TITAN CEMENT GROUP

INTEGRATED ANNUAL REPORT

2021

TITAN

About the Report

The 2021 TITAN Cement Group Integrated Annual Report (IAR 2021) has been prepared in accordance with the 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 Sustainability Accounting Standards Board (SASB) Standards and the Carbon Disclosure Project (CDP) for climate change and water security. In 2021, the Group also started reporting according to the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

The separate and consolidated financial statements of the IAR 2021 were audited by PwC. The ESG performance overview and statements were independently verified at a reasonable level by ERM Certification and Verification Services (ERM CVS), in accordance with the Charter and Guidelines of the Global Cement and Concrete Association (GCCA) and the Advanced Level criteria for Communication on Progress of the United Nations Global Compact (UNGC).

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 2021 and are available online at www.titan-cement.com/newsroom/annual-reports. You may access the IAR 2021 by scanning the QR code with your mobile device.

We welcome your feedback, which you can send to us through the link above.

Photos on the cover:
Main photo: Rod El Farag Axis, Cairo, Egypt
Bottom middle photo: Miami All aboard Florida Rail Station and residential apartments. Approximately 80% of the cement used is TITAN's lower carbon cement Type IL
Bottom right photo: Titan America employees

Photos on pages 24 & 74: Y. Yerolymbos

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2021 Highlights

€1,714.6m
Revenue

€275.2m
EBITDA
(Earnings before interest, taxes, depreciation and amortization)

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

5,358
Employees
(as at 31 December 2021)

829
New hires across the Group

0.91
Lost time injuries frequency rate (LTIFR) for employees

654.2
Specific net direct CO_2 emissions
(kg/t cementitious product)

16.6
Specific dust emissions
(g/t clinker)

245.7
Specific water consumption
(l/t cementitious product)

Message from the Chairman of the BoD

Dear Shareholders and Stakeholders,

Two full years now into the COVID-19 pandemic and, while some uncertainty remains, especially in emerging markets, we are beginning to see light at the end of the tunnel. The resulting recovery in demand, in conjunction with workforce shortages, has created supply chain disruptions and forced central banks into a juggling act between containing inflation and preventing a recession. On top of that, the war in Ukraine has spurred geopolitical uncertainties and volatility in the energy markets, further accentuating the rise in input costs.

Against this inflationary backdrop, the costs of running businesses have risen sharply, forcing companies to pass on the increases to their customers in order to maintain profitability. We, at TITAN Cement Group, believe that we will be able to adapt to this new reality fairly quickly, which will allow the company to remain on its sustainable growth path.

"We, at TITAN Cement Group, believe that we will be able to adapt to this new reality fairly quickly, which will allow the company to remain on its sustainable growth path."

In 2021, amidst a complex and challenging environment, we successfully pursued our priorities of protecting our people, mitigating the COVID-19 impact on society and safeguarding the continuity of the business. These challenges will continue going forward. We are fully aware of the fact that, as we gradually move into the new post-pandemic era, corporations will be evaluated not only on financial results but also on how they articulate values, develop talent, manage supply chains and environmental impact, embrace diversity and engage with employees, customers and local communities.

To ensure that the Group continues to adhere to the highest standards of corporate governance, we concluded a formal evaluation of the effectiveness of the Board, which we had launched towards the end of 2020. The assessment addressed the Board's performance and its interaction with executive management, as well as its size, composition, functioning and committees. Later in the year, Board members were updated on the developments of climate legislation and its implications for TITAN. In the fall, we conducted a full strategic review to approve the new growth platform and capital allocation priorities proposed by the executive team. The balance of initiatives and the merits of investment in the core business and beyond it were discussed in depth.

On the basis of our results, we activated a €10m share buy-back program and returned €0.5 per share to all our shareholders.

In closing, and on behalf of the TCI Board of Directors, I wish to congratulate management for yet another year of an all-round exemplary performance and extend our best wishes to all for a happy and successful 2022.

Takis Arapoglou
Chairman of the BoD

Message from the Chairman of the Group Executive Committee

Dear Shareholders and Stakeholders,

As I look back on 2021, I feel a sense of accomplishment and pride. For how we adapted to the challenges that the COVID-19 pandemic continued to pose. For the way we delivered results and served our customers effectively, amidst soaring energy prices and global supply chain disruptions. For how, staying true to our values, we took care of our colleagues and communities, with health and safety top of mind. And for how we learned new things, developed additional capabilities, and continued to lay the foundations for sustainable future growth.

