,905,869
Accumulated losses of impairment of PPE	-5,498	-	-939	-6,445	-	-12	-537	-13,431
Net book value	**253,843**	**121,445**	**197,276**	**804,903**	**69,863**	**11,712**	**86,340**	**1,545,382**

11. Property, plant and equipment (continued)

(all amounts in Euro thousands)	Year ended 31 December 2022							
	Land	Quarries	Buildings	Plant & equipment	Motor vehicles	Office furniture, fixtures and equipment	Assets under construction	Total
Opening balance	**242,072**	**121,445**	**177,856**	**787,635**	**63,507**	**11,709**	**86,340**	**1,490,564**
Additions	2,110	6,878	274	4,209	584	1,223	189,641	204,919
Hyperinflation adjustments	4,063	-	25,099	65,810	60	119	557	95,708
Interest capitalization	-	-	143	37	-	-	-	180
Disposals (NBV)	-612	-5	-	-1,026	-459	-56	-1,929	-4,087
Reclassification of assets from/to other PPE categories	1,479	2,883	13,777	83,156	39,797	-2,611	-138,481	-
Transfers from/to other accounts	478	527	-	-713	-	321	-905	-292
Depreciation charge (note 29)	-3,005	-12,568	-11,170	-78,649	-19,716	-108	-	-125,216
Impairment of PPE (note 29)	-638	-496	-99	-	-	-	-	-1,233
Exchange differences	-7,136	5,673	-15,362	-53,144	3,044	-89	1,270	-65,744
Ending balance	**238,811**	**124,337**	**190,518**	**807,315**	**86,817**	**10,508**	**136,493**	**1,594,799**
Right of use assets								
Opening balance	**11,771**	**-**	**19,420**	**17,268**	**6,356**	**3**	**-**	**54,818**
Additions	347	-	10,224	351	18,658	-	-	29,580
Disposals (NBV)	-	-	-6	-	-1,097	-	-	-1,103
Reclassification of assets from/to other ROU's categories	-	-	-	-16,777	16,777	-	-	-
Depreciation charge (note 29, 33)	-1,618	-	-4,559	-211	-8,881	-2	-	-15,271
Exchange differences	748	-	-	-1	904	-	-	1,651
Ending balance	**11,248**	**-**	**25,079**	**630**	**32,717**	**1**	**-**	**69,675**
At 31 December 2022								
Cost	328,136	261,070	490,356	2,085,624	360,318	61,524	136,493	3,723,521
Accumulated depreciation	-72,390	-136,233	-273,721	-1,271,234	-240,784	-51,003	-	-2,045,365
Accumulated losses of impairment of PPE	-5,687	-500	-1,038	-6,445	-	-12	-	-13,682
Net book value	**250,059**	**124,337**	**215,597**	**807,945**	**119,534**	**10,509**	**136,493**	**1,664,474**

11. Property, plant and equipment (continued)

During 2022, the Group invested in energy saving projects allowing higher use of lower cost alternative fuels, improved cement production efficiencies through digital technology, expanded warehouse capacity to accommodate larger production volumes, optimized logistics, and reduced carbon footprint mainly in the USA and EU. The aforementioned projects accounted for 56% of the total CapEx in 2022.

During 2022, the Group received €5,748 thousand (2021: €8,694 thousand) from the disposal of tangible intangible assets and investment property with total net book value of €5,560 thousand (2021: €2,947 thousand). Thus, the Group recognized €188 thousand gains (2021: €5,747 thousand gains) on disposal of PPE in the consolidated income statement (note 4, 29).

In 2022, the Group recorded impairment losses of €1,233 thousand, that were presented in the cost of sales in the consolidated income statement. Specifically, the amount of €638 thousand was recorded for a plot of land, €496 thousand for quarries and €99 thousand for buildings.

On the Turkish subsidiary Adocim Cimento Beton Sanayi ve Ticaret A.S. assets, there are mortgages of €27.5 million, securing bank credit facilities. As at 31.12.2022, the balance of these credit facilities amounted to €8.3 million.

12. Investment property

Property that is leased among Group subsidiaries is not included in investment property but in property, plant and equipment in the Group statement of financial position. Investment property is measured at fair value by external, independent, certified evaluators, members of the institute of the certified evaluators and certified from the European Group of Valuers' Associations (TEGoVA) & RICS (Royal Institution of Chartered Surveyors).

(all amounts in Euro thousands)	2022	2021
Opening balance	**10,980**	**11,720**
Disposals	-	-1,043
Net gain from measurement at fair value (note 4)	509	575
Transfer to assets held for sale	-	-238
Transfer to property, plant and equipment	-259	-38
Exchange differences	10	4
Ending balance	**11,240**	**10,980**

In December 2021, the Group subsidiary in Greece, Titan Cement S.A., sold the majority of its land plots located in Elefsina-Attika at a selling price of €7.1 million, resulting in a gain of €6.1 million. A small part of the land plots with a carrying amount of €238 thousand was classified as forest area by the Forest State Office, thus delaying the completion of its sale in 2021. Accordingly, this part of land was designated as an asset held for sale in 2021 statement of financial position. In 2022, the land was sold at the pre-agreed price of €500 thousand, resulting in a gain of €262 thousand.

(all amounts in Euro thousands)	2022	2021
Rental income derived from investment property	467	426
Direct operating expenses (including repair and maintenance) that did not generate rental income	-34	-73
Net profit arising from investment properties carried at fair value	509	333

Investment property is measured at fair value on a yearly basis. The fair value measurement of the investment property of the Group has been mainly conducted in accordance with the comparative method or the current market values of similar properties. The main factors that were taken into consideration, are the property location, the surface area, the local urban planning, the bordering road networks, the regional infrastructure, the property maintenance status and merchantability, the technical construction standards in the case of buildings and the impact of environmental issues if any.

The investment properties are leased to tenants under operating leases with rentals payable monthly, quarterly or yearly. Lease payments for some contracts include Consumer Price Index (CPI) increases, but there are no other variable lease payments that depend on an index or rate.

Minimum lease payments receivable on leases of investment properties are as follows:

(all amounts in Euro thousands)	2022	2021
Within one year	477	522
Between 1 and 2 years	337	415
Between 2 and 3 years	270	334
Between 3 and 4 years	254	246
Between 4 and 5 years	170	228
Later than five years	242	574
	1,750	**2,318**

13. Goodwill

(all amounts in Euro thousands)	Initial goodwill	Goodwill impairment	Total goodwill
Balance at 1 January 2021	**332,652**	**-64,639**	**268,013**
Exchange differences	1,207	2,766	3,973
Balance at 31 December 2021	**333,859**	**-61,873**	**271,986**
Balance at 1 January 2022	**333,859**	**-61,873**	**271,986**
Hyperinflation adjustments	25,605	-1,491	24,114
Impairment (note 29)	-	-21,799	-21,799
Exchange differences	18,325	-11,792	6,533
Balance at 31 December 2022	**377,789**	**-96,955**	**280,834**

Impairment testing of goodwill

Key assumptions

Group cash-generating-units (CGUs) are defined generally as a country or group area on the basis of the sales and management structure. The recoverable amount of all CGUs has been determined based on value-in-use calculations. These calculations use post-tax cash flow projections based on financial budgets approved by management covering generally a five-year period. Forecasts rely on a combination of internal and external factors that influence each CGU operations, such as the macroeconomic environment and sustainability matters. Furthermore, in specific circumstances, when recent results of a CGU do not reflect historical performance and most external economic variables provide confidence that a reasonably determinable improvement is expected in the mid-term, management uses cash flow projections over a period up to 10 years, to reflect sufficiently the cyclical nature of the industry.

Sales volumes:

Volume assumptions are provided by local management and reflect its best estimates taking into consideration: past performance, local market growth estimates, infrastructure projects, etc. Sales volume growth rates are also based on published industry research and take into account demographic trends including population growth, household formation, and economic output (among other factors) in the countries where the Group operates.

Selling prices and cost:

Price assumptions are provided by local management and reflect its best estimates. Factors that have been taken into consideration are: historical trends, inflation, brand loyalty, growth rate of the regional economy, competition, production cost increases, etc.
Input cost evolution, mainly consisting of thermal and electrical energy, transportation costs, and raw material costs, are determined by forecasted projections provided by international agencies and institutions. Furthermore, actions for mitigating supply chain disruption and the curtailment of the group's environmental footprint are factored-in.

Terminal value and Perpetual growth rates:

Terminal value cash flows are based on the long-term growth expectations for the industry in the country of operation. It is calculated based on sustainable sales volumes, capacity utilization, EBITDA margin and CapEx, to reflect sustainable cash flows in perpetuity. Perpetuity Growth rates are in line with the nominal economic growth. Rates are reasonably compared to long-term inflation expectations, adjusted for per capita consumption expectations and capacity utilization. Inputs that have been taken into consideration are estimates from international agencies' or banks' forecasts.

Discount rates:

Discount rates are according to post tax weighted average cost of capital (WACC) for each CGUs, deriving from Group's current market risk assessment, applicable local tax rates and local currency risk free rates.

13. Goodwill (continued)

Key assumptions used for value in use calculations in respect of goodwill 2022

(all amounts in Euro thousands)	Carrying amount of goodwill	Perpetual Growth rates	Discount rates
North America	205,058	2%-3%	7.9 %
Bulgaria	45,440	1.9 %	10.2 %
Turkey	13,152	12.5 %	27 %
Other	17,184	1%-2.6%	7.7%-10.7%
Total	**280,834**		

Key assumptions used for value in use calculations in respect of goodwill 2021

(all amounts in Euro thousands)	Carrying amount of goodwill	Perpetual Growth rates	Discount rates
North America	193,113	2%-3%	5.6%
Bulgaria	45,440	1.5 %	4.7%
Turkey	16,294	11 %	24.7%
Other	17,139	0.8%-1.4%	5.2%-7.1%
Total	**271,986**		

Turkey is facing an acute macroeconomic crisis exacerbated by the current international environment. Against this backdrop, domestic cement volumes have declined as government projects are slowing down and overall investment activity declined. However, real estate investment remains a perceived safe outlet for capital, thereby supporting building activity. Exports provide a stable outlet for the country and in the course of the period, the Group completed and launched operations at its purpose-built new cement export terminal in the Black Sea port of Samsun, which successfully started shipping low-alkali cement to the USA. Prices continue to increase to address the inflation of costs. As of last June, the Group applied IAS 29 for hyperinflation for its operations in Turkey. The rapid deterioration of the economic environment and record levels of hyperinflation will affect construction activity, posing some uncertainty for the coming year. As a result, the carrying amount exceeding the recoverable amount, resulting in an impairment loss of €21.8 million for 2022.

Sensitivity of recoverable amounts

On 31.12.2022, the Group analyzed the sensitivities of the recoverable amounts to the reasonably change in key assumptions. For all CGUs (excluding Turkey) the sensitivity analysis did not present a situation in which the carrying value of the CGU would exceed their recoverable amount. With respect to Bulgaria, additional sensitivity analyses have been performed in order to assess the changes in the operational plan used for cash flow estimates or the discount rate, which would cause the carrying amount to be equal to the recoverable amount.

-Increase in the Discount rate by: 2.1%
-Decrease in the operating margin (EBITDA margin) for each year of planning as well as in the terminal value of around 4%.

14. Intangible assets

(all amounts in Euro thousands)	Licences	Trademarks	Customer relationships	Computer software	Other intangible assets	Assets under construction	Total
Balance at 1 January 2021	**35,871**	**14,045**	**3,798**	**3,559**	**3,741**	**23,265**	**84,279**
Additions	6	-	-	157	198	6,773	7,134
Disposals (NBV) (note 29)	-	-	-	-	-238	-	-238
Reclassification of assets from/to other intangible assets categories	411	-	-	5,827	345	-6,583	-
Transfers from other accounts	-	-	-	18,435	47	-16,242	2,240
Amortization charge (note 29)	-1,146	-877	-1,659	-1,991	-532	-	-6,205
Exchange differences	1,701	1,044	228	-21	121	1,161	4,234
Balance at 31 December 2021	**36,843**	**14,212**	**2,367**	**25,966**	**3,682**	**8,374**	**91,444**
Balance at 1 January 2022	**36,843**	**14,212**	**2,367**	**25,966**	**3,682**	**8,374**	**91,444**
Additions	33	-	-	3,290	139	3,932	7,394
Disposals (NBV) (note 29)	-	-	-	-	-12	-112	-124
Hyperinflation adjustments	18	-	-	3	-	-	21
Reclassification of assets from/to other intangible assets categories	33	-	-	945	783	-1,761	-
Transfers from other accounts	-	-	-	127	28	41	196
Other reclassifications	-	-	-	-	-646	-22	-668
Amortization charge (note 29)	-1,058	-796	-1,597	-4,200	-362	-	-8,013
Exchange differences	-7,423	609	-275	1,205	-423	-70	-6,377
Balance at 31 December 2022	**28,446**	**14,025**	**495**	**27,336**	**3,189**	**10,382**	**83,873**

15. Investments in associates, joint ventures and subsidiaries

15.1 Investment in associates

The Group financial statements incorporate the following companies with the equity method of consolidation:

a) Karierni Materiali Plovdiv AD with ownership percentage 48.711% (31.12.2021: 48.711%), Karierni Materiali AD with ownership percentage 48.764% (31.12.2021: 48.764%). The aforementioned companies are based in Bulgaria and operate in the aggregates business.

b) Ecorecovery S.A. with ownership percentage 48% (31.12.20221: 48%). Ecorecovery is based in Greece and it processes, manages and trades solid waste for the production of alternative fuels.

c) ASH Venture LLC with ownership percentage 33% (31.12.2021: 33%), which is based in USA and beneficiates, markets and sells fly ash. The carrying value of the investment in the Ash Venture on 31.12.2022 is nil, as its activities have been completed and in 2023 the associate will be dissolved.

None of the aforementioned companies is listed on a public exchange market.
Based on their contribution in its profit before taxes, the Group decided that each one of the aforementioned associates is individually immaterial and thus it discloses in aggregate its interests in these associates as follows:

(all amounts in Euro thousands)	2022	2021
Summarized statement of financial position as at 31 December		
Non-current assets	17,320	17,686
Current assets	6,796	6,377
Total assets	**24,116**	**24,063**
Non-current liabilities	1,841	1,663
Current liabilities	6,373	6,864
Total liabilities	**8,214**	**8,527**
Equity	**15,902**	**15,536**
Summarized income statement and statement of comprehensive income for the year ended 31 December		
Sales	**17,295**	**15,233**
Profit/(loss) after taxes	2,519	-6,384
Other comprehensive income/(loss) for the year	26	-10
Total comprehensive income/(loss) for the year net of tax	**2,545**	**-6,394**
Reconciliation to carrying amounts:		
Opening net assets 1 January	**15,536**	**24,627**
Profit/(loss) for the year	2,519	-6,384
Other comprehensive income/(loss) for the year	26	-10
Share capital increase	-	-700
Dividends paid	-2,200	-1,839
Foreign exchange differences	21	235
Restructuring	-	-393
Closing net assets 31 December	**15,902**	**15,536**
Adjustments due to unrecognized fair value gain on assets contributed to associate	-	-4,318
Accumulated depreciation adjustments related to unrecognized fair value	-	4,318
Group's carrying amount of the investment after adjustments	**7,505**	**7,190**

15. Investments in associates, joint ventures and subsidiaries (continued)

15.2 Investments in joint ventures

On 31 December 2022, the Group incorporated in its financial statements the following joint ventures with the equity method of consolidation:

a) Companhia Industrial De Cimento Apodi with ownership percentage 50% (31.12.2021: 50%). Apodi is based in Brazil and operates in the production of cement.

b) Apodi Distribuição e Logistica Ltda with ownership percentage 50% (31.12.2021: 50%). The Apodi Distribuição e Logistica Ltda is a trading company based in Brazil.

None of the aforementioned companies is listed on a public exchange market.
Summarised financial information of the joint ventures, based on their IFRS financial statements, and reconciliation with carrying amount of the investment in consolidated financial statements are set out below:

(all amounts in Euro thousands)	Companhia Industrial De Cimento Apodi - Consolidated *	
	2022	2021
Summarized statement of financial position as at 31 December		
Non-current assets	158,478	124,251
Other current assets	42,995	42,544
Cash and cash equivalents	15,537	6,213
Total assets	**217,010**	**173,008**
Long-term borrowings	49,436	59,009
Other non-current liabilities	765	689
Short-term borrowings	52,220	21,192
Other current liabilities	40,422	27,991
Total liabilities	**142,843**	**108,881**
Equity	**74,167**	**64,127**
Summarized income statement and statement of comprehensive income for the year ended 31 December		
Sales	**115,854**	**83,845**
Depreciation, amortization and impairments of assets	-10,008	-8,363
Finance income	1,580	623
Finance expense	-13,398	-7,364
Profit after taxes	1,300	5,411
Total comprehensive profit for the year net of tax	**1,300**	**5,411**
Earnings before interest, taxes, depreciation, amortization and impairment (EBITDA)	**21,096**	**19,524**
Reconciliation to carrying amounts:		
Opening net assets 1 January	**64,127**	**58,201**
Profit for the year	1,300	5,411
Foreign exchange differences	8,740	515
Closing net assets 31 December	**74,167**	**64,127**
Group's share in %	50 %	50 %
Group's share in '000 €	37,084	32,064
Goodwill	55,823	49,499
Carrying amount of the investment as at 31 of December	**92,907**	**81,563**

** Consolidated figures before elimination with the broader Group*

On 31.12.2022, the Group carried out an impairment test for the carrying value of the Brazilian CGU. The recoverable amount, which has been determined based on value-in-use calculations with a discount rate of 16.5% and a perpetual growth rate of 3.3%, exceeds the carrying value. Additional sensitivity analysis has been performed in order to assess the changes in the operational plan used for cash flow estimates or the discount rate, which would cause the carrying amount to be equal to the recoverable amount.