Volumes and prices rose across our geographies on the back of buoyant construction activity, yet cost inflation weighed on margins. Our US business experienced record sales as its operations on the East Coast benefited from robust employment, increased consumer spending, tight housing inventories and attractive mortgage rates. Greece, where all construction segments displayed positive trends, increasingly appears to be on a steady long-term growth trajectory. Residential construction in the main urban centers, coupled with private infrastructure and small industrial unit projects across the country, bolstered demand for our products. Building activity was also strong in Southeastern Europe, but the spike in energy costs penalized results in the region. In Egypt, where our plants have been operating at the levels of the production cap imposed by the state, investments in public housing and the rehabilitation of port infrastructure have supported sales growth. And whereas in Turkey the market softened as a result of the currency crisis, the one in Brazil continued to grow.

Overall revenue for the Group increased by 6.7% to €1.7 billion. Due to the fact that price increases did not fully mitigate energy and freight headwinds within 2021, operating profitability (EBITDA) declined by 3.6% to €275.2 million. Net profit after taxes and minority interests (NPAT) came in at €91.9 million. After a €41.8 million increase in capital expenditure, which had been restrained following the onset of the pandemic in 2020, net debt increased to €713.2 million, or 2.61 times EBITDA.

During the year, we reviewed and refined our strategic priorities. Our strategy has talent, skills, culture and organization as its foundation and relies on the triptych "decarbonize – digitize – deliver" to transform the Group so that it can tap into new sources of growth. At the core are also our ESG targets for 2025 and beyond, in direct alignment with our commitment to the UN Sustainable Development Goals (SDGs) and the Ten Principles of the UN Global Compact. They are underpinned by strong governance, transparency and business ethics, and are organized in four focus areas – decarbonization and digitalization, growth-enabling work environment, positive local impact, and responsible sourcing.

Addressing climate change remained at the top of our sustainability agenda, as we were among the first cement companies worldwide with decarbonization targets validated by the Science Based Targets initiative (SBTi). Ahead of COP26, we signed the "Business Ambition for 1.5°C" Commitment letter, joining a number of leading companies seeking to keep warming to 1.5°C and reach net-zero emissions by 2050. To improve our disclosure of climate-related risks, we started implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). And we were recognized by the CDP as a global climate leader for our transparency and actions to mitigate climate change and transition to a net-zero economy. Our net CO_2 emissions declined in line with our 2030 goals, as we ramped up our consumption of alternative fuels and accelerated the transition to greener products. The investment for a pre-calciner at our Kamari plant in Greece, which will enable the utilization of greater quantities of waste-derived fuels, is progressing according to schedule. Meanwhile, since September, approximately half of Titan America's cement output consists of the lower-carbon Type IL cement.

We continued to invest in innovation and to contribute to the activities of the Innovandi research network of the Global Cement and Concrete Association (GCCA). We evaluated a number of novel decarbonization and carbon capture and utilization technologies, and we experimented with the use of hydrogen as a fuel enhancer in our process in Greece and Bulgaria. On the other side of the Atlantic, we commissioned the world's first industrial-scale plant to reclaim, dry and electrostatically separate landfilled fly ash.

end, a Sustainable Supply Chain Roadmap was developed to ensure that our key suppliers meet the Group's ESG standards.

Looking ahead to 2022, the war in Ukraine is creating geopolitical uncertainties with macroeconomic implications that are bound to impact market trends and further increase volatility and risks. While we are preparing for different eventualities, we remain cautiously optimistic for three reasons.

First, because we still expect growth in most of our markets. In the USA, a shortage of available housing and significant funds earmarked for cement-intensive infrastructure projects should support consumption for several years ahead. To capitalize on this trend, we are investing to expand our supply chain capacity in the market, most notably through the construction of two new storage domes in Tampa, Florida, and Norfolk, Virginia. In Europe, leading indicators are pointing towards continued growth in all demand segments. And the stabilizing macroeconomic environment in Egypt, along with the country's housing and infrastructure needs bodes well for construction. Cost challenges

"Building the future means building better, smarter, more sustainably. In 2022, we will continue to harness the advantages offered by decarbonization, digital transformation and business model innovation to benefit our customers, employees, suppliers, and communities."

Our digitalization journey progressed further, in collaboration with an ecosystem of start-ups, universities, equipment manufacturers, and specialized advisers. Our Digital Center of Competence continued the rollout of our AI-based real-time optimizers and failure prediction solutions across our production facilities, yielding gains in productivity and energy efficiency. Our supply chain capabilities were augmented through the development of proprietary tools to forecast sales demand and the cost of selected production inputs, whereas the deployment of digital customer applications helped us reinvent how we interact with our customers, while elevating their experience.

Throughout the year, we stayed close to those around us, with initiatives to shield our people, business partners and communities from the effects of the pandemic. The vaccination cost of more than 1,500 employees and contractors was covered by the company. Initiatives to promote physical and mental health were launched in all regions. We strengthened our accident prevention systems further and ended the year with a Lost Time Injuries Frequency Rate (LTIFR) that is among the best in the industry. We launched a new Diversity, Equity and Inclusion policy and leveraged digital tools to continue to upskill our people despite COVID-19 restrictions.

To maximize our positive local impact, our business units renewed their efforts to improve biodiversity and water management, promote recycling and circular economy practices, and curtail air emissions. At the same time, almost 2,000 of our employees volunteered in initiatives to support 0.4 million people in our local and broader communities.

Last but not least, having moved faster than planned in energy-efficiency and waste-management certification, we will not only continue pushing for further improvement in this area, but will also now focus on our supply chain, seeking to empower our business ecosystems to incorporate sustainability considerations in decision making. To this

will persist, but a favorable pricing environment in most countries and our numerous efforts to address inflationary pressures should mitigate the impact on operating profitability.

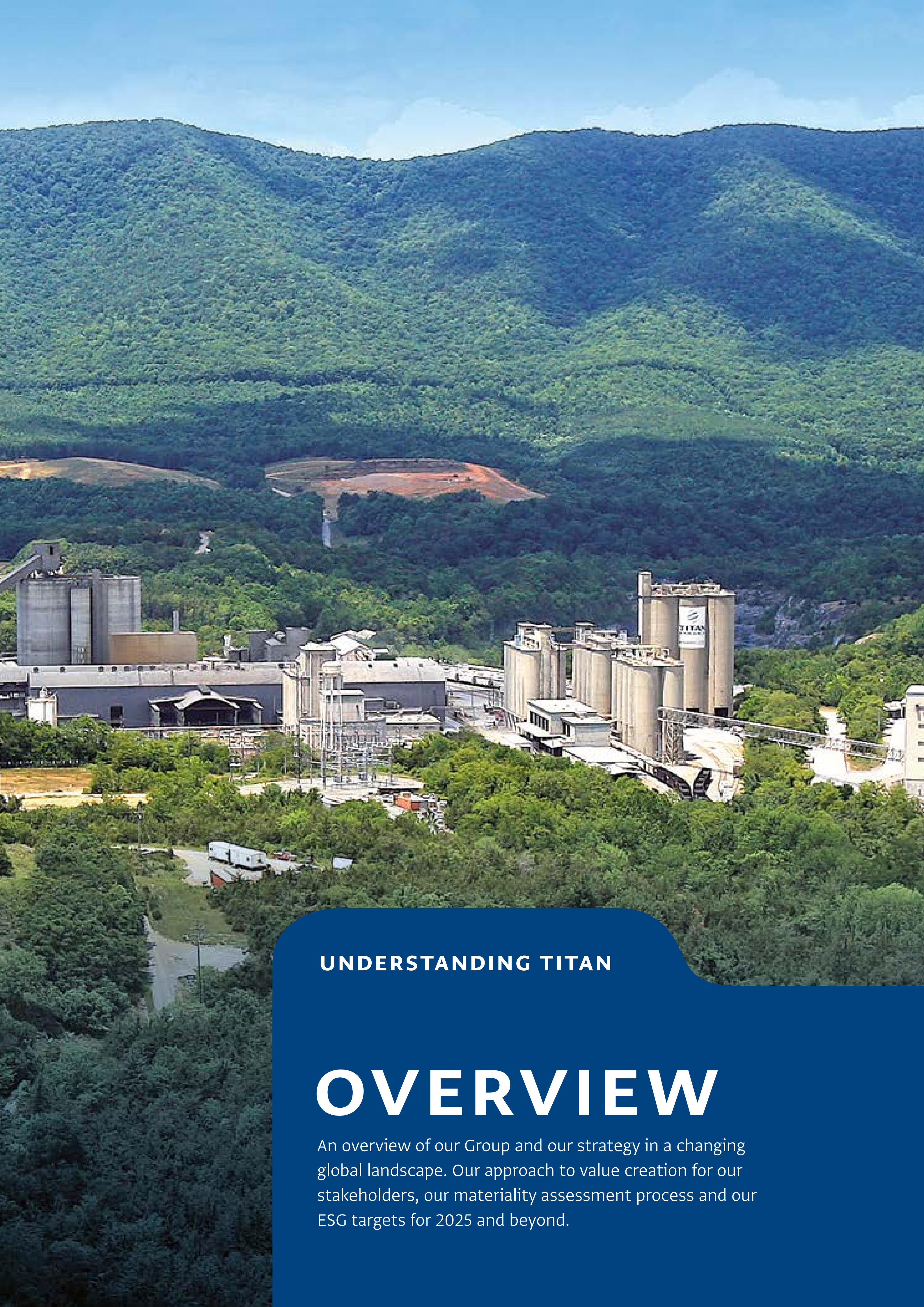
The second reason for optimism is our progress in decarbonization and digitalization, which are now well embedded in our strategy. We will continue to accelerate the reduction of our carbon footprint with novel products and solutions, new bets in adjacent value chains, such as waste management and renewables, and further investments in research and development. We will also keep scaling up our world-leading digital innovations and leveraging the power of data to become more efficient and competitive, while creating more value for our customers.