- Increase in the Discount rate by 2.5%.
- Decrease in the operating margin (EBITDA margin) for each year of planning as well as in the terminal value of around 4.6%.

15. Investments in associates, joint ventures and subsidiaries (continued)

15.3 Subsidiaries with significant percentage of non-controlling interests

On 31.12.2022, the Group non-controlling interest was €29.7million (2021: €15.3 million) of which €22.6 million (2021: €10.4 million) derived from Adocim Cimento Beton Sanayi ve Ticaret A.S., €2.5 million (2021: €0.7 million) from Alexandria Portland Cement Co. S.A.E., €3.6 million (2021: €3.0 million) from Usje Cementarnica AD and €1.1 million (2021: €1.1 million) from Cement Plus LTD.

The Turkish economy is considered as hyperinflationary from June 2022 (note 1.1.1).

The following table summarizes the financial information of subsidiary Adocim Cimento Beton Sanayi ve Ticaret A.S. in which the non-controlling interests held significant portion (note 16).

(all amounts in Euro thousands)	Adocim Cimento Beton Sanayi ve Ticaret A.S.*	
	2022	2021
Summarized statement of financial position as at 31 December		
Non-current assets	125,223	58,567
Current assets	35,199	15,791
Total assets	**160,422**	**74,358**
Non-current liabilities	28,343	14,459
Current liabilities	41,644	18,416
Total liabilities	**69,987**	**32,875**
Equity	**90,435**	**41,483**
Attributable to:		
Equity holders of the parent	67,830	31,112
Non-controlling interests (25%)	22,605	10,371
Summarized income statement and statement of comprehensive income for the year ended 31 December		
Sales	**68,072**	**39,292**
Loss after taxes	-902	-5,805
Other comprehensive income/ (loss) for the year	22,528	-29,290
Total comprehensive income/(loss) for the year net of tax	**21,626**	**-35,095**
Total comprehensive income/(loss) attributable to non-controlling interests	5,406	-8,773
Summarized cash flow information		
Cash flows from operating activities	7,734	20
Cash flows from investing activities	-9,294	-2,958
Cash flows from financing activities	3,584	2,084
Net increase/(decrease) in cash and cash equivalents	**2,024**	**-854**
Cash and cash equivalents at beginning of the period	73	874
Effects of exchange rate changes	-110	53
Cash and cash equivalents at end of the year	**1,987**	**73**

** Figures before elimination with the broader Group*

16. Principal subsidiaries, associates and joint ventures

	Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	2022 % of investment (*)		2021 % of investment (*)	
				Direct	Indirect	Direct	Indirect
	Full consolidation method						
	Titan Cement International S.A.	Belgium	Investment holding company	Parent company		Parent company	
	Titan Cement Company S.A	Greece	Cement producer	100.000	-	100.000	-
(4)	Aitolika Quarries S.A.	Greece	Quarries & aggregates	-	83.594	-	63.723
(2)	Albacem S.A.	Greece	Trading company	-	-	-	100.000
(1)	Business Park Titan Elefsinas S.A.	Greece	Provision of technical and business services	-	100.000	-	-
	Interbeton Construction Materials S.A.	Greece	Ready mix & aggregates	-	100.000	-	100.000
	Intertitan Trading International S.A.	Greece	Trading company	-	100.000	-	100.000
	Gournon Quarries S.A.	Greece	Quarries & aggregates	-	100.000	-	100.000
	Quarries of Tagaradon Community S.A.	Greece	Quarries & aggregates	-	67.587	-	67.587
	Vahou Quarries S.A.	Greece	Quarries & aggregates	-	100.000	-	100.000
	Sigma Beton S.A.	Greece	Quarries & aggregates	-	100.000	-	100.000
	Titan Atlantic Cement Industrial & Commercial S.A.	Greece	Investment holding company	-	100.000	-	100.000
	Titan Cement International Trading S.A.	Greece	Trading company	-	100.000	-	100.000
	Brazcem Participacoes S.A.	Brazil	Investment holding company	-	100.000	-	100.000
	Double W & Co OOD	Bulgaria	Port	-	99.989	-	99.989
	Granitoid AD	Bulgaria	Trading company	-	99.760	-	99.760
	Gravel & Sand PIT AD	Bulgaria	Quarries & aggregates	-	99.989	-	99.989
(2)	Trojan Cem EOOD	Bulgaria	Trading company	-	-	-	95.000
	Zlatna Panega Cement AD	Bulgaria	Cement producer	-	99.989	-	99.989
	Green Alternative Energy Assets EAD	Bulgaria	Alternative fuels	-	100.000	-	100.000
	Cementi ANTEA SRL	Italy	Trading company	-	100.000	-	100.000
	Cementi Crotone S.R.L.	Italy	Import & distribution of Cement	-	100.000	-	100.000
	Fintitan SRL	Italy	Import & distribution of cement	-	100.000	-	100.000
	Separation Technologies Canada Ltd	Canada	Processing of fly ash	-	100.000	-	100.000
	Alexandria Development Co.Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
	Titan Eastmed Investments Limited	Cyprus	Investment holding company	-	100.000	-	100.000
	Alvacim Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
(3)	East Cement Trade Ltd	Cyprus	Investment holding company	-	-	-	100.000
	Feronia Holding Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
	Iapetos Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
(3)	KOCEM Limited	Cyprus	Investment holding company	-	-	-	100.000
	Rea Cement Investments Limited	Cyprus	Investment holding company	-	100.000	-	100.000
	Themis Holdings Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
	Titan Cement Cyprus Limited	Cyprus	Investment holding company	-	100.000	-	100.000
	Tithys Holdings Limited	Cyprus	Investment holding company	100.000	-	100.000	-
	Alexandria Portland Cement Co. S.A.E	Egypt	Cement producer	-	99.605	-	99.605
	Beni Suef Cement Co.S.A.E.	Egypt	Cement producer	-	100.000	-	100.000
	GAEA -Green Alternative Energy Assets	Egypt	Alternative fuels	-	99.996	-	99.996
	Titan Beton & Aggregate Egypt LLC	Egypt	Quarries & aggregates	-	99.611	-	99.611
	Sharr Beteiligungs GmbH	Germany	Investment holding company	-	100.000	-	100.000
	Arresa Marine Co	Marshall Islands	Shipping	-	100.000	-	100.000
	Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S.	Turkey	Processing and trading of cement	-	100.000	-	100.000
	Adocim Cimento Beton Sanayi ve Ticaret A.S.	Turkey	Cement producer	-	75.000	-	75.000
	Titan Cement U.K. Ltd	U.K.	Import & distribution of cement	-	100.000	-	100.000
	Titan Global Finance PLC	U.K.	Financial services	100.000	-	100.000	-
	Carolinas Cement Company LLC	U.S.A.	Own/develop real estate	-	100.000	-	100.000
(1)	CemAI Inc.	U.S.A.	Preventing maintenance	-	100.000	-	-
	Essex Cement Co. LLC	U.S.A.	Trading company	-	100.000	-	100.000
	Markfield America LLC	U.S.A.	Insurance company	-	100.000	-	100.000
	Massey Sand and Rock Co	U.S.A.	Quarries & aggregates	-	100.000	-	100.000
	Mechanicsville Concrete LLC	U.S.A.	Ready mix	-	100.000	-	100.000
	Metro Redi-Mix LLC	U.S.A.	Ready mix	-	100.000	-	100.000
	Miami Valley Ready Mix of Florida LLC	U.S.A.	Ready mix	-	100.000	-	100.000

(*) Percentage of investment represents both percentage of shareholding and percentage of control

16. Principal subsidiaries, associates and joint ventures (continued)

	Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	2022 % of investment (*) Direct	2022 % of investment (*) Indirect	2021 % of investment (*) Direct	2021 % of investment (*) Indirect
	Full consolidation method						
	Pennsuco Cement Co. LLC	U.S.A.	Cement producer	-	100.000	-	100.000
	Norfapeake Terminal LLC	U.S.A.	Trading company	-	100.000	-	100.000
	Roanoke Cement Co. LLC	U.S.A.	Cement producer	-	100.000	-	100.000
	S&W Ready Mix Concrete Co. Inc.	U.S.A.	Ready mix	-	100.000	-	100.000
	S&W Ready Mix LLC	U.S.A.	Ready mix	-	100.000	-	100.000
	Separation Technologies LLC	U.S.A.	Processing of fly ash	-	100.000	-	100.000
(1)	Silver Sand Transportation LLC	U.S.A.	Transportation	-	100.000	-	0.000
	Standard Concrete LLC	U.S.A.	Trading company	-	100.000	-	100.000
	ST Mid-Atlantic LLC	U.S.A.	Processing of fly ash	-	100.000	-	100.000
	ST Equipment & Technology LLC	U.S.A.	Sales of fly ash processing equipment	-	100.000	-	100.000
	ST Equipment & Technology Trading Company LLC	U.S.A.	Trading company	-	100.000	-	100.000
	Summit Ready-Mix LLC	U.S.A.	Ready mix	-	100.000	-	100.000
	Titan Florida LLC	U.S.A.	Cement producer	-	100.000	-	100.000
	Titan Mid-Atlantic Aggregates LLC	U.S.A.	Quarries & aggregates	-	100.000	-	100.000
	Titan Virginia Ready Mix LLC	U.S.A.	Ready mix	-	100.000	-	100.000
	Titan America LLC	U.S.A.	Investment holding company	-	100.000	-	100.000
	Trusa Realty LLC	U.S.A.	Real estate brokerage	-	100.000	-	100.000
	Cementara Kosjeric AD	Serbia	Cement producer	-	100.000	-	100.000
(3)	Stari Silo Company DOO	Serbia	Trading company	-	-	-	100.000
	TCK Montenegro DOO	Montenegro	Trading company	-	100.000	-	100.000
	Esha Material DOOEL	North Macedonia	Quarries & aggregates	-	100.000	-	100.000
(2)	GAEA Zelena Alternative Enerjia DOOEL	North Macedonia	Alternative fuels	-	-	-	100.000
	ID Kompani DOOEL	North Macedonia	Trading company	-	95.000	-	95.000
	MILLCO-PCM DOOEL	North Macedonia	Renting and leasing of machines, equipment and material goods	-	100.000	-	100.000
	Opalit DOOEL	North Macedonia	Quarries & aggregates	-	95.000	-	95.000
	Rudmak DOOEL	North Macedonia	Trading company	-	100.000	-	100.000
	Usje Cementarnica AD	North Macedonia	Cement producer	-	95.000	-	95.000
(2)	Vesa DOOL	North Macedonia	Trading company	-	-	-	100.000
	Cement Plus LTD	Kosovo	Trading company	-	64.999	-	64.999
	Esha Material LLC	Kosovo	Quarries & aggregates	-	100.000	-	100.000
	Kosovo Construction Materials L.L.C.	Kosovo	Quarries & aggregates	-	100.000	-	100.000
	Sharrcem SH.P.K.	Kosovo	Cement producer	-	100.000	-	100.000
	Alba Cemento Italia, SHPK	Albania	Trading company	-	100.000	-	100.000
	Antea Cement SHA	Albania	Cement producer	-	100.000	-	100.000
	GAEA Enerjia Alternative e Gjelber Sh.p.k.	Albania	Alternative fuels	-	100.000	-	100.000
	Colombus Properties B.V.	Holland	Investment holding company	-	100.000	-	100.000
	Salentijn Properties1 B.V.	Holland	Investment holding company	-	100.000	-	100.000
	Titan Cement Netherlands BV	Holland	Investment holding company	-	100.000	-	100.000
	Equity consolidation method						
	Companhia Industrial De Cimento Apodi S.A.	Brazil	Cement producer	-	50.000	-	50.000
	Apodi Concretos Ltda	Brazil	Ready mix	-	50.000	-	50.000
	Apodi Distribuição e Logistica Ltda	Brazil	Trading company	-	50.000	-	50.000
	ASH Venture LLC	U.S.A.	Processing of fly ash	-	33.000	-	33.000
	Ecorecovery S.A.	Greece	Engineering design services for solid and liquid waste facilities	-	48.000	-	48.000
	Karierni Materiali Plovdiv AD	Bulgaria	Quarries & aggregates	-	48.711	-	48.711
	Karierni Materiali AD	Bulgaria	Quarries & aggregates	-	48.764	-	48.764

(*) Percentage of investment represents both percentage of shareholding and percentage of control

16. Principal subsidiaries, associates and joint ventures (continued)

Significant Group structure changes

1) Silver Sand Transportation LLC was created in 2022 as a subsidiary of Titan Florida LLC in U.S.. Furthermore, Titan Cement Netherlands B.V. corporated in the Netherlands, established a subsidiary in U.S., the CemAI Inc.. The Group's subsidiaries Titan Cement Company S.A. and Interbeton Construction Materials S.A., in Greece, formed a new subsidiary named Business Park Titan Elefsinas S.A.. The Group incorporated all the above-mentioned subsidiaries, in its financial statements, with the full method of consolidation.

2) The Group's subsidiaries Albacem S.A., Trojan Cem EODD, Vesa DOOL and GAEA Zelena Alternative Enerjia DOOEL were liquidated in 2022.

3) In February 2022, the Group's subsidiaries in Cyprus, East Cement Trade Ltd and KOCEM Limited merged with Alexandria Development Limited. In addition, the Group's subsidiary Stari Silo Company DOO in Serbia merged in September 2022 with Cementara Kosjeric AD.

4) Change in ownership percentage of Aitolika Quarries S.A.

17. Other non-current assets

(all amounts in Euro thousands)	2022	2021
Utility deposits	2,807	5,197
Excess benefit plan assets (note 25)	2,715	3,307
Other non-current assets	14,411	10,052
	19,933	**18,556**

18. Deferred income taxes

Deferred income taxes are calculated in full on temporary differences under the liability method using the principal tax rates that apply to the countries in which the companies of the Group operate.

(all amounts in Euro thousands)	2022	2021
Deferred tax assets to be recovered:		
after more than 12 months	-73,517	-81,271
within 12 months	-16,188	-14,877
Deferred tax liabilities to be used:		
after more than 12 months	210,166	197,215
within 12 months	3,922	3,670
Deferred tax liability (net)	**124,383**	**104,737**

The movement in the deferred income tax account after set-offs is as follows:

(all amounts in Euro thousands)	2022	2021
Opening balance, net deferred liability	**104,737**	**89,614**
Income statement charge (note 8)	6,467	2,612
Tax charged to equity through other comprehensive income	2,853	1,118
Hyperinflation adjustment	16,829	-
Tax charged to equity	-80	9,610
Deferred tax adjustment on revaluation reserves	-	213
Exchange differences	-6,423	1,570
Ending balance, net deferred liability	**124,383**	**104,737**

18. Deferred income taxes (continued)

(all amounts in Euro thousands)	2022	2021
Analysis of deferred tax liabilities (before set - offs)		
Property, plant and equipment	137,088	128,972
Mineral deposits	17,330	17,624
Intangible assets	46,140	45,350
Unrealized foreign exchange differences	9,089	4,959
Inventories	551	-
Other non-current receivables	1,447	1,649
Receivables and prepayments	870	1,026
Trade and other payables	76	113
Prepaid expenses	2,122	1,624
Other	-625	-432
	214,088	**200,885**
Analysis of deferred tax assets (before set - offs)		
Property, plant and equipment	-840	-630
Intangible assets	-78	-78
Investments & other non-current receivables	-1,444	-3,099
Treasury Shares	-2,020	-1,940
Unrealized foreign exchange differences	-5,731	-10,773
Inventories	-2,952	-2,675
Post-employment and termination benefits	-4,057	-4,460
Receivables and prepayments	-7,016	-6,513
Tax losses carried forward (note 8)	-19,739	-22,402
Interest expense tax carried forward	-4,020	-4,421
Deferred income	-552	-701
Long-term debt/lease obligations	-16,166	-12,527
Provisions and accrued expenses	-21,905	-23,683
Trade and other payables	-109	-128
Other	-3,076	-2,118
	-89,705	**-96,148**
Net deferred tax liability	**124,383**	**104,737**
Deferred tax assets (after set - offs)	5,730	8,867
Deferred tax liabilities (after set - offs)	130,113	113,604
Net deferred tax liability	**124,383**	**104,737**

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

18. Deferred income taxes (continued)

The movement in deferred tax assets and liabilities (prior to offsetting balances within the same tax jurisdiction) during the prior year is as follows:

(all amounts in Euro thousands)	January 1 , 2022	Debit to equity	Debit/(Credit) to net profit	Debit/(Credit) to equity through statement OCI	Hyperinflation adjustments	Exchange differences	December 31 , 2022
Deferred tax liabilities (before set - offs)							
Property, plant and equipment	128,972	-	9,151	-	16,251	-17,286	137,088
Mineral deposits	17,624	-	-1,467	-	-	1,173	17,330
Intangible assets	45,350	-	-1,728	-	-	2,518	46,140
Unrealized foreign exchange differences	4,959	-	4,041	-	-	89	9,089
Inventories	-	-	-	-	578	-27	551
Other non-current receivables	1,649	-	-202	-	-	-	1,447
Receivables and prepayments	1,026	-	-156	-	-	-	870
Trade and other payables	113	-	-37	-	-	-	76
Prepaid expenses	1,624	-	421	-	-	77	2,122
Other	-432	-	-207	-	-	14	-625
	200,885	**-**	**9,816**	**-**	**16,829**	**-13,442**	**214,088**
Deferred tax assets (before set - offs)							
Property, plant and equipment	-630	-	-301.000	-	-	91.000	-840
Intangible assets	-78	-	-	-	-	-	-78
Investments & other non-current receivables	-3,099	-	1,674	-	-	-19	-1,444
Treasury Shares	-1,940	-80	-	-	-	-	-2,020
Unrealized foreign exchange differences	-10,773	-	1,969	2,471	-	602	-5,731
Inventories	-2,675	-	-226	-	-	-51	-2,952
Post-employment and termination benefits	-4,460	-	110	382	-	-89	-4,057
Receivables and prepayments	-6,513	-	-418	-	-	-85	-7,016
Tax losses carried forward (note 8)	-22,402	-	-3,470	-	-	6,133	-19,739
Interest expense tax carried forward	-4,421	-	401	-	-	-	-4,020
Deferred income	-701	-	205	-	-	-56	-552
Long-term debt/lease obligations	-12,527	-	-3,061	-	-	-578	-16,166
Provisions and accrued expenses	-23,683	-	683	-	-	1,095	-21,905
Trade and other payables	-128	-	19	-	-	-	-109
Other	-2,118	-	-934	-	-	-24	-3,076
	-96,148	**-80**	**-3,349**	**2,853**	**-**	**7,019**	**-89,705**
Net deferred tax liability	**104,737**	**-80**	**6,467**	**2,853**	**16,829**	**-6,423**	**124,383**

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

18. Deferred income taxes (continued)

The movement in deferred tax assets and liabilities (prior to offsetting balances within the same tax jurisdiction) during the prior year is as follows:

(all amounts in Euro thousands)

	January 1 , 2021	Debit to equity	Debit/(Credit) to net profit	Debit/(Credit) to equity through statement OCI	Exchange differences	December 31 , 2021
Deferred tax liabilities (before set - offs)						
Property, plant and equipment	131,467	213	-2,594	-263	149	128,972
Mineral deposits	17,223	-	-993	-	1,394	17,624
Intangible assets	38,952	-	3,255	-	3,143	45,350
Unrealized foreign exchange differences	2,596	-	2,056	-	307	4,959
Other non-current receivables	-	-	1,649	-	-	1,649
Receivables and prepayments	351	-	675	-	-	1,026
Trade and other payables	-	-	113	-	-	113
Prepaid expenses	1,468	-	33	-	123	1,624
Other	120	-	-575	-	23	-432
	192,177	**213**	**3,619**	**-263**	**5,139**	**200,885**
Deferred tax assets (before set - offs)						
Property, plant and equipment	-145	-	-467	-	-18	-630
Intangible assets	-78	-	-	-	-	-78
Investments & other non-current receivables	-1,068	-	-2,021	-	-10	-3,099
Treasury Shares	-11,550	9,610	-	-	-	-1,940
Unrealized foreign exchange differences	-13,442	-	2,461	1,009	-801	-10,773
Inventories	-3,029	-	442	-	-88	-2,675
Post-employment and termination benefits	-4,743	-	-21	372	-68	-4,460
Receivables and prepayments	-6,155	-	-286	-	-72	-6,513
Tax losses carried forward (note 8)	-21,782	-	-547	-	-73	-22,402
Interest expense tax carried forward	-3,769	-	-652	-	-	-4,421
Deferred income	-930	-	294	-	-65	-701
Long-term debt/lease obligations	-10,675	-	-958	-	-894	-12,527
Provisions and accrued expenses	-23,509	-	1,258	-	-1,432	-23,683
Trade and other payables	-87	-	-41	-	-	-128
Other	-1,601	-	-469	-	-48	-2,118
	-102,563	**9,610**	**-1,007**	**1,381**	**-3,569**	**-96,148**
Net deferred tax liability	**89,614**	**9,823**	**2,612**	**1,118**	**1,570**	**104,737**

In 2021, certain reclassifications were made, between deferred tax assets and liabilities, for purposes of comparison with 2022. These reclassifications had no effect on the net deferred tax liability balance.

19. Inventories

(all amounts in Euro thousands)	2022	2021
Inventories		
Raw materials-maintenance stores	262,706	213,465
Finished goods	143,247	101,299
Provision for obsolete inventories	-11,281	-9,633
	394,672	**305,131**
Analysis of provision for impairment of inventories		
Balance at 1 January	**9,633**	**12,067**
Charge for the year (note 29)	4,140	606
Unused amounts reversed (note 29)	-1,564	-2,773
Utilized	-913	-180
Reclassification from/to PPE	153	-184
Exchange differences	-168	97
Balance at 31 December	**11,281**	**9,633**

The Group's subsidiaries have not pledged their inventories as collateral.

In 2022, the increase in inventories of raw materials and finished goods was mostly affected by the increase in energy and shipping freight costs.

20. Receivables and prepayments

(all amounts in Euro thousands)	2022	2021
Trade receivables	162,371	130,025
Cheques receivables	38,313	24,708
Allowance for doubtful debtors	-26,724	-26,286
Total trade receivables	**173,960**	**128,447**
Creditors advances	7,215	4,478
V.A.T. and other tax receivables	22,113	19,788
Prepayments	16,152	16,774
Notes receivable	48,935	43,204
Receivables from authorities	11,320	13,292
Other receivables	17,439	13,082
Allowance for doubtful debtors	-2,305	-2,721
Total other receivables	**120,869**	**107,897**
	294,829	**236,344**

Trade receivables are non-interest bearing and are normally settled in 30-170 days.

The balance of notes receivable refers mainly to the sales of trade accounts receivable by Titan America LLC (TALLC) to an unrelated Special Purpose Entity (SPE). Specifically, TALLC entered into an accounts receivable sale agreement with an unrelated SPE in 2014, whereby trade accounts receivable sold by TALLC to the SPE in exchange for cash and interest-bearing notes receivable.

The Group applies the IFRS 9 simplified approach for measuring expected credit losses. The approach uses a lifetime expected loss allowance for all trade and other receivables. On that basis, an impairment analysis is performed at the end of the year, using provisional rates that are based on days past due for groupings of various customer segments with similar characteristics. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions, forecasts of future economic conditions, in addition with specific information for individual receivables. In addition, the Group holds collaterals to secure trade receivables, which at the end of 2022 amounted to €32,472 thousand (31.12.2021: €29,449 thousand) (note 30).

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in the income statement.

20. Receivables and prepayments (continued)

The balances of trade receivables and impairments are as follows:

(all amounts in Euro thousands)	Expected credit loss rate	Trade receivables	Impairments
As at 31 December 2022			
Current	0.7 %	91,248	621
More than 30 days past due	1.4 %	64,447	877
More than 60 days past due	6.2 %	10,617	659
More than 120 days past due	71.5 %	34,372	24,567
		200,684	**26,724**
As at 31 December 2021			
Current	2.0 %	65,695	1,299
More than 30 days past due	2.9 %	47,632	1,385
More than 60 days past due	5.7 %	7,723	437
More than 120 days past due	68.8 %	33,683	23,165
		154,733	**26,286**

To measure the expected credit losses for trade receivables per region, the Group excludes balances that are past due more than five years, as these balances do not fairly represent current market conditions. Consequently, the balances presented in the tables below are adjusted by the amount of €16.1 million on 31.12.2022 and €17.1 million on 31.12.2021 compared with the balances in the tables above.

(all amounts in Euro thousands)	Trade receivables	Impairments
As at 31 December 2022		
Greece and Western Europe	83,534	3,518
North America	53,703	3,684
South Eastern Europe	19,095	2,355
Eastern Mediterranean	28,266	1,081
	184,598	**10,638**
As at 31 December 2021		
Greece and Western Europe	61,898	3,971
North America	43,850	2,654
South Eastern Europe	15,972	1,723
Eastern Mediterranean	15,919	844
	137,639	**9,192**

Allowance for doubtful and other debtors analysis	2022	2021
Balance at 1 January	**29,007**	**28,271**
Charge for the year (note 29)	4,947	2,412
Unused amounts reversed (note 29)	-973	-690
Utilized	-3,679	-1,141
Reclassification from other receivables/payables	-408	183
Exchange differences	135	-28
Balance at 31 December	**29,029**	**29,007**

The individually impaired receivables mainly relate to wholesalers, which are in unexpectedly difficult economic situation. It was assessed that a portion of the receivables is expected to be recovered.

21. Cash and cash equivalents

(all amounts in Euro thousands)	2022	2021
Cash in hand	69	59
Cash at bank and short-term bank deposits	105,634	79,823
	105,703	**79,882**

Short-term bank deposits comprise primarily of current accounts and time deposits. The effective interest rates on these short-term bank deposits are based on floating rates and are negotiated on a case by case basis.

22. Share capital and premium

(all amounts are shown in Euro thousands unless otherwise stated)	Ordinary shares		Share premium	Total	
	Number of shares	€'000	€'000	Number of shares	€'000
Shares issued and fully paid					
Balance at 1 January 2021	**82,447,868**	**1,159,348**	**5,974**	**82,447,868**	**1,165,322**
Cancellation of treasury shares	-4,122,393	-	-	-4,122,393	-
Balance at 31 December 2021	**78,325,475**	**1,159,348**	**5,974**	**78,325,475**	**1,165,322**
Capital reduction	-	-200,000	-	-	-200,000
Balance at 31 December 2022	**78,325,475**	**959,348**	**5,974**	**78,325,475**	**965,322**

	Treasury shares	
	Number of shares	€'000
Balance at 1 January 2021	**5,512,502**	**124,120**
Cancellation of treasury shares	-4,122,393	-92,820
Treasury shares purchased	230,141	3,230
Treasury shares sold	-123,101	-2,757
Balance at 31 December 2021	**1,497,149**	**31,773**
Treasury shares purchased	1,947,721	23,814
Treasury shares sold	-80,833	-1,386
Balance at 31 December 2022	**3,364,037**	**54,201**

The average ordinary shares stock price of Titan Cement International S.A. for the period 1.1.2022-31.12.2022 was €12.25 (1.1.2.2021-31.12.2021: €15.44). The closing stock price on 31 December 2022 was €12.0 (31.12.2021: €13.26).

Share buy-back: The Group completed the program that began in October 2021 and initiated two additional share buy-back programs in April and August 2022. Each program was for €10 million and a duration of up to six months.

In implementation of these programs, during the period from 1 January 2022 until 31 December 2022, the Company acquired directly 361,354 own shares and indirectly through its subsidiary Titan Cement Company S.A. 1,586,367 shares, representing 0.46% and 2.03% respectively of the share capital of the Company. The total value of these transactions amounted to €23,814 thousand. On 31.12.2022 the Company holds 773,527 own shares representing 0.99% of the Company's share capital and Titan Cement Company S.A. (Titan S.A.), a direct subsidiary of the Company, holds 2,590,510 shares of the Company, representing 3.31 % of the Company's voting rights.

Titan S.A., a direct subsidiary of the Company, sold in 2022 to Titan Group employees, in implementation of existing stock option plans, 80,833 shares of the Company, representing approximately 0.10% of the share capital of the Company, for a total amount of €808,330 (i.e.€10/Company share).

23. Other reserves

(all amounts in Euro thousands)	Legal reserve	Non-Distributable reserve	Distributable reserve	Re-organization reserve (note 22)	Contingency reserves	Tax exempt reserves under special laws	Revaluation reserve	Actuarial differences reserve	Hedging reserve from cash flow hedges	Currency translation differences on derivative hedging position	Hyperinflation reserve	Foreign currency translation reserve	Total other reserves
Restated balance at 1 January 2021	**101,263**	**88,870**	**180,337**	**-1,188,374**	**274,202**	**25,595**	**67,145**	**-711**	**-36**	**41,115**	**-**	**-464,898**	**-875,492**
Other comprehensive income	-	-	-	-	-	-	493	863	1,645	-	-	18,701	21,702
Cancellation of treasury shares	-	-65,318	-	-	-	-	-	-	-	-	-	-	-65,318
Distribution of reserves (note 10)	-	-	-30,780	-	-	-	-	-	-	-	-	-	-30,780
Deferred tax on treasury shares held by subsidiary	-	-	-	-	-	-	-9,610	-	-	-	-	-	-9,610
Deferred tax adjustment on revaluation reserves (note 18)	-	-	-	-	-	-	-213	-	-	-	-	-	-213
Acquisition of non-controlling interest	32	-	-	-	-	-	301	-	-	-	-	-319	14
Transfer (to)/from retained earnings	6,883	-	-422	-	-212,560	5,869	-9,051	-	-	-	-	-	-209,281
Transfer among reserves	-	51	-51	-	6,456	-4,226	50	-	-	-	-	-	2,280
Balance at 31 December 2021	**108,178**	**23,603**	**149,084**	**-1,188,374**	**68,098**	**27,238**	**49,115**	**152**	**1,609**	**41,115**	**-**	**-446,516**	**-1,166,698**
Balance at 1 January 2022	**108,178**	**23,603**	**149,084**	**-1,188,374**	**68,098**	**27,238**	**49,115**	**152**	**1,609**	**41,115**	**-**	**-446,516**	**-1,166,698**
Hyperinflation restatement	-	-	-	-	-	-	-	-	-	-	35,699	-	35,699
Restated Balance at 1 January 2022	**108,178**	**23,603**	**149,084**	**-1,188,374**	**68,098**	**27,238**	**49,115**	**152**	**1,609**	**41,115**	**35,699**	**-446,516**	**-1,130,999**
Other comprehensive income	-	-	-	-	-	-	-	1,441	25,010	-	36,122	-73,977	-11,404
Distribution of reserves (note 10)	-	-	-38,108	-	-	-	-	-	-	-	-	-	-38,108
Deferred tax on treasury shares held by subsidiary	-	-	-	-	-	-	80	-	-	-	-	-	80
Capital reduction/transfer to distributable reserves	-	-	200,000	-	-	-	-	-	-	-	-	-	200,000
Transfer from/(to) retained earnings	50,592	-	74,243	-	-14,388	8,421	-2,413	-	-	-	-	-	116,455
Transfer from share options	-	-	-	-	2,166	-	-	-	-	-	-	-	2,166
Transfer among reserves	-	21,860	-21,860	-	-	-	-	-	-	-	-	-	-
Balance at 31 December 2022	**158,770**	**45,463**	**363,359**	**-1,188,374**	**55,876**	**35,659**	**46,782**	**1,593**	**26,619**	**41,115**	**71,821**	**-520,493**	**-861,810**

23. Other reserves (continued)

Certain Group companies are obliged according to the applicable commercial law to retain a percentage of their annual net profits as legal reserve. This reserve cannot be distributed during the operational life of the Group companies.

The "Contingency Reserves" include, among others, reserves formed by certain Group subsidiaries by applying developmental laws. These reserves have exhausted their tax liability or have been permanently exempted from taxation, so there is no additional tax charge for the Group and the Company from their distribution.

The "Tax Exempt Reserves under Special Laws", according to the tax legislation, are exempt from income tax, provided that they are not distributed to the shareholders. The distribution of the remaining aforementioned reserves can be carried out after the approval of the shareholders at the Annual General Meeting and the payment of the applicable tax. Depending on whether they are capitalized or distributed, some of these reserves have different tax charge. The Group has no intention to distribute the remaining amount of these reserves and consequently, has not calculated the income tax that would arise from such distribution.

The "distributable reserve" was created by reducing the TCI's share capital and transferring from retained earnings. This reserve may be distributed in the future subject to the approval of the relevant competent body.

Under the requirements of the Belgian Law, the "Non-Distributable reserve" represents a reserve equivalent to the value of the treasury shares held by Titan Cement International S.A. and its subsidiary Titan Cement Company S.A.

The "Revaluation Reserves" include, among others, €46.9 million (2021: €48.2 million) as the fair value of tangible and intangible assets that the Group had in Egypt through its participation in the joint venture Lafarge-Titan Egyptian Investments Ltd, until it fully acquired the joint venture and €2.0 million (2021: €2.0 million) deferred tax on treasury shares held by Titan Cement Company S.A.

The "Actuarial Differences Reserve" records the re-measurement gains and losses (actuarial gains and losses) arising from the actuarial studies performed by the Group's subsidiaries for various benefit, pension or other retirement schemes (note 25).

The "Foreign Currency Translation Reserve" is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. Moreover, it includes the currency translation differences reserve on transactions designated as part of net investment in foreign operations. During the last quarter of 2016, the Group's subsidiary in Egypt, Alexandria Portland Cement Co. S.A.E. (APCC) renewed the €76.9 million loan it entered into with its parent company in 2010. According to its accounting policy, the Group recognizes in its consolidated financial statements the aforementioned intergroup loan as part of the net investment in the Egyptian operation. On 31 December 2022, this reserve has a debit balance of €26.3 million (2021: €26.0 million).