Yet the most important reason for our optimism are the skills, drive and energy of our colleagues. Their inspiring dedication and endurance, at all times, which is what keeps the company going and growing.

Building the future means building better, smarter, more sustainably. In 2022, we will continue to harness the advantages offered by decarbonization, digital transformation and business model innovation to benefit our customers, employees, suppliers, and communities. As always, we will do so with integrity, compassion, humanity and accountability, as we seek to shape a better and greener future for all.

Dimitri Papalexopoulos
Chairman of the Group Executive Committee


Roanoke cement plant, USA



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 our ESG targets for 2025 and beyond.

Our business approach in a changing global landscape

Building on 119 years of industry experience and commitment to sustainable growth, TITAN has become an international cement and building materials producer, serving customers in more than 25 countries through a network of 14 integrated cement plants and three cement grinding plants. TITAN also operates quarries, ready-mix plants, terminals, and other production and distribution facilities.

Climate change and the road towards a carbon-neutral future

Climate change represents a long-term risk for our planet and society. It requires the mobilization of organizations across many sectors, the cement industry among them. In 2021, the Global Cement and Concrete Association (GCCA) published its Roadmap for net-zero Concrete, which sets out a pathway to help limit global warming to 1.5°C and deliver society with net-zero concrete by 2050. Our industry is working across the built environment value chain to deliver on this commitment and is calling on its stakeholders to play their part as well.

Our approach

Turning aspiration into action, we are working hand in hand with our customers, supply chain partners, peers and our other stakeholders across geographies, to help limit global warming to 1.5°C and achieve a net-zero economy by 2050.

Committed to ambitious science-based targets, we are continuously reducing our carbon footprint by increasing the use of alternative fuels, improving energy efficiency, developing low-carbon products, and adopting innovative technologies and solutions.

Digital transformation as a foundation for future growth

The Fourth Industrial Revolution, driven by the advent of the Internet of Things, big data, artificial intelligence and advanced analytics, promises to transform key components of the industry's value chain.

Traditional value generation drivers and differentiators are complemented by new digital tools that unlock value through improved operational efficiency and higher customer engagement. Companies that embrace Industry 4.0 early on can reap significant benefits.

Our approach

We are among the early adopters and leaders of digital innovation in the cement industry, harnessing the power of digital breakthroughs.

Our digital journey so far has been powered by our innovative, entrepreneurial spirit and willingness to test and learn. With Artificial Intelligence solutions tailored to the needs of the cement industry, we are transforming our operations for ultimate efficiency and the delivery of high-quality products, with an eye on the present and future needs of our customers. At the same time, we help minimize energy consumption and reduce CO_2 emissions, supporting our net-zero goal.

We serve society's needs for safe, durable, resilient, and affordable housing and infrastructure. We create value by transforming raw materials into products – cement, concrete, aggregates, fly ash, dry mortars, blocks, and other building materials. We offer transportation and distribution services to our customers, as well as a range of additional solutions, from beneficiation technologies to waste management.

Amidst accelerating shifts and disruptive events, such as the COVID-19 pandemic, we effectively address critical challenges and play our part in building a better, more sustainable future together with our stakeholders.

Increasing demand for sustainable products and services

As the world continues to urbanize, demand for sustainable infrastructure and green building materials and solutions is set to rise.

Concrete is an essential building material that has shaped our world and is critical for addressing society's needs for the sustainable built environment of tomorrow. It will play an integral role in creating sustainable and prosperous communities through the delivery of key infrastructure, homes, clean energy and a more resilient environment.

Customers increasingly seek sustainable products that will meet their evolving needs.

Our approach

As the world is transitioning to a net-zero , circular economy, we are playing an active role in the development of the sustainable, green building materials and solutions of tomorrow.

We focus on their affordability, durability and recyclability as well as on their carbon footprint. When designing them, we evaluate the environmental impact that they have throughout their entire life cycle, meeting the increasing needs of our customers for sustainable products and services.

At the same time, we encourage our partners to incorporate sustainability considerations in their business decisions and daily behaviors, promoting responsible sourcing across the built environment value chain.

Comprehensive sustainability plans to create value for all stakeholders

Building a sustainable future demands comprehensive planning and collaboration with other businesses, governments, academia and society at large.

Companies need to set goals, develop roadmaps to achieve these goals, track their performance and communicate their progress to their stakeholders in a consistent and transparent manner.

Our approach

Sustainability is at the heart of our strategy, as reflected on our everyday business practices and the behaviors of our people.

With clear, measurable ESG targets and concrete plans in place across our regions, we are focusing our efforts on the areas where our actions and sustainable solutions can have the biggest positive impact, directly and indirectly, in line with the UN Sustainable Development Goals (SDGs). To address sustainability challenges, we have joined forces with local and global stakeholders.

A long history 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 the first cement plant in Elefsina, Greece. It is 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 cement plant in Thessaloniki

1968
Third cement plant in Drepano, Patras

1976
Fourth cement plant in Kamari, near Athens

1990-2021

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) Greenfield investment, Antea plant, Albania
- (2008) 50% in Adocim, Turkey (JV)
- (2008) 100% of Beni Suef and APCC Egypt
- (2010) Sharr plant, Kosovo
- (2016) 50% in Cimento Apodi, Brazil (JV)
- (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

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

Know-how

- 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

Continuous improvement

- Learning organization
- Willingness to change
- Rise to challenges

Corporate Social Responsibility

- Safety first
- Sustainable development
- Stakeholder engagement

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: Transforming for Growth

TITAN's growth-oriented Group strategy aims to harness the opportunities presented by Decarbonization and Digitalization, and to provide the building materials and solutions that will bring additional benefits to our customers, employees, suppliers and communities.

TITAN Group has created long-term value for its stakeholders for almost 120 years, by constantly evolving and renewing a strategy of geographic diversification, selective vertical integration, continuous operational improvement and a focus on human capital and sustainability.

Building on this solid foundation, the Group has reviewed its strategic direction and priorities, to focus its growth-oriented strategy on harnessing the new opportunities presented by decarbonization and "Industry 4.0", which are transforming the industry's customer engagement and value creation models, while continuing to leverage TITAN's proven abilities to deliver on improving performance and develop distinctive competences. Our three-year strategic plan incorporates the perspectives and priorities of our businesses around the world, coupled with the key directions and commitments provided by the Group's Executive Committee and BoD.

Our strategy is founded on the following three pillars:

Deliver

Our operations around the world are well placed to deliver robust results for the foreseeable future, based on strong market momentum for growth in housing and infrastructure spending (often supported by government incentives in the post-pandemic environment), positive macroeconomic trends and local markets recovering from cyclical lows.