The "Currency Translation Differences on Derivative Hedging Position Reserve" illustrates the exchange differences arising from the translation into euro of loans in foreign currency, which have been designated as net investment hedges for certain Group subsidiaries abroad. It also illustrates the exchange differences arising from the valuation of financial instruments used as cash flow hedges for transactions in foreign currencies.

24. Share-based payments

Share options and other share-based awards are granted to members of senior management. Movements in the number of share options and awards outstanding are as follows:

	2021 plan	2020 plan	2017 scheme	2014 scheme
Balance at 1 January 2021	**-**	**500,520**	**1,059,415**	**170,357**
Granted	41,790	365,840	-	-
Exercised	-	-	-82,166	-40,935
Non vested	-	-	-244,211	-
Cancelled	-	-6,420	-17,445	-5,340
Balance at 31 December 2021	**41,790**	**859,940**	**715,593**	**124,082**
Granted	64,856	518,525	-	-
Exercised	-	-	-38,253	-42,580
Non vested	-	-	-383,399	-
Cancelled	-	-21,800	-10,995	-81,502
Balance at 31 December 2022	**106,646**	**1,356,665**	**282,946**	**-**

Share options and awards outstanding at the end of the year have the following terms:

	2021 plan		2020 plan		2017 scheme		2014 scheme
Exercise price	€ 0		€ 0		€ 10		€ 10
	2022	2021	2022	2021	2022	2021	2021
Expiration date							
2022	-	-	-	-	-	-	124,082
2023	-	-	242,755	249,115	58,586	62,447	-
2024	41,790	41,790	419,070	429,970	73,787	90,252	-
2025	64,856	-	435,578	180,855	150,573	562,894	-
2026	-	-	259,262	-	-	-	
	106,646	**41,790**	**1,356,665**	**859,940**	**282,946**	**715,593**	**124,082**

2014 Programme

On 20 June 2014, the General Meeting of TITAN Cement Company S.A. approved the introduction of a three-year (2014-2016) Stock Option Programme. According to this Programme, the Board of Directors can grant option up to 1,000,000 ordinary shares at a sale price €10.00 per share. Beneficiaries of the Stock Option Plan were the executive members of the Board of Directors of TITAN Cement Company S.A., the managers and the employees with the same rank in affiliated companies inside and outside Greece, as well as a limited number of additional employees who stand out on a continuous basis for their good performance and have a high potential for advancement.

The vesting period of the stock options that were granted in 2014, 2015 and 2016 was three years. Therefore, the relevant option rights became mature in December of 2016, 2017 and 2018 respectively, provided that the beneficiaries were still employees of the Group. After the completion of the three-year vesting period, the final option rights number, which the beneficiaries would be entitled to exercise, should be determined by the Board of Directors of TITAN Cement Company S.A. within the first four months of 2017, 2018 and 2019 respectively and depends:

a) By 50% on the average three year Return on Average Capital Employed (ROACE) compared to the target of each year period, as this will be determined by the Board of Directors before granting the relevant option rights.
b) By 50% on the overall performance of TITAN Cement Company S.A. common share compared to the average overall performance of the shares of predefined international cement producing companies.

The Beneficiaries shall be entitled to exercise their stock option rights, either in whole or in part, within the first five working days of each month, paying the relevant amounts until the expiration date of their stock options, i.e. until December of the third year after these stock options have been vested.

The fair value of the options granted was:
• In 2014, €7.39 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €25.32, the employee forfeiture rate 9.2%, the volatility of the share price estimated at 47.2%, the dividend yield of 0.376% and the yield of the 3 year EU Benchmark (Deutsche Bund) Government bond yield rate of 0.083%,
• In 2015, €4.14 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €19.55, the employee forfeiture rate 9.2%, the volatility of the share price estimated at 40.61%, the dividend yield of 0.59% and the yield of the 1 year EURIBOR rate of 0.166% and
• In 2016, €5.17 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €20.38, the employee forfeiture rate 9.2%, the volatility of the share price estimated at 42.80%, the dividend yield of 0.87% and the yield of the 1 year EURIBOR rate of -0.15%.

24. Share-based payments (continued)

2017 Programme

On 12 May 2017, the General Meeting of TITAN Cement Company S.A. approved the introduction of the current three-year Stock Option Programme. According to this Programme, the Board of Directors can grant option up to 1,000,000 ordinary shares of the Company at a sale price equal to €10.00 per share. Beneficiaries of the Stock Option Plan are the executive members of the Board of Directors, the managers and the senior employees of the Company and its affiliated companies inside and outside Greece.

The vesting period of the stock options that were granted in 2017, 2018 and 2019 shall be three years. Therefore, the relevant option rights shall become mature in December of 2019, 2020 and 2021 respectively, provided that the beneficiaries are still employees of the Group. After the completion of the three-year vesting period, the final option rights number that the beneficiaries will be entitled to exercise will be determined within the first four months of 2020, 2021 and 2022 respectively and depend:

a) by 50% on the average three year Return on Average Capital Employed (ROACE) of the Group against the target for each three-year period and
b) by 50% on the overall performance of TITAN stock compared to the average performance of the shares of the predefined international cement producing companies.

The Beneficiaries shall be entitled to exercise their stock option rights, either in whole or in part, within the first five working days of each month, paying the relevant amounts until the expiration date of their stock options, i.e. until December of the third year after these stock options have been vested.

The fair value of the options granted was:
• In 2017, €6.6 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €25.8, the employee forfeiture rate 4.5%, the volatility of the share price estimated at 42.82%, the dividend yield of 0.9% and the yield of the 1 year EURIBOR rate of -0.127%,
• In 2018, €5.99 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €21.00, the employee forfeiture rate 2.5%, the volatility of the share price estimated at 42.71%, the dividend yield of 0.86% and the yield of the 1 year EURIBOR rate of -0.184% and
• In 2019, €4.13 per option, determined using the Binomial Method and the Monte Carlo Simulation model. The significant inputs used were the share price at the grant date of € 17.72, the employee forfeiture rate 2.7%, the volatility of the share price estimated at 40.49%, the dividend yield of 0.92% and the yield of the 1 year EURIBOR rate of -0.175%.

The Extraordinary General Meeting of Shareholders of the new Parent Company Titan Cement International S.A. approved on May 13, 2019, subject to Completion of the share exchange Tender Offer between Titan Cement International SA and TITAN Cement Company S.A., the amendment of the existing stock option plans, namely to replace the stock options on Titan Cement Company S.A. shares by stock options on shares of Titan Cement International, without otherwise amending the terms and conditions of the plans. Titan Cement Company still has the obligation to settle the share-based payment transaction.

The Group accounts for the two plans (2014 and 2017) as an equity-settled transactions settled in shares of TCI owned by its subsidiary Titan Cement Company S.A.. During 2022, the cash received from the exercise of stock options amounted to €808 thousand (2021: €1,231 thousand) and the loss caused by this transaction and recognized in equity amounted to €578 thousand (2021: €1,526 thousand).

2020 Plan

On 13 May 2019, the Extraordinary General Meeting of TCI approved a new long-term incentive plan. One year after, on 14 May 2021, the Annual General Meeting of TCI included it in the Remuneration Policy.

Participants of the plan are the executive members of the Board of Directors of TCI, the executives of TCI, as well as executives, in other companies of Titan Cement Group. The awards may also be granted selectively to a limited number of employees who stand out on a continuous basis for their outstanding performance and high potential for development.

Under the plan, participants are granted awards for nil consideration in the form of a conditional grant of TCI shadow shares in April (or later) of each year. The awards have no dividend or voting rights. The number of the shadow shares granted to each participant is determined by the award amount and the value of the shadow share. The value of the shadow share is equal to the average TCI share closing price on Euronext Brussels during the last seven trading days of March of the grant year. The vesting period of the awards is as follows:

a) 50% at the completion of a three-year period and
b) 50% at the completion of a four-year period

The awards vest at the designated dates, provided that the participants are still working in TCI or in any other employer company of the Group, or are still serving as an executive Director in the Board of Directors of TCI.

2021 Deferred Compensation Plan

On 22 March 2021, the Board of Directors of TCI a Deferred Compensation Plan (“DCP 2021”) aiming at further aligning the Senior Executives’ long-term interests with those of shareholders. The DCP 2021 substitutes 20% of the long-term incentive plan of the eligible executives.

24. Share-based payments (continued)

Under the plan, participants are granted awards for nil consideration in the form of a conditional grant of TCI shadow shares in April (or later) of each year. The awards have no dividend or voting rights. The number of the shadow shares granted to each participant is determined by the award amount and the value of the shadow share. The value of the shadow share is equal to the average TCI share closing price on Euronext Brussels during the last seven trading days of March of the grant year. The vesting period of the awards is at the completion of a three-year period. The awards vest at the designated dates, provided that the participants are still working in TCI or in any other employer company of the Group, or are still serving as an executive Director in the Board of Directors of TCI. After the completion of the three-year vesting period, the final number of shadow shares that will vest depends on two criteria, both of which contribute equally (50%) to it. In case of over achievement, the DCP 2021 is capped at 160% of target. The two criteria are the following:

a) Sustainability KPI: a 3-year CO_2 target supporting the decarbonization priority of the Group; reduction of net direct CO_2 emissions/t cementitious product and
b) The comparison of the Total Shareholder Return (TSR) performance to the average total performance of the share of a Peer Group Index

The peer group which formulates the index is the following (as set by the Board of Directors and may be changed, if required): 1) Lafarge-Holcim, 2) Heidelberg, 3) Cemex, 4) Cementir, 5) CRH, 6) Buzzi, 7) Argos and 8) Vicat.

For both plans (2020 and 2021), participants may select to receive their vested awards in TCI shares, or in contributions to a fund, or in cash. As the fair value of the cash alternative is the same as the share alternative, the Group accounts for the plan as a cash-settled transaction by recognizing a liability for the fair value of the services it receives from the participants.

The fair value of the awards of both plans (2020 and 2021) was calculated based on the closing price of the TCI share at the year end, which was €12.00 in Brussels (2021: €13.26), adjusted for future dividend payments and the forfeiture rate. The calculation of the unforfeited awards resulted in the recognition of an expense of €3.7 million in 2022 (2021: €2.8 million) against a liability, which had a carrying amount of €7.9 million at the year end (31.12.2021: €4.2 million).

25. Retirement and termination benefit obligations

Greece

On May 24, 2021, the IFRS Interpretations Committee (IFRIC) published its Agenda Decision, Attributing Benefit to Periods of Service (IAS 19 Employee Benefits) and concluded that an entity's obligation increases until the date when future service by the employee will lead to no material amounts of further benefits (note 1). In accordance with the aforementioned decision, the application of the basic principles of IAS 19 in Greece has been changed and the calculations have been adjusted to recognize retirement obligations for the last 16 years of service until retirement. Until the issuance of the IFRIC Decision, entities applied IAS 19 distributing the benefits defined by the respective law 2112/1920, and its amendment 4093/2012.

The Group grants retirement indemnities which exceed the legal requirements. These retirement indemnities are unfunded and the liabilities arising from such obligations are actuarially valued by an independent firm of actuaries. The last actuarial valuation was undertaken in December 2022.

The principal actuarial assumptions used were as follows:
- discount rate of 0.6% as of 31/12/2021 with time weighted average duration 8.19 years according to the market conditions as of 31/12/2021, and discount rate of 3.3% as of 31/12/2022 with time weighted average duration 7.37 years according to the market conditions as of 31/12/2022,
- future salary increases of 2.2% (2021: 1.7%),
- the average turnover rate for permanent employees aged up to 45 years is 1% for both voluntary resignation and dismissal, for employees aged 46-50 years it is 1% for voluntary resignation and 0% for dismissal and over 51 years it is 0% for both voluntary resignation and dismissal.

USA

The Group's U.S. subsidiaries operate defined benefit plans and other post-retirement benefit plans. The method of accounting for the latter, as well as the valuation assumptions and the frequency of valuations are similar to those used for defined benefit plans.

All of the Group's U.S. subsidiaries' defined benefit pension plans and all but one of its other post-retirement plans have been frozen as to new participants and credited service. One post-retirement benefit plan exists (for certain active and former employees) whereby eligible retirees receive benefits consisting primarily of assistance with medical insurance costs between the dates of early retirement and Medicare eligibility.

On 31 December 2022 the plan assets of the Group's subsidiaries in the US have invested approximately 57% (2021: 56%) in equity instruments quoted in US and international stock markets and 43% (2021: 44%) in fixed investments (US and international bonds). The discount rate that has been adopted for the study of the pension plans of the Group's subsidiaries in the U.S. was 5.13% (2021: 2.56%).

Non-qualified deferred compensation plan

This plan is intended to constitute an unfunded plan of deferred compensation for a selected group of highly compensated employees under the Employee Income Security Act of 1974 ("ERISA"). For this purpose the Group's U.S. subsidiary created an irrevocable trust to facilitate the payment of deferred compensation to participants under this plan. Under this plan the participants are eligible to defer from 0% to 20% of eligible compensation for the applicable plan year. On 31 December 2022 and 2021, plan assets totaled €2,715 thousand and €3,307 thousand, respectively, and are classified as other non current assets in the accompanying consolidated statement of financial position (note 3, 17). There were no costs for the plan for the year ended 31 December 2022 or 2021.

25. Retirement and termination benefit obligations (continued)

The amounts relating to defined benefit pension plans and other post retirement and termination benefits (defined benefit plans) recognized in the statement of comprehensive income in the account other expenses are as follows:

(all amounts in Euro thousands)	2022	2021
Current service cost	1,955	1,805
Interest cost	495	441
Provision of past service cost for the following year due to the voluntary resignation plans	5,019	102
Interest income	-310	-255
	7,159	**2,093**
Additional post retirement and termination benefits paid out, not provided for	1,224	1,138
Post retirement and termination benefits paid out, not provided for due to the voluntary resignation plans	767	153
	9,150	**3,384**
Amounts recognized in profit before interest, taxes, depreciation, amortization and impairment	8,965	3,198
Amounts recognized in finance cost (note 6)	185	186
Amounts recognized in the income statement	**9,150**	**3,384**
Actuarial losses recognized in other comprehensive income	-1,823	-1,240
Amount charged to statement of total comprehensive income	**7,327**	**2,144**
Present value of the liability at the end of the period	32,528	37,231
Minus fair value of US plans assets	-12,311	-15,168
	20,217	**22,063**

Change in the present value of the defined benefit obligation

(all amounts in Euro thousands)	2022	2021
Opening balance	**22,063**	**22,824**
Total expense	9,150	3,384
Re-measurement losses recognized immediately in other comprehensive income	-1,823	-1,240
Exchange differences	216	261
Benefits paid during the year	-9,389	-3,166
Ending balance	**20,217**	**22,063**

Changes in the fair value of US plan assets:

(all amounts in Euro thousands)	2022	2021
Fair value of plan assets at the beginning of the period	15,168	12,915
Expected return	-2,054	1,209
Company contributions	64	501
Administrative expenses	-160	-168
Benefits paid	-1,672	-363
Exchange difference	965	1,074
Fair value of plan assets at the end of the period	**12,311**	**15,168**

25. Retirement and termination benefit obligations (continued)

A quantitative sensitivity analysis for significant assumptions is shown below:

(all amounts in Euro thousands)	Year ended 31 December 2022		Year ended 31 December 2021	
Assumptions	1.0% increase	1.0% decrease	1.0% increase	1.0% decrease
Impact on the net defined benefit obligation:				
Discount rate	-1,628	1,878	-1,691	1,930
Salary	473	-443	555	-518
Health care costs	65	-58	89	-78
Impact on the current service costs:				
Discount rate	-81	91	-80	90
Salary	112	-101	110	-99
Healthcare costs	2	-2	2	-2

The sensitivity analyses above have been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected payments to be made in the future years out of the undiscounted defined benefit plan obligation:

(all amounts in Euro thousands)	2022	2021
Not later than 1 year	4,629	4,451
Later than 1 year and not later than 5 years	8,764	8,865
Later than 5 years and not later than 10 years	9,423	8,671
Beyond 10 years	17,023	17,821
Total expected payments	**39,839**	**39,808**

The components of actuarial losses that re-calculated and recognized immediately in the other comprehensive income for the years ended December 31, 2022 and 2021 are as follows:

(all amounts in Euro thousands)	2022	2021
Due to experience	168	157
Due to assumptions (financial)	-4,049	-541
Due to assumptions (demographic)	-306	98
Re-measurement losses on DBO	**-4,187**	**-286**
Re-measurement gains on plan assets	2,364	-954
Re-measurement losses for the period	**-1,823**	**-1,240**

26. Provisions

(all amounts in Euro thousands)		January 1 2022	Reclassifi-cations	Additions for the year	Unused amounts reversed	Unwinding of discount	Utilized	Exchange differences	31 December 2022
Provisions for restorations	a	30,388	-170	2,089	-6,852	1,296	-394	1,224	27,581
Insurance reserves	b	17,291	-	39,583	-	-	-37,855	1,030	20,049
Provisions for other taxes	c	5,284	-432	772	-	-	-1,536	-1,267	2,821
Litigation provisions	d	1,882	-	9	-1,079	-	-11	-596	205
Other provisions	e	13,467	432	8,142	-757	-	-4,400	-837	16,047
		68,312	**-170**	**50,595**	**-8,688**	**1,296**	**-44,196**	**-446**	**66,703**

(all amounts in Euro thousands)		January 1 2021	Reclassifi-cations	Additions for the year	Unused amounts reversed	Unwinding of discount	Utilized	Exchange differences	31 December 2021
Provisions for restorations	a	29,689	-1,541	2,305	-1,524	501	-480	1,438	30,388
Insurance reserves	b	15,106	-	27,561	-1,342	-	-25,113	1,079	17,291
Provisions for other taxes	c	3,391	-	2,041	-178	-	-258	288	5,284
Litigation provisions	d	416	-	1,858	-324	-	-80	12	1,882
Other provisions	e	13,638	-	6,340	-3,277	-	-3,682	448	13,467
		62,240	**-1,541**	**40,105**	**-6,645**	**501**	**-29,613**	**3,265**	**68,312**

(all amounts in Euro thousands)	2022	2021
Non-current provisions	52,209	56,001
Current provisions	14,494	12,311
	66,703	**68,312**

a. Provisions for restorations are the present value of the estimated costs to reclaim quarry sites and other similar post-closure obligations.. It is expected that the amount of restoration provisions will be used over the next 1 to 50 years.

b. Insurance reserves represent the expected cost of claims payments related to risk and workers' compensation claims, in addition to sponsored health insurance costs. In 2022, the Group has elected to present separately additions and utilizations settled during the year. As a result, prior year movements have been adjusted accordingly for comparative purposes. This presentation has had no impact on the opening and closing balances of the insurance reserves.

c. Provision of other taxes represents future obligations for taxes such as stamp duties, sales tax, employee payroll tax etc. It is expected that this amount will be fully utilized in the next five years.

d. Litigation provisions have been established with respect to claims made against certain companies in the Group by third parties. These claims concern labor compensations, labor cases for previous years' benefits and dues and claims for shares revaluation. It is expected that this amount will be utilized mainly in the next twelve months.

e. Other provisions are comprised of amounts relating to risks none of which are individually material to the Group. It is expected that the remaining amounts will be used over the next 1 to 20 years.

27. Other non-current liabilities and non-current contract liabilities

(all amounts in Euro thousands)	2022	2021
Government grants	3,284	3,488
Liability of long-term incentive plan	7,915	4,223
Other non-current liabilities	1,960	5,138
	13,159	**12,849**
Analysis of Government grants:		
Non - current	3,284	3,488
Current (note 28)	69	69
	3,353	**3,557**
Opening balance	**3,557**	**3,762**
Amortization (note 29)	-204	-205
Ending balance	**3,353**	**3,557**

Government grants relating to capital expenditures are reflected as long-term liabilities and are amortized on a straight line basis, based on the estimated useful life of the asset for which the grant was received.

Government grants received in respect of expenses are reflected in the income statement when the related expense is incurred, so that the expense is matched to the income received.

(all amounts in Euro thousands)	2022	2021
Deferred Income	1,328	1,692
Non-current contract liabilities	**1,328**	**1,692**

28. Trade payables, other liabilities and current contract liabilities

(all amounts in Euro thousands)	2022	2021
Trade payables	312,428	238,746
Other payables	25,383	14,393
Accrued expenses	27,947	31,832
Social security	3,195	2,965
Dividends payable	173	305
Government grants (note 27)	69	69
Other taxes	18,530	14,301
Trade and other payables	**387,725**	**302,611**

Other payables include liabilities relating to transportation of cement and raw materials, as well as employee benefit payables.
Trade payables are non-interest bearing and are normally settled in 10-180 days. Other payables are non-interest bearing and have an average term of one month.

(all amounts in Euro thousands)	2022	2021
Customer down payments/advances	12,236	8,681
Deferred Income	1,698	1,317
Current contract liabilities	**13,934**	**9,998**

The amount of €6,599 thousand, which was included in the current contract liabilities balance at the beginning of 2022, is recognized as sales during the current fiscal year (related amount of 2021: €5,817 thousand).

29. Cash generated from operations

(all amounts in Euro thousands)	2022	2021
Profit after taxes	110,481	91,555
Adjustments for:		
Taxes (note 8)	26,715	16,811
Depreciation (note 11)	144,484	130,481
Amortization of intangibles (note 14)	8,059	6,205
Amortization of government grants received (note 27)	-204	-205
Impairment of assets (note 11, 13)	23,032	-
Net profit on disposals of tangible and intangible assets (note 4)	-188	-5,747
Provision for impairment of debtors charged to income statement (note 20)	3,974	1,722
Cost of inventory obsolescence (note 19)	2,576	-2,167
Provision for restoration (note 26a)	-3,467	1,282
Provision for litigation (note 26d)	-1,070	1,534
Other provisions (note 26e)	9,113	4,169
Provision for retirement and termination benefit obligations (note 25)	7,159	2,093
Increase of investment property (note 4)	-509	-333
Finance income (note 6)	-1,345	-1,176
Interest expense and related expenses (note 6)	40,488	37,148
Losses on financial instruments (note 6)	13,415	22,379
Gains from foreign exchange differences (note 6)	-7,221	-25,385
Losses/(gains) on derivatives	1,861	-3,220
Share stock options (note 7)	-	886
Share in gain of associates and joint ventures (note 15)	-1,876	-3,291
Hyperinflation adjustments	-22,917	-
Changes in working capital:		
Increase in inventories	-99,858	-44,848
Increase in trade and other receivables	-71,509	-52,643
Decrease/(increase) in operating long-term receivables and payables	733	-258
Increase in trade payables	78,723	53,771
Cash generated from operations	**260,649**	**230,763**

In the cash flow statement, proceeds from the disposals of tangible and intangible assets, and investment property are as follows:

Net book amount	5,560	2,947
Net gains on disposals (note 4)	188	5,747
Net proceeds from disposals	**5,748**	**8,694**

Operating free cash flow calculation:

Cash generated from operations	260,649	230,763
Minus payments for intangible assets, property, plant and equipment	-241,893	-126,044
Operating free cash flow	**18,756**	**104,719**

30. Contingencies and commitments

Contingent Liabilities

(all amounts in Euro thousands)	2022	2021
Bank guarantee letters	21,657	17,142
	21,657	**17,142**

30. Contingencies and commitments (continued)

A.Privatization cases

1.In 2011, two former employees of Beni Suef Cement Company SAE (BSCC) filed an action before the Cairo Administrative Court, seeking the nullification of the privatization of BSCC that took place in 1999, when BSCC was sold to Financiere Lafarge after a public auction, before being subsequently acquired by Titan Group. The Administrative Court of Cairo rejected in 2014 the plaintiffs' claim in connection with BSCC's privatization, however ruled that BSCC was under the obligation to re-instate all employees, the employment of whom had been terminated, including employees who had left BSCC in the framework of voluntary staff reduction programs. Both the plaintiffs and BSCC have appealed the ruling issued by the first instance Court before the Supreme Administrative Court, which on 19 January 2015 suspended the case until the Supreme Constitutional Court of Egypt issues a final ruling on the constitutionality of Law no. 32/2014. In January 2023 the Constitutional Court released a ruling upholding the constitutionality of law no. 32/2014 and confirming that only the contracting parties or parties with a personal or real right in the subject matter of the contract have the legal capacity and interest to challenge state contracts. It is expected, according to said constitutionality ruling, that the appeal filed by the company's former employees and others will be rejected due to the lack of capacity. The view of BSCC's lawyers is that the plaintiffs' action is devoid of any legal or factual ground.

2.In June 2013 another action was filed before the Administrative Court of Cairo, seeking, as in the above case, the nullification of BSCC's privatization. The Administrative Court of Cairo issued on 25 June 2015 a first instance ruling referring the case to the Investment Circuit no. 7, which subsequently referred the case to the commissioners' panel where no hearing date has been scheduled until now. The view of BSCC's lawyers is that the action is devoid of any legal or factual ground.

3.In 2012, an ex-employee of Alexandria Portland Cement Company SAE (APCC) brought an action before the Administrative Court of Alexandria against the President of the Republic of Egypt, the Prime Minister, the Minister of Investments, the Minister of Industry, the Governor of Alexandria, the Manager of the Mines and Salinas Project in Alexandria and the Manager of the Mines and Quarries Department in Alexandria (but not against APCC), seeking the nullification of the privatization of APCC through its sale in 1999 to Blue Circle Cement Group, before APCC was subsequently acquired by Titan Group. The claim was suspended by the Administrative Court of Alexandria initially till the Supreme Constitutional Court of Egypt rules on the constitutionality of the above Law no. 32/2014. In January 2023 the Constitutional Court released a ruling upholding the constitutionality of law no. 32/2014 and confirming that only the contracting parties or parties with a personal or real right in the subject matter of the contract have the legal capacity and interest to challenge state contracts. It is expected, according to said constitutionality ruling, that the appeal filed by the company's former employees and others will be rejected due to the lack of capacity. The view of APCC's lawyers is that the plaintiffs' action is devoid of any legal or factual ground.

4.In May 2013, a new action was filed by three ex-employees of APCC seeking, as in the above case, the nullification of the sale of APCC to Blue Circle Cement Group. The case has been repeatedly adjourned and, as in the above cases, no judgment will be handed down from the competent Administrative Court until the Supreme Constitutional Court of Egypt decides on the constitutionality of Law no. 32/ 2014. In January 2023 the Constitutional Court released a ruling upholding the constitutionality of law no. 32/2014 and confirming that only the contracting parties or parties with a personal or real right in the subject matter of the contract have the legal capacity and interest to challenge state contracts. It is expected, according to said constitutionality ruling, that the appeal filed by the company's former employees and others will be rejected due to the lack of capacity. The view of APCC's lawyers is that the plaintiffs' action is devoid of any legal or factual ground.

Note: On February 26, 2023, the Administrative Court of Cairo released three rulings in the cases under points 2, 3 and 4 hereinabove, thereby rejecting the claimants' actions and holding in favor of the validity of the privatization sales of BSCC and APCC. The full text of the Court rulings has not been issued yet. In any case, these rulings are subject to appeal before the High Administrative Supreme Court. However, the companies' lawyers consider that such appeals would have limited chances of success, following the issuance of the Constitutional court's decision mentioned herein above.

B.Other cases

1. In 2007, BSCC obtained the license for the construction of a second production line at the company's plant in Beni Suef through a bidding process run by the Egyptian Trading and Industrial Authority (IDA) for a license fee of EGP 134.5 million. IDA subsequently unilaterally raised the license fee to EGP 251 million. In October 2008 BSCC filed a case before the Administrative Court challenging the price increase and requesting the license price to be set at EGP 500, or, alternatively, that the price be set at EGP 134.5 million, as had been originally determined through the bidding process. The Administrative Court dismissed BSCC's action and BSCC filed an appeal before the High Administrative Court in June 2018. Until today, no appeal hearing has been scheduled.

BSCC has also lodged an action against IDA requesting the calculation of the payable interest, which is accruing on the EGP 251 million fee that IDA is claiming, on the basis of the legal interest of 4% per annum and not on the basis of the CBE interest (varying from 9% to 19%} as calculated by IDA.
In June 2018, BSCC and IDA entered into an agreement, pursuant to which BSCC paid to IDA the amount of EGP 251 million for the value of the license plus the amount of EGP 24.9 million as down payment for interest, calculated on the basis of the CBE interest. Moreover, BSCC has already fully paid in 2018 and 2019 the remaining amount of interest amounting to EGP 240.3 million, under the express agreement that, in case the Egyptian Courts accept the appeal of BSCC on the value of the license and/or the action of BSCC on the calculation of the payable interest, IDA will pay back to BSCC the relevant amounts. The view of BSCC's lawyers is that there is high probability that the High Administrative Court will adopt the price of EGP 134.5 million for the license. Likewise, the view of BSCC's lawyers is that there is very high probability that BSCC's action on the calculation of the payable interest will be accepted by the Court.

BSCC recorded an increase of intangible assets amounted to EGP 251 million, in order to recognize the license claimed by IDA. In 2019, recognised additionally as capital expenditure the amount of EGP 166.6 million, that represented interest asked by IDA. The total amount recognised in intangible assets as license for the construction of a second production line at the company's plant is EGP 417.6 million and the total amount of interest expenses, that it was charged in 2018 income statement, amounted to EGP 98.7 million.

30. Contingencies and commitments (continued)

Contingent tax assets and liabilities

During 2022, the Group's subsidiary in Kosovo, Sharrcem SH.P.K. (Sharrcem), has filed before the Administrative Court of Pristina an appeal against the tax authorities seeking the annulment of an act made in relation to its tax declarations of 2016 and 2017. Sharrcem's management together with the external legal experts engaged, have assessed the case as highly likely to be ruled in Sharrcem's favor, in which case the claimed amount of €456 thousand will be reimbursed to Sharrcem.

The financial years, referred to in note 37, have not been audited by the tax authorities and therefore the tax obligations of the Company and its subsidiaries for those years have not yet been finalized.

Contingent assets

(all amounts in Euro thousands)	2022	2021
Bank guarantee letters for securing trade receivables (note 20)	25,418	22,350
Other collaterals against trade receivables (note 20)	7,054	7,099
	32,472	**29,449**
Collaterals against other receivables	2,358	4,442
	34,830	**33,891**

Commitments

Capital commitments

Capital commitments contracted for at the balance sheet date but not recognized in the financial statements are as follows:

(all amounts in Euro thousands)	2022	2021
Property, plant and equipment	5,197	713

Purchase commitments

(all amounts in Euro thousands)	2022	2021
	1,286	1,026

In addition to the aforementioned purchase commitments, the Group's subsidiary in USA, Titan America LLC (TALLC), has entered into various contracts to purchase raw materials and manufacturing supplies. Specifically, TALLC entered into a multi-year agreement to purchase construction aggregates in Florida at prevailing market prices.

Moreover, TALLC has entered into a take-or-pay natural gas agreement with a local utility that requires TALLC to pay the utility $11,6 million over a maximum period of 6 years beginning November 1, 2020. This agreement requires minimum cumulative payments equal to $1,935 thousand per contract year until the full contract has been met. As of November 2022, TALLC had met the minimum cumulative payment requirement. On 31.12.2022, TALLC had paid €5,116 thousand (31.12.2021: €2,141 thousand) cumulatively under the agreement.

In conjunction with the aforementioned take-or-pay natural gas agreement, TALLC also entered into capacity supply agreements with a natural gas marketer annually since 2020. On 31.12.2022, there are 3,040,000 MMBtus of committed capacity remaining through October 2023. Pricing under the capacity contract is based on the front-month Florida Gas Transmission Zone 3 natural gas price settlements, plus a variable basis component.

31. Related party transactions

The Group may enter into various transactions with related parties. During 2022 and 2021, the Group did not record material transactions with related parties.

Directors	2022	2021
Executive members on the Board of Directors	6	6
Non-executive members on the Board of Directors	10	9

Key management compensation	2022	2021
Short-term employee benefits	6,822	5,864
Share-based payments	1,342	1,418
Post-employment benefits	283	264
	8,447	**7,546**

In 2022, the Group replaced the information for share-based payments by providing the expenses incurred by the Group, rather than the benefit to be received by the key management. The comparative figures were adjusted accordingly.

32. Borrowings

(all amounts in Euro thousands)	2022	2021
Current		
Bank borrowings	32,736	30,997
Bank borrowings in non euro currency	83,227	52,517
Interest payable	6,533	5,728
	122,496	**89,242**
Non-current		
Bank borrowings	65,618	30,863
Bank borrowings in non euro currency	42,208	14,241
Debentures	596,995	596,357
	704,821	**641,461**
Total borrowings	**827,317**	**730,703**

Maturity of non-current borrowings:

	2022	2021
Between 1 and 2 years	358,456	4,517
Between 2 and 3 years	62,825	357,455
Between 3 and 4 years	28,895	1,774
Between 4 and 5 years	254,645	27,967
Over 5 years	-	249,748
	704,821	**641,461**

In July 2022, Titan Cement Company S.A. issued a bond purchase agreement of principal amount up to €120 million divided into 120 bearer bonds for a three-year period. The Greek bank, which is acting as paying agent and bondholder agent, holds €60 million bonds and the remaining €60 million are held by Titan Global Finance Plc.

The weighted average effective interest rates that affect the Income Statement are as follows:

	2022	2021
Borrowings (€)	2.51%	2.59%
Borrowings (USD)	3.75%	2.88%
Borrowings (LEK)	3.39%	3.31%
Borrowings (EGP)	15.37%	10.75%
Borrowings (TRY)	22.77%	20.38%

The Group has the following undrawn borrowing facilities

(all amounts in Euro thousands)	2022	2021
Floating rate:		
- Expiring within one year	120,551	167,314
- Expiring beyond one year	209,443	188,876

33. Leases

Group as a lessee

The Group has various lease contracts for offices, terminals, machinery, vehicles, computer hardware and other equipment. Rental contracts are typically made for fixed periods of 1 to 30 years, but may have extension or termination options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. There are leases with fixed increases and others where the increase is based on changes in price indices.

The consolidated statement of financial position includes the following balances related to lease contracts:

Balances of right-of-use assets (note 11)

(all amounts in Euro thousands)	2022	2021
Land	11,248	11,771
Buildings	25,079	19,420
Plant & equipment	630	17,268
Motor vehicle	32,717	6,356
Office furniture, fixtures and equipment	1	3
	69,675	**54,818**

Balances of lease liabilities

(all amounts in Euro thousands)	2022	2021
Long-term lease liabilities	58,777	46,004
Short-term lease liabilities	16,870	16,378
	75,647	**62,382**

The maturity analysis of lease liabilities is disclosed in note 35.

The following amounts that related to leases are recognized in the consolidated income statement:

(all amounts in Euro thousands)	2022	2021
Depreciation charge of ROU assets (note 11)	15,271	13,964
Interest expense (included in finance cost)	2,847	2,528
Expense relating to short-term leases	13,580	11,667
Expense relating to low-value leases that are not shown as short-term leases	506	285
Expenses relating to variable lease payments not included in lease liabilities	1,156	887

The total cash outflow for the leases in 2022 was €34,125 thousand (2021: €31,676 thousand).
Expenses relating to short-term leases and total cash outflow for leases have been adjusted in 2021 for comparative purposes. The adjustments had no impact on the primary consolidated financial statements.

Extension and termination options

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise extension options and the extension options are only included in the lease term if the lease is reasonably certain to be extended. Extension option which are reasonably certain to be exercised mainly concern assets which are of strategic importance for the operations of the Group and are not easily replaceable, without incurring significant relocation costs and disruption of the business such as terminals, ready-mix sites and heavy equipment. The assessment of reasonably certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and is within the control of the lessee.

On 31.12.2022, the undiscounted potential future cash flows of €30,170 thousand (31.12.2021: €34,333 thousand) were not included in the lease liability, as it is not reasonably certain that the leases will be extended. The timing of these payments would be as follows:

(all amounts in Euro thousands)	2022	2021
Within 10 years	7,833	4,884
From 10 to 20 years	18,506	19,921
In more than 20 years	3,831	9,528
	30,170	**34,333**

Discount rate

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the leases in the Group, the lessee's incremental borrowing rate (IBR) is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms and conditions. In order to determine IBR, the Group usually uses third party financing that it is received by the individual lessee and makes adjustments to reflect changes in financing conditions, since third party financing was received. Also, it makes judgements specific to the lease, such as term, country, currency and security.

34. Changes in liabilities arising from financing activities

(all amounts in Euro thousands)	Long-term borrowings	Short-term borrowings	Lease liabilities	Derivatives* and interim settlements	Total
Year ended 31 December 2021					
Opening balance	**628,172**	**205,656**	**57,015**	**-2,534**	**888,309**
Cash flows from financing activities	12,653	-152,177	-16,309	-19,441	-175,274
Acquisition of leases	-	-	17,973	-	17,973
Changes in fair value	-	-	-	22,379	22,379
Transfer among financial liabilities	-322	322	-	-	-
Charged in the finance expenses	1,758	35,841	-	-	37,599
Cash flow hedge	-	-	-	-1,370	-1,370
Currency translation differences on transactions designated as part of net investment in foreign operation	-4,557	-1,150	-	-	-5,707
Exchange differences	3,757	750	3,703	-23	8,187
Ending balance	**641,461**	**89,242**	**62,382**	**-989**	**792,096**
Year ended 31 December 2022					
Opening balance	**641,461**	**89,242**	**62,382**	**-989**	**792,096**
Cash flows from financing activities	68,356	-7,201	-16,036	11,322	56,441
Acquisition of leases	-	-	27,432	-	27,432
Changes in fair value	-	-	-	13,415	13,415
Charged in the finance expenses	1,231	38,646	-	-	39,877
Cash flow hedge	-	-	-	-24,484	-24,484
Currency translation differences on transactions designated as part of net investment in foreign operation	8,913	-	-	-	8,913
Exchange differences	-15,140	1,809	1,869	360	-11,102
Ending balance	**704,821**	**122,496**	**75,647**	**-376**	**902,588**

** Derivatives of financing activities*

35. Financial risk management objectives and policies

Financial Risk Factors

The Group, by nature of its business and geographical positioning, is exposed to market, credit and liquidity risk. The Group's senior management oversees the management of these risks.

The Group's senior management is supported by the Group finance, the treasury and the risk committee that advise on risks and the appropriate risk governance framework for the Group. The risk committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams and treasury that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors has overall responsibility for determining the nature and extent of the principal risks that the Group is willing to assume in achieving its strategic objectives.

The Group has the following derivative financial instruments in the following line items in the statement of financial position:

(all amounts in Euro thousands)	31/12/2022	31/12/2021
Non-current assets		
Interest rate swap - cash flow hedges	-	2,488
Interest rate swap - trading derivatives	3,479	-
	3,479	**2,488**
Current assets		
Forward freight agreements - trading derivatives	-	1,715
Forwards - trading derivatives	3,601	-
	3,601	**1,715**
Non-current liabilities		
Cross currency swaps - trading derivatives	12,103	6,185
	12,103	**6,185**
Current liabilities		
Natural gas forwards - cash flow hedges	2,747	1,084
Energy swap - trading derivatives	458	27
Bunkering swap - trading derivatives	1	-
Forward freight agreements - trading derivatives	1,481	-
Forwards - trading derivatives	-	3,290
Cross currency swaps - trading derivatives	4,957	4,341
	9,644	**8,742**

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. However, where derivatives do not meet the hedge accounting criteria, or the Group chooses not to designate a hedging relationship between a derivative and a hedged item, they are classified as trading derivatives for accounting purposes and are accounted for at fair value through profit or loss.

The next table shows the gross amounts of the aforementioned derivative financial instruments in relation with their interim settlement, that is received or paid, as they are presenting in the statements of financial position as at 31.12.2022 and 31.12.2021, in order to summarize the total net position of the Group.

(all amounts in Euro thousands)	Net position - Asset /(Liability)		
	Fair value of derivatives	Interim settlement of derivatives	Net balance
Balance at 31 December 2022			
Forwards - expired in 2023	3,601	-2,822	779
Energy swap - expired in 2023	-458	-	-458
Natural gas forwards - expired in 2023	-2,747	1,670	-1,077
Forward freight agreements - expired in 2023	-1,481	2,548	1,067
Bunkering swap - expired in 2023	-1	1	-
Cross currency swaps - expired in 2024	-17,060	19,375	2,315
Interest rate swaps - expired in 2025	3,479	-3,450	29
	-14,667	**17,322**	**2,655**
Balance at 31 December 2021			
Forwards - expired in 2022	-3,290	3,754	464
Energy swap - expired in 2022	-27	-	-27
Natural gas forwards - expired in 2022	-1,084	-	-1,084
Forward freight agreements - expired in 2022	1,715	794	2,509
Interest rate swap - expired in 2023	2,488	-1,070	1,418
Cross currency swaps - expired in 2024	-10,526	10,716	190
	-10,724	**14,194**	**3,470**

35. Financial risk management objectives and policies (continued)

a) Market risk

Market risk comprises three main types of risk: currency risk, price risk, such as commodity risk and interest rate risk.

Currency risk

The Group operates internationally and is exposed to foreign exchange risk (FX). Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities, mainly borrowings, denominated in a currency that is not the functional currency of the relevant Group entity and international investments.

Currency risks are managed using natural hedges, FX derivatives/swaps and FX forwards. Borrowings denominated in the same currency as the assets that are being financed and these create a natural hedge for investments in foreign subsidiaries exposed to FX conversion risk.

However, part of the financing of Group activities in the USA, Albania and other countries in which Group's subsidiaries are operating is in different currencies (i.e. Euro) than their functional ones. Their refinancing in local currencies, along with FX hedging transactions, are examined at regular intervals.
The table below shows the financing of Group activities in Euro for Group subsidiaries with functional currencies of:

(all amounts expressed in Euro thousands)

	2022	2021
USD	272,800	302,800
LEK	46,725	49,923
TRY	12,322	5,190
MKD	4,500	-
EGP	27,921	-

The total borrowing exposure of €272.8 million in USA is hedged with derivatives that are classified as trading.

Specifically, in August 2018, Titan America LLC (TALLC) entered into cross currency interest rate swap agreements (CCSs) that expire in November 2024. The derivatives hedge the interest payments and the foreign currency exposure created by the €150 million 7-year, fixed rate loan that TALLC borrowed from TGF in December 2017. During 2022, these CCSs resulted in a loss of €8.2 million that was recording in the "loss from foreign exchange differences" and a gain of €2.7 million that was recording in the "finance income" of the consolidated income statement.

Moreover, TALLC entered into various short-term forward contracts during the year 2022, in order to hedge foreign currency risk arising from financial liabilities in Euro. Particularly, TALLC has roll-overed the hedges of EUR/USD forward contracts of €122.8 million loan agreements (2021: €152.8 million) with maturities in April and June of 2023. During 2022, these contracts resulted in a total loss of €11.4 million that was recording in the account of "loss from foreign exchange differences" in the consolidated income statement.

In 2022, the aggregate net foreign exchange losses recognized in the consolidated income statement amounted to €12.4 million (2021: €73 thousand) and they are analyzed further into net exchange gains of €7.2 million (2021: gains of €25.4 million) and fair value losses on derivatives of €19.6 million (2021: losses of €25.5 million) (note 6).

Also, the Group recognized exchange losses on translation of foreign operations of €18.7 million in the consolidated statement of comprehensive income, mainly due to euro depreciation against US dollars (gain of €27.0 million), Brazilian real (gain of €10.7 million) and Albanian LEK (gain of €4.6 million), in addition with euro appreciation against Egyptian pound (loss of €81.1 million) and Turkish lira (loss of €25.5 million). Furthermore, a gain of €46.1 million was recognized in exchange (losses)/gains on translation of foreign operations in other comprehensive income, as a result of the indexation of Turkish subsidiaries' equity due to the application of IAS 29 - Financial Reporting in Hyperinflationary Economies (note 1).

The exchange gains on translation of foreign operations for the prior year amounted to €6.6 million and they were mainly due to euro depreciation against US dollar (gain of €37.2 million), Egyptian pound (gain of €10.1 million) and Albanian LEK (gain of €1.7 million), in addition with euro appreciation against Turkish lira (loss of €43.6 million).

35. Financial risk management objectives and policies (continued)

Sensitivity analysis in foreign exchange rate changes

The following table demonstrates the sensitivity of the Group's profit before tax and the Group's equity to reasonable changes in the USA Dollar, Serbian Dinar, Egyptian Pound, British Pound, Turkish Lira, Albanian Lek and Brazilian Real floating exchange rates, with all other variables held constant.

The calculation of "Effect on Profit before tax" is based on year average FX rates and the calculation of "Effect on Equity" is based on year end FX rate changes.

(all amounts in Euro thousands)	Foreign Currency	Increase/ Decrease of Foreign Currency vs. €	Effect on Profit Before Tax	Effect on equity
Year ended 31 December 2022	USD	5%	4,176	30,097
		-5%	-3,778	-27,230
	RSD	5%	1,194	1,726
		-5%	-1,080	-1,562
	EGP	5%	-422	8,793
		-5%	381	-7,956
	GBP	5%	138	519
		-5%	-125	-470
	TRY	5%	48	5,472
		-5%	-44	-4,950
	ALL	5%	761	4,970
		-5%	-689	-4,497
	BRL	5%	34	6,937
		-5%	-31	-6,276
Year ended 31 December 2021	USD	5%	3,694	25,400
		-5%	-3,342	-22,981
	RSD	5%	1,024	1,424
		-5%	-926	-1,288
	EGP	5%	-562	13,824
		-5%	508	-12,507
	GBP	5%	152	434
		-5%	-137	-393
	TRY	5%	-399	2,464
		-5%	361	-2,230
	ALL	5%	522	4,080
		-5%	-472	-3,692
	BRL	5%	139	6,078
		-5%	-126	-5,499

Price risk

The Group is exposed to the price volatility of electricity, fuel costs, freight rates or other transportation costs, and the cost of raw materials that constitute the most important elements of the Group's cost base. During 2022, the Group entered into the following derivatives in order to hedge its exposure price to changes of natural gas, coal, electricity and freights:

1) In 2021 and 2022, Titan America LLC (TALLC) entered into a series of natural gas swap transactions in order to fix a portion of the monthly NYMEX component of its natural gas costs during 2022. The total notional amount of the swap contract was 2,790,000 MMBtus and its termination date was on 28.11.2022. TALLC designated a cash flow hedge relationship between the highly probable forecast monthly purchases of natural gas and the swap contracts. During 2022, TALLC reclassified the amount of €5.8 million (2021: €1.7 million for a related relationship) associated with the monthly settlements from cash flow hedge reserve to cost of sales, while it recognized no ineffectiveness in the income statement.

2) In 2022, TALLC entered into a series of natural gas swap transactions in order to fix a portion of the monthly NYMEX component of its natural gas costs during 2023. The total notional amount of the swap contracts was 2,940,000 MMBtus and their final termination date is 28.11.2023. TALLC designated a cash flow hedge relationship between the highly probable forecast monthly purchases of natural gas during 2023 and the swap contracts. Due to coincidence of economic terms, no ineffectiveness is anticipated in this hedge relationship and none was recognized in the consolidated income statement during 2022. Furthermore, no amount related to this relationship reclassified to the income statement in 2022. On 31.12.2022, TALLC, and consequently the Group, recognized a fair value loss of €2.1 million in equity as a 'hedging reserve from cash flow hedges".

3) In 2022, TALLC entered into a series of bunkering swaps (marine fuel oil 0.5% FOB Barge Rotterdam) in order to fix a portion of marine oil costs during 2023. The total notional amount of the swaps is 2,400 Mt, the final termination date is 30.9.2023 and the derivative is classified as trading. On 31.12.2022, the recognized loss of €1 thousand was included in the "cost of sales" of the consolidated income statement.

35. Financial risk management objectives and policies (continued)

4) Zlatna Panega Cement AD entered into a energy swap agreement in December 2021 in order to fix a portion of (API2) coal cost. The derivative, which was classified as trading, expired in November 2022 and during the year a gain amounted to €1.1 million (2021: loss of €0,03 million) was recognized in the "cost of sales" of the consolidated income statement.

5) Antea Cement SH.A, Sharrcem SH. P.K.and Cementarnica Usje AD Skopje entered into energy swap agreements in December 2022 in order to fix a portion of electricity cost (Hungarian Baseload Power / Argus) for the second and third quarter of 2023. The derivatives were classified as trading and at the end of December they recorded a total loss of €0.5 million that was also recognized in the "cost of sales" of the consolidated income statement.

6) Arresa Marine Co entered into various forwards freight agreements (FFAs) during 2022 and various expirations dates in 2022 and 2023 in order to partially hedge price fluctuations of freight cost. The FFAs were classified as trading derivatives and their total loss during 2022 of €2.5 million (2021: gain of €3.2 million) was recognized in the "cost of sales" of the consolidated income statement.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The ratio of fixed to floating rates of the Group's net borrowings is determined by market conditions, Group strategy and financing requirements. Occasionally interest rate derivatives may be used to mitigate the relevant risk and balance the mix of fixed and floating rates of the Group's borrowings.

On 31 December 2022, the Group's ratio of fixed to floating interest rates, taking into account outstanding cross currency swaps and interest rate swaps, stood at 87%/13% (31 December 2021: 88%/12%).

Interest rate trends and the duration of the Group's financing needs are monitored on a forward looking basis. Consequently, decisions about the duration and the mix between fixed and floating rate debt are taken on an ad-hoc basis.

In June 2021, Titan Global Finance (TGF) entered into a forward starting interest rate swap (IRS) agreement in order to partially hedge the risk of the increased future mid swap rate from a highly probable future debt issuance. At the inception of the agreement, TGF designated a cash flow hedge relationship between the IRS and the highly probable future debt issuance by formal documentation. The forward starting fixed-for-floating EURIBOR-based 5-year interest rate swap with a notional amount of €250 million and forward period up to October 2023 is designated as the hedging instrument for a 100% hedge of the future interest payments arising from the highly probable forecasted debt issuance in 2023. Due to coincidence of economic terms, no ineffectiveness is anticipated in the aforementioned hedge relationship. The only potential sources of inefficiency that could result are due to changes in the credit risk of the counterparties, or, in case, the hedged forecast transaction does not (or is no longer expected to) occur in the amounts, tenor or at the date anticipated that are not expected.

During 2022, TGF terminated the forward starting IRS and succeeded to lock in a total gain of €29 million that will be recycled to the income statements over the five years offsetting the actual interest payments of the future fixed-rate debt of €250 million. The gain that was recognized in the current year's consolidated statement of other comprehensive income for the aforementioned derivative was €26.5 million (2021: €2.5 million).

In May 2022, considering the high inflation and the increasing interest rates in U.S.A. market, Titan America LLC (TALLC) entered into a fixed to floating interest rate swaps (IRSs) to hedge the risk of the increased floating interest rates of its short-term dollar debt and to protect the future fluctuations in finance expense. The fixed-for-floating IRS with a notional amount of USD 100 million hedges the daily compounded SOFR on a quarterly basis for a 3-year period. On 31.12.2022, the fair value IRSs resulted in a gain of €3.5 million that was recording in the account of "finance income" in the consolidated income statement.

The impact of interest rate volatility is limited in the income statement and cash flow from operating activities of the Group, as shown in the sensitivity analysis table below:

Sensitivity analysis of Group's borrowings due to interest rate changes

(all amounts in Euro thousands)		Interest rate variation (+/-)	Effect on profit before tax (-/+)
Year ended 31 December 2022	EUR	1.0%	911
	USD	1.0%	-
	EGP	1.0%	50
	ALL	1.0%	203
	TRY	1.0%	10
	BGN	1.0%	9
Year ended 31 December 2021	EUR	1.0%	283
	USD	1.0%	337
	EGP	1.0%	-
	ALL	1.0%	248
	TRY	1.0%	54

Note: Table above excludes the positive impact of interest received from deposits.

35. Financial risk management objectives and policies (continued)

b) Liquidity risk

The Group, in addition to its operating cash flows, maintains sufficient cash and other liquid assets, as well as extensive committed credit lines with several international banks to ensure the fulfillment of its financial obligations. Group Treasury controls Group funding as well as the management of liquid assets.

The table below summarizes the maturity profile of financial and lease liabilities at 31 December 2022 & 2021 based on contractual undiscounted payments.

(all amounts in Euro thousands)	Year ended at December 31 2022					
	< 1 month	1 to 6 months	6 to 12 months	1 to 5 years	>5years	Total
Borrowings	7,181	46,279	85,411	758,355	-	897,226
Lease liabilities (note 33)	1,291	6,674	7,841	42,179	25,626	83,611
Derivative financial instruments	-	-	4,687	17,060	-	21,747
Payables from interim settlement of derivatives	-	2,822	-	3,450	-	6,272
Other non-current liabilities	-	-	-	1,960	-	1,960
Trade and other payables	208,287	153,103	4,541	-	-	365,931
	216,759	**208,878**	**102,480**	**823,004**	**25,626**	**1,376,747**
	Year ended at December 31 2021					
Borrowings	10,130	54,373	40,988	443,470	256,875	805,836
Lease liabilities (note 33)	1,245	7,687	6,754	34,069	22,078	71,833
Derivative financial instruments	1,398	1,893	5,451	6,185	-	14,927
Payables from interim settlement of derivatives	-	-	-	1,070	-	1,070
Other non-current liabilities	-	-	-	5,138	-	5,138
Trade and other payables	177,289	91,258	16,729	-	-	285,276
	190,062	**155,211**	**69,922**	**489,932**	**278,953**	**1,184,080**

c) Capital management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its operations and maximize shareholder value.

The Group manages its capital structure conservatively with the leverage ratio, as this is shown from the relationship between total liabilities and total equity as well as net debt and earnings before interest, taxes, depreciation, amortization and impairment (EBITDA). Titan's policy is to maintain leverage ratios in line with an investment grade profile.

The Group includes within net debt, interest bearing loans, borrowings and lease liabilities, less cash and cash equivalents.

(all amounts in Euro thousands)	2022	2021
Long-term borrowings (note 32)	704,821	641,461
Long-term lease liabilities (note 33)	58,777	46,004
Short-term borrowings (note 32)	122,496	89,242
Short-term lease liabilities (note 33)	16,870	16,378
Debt	**902,964**	**793,085**
Less: cash and cash equivalents (note 21)	105,703	79,882
Net Debt	**797,261**	**713,203**
Earnings before interest, taxes, depreciation, amortization and impairment (EBITDA)	**331,202**	**275,209**
Total liabilities	**1,570,025**	**1,341,755**
Total equity	**1,424,274**	**1,336,886**

36. Financial instruments and fair value measurement

Set out below is a comparison by category of carrying amounts and fair values of the Group's financial instruments.

(all amounts in Euro thousands)	Carrying amount		Fair value	
	2022	2021	2022	2021
Financial assets				
At amortised cost				
Other non-current financial assets	10,321	9,249	10,321	9,249
Trade receivables	173,960	128,447	173,960	128,447
Cash and cash equivalents	105,703	79,882	105,703	79,882
Other current financial assets	63,706	52,860	63,706	52,860
Fair value through other comprehensive income				
Derivative financial instruments - non current	-	2,488	-	2,488
Fair value through profit and loss				
Derivative financial instruments - non current	3,479	-	3,479	-
Receivables from interim settlement of derivatives - non current	12,103	6,185	12,103	6,185
Other non-current financial assets	1,610	230	1,610	230
Derivative financial instruments - current	3,601	1,715	3,601	1,715
Receivables from interim settlement of derivatives - current	11,491	9,079	11,491	9,079
Other current financial assets	30	30	30	30
Financial liabilities				
At amortised cost				
Long term borrowings	704,821	641,461	675,527	659,678
Other non-current financial liabilities	30	17	30	17
Short term borrowings	122,496	89,242	122,496	89,242
Other current financial liabilities	361,577	281,727	361,577	281,727
Fair value through other comprehensive income				
Derivative financial instruments - current	2,747	1,084	2,747	1,084
Fair value through profit and loss				
Derivative financial instruments - non current	12,103	6,185	12,103	6,185
Payables from interim settlement of derivatives - non current	3,450	1,070	3,450	1,070
Derivative financial instruments - current	6,897	7,658	6,897	7,658
Payables from interim settlement of derivatives - current	2,822	-	2,822	-

The management assessed that the cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of the assets and liabilities by valuation method:

Level 1: based on quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: based on valuation techniques whereby all inputs having a significant effect on the fair value are observable, either directly or indirectly and includes quoted prices for identical or similar assets or liabilities in markets that are not so much actively traded.

Level 3: based on valuation techniques whereby all inputs having a significant effect on the fair value are not observable market data.

36. Financial instruments and fair value measurement (continued)

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

(all amounts in Euro thousands)	Fair value		Fair value hierarchy
	2022	2021	
Assets			
Investment property	11,240	10,980	Level 3
Other financial assets at fair value through profit and loss	1,640	260	Level 3
Derivative financial instruments	7,080	4,203	Level 2
Receivables from interim settlement of derivatives	23,594	15,264	Level 2
Liabilities			
Long-term borrowings	567,796	614,391	Level 2
Long-term borrowings	107,731	45,287	Level 3
Short-term borrowings	122,496	89,242	Level 3
Derivative financial instruments	21,747	14,927	Level 2
Payables from interim settlement of derivatives	6,272	1,070	Level 2

There were no transfers between level 1 and 2 fair value measurements during the period and no transfers into or out of level 3 fair value measurements during 2022.

The fair value of level 3 investment property is estimated by the Group by external, independent, certified evaluators. The fair value measurement of the investment property has been mainly conducted in accordance with the comparative method, or the current market values of similar properties. The main factors that were taken into consideration, are the property location, the surface area, the local urban planning, the bordering road networks, the regional infrastructure, the property maintenance status and merchantability, the technical construction standards in the case of buildings and the impact of environmental issues if any.

The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than a forced liquidation or sale. The following methods and assumptions were used to estimate the fair values:

For long and short term borrowings in level 2, the evaluation of their fair value is based on parameters such as interest rates, specific country risk factors, or price quotations at the reporting date. Specifically, they are used quoted market prices, or dealer quotes for the specific or similar instruments.

For the majority of the borrowings in level 3, the fair values are not materially different from their carrying amounts, since the interest payable on those borrowings is either close to current market rates, or the borrowings are of a short-term nature. The fair values of non-current borrowings in level 3 are based on discounted cash flows using a borrowing rate that is prevailed in current market condition.

Level 2 derivative financial instruments comprise fx forwards, cross currency interest rate swaps, interest rate swaps, natural gas forwards, forward freight agreement, electricity swap, marine oil swaps and energy swaps. The Group use a variety of methods and make assumptions that are based on market conditions existing at each reporting date. The aforementioned contracts have been fair valued using: a) forward exchange rates that are quoted in the active market, b) forward interest rates extracted from observable yield curves, c) US Natural Gas Henry Hub futures prices that are quoted in the active market, d) Baltic Supramax 10TC 58kt Forward Freight prices that are quoted in the active market, e) Coal API2 cif ARA (Argus /McCloskey) future prices that are quoted in the active market, f) Hungarian Baseload Power (Argus European Electricity) future prices that are quoted in the active market and g) marine fuel oil 0.5% fob Barge Rotterdam (Platts) future prices that are quoted in the active market.

Level 3 other financial assets at fair value through profit and loss refer mainly to investments in foreign property funds and in decarbonization and electrification technology companies that transform renewable electricity into heat, in which the Group owns an insignificant percentage. Their valuation is made based on their financial statements.

37. Fiscal years unaudited by tax authorities

(1)	Titan Cement Company S.A	2017-2022		Stari Silo Company DOO	2008-2022
(1)	Albacem S.A.	2017-2022		Cementara Kosjeric AD	2017-2022
(1)	Interbeton Construction Materials S.A.	2017-2022		TCK Montenegro DOO	2007-2022
(1)	Intertitan Trading International S.A.	2017-2022		Double W & Co OOD	2018-2022
(1)	Vahou Quarries S.A.	2017-2022		Granitoid AD	2007-2022
(1)	Gournon Quarries S.A.	2017-2022		Gravel & Sand PIT AD	2005-2022
(1)	Quarries of Tagaradon Community S.A.	2017-2022		Zlatna Panega Beton EOOD	2008-2016
(1)	Aitolika Quarries S.A.	2017-2022		Zlatna Panega Cement AD	2010-2022
(1)	Sigma Beton S.A.	2017-2022		Titan Investment EAD	2017-2019
(1)	Titan Atlantic Cement Industrial and Commercial S.A.	2017-2022		Cement Plus LTD	2014-2022
(1)	Titan Cement International Trading S.A.	2017-2022		Rudmak DOOEL	2006-2022
	Titan Cement International S.A.	2019-2022		Esha Material LLC	2016-2022
	Aemos Cement Ltd	2012-2018		Esha Material DOOEL	2016-2022
	Alvacim Ltd	2015-2022		ID Kompani DOOEL	2015-2022
	Iapetos Ltd	2014-2022		Opalit DOOEL	2019-2022
	Themis Holdings Ltd	2019-2022		Usje Cementarnica AD	2020-2022
	Feronia Holding Ltd	2019-2022		Titan Cement Netherlands BV	2010-2022
	Vesa DOOL	2006-2022		Alba Cemento Italia, SHPK	2017-2022
	Trojan Cem EOOD	2010-2022		Antea Cement SHA	2020-2022
(2)	Titan Global Finance PLC	2021-2022		Sharr Beteiligungs GmbH	2014-2022
	Salentijn Properties1 B.V.	2007-2022		Kosovo Construction Materials L.L.C.	2010-2022
	Titan Cement Cyprus Limited	2017-2022		Sharrcem SH.P.K.	2017-2022
	KOCEM Limited	2019-2022		Alexandria Development Co.Ltd	2019-2022
	Fintitan SRL	2015-2022		Alexandria Portland Cement Co. S.A.E	2019-2022
	Cementi Crotone S.R.L.	2015-2022		Beni Suef Cement Co.S.A.E.	2019-2022
	Cementi ANTEA SRL	2017-2022		East Cement Trade Ltd	2019-2022
	Colombus Properties B.V.	2010-2022		Titan Beton & Aggregate Egypt LLC	2015-2022
	Brazcem Participacoes S.A.	2016-2022		Titan Eastmed Investments Ltd	2019-2022
	Adocim Cimento Beton Sanayi ve Ticaret A.S.	2022		Green Alternative Energy Assets EAD	2012-2022
	Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S.	2022		GAEA Zelena Alternative Enerjia DOOEL	2013-2022
	Aeas Netherlands B.V.	2010-2020		GAEA Enerjia Alternative e Gjelber Sh.p.k.	2017-2022
	Titan Cement U.K. Ltd	2015-2022		GAEA -Green Alternative Energy Assets	2016-2022
(3)	Titan America LLC	2019-2022	(4)	Arresa Marine Co	-
	Separation Technologies Canada Ltd	2018-2022		Tithys Holdings Limited	2020-2022
	MILLCO-PCM DOOEL	2016-2022		Rea Cement Investments Limited	2021-2022

(1) For the fiscal years 2017-2021 Certified Auditors Accountants tax audited the above companies and issued tax certificates without qualifications, according to the article 65A, par. 1 of L. 4174/2013.
(2) As per UK tax legislation, HMRC could address any enquiry only for the years 2021 – 2022 which remain open to enquiry without the need for a discovery assessment.
(3) Companies operating in the U.S.A. are incorporated in the Titan America LLC subgroup (note 16).
(4) Under special tax status.

38. Events after the reporting period

In early 2023, the Group took a participation in «Aegean Perlites», a company operating perlite and pozzolan quarries on the Greek island of Yali, thereby gaining direct access to a key raw material which will allow the enlargement of the Group's offering of low-carbon cementitious products and securing the long term pozzolan sourcing needs of the Group.

Parent company's separate summarized financial statements

Income Statement

(all amounts in Euro thousands)	Year ended 31 December	
	2022	2021
Operating income	4,925	3,568
Operating charges	-10,946	-10,121
Operating loss	**-6,021**	**-6,553**
Financial result	592,613	356,887
Profit/(loss) for the period before taxes	**586,592**	**350,335**
Income taxes	-1	-1
Profit/(loss) for the period	**586,591**	**350,334**

This is an abbreviated version of the parent company's Financial Statements. A full version of the accounts (included the auditors report), that will be filled with the BNB/NBB, is available on the Company's website www.titan-cement.com and can be obtained free of charge.

Statutory Balance Sheet After Appropriation

(all amounts in Euro thousands)	December 31, 2022	December 31, 2021
Assets		
Fixed assets		
Formation expenses	3,130	4,402
Intangible assets	35	47
Tangible assets	120	171
Financial fixed assets		
Participating interests	2,265,786	1,679,788
Other financial fixed assets	24	23
Total financial fixed assets	**2,265,810**	**1,679,811**
Total fixed assets	**2,269,095**	**1,684,431**
Current assets		
Inventory	20,061	20,061
Amounts receivable within one year	16,307	1,456
Treasury shares	9,282	5,465
Cash at bank and in hand	42	139
Deferred charges and accrued income	236	145
Total current assets	**45,928**	**27,266**
Total assets	**2,315,023**	**1,711,697**
Equity and liabilities		
Equity		
Capital	959,348	1,159,348
Share premium	15,321	15,321
Reserves	191,590	162,261
Retained (losses)/earnings	757,414	246,683
Total equity	**1,923,673**	**1,583,613**
Provisions and deferred taxes	**572**	**578**
Amounts payable		
Amounts payable after more than one year		
Financial debt	76,485	-
Other amounts payable	263,493	63,401
Total amounts payable after more than one year	**339,978**	**63,401**
Amounts payable within one year		
Financial debt	-	21,717
Trade debts	2,489	2,408
Taxes, remunerations and social security	981	927
Other amounts payable	47,221	38,956
Total amounts payable within one year	**50,691**	**64,008**
Accruals and deferred income	109	97
Total amount payables	**390,778**	**127,506**
Total equity and liabilities	**2,315,023**	**1,711,697**

This is an abbreviated version of the parent company's Financial Statements. A full version of the accounts (included the auditors report), that will be filled with the BNB/NBB, is available on the Company's website www.titan-cement.com and can be obtained free of charge.

Declaration by the persons responsible

The Board of Directors hereby declares that, to the best of its knowledge:

a. the financial statements, prepared in accordance with International Reporting Standards (IFRS), give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer and of the entities included in the consolidation;

b. the management report includes a fair review of the developments and the performance of the business and the financial position of the issuer and of the entities included in the consolidation, together with a description of the main risks and uncertainties that these entities face.

For the Board of Directors,

30 March 2023

Chair of the Board of Directors	**Managing Director and Group CFO**
Dimitrios Papalexopoulos	Michael Colakides

STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING OF TITAN CEMENT INTERNATIONAL SA ON THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

We present to you our statutory auditor's report in the context of our statutory audit of the consolidated accounts of Titan Cement International SA (the "Company") and its subsidiaries (jointly "the Group"). This report includes our report on the consolidated accounts, as well as the other legal and regulatory requirements. This forms part of an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting d.d.12 May 2022, following the proposal formulated by the board of directors and following the recommendation by the audit committee. Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2024. We have performed the statutory audit of the Group's consolidated accounts for 4 consecutive years.

Report on the consolidated accounts

Unqualified opinion

We have performed the statutory audit of the Group's consolidated accounts, which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated income statement and consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, and which is characterised by a consolidated statement of financial position total of '000 EUR 2,994,299 and a profit for the year attributable to equity holders of the parent of '000 EUR 109,655.

In our opinion, the consolidated accounts give a true and fair view of the Group's net equity and consolidated financial position as at 31 December 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Furthermore, we have applied the International Standards on Auditing as approved by the IAASB which are applicable to the year-end and which are not yet approved at the national level. Our responsibilities under those standards are further described in the "*Statutory auditor's responsibilities for the audit of the consolidated accounts*" section of our report. We have fulfilled our ethical responsibilities in accordance with the ethical requirements that are relevant to our audit of the consolidated accounts in Belgium, including the requirements related to independence.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our audit.

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

Key audit matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated accounts of the current period. This matter was addressed in the context of our audit of the consolidated accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

<u>Impairment of Property, Plant and Equipment, goodwill, intangible assets and investments in associates and Joint Ventures</u>

Description of the Key Audit Matter

Titan Cement International Group carries significant values of property, plant and equipment, goodwill, intangible assets and investments in associates and joint ventures on the balance sheet amounting to EUR 1,664 million, EUR 280 million, EUR 84 million and EUR 100 million respectively as at 31 December 2022 as detailed in disclosure notes 11, 13, 14 and 15.

As required by the International Accounting Standard ('IAS 36'), as endorsed by the EU, the Group is required to test the amount of goodwill and indefinite useful life intangible assets for impairment at least annually. IAS 36 also requires that assets subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. International Accounting Standard ('IAS 28') states that investments in associates and joint ventures are assessed for impairment where indicators of impairment are present. The recoverable amount is determined in accordance with IAS 36.

Property, plant and equipment, goodwill, intangible assets, and investments in associates and joint ventures are allocated to cash generating units (CGUs). Management determines the recoverable amount for each CGU as the higher of fair value less costs to sell and value in use. The calculation of the recoverable amount of each CGU requires judgements applied by Management.

We consider this matter to be of most significance because of the complexity of the assessment process and significant judgements in respect of assumptions about the future results of the business and the discount rates applied to future cash flow forecasts. The most important assumptions relate to the discount rate, sales volume and selling price evolutions, perpetual growth rates and operating margins. We focused on the Egypt, Turkey and Brazil CGUs because they are most sensitive to changes in key assumptions.

How our Audit addressed the Key Audit Matter

We evaluated management's overall impairment testing process including assessing the process by which the value in use models are reviewed and approved.

We evaluated the appropriateness of the use of the forecast period for the value in use calculation of the CGUs.

We assessed the reliability of management's estimates by comparing actual performance against previous forecasts.

We tested the Group's key assumptions for growth rates, sales volumes, selling prices and gross margins in the future cash flow forecasts by comparing them to local industry trends and assumptions made in the prior years and agreed them to approved financial budgets.

We critically assessed and checked the assumptions related to the long-term growth rates, by comparing them to industry forecasts and historical growth rates.

We compared operating margin, working capital and capital expenditure percentages with past actuals.

We compared the weighted average cost of capital ("WACC") to the cost of capital and debt of the Group and comparable companies, as well as considering territory specific factors.

We tested the calculation method used and the accuracy thereof.

We evaluated the impact of alternative scenarios about discount rates, growth rates, selling prices and gross margins on the recoverable amount of each CGU.

We included our IFRS valuation specialists in our team to assist us with these procedures.

Based on the procedures performed we found that sufficient headroom remained between the carrying value and the recoverable amount for all CGUs. We considered management's key assumptions to be within a reasonable range and disclosures in the financial statements to be adequate.

Responsibilities of the board of directors for the preparation of the consolidated accounts

The board of directors is responsible for the preparation of consolidated accounts that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated accounts, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated accounts

Our objectives are to obtain reasonable assurance about whether the consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated accounts.

In performing our audit, we comply with the legal, regulatory and normative framework applicable to the audit of the consolidated accounts in Belgium. A statutory audit does not provide any assurance as to the Group's future viability nor as to the efficiency or effectiveness of the board of directors' current or future business management at Group level. Our responsibilities in respect of the use of the going concern basis of accounting by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;

- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated accounts, including the disclosures, and whether the consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation; and

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated accounts of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated accounts and the other information included in the integrated annual report on the consolidated accounts.

Statutory auditor's responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report on the consolidated accounts and the other information included in the integrated annual report on the consolidated accounts and to report on these matters.

Aspects related to the directors' report on the consolidated accounts and to the other information included in the annual report on the consolidated accounts

In our opinion, after having performed specific procedures in relation to the directors' report on the consolidated accounts, this directors' report is consistent with the consolidated accounts for the year under audit and is prepared in accordance with article 3:32 of the Companies' and Associations' Code.

In the context of our audit of the consolidated accounts, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report on the consolidated accounts and the other information included in the annual report on the consolidated accounts is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you.

The non-financial information required by virtue of article 3:32, §2 of the Companies' and Associations' Code is included in the directors' report on the consolidated accounts which is part of the section "Management Report; ESG Performance statements" of the integrated annual report. The Company has prepared the non-financial information, based on the UN Global Compact Communication on Progress Guidelines, the Charter and Guidelines of the Global Cement and Concrete Association and the UN SDGs 2030. However, in accordance with article 3:80, §1, 5° of the Companies' and Associations' Code, we do not express an opinion as to whether the non-financial information has been prepared in accordance with the UN Global Compact Communication on Progress Guidelines, the Charter and Guidelines of the Global Cement and Concrete Association and the UN SDGs 2030 as disclosed in the directors' report on the consolidated accounts.

Statement related to independence

- Our registered audit firm and our network did not provide services which are incompatible with the statutory audit of the consolidated accounts, and our registered audit firm remained independent of the Group in the course of our mandate.

- The fees for additional services which are compatible with the statutory audit of the consolidated accounts referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemised in the notes to the consolidated accounts

European Uniform Electronic Format (ESEF)

We have also verified, in accordance with the draft standard on the verification of the compliance of the financial statements with the European Uniform Electronic Format (hereinafter “ESEF”), the compliance of the ESEF format with the regulatory technical standards established by the European Delegate Regulation No. 2019/815 of 17 December 2018 (hereinafter: “Delegated Regulation”).

The board of directors is responsible for the preparation, in accordance with ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format (hereinafter “digital consolidated financial statements”) included in the annual financial report.

Our responsibility is to obtain sufficient appropriate evidence to conclude that the format and marking language of the digital consolidated financial statements complies in all material respects with the ESEF requirements under the Delegated Regulation.

Based on the work we have performed we believe that the format and marking of information in official version of the digital consolidated financial statements included in the annual financial report of Titan Cement International SA per 31 December 2022 complies in all material respects with the ESEF requirements under the Delegated Regulation.

Other statements

- This report is consistent with the additional report to the audit committee referred to in article 11 of the Regulation (EU) N° 537/2014.

Diegem, 5 April 2023

The statutory auditor
PwC Reviseurs d'Entreprises SRL / PwC Bedrijfsrevisoren BV
Represented by

Didier Delanoye
Réviseur d’Entreprises / Bedrijfsrevisor

Independent Assurance Statement to the Board of Directors of Titan Cement International S.A.

ERM Certification and Verification Services Limited ('ERM CVS') was engaged by Titan Cement International S.A. ('TITAN Group') to provide assurance in relation to the information set out below and presented in TITAN's Integrated Annual Report 2022 for the reporting year ended 31 December 2022 (the 'Report').

<table>
<tr><th colspan="2">Engagement Summary</th></tr>
<tr><td>Assurance Scope</td><td>1. Whether the following disclosures in the Report are fairly presented, in all material respects, with the reporting criteria:
▪ "Material issues for TITAN and its stakeholders" in section "Understanding TITAN" on pages 20 to 21
▪ "Making progress towards our ESG targets" in section "Understanding TITAN" on pages 28 to 29
▪ The information and 2022 performance data disclosed in section "Management Report; ESG performance overview" on pages 84 to 103
▪ The Group data for the non-financial metrics relating to the period January 1 to December 31 2022 indicated within the assurance column in section "Management Report; ESG Performance statements" in tables 2.1 through 2.4 on pages 109 to 130.

2. Whether the relevant 2022 data and disclosures in the Report are aligned with the following GCCA requirements:
▪ Sustainability Charter (October 2019)
▪ Sustainability Framework Guidelines (February 2022)
▪ Sustainability Guidelines for co-processing fuels and raw materials in cement manufacturing (October 2019)
▪ Sustainability Guidelines for Quarry Rehabilitation and Biodiversity Management (May 2020)
▪ Sustainability Guidelines for the monitoring and reporting of:
– Safety in cement and concrete manufacturing (February 2020) with extended application to concrete and other related activities
– CO_2 emissions from cement manufacturing (October 2019)
– Emissions from cement manufacturing (October 2019)
– Water in cement manufacturing (October 2019)

Our assurance engagement does not extend to information in respect of earlier periods or to any other information included in the Report.</td></tr>
<tr><td>Reporting Criteria</td><td>▪ GCCA requirements for the scope referenced above
▪ WBCSD/CSI Cement Sector Scope 3 GHG Accounting and Reporting Guidance (October 2016)
▪ TITAN Sustainability Glossary and Guidelines for ESG Performance</td></tr>
<tr><td>Assurance Standard and Level of Assurance</td><td>We performed a reasonable assurance engagement, in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Standards Board (IAASAB). This standard requires that we comply with ethical, competence and quality requirements, and plan and perform the assurance engagement to obtain a reasonable level of assurance.</td></tr>
</table>

Respective Responsibilities

The Board of TITAN Group is responsible for preparing the Report and for the collection and presentation of the disclosures covered by the scope of our engagement. Also for designing, implementing and maintaining effective internal controls over the information and data.

ERM CVS' responsibility is to provide an opinion, based on the assurance activities undertaken and exercising our professional judgement, on whether the information covered by the scope of our engagement has been prepared in accordance with the stated reporting criteria. ERM CVS disclaims any liability for any decision a person or entity may make based on this Assurance Statement.

Our opinion

We have assured selected information in the Report as detailed under 'Assurance Scope' above. In our opinion:

1. The 2022 performance disclosures and data in the Report as described under 'Assurance Scope (1)' above are fairly presented, in all material respects, in accordance with the reporting criteria; and
2. The relevant 2022 data and disclosures in the Report are aligned with the following GCCA requirements:
   - Sustainability Charter (October 2019)
   - Sustainability Framework Guidelines (February 2022)
   - Sustainability Guidelines for co-processing fuels and raw materials in cement manufacturing (October 2019)
   - Sustainability Guidelines for Quarry Rehabilitation and Biodiversity Management (May 2020)
   - Sustainability Guidelines for the monitoring and reporting of:
     - Safety in cement and concrete manufacturing (February 2020) with extended application to concrete and other related activities
     - CO_2 emissions from cement manufacturing (October 2019)
     - Emissions from cement manufacturing (October 2019)
     - Water in cement manufacturing (October 2019)

Our reasonable assurance activities

We planned and performed our work to obtain sufficient and appropriate evidence to support our opinion, and to reduce the risk of a material error or omission in the assured information to low, but not absolute. Our assurance procedures included, but were not restricted to, the following activities:

- A review of external media reports to identify relevant sustainability issues for TITAN Group in the reporting period;
- A review of the suitability of the reporting criteria and related internal reporting processes, including conversion factors, estimates and assumptions used;
- A virtual meeting with TITAN Group's Head Office in Athens, Greece to understand any (planned) changes to TITAN Group's sustainability strategy, the Report and related reporting systems and processes, internal controls and responsibilities in 2022;
- In-person visits to TITAN Group's cement operations in Beni Suef (Egypt) and Pennsuco (USA) to verify the source data underlying the 2022 data for the information in our assurance scope and to review local environmental and safety management, procurement procedures, labour and human rights and stakeholder/community engagement. These two cement operations contributed 25.3% of the Group's cementitious production and 26.5% of net CO_2 emissions for the reporting year;
- An assessment of the reports and conclusions of accredited third-party verification bodies relating to the verification of Scope 1 GHG emissions that fall within the scope of the EU emissions trading scheme (EU ETS). These provided coverage of an additional 27.9% of TITAN Group's net CO_2 emissions;
- An analytical review and substantive testing (on a sample basis) of the 2022 data submitted by all sites included in the consolidated corporate data for the selected disclosures, and follow-up and close out of our queries;
- Substantive procedures relating to the consolidation of the 2022 data for the selected disclosures;
- An in-person meeting with TITAN Group's Head Office in Athens, Greece to:
  - review activities across the business during 2022 regarding stakeholder engagement and in relation to TITAN Group's identified material issues;

  - test the effectiveness of internal controls in relation to the accuracy and completeness of the 2022 corporate consolidated data for the indicators in the scope of our engagement;
  - collect additional evidence through an extensive series of interviews with management representatives (including the Chief Sustainability Officer, ESG department, Environment, Safety, Human resources, Finance, Procurement, Legal and Internal Audit), and reviewed further evidence in underlying management and reporting systems such as the Global HR Management System and documents including the minutes of meetings of governance bodies; and
- A review of the presentation of information relevant to the scope of our work in the Report to ensure consistency with our findings.

The limitations of our engagement

We do not express any opinion on any other information in the Report or on TITAN Group's website for the current reporting period, or on the baseline values used for presenting performance against targets. We do not provide any assurance on prospective information including ambitions, plans, expectations or the achievability of targets.

The reliability of the assured 2022 data is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information so it is important to understand our assurance opinion in this context.

Our independent Assurance Statement provides no assurance on the maintenance and integrity of TITAN Group's website, including controls used to achieve this or, in particular, whether any changes may have occurred to the information since it was first published.

Ethics, independence, competence and quality control

ERM CVS is a member of the ERM Group and all employees are subject to ERM's Global Code of business conduct and ethics. ERM CVS is accredited by the United Kingdom Accreditation Service (UKAS) and our operating system is designed to comply with ISO 17021:2011.

We have policies and procedures in place covering quality, independence and competency. In line with established best practice for non-financial assurance, this engagement was undertaken by a team of assurance, EHS and sustainability professionals. The work that ERM CVS conducts for clients is solely related to independent assurance activities and auditor training. Our established management processes are designed and implemented to ensure the work we undertake with clients is free from organisational and personal conflicts of interest or bias.

ERM CVS and the staff that have undertaken this assurance engagement provide no consultancy related services to Titan Cement International S.A. in any respect.

Gareth Manning
Partner, Corporate Assurance
23 March 2023

ERM Certification and Verification Services Limited, London
www.ermcvs.com | Email: post@ermcvs.com

Glossary

Financial

CapEx: Acquisitions/additions of property, plant and equipment, right of use assets, investment property and intangible assets. It allows management to monitor the capital expenditure.

EBITDA: Operating profit before impairment losses on goodwill plus depreciation, amortization and impairment of tangible and intangible assets and amortization of government grants. It provides a measure of operating profitability that is comparable among reportable segments consistently.

Net debt: Sum of long-term borrowings and lease liabilities, plus short-term borrowings and lease liabilities (collectively gross debt), minus cash and cash equivalents. It allows management to monitor the indebtedness.

NPAT: Profit after tax attributable to equity holders of the parent. It provides a measure of total profitability that is comparable over time.

Operating free cash flow: Cash generated from operations minus payments for CAPEX. It measures the capability of the Group in turning profit into cash through the management of operating cash flow and capital expenditure.

Operating profit before impairment losses on goodwill: Profit before income tax, share of gain or loss of associates and joint ventures, net finance costs and impairment losses on goodwill. It provides a measure of operating profitability that is comparable over time.

Operating profit: Profit before income tax, share of gain or loss of associates and joint ventures and net finance costs. It provides a measure of operating profitability that is comparable over time.

ESG

Aqueduct: The World Resource Institute's (WRI) Aqueduct Water Risk Atlas is a publicly available online global database of locallevel water risk indicators and a global standard for measuring and reporting geographic water risk. The World Resources Institute is a global, independent, non-partisan and non-profit research organization, with mission to move human society to live in ways that protect Earth's environment and its capacity to provide for the needs and aspirations of current and future generations. Link: https://www.wri.org/aqueduct

CDP: CDP is a global environmental impact non-profit, providing a platform for companies, cities, states and regions to report information on their climate, deforestation and water security impacts. The global economy looks to CDP as the gold standard of environmental reporting. It holds the world's richest and most comprehensive dataset on how companies, cities, states and regions measure, understand and address their environmental impacts. CDP aims to make environmental reporting mainstream, providing the detailed insights and analysis to drive the urgent action needed for a climate-safe, deforestation-free and water-secure world. Link: https://www.cdp.net/en

IBAT: The Integrated Biodiversity Assessment Tool, developed through a partnership of global conservation leaders including BirdLife International, Conservation International and IUCN, provides key decision-makers with access to critical information on biodiversity priority sites, to inform decision-making processes and address potential impacts. Link: https://www.ibat-alliance.org/

IIRC: The International Integrated Reporting Council is a global coalition of regulators, investors, companies, standard setters, the accounting profession, academia and NGOs. The coalition promotes communication about value creation as the next step in the evolution of corporate reporting. Link: https://www.integratedreporting.org/

SASB: The Sustainability Accounting Standards Board is an independent standards board that is accountable for the due process, outcomes, and ratification of its standards, the application of which (being the SASB's mission) is to help businesses around the world identify, manage and report on sustainability topics that matter most to their investors. Link: https://www.sasb.org/

SBTi: The SBTi is a partnership between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). SBTi's aim is to mobilize companies to take the lead on urgent climate actions and guide them in setting science-based targets that could limit global warming to 1.5oC, achieve a net-zero world by no later than 2050 and prevent the worst effects of climate change. Link: https://sciencebasedtargets.org/

SDGs: The Sustainable Development Goals are a collection of 17 global goals designed to be a "blueprint to achieve a better and more sustainable future for all". The SDGs, set in 2015 by the United Nations General Assembly and intended to be achieved by the year 2030, are part of UN Resolution 70/1, the 2030 Agenda. Link: https://unric.org/en/united-nations-sustainable-development-goals/

UNCTAD: The United Nations Conference on Trade and Development is a United Nations body responsible for dealing with economic and sustainable development issues with a focus on trade, finance, investment and technology, in particular for helping developing countries to participate equitably in the global economy. Link: https://unctad.org/publication/guidance-core-indicators-sustainability-and-sdg-impact-reporting

UNGC: The United Nations Global Compact is a voluntary initiative based on CEO commitments to implement universal sustainability principles ('Ten Principles') and to take steps to support UN goals. 'Ten Principles' are derived from the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption. Link: https://unglobalcompact.org/

WRI: The World Resources Institute is a global, independent, non-partisan and non-profit research organization, with mission to move human society to live in ways that protect Earth's environment and its capacity to provide for the needs and aspirations of current and future generations. Link: https://www.wri.org/

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