Building on this solid outlook, TITAN will leverage its continuous performance improvement record to deliver operational excellence in manufacturing, supply chain and customer experience. The Group will thus continue its 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 strong environmental, safety and social engagement performance in the last 20 years. TITAN's ESG targets for 2025 and beyond provide a rich and ambitious set of measurable goals in all ESG focus areas, comprising the dimensions of decarbonization and digitalization, a growth-enabling work environment, positive local impact and responsible sourcing, all underpinned by good governance, transparency, and business ethics.

Decarbonize

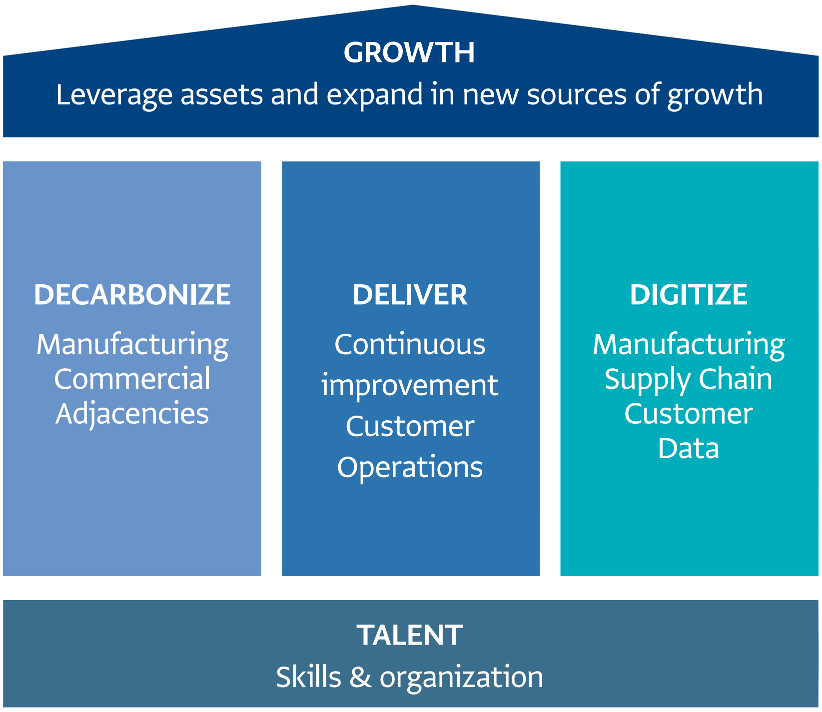
TITAN's vision is to grow by transforming our business, focusing on resilience and innovation to serve our customers more efficiently as we move towards a carbon-neutral world. To that end, the Group has set a 2030 target to reduce its direct net specific CO_2 emissions (Scope 1) to 500 kg CO_2/t of cementitious material, in line with the targets of the most ambitious players in the industry and validated by SBTi (Science Based Targets initiative). Furthermore, TITAN is committed to playing its part to limit global warming to 1.5°C and to reach net-zero emissions by 2050.

TITAN's decarbonization strategy includes a comprehensive set of levers to reduce emissions of cement production, by accelerating the use of alternative fuels, substituting clinker by cementitious materials with lower carbon intensity, increasing energy efficiency and optimizing its raw materials mix. New innovative products will be offered to TITAN's customers that will meet their needs for durable and sustainable building materials, leveraging the Group's unique assets and competencies, including its proprietary fly ash beneficiation technology. In the long-term, the Group will continue its tradition of innovation by piloting new emerging technologies for the future net-zero construction value chain.

Digitize

TITAN has been among the pioneers in its sector in implementing innovative Artificial Intelligence (AI) digital solutions in its operations. Significant innovations have already been implemented, with measurable impact in operational efficiency, such as AI-based real-time optimizers and predictive maintenance in manufacturing, use of advanced analytics for its supply chain network and spare parts inventories, use of Building Information Modelling for its new infrastructure projects, and digital applications for its customer-facing operations.

Leveraging this momentum, 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 for 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.



Building capabilities and developing talent

The foundation of our growth-oriented strategic plan is TITAN's long tradition of building capabilities and developing talent, with an entrepreneurial mindset and a values-driven culture. The strategic plan encompasses, and is powered by, an accelerated drive to transform by further building our talent, both in our core competences, as well as in new skillsets. In parallel, growth will be underpinned by an agile and learning-oriented organization, based on our performance-oriented culture and our focus on long-term sustainability, with digitally enabled structures and processes, and a safe, healthy, inclusive, and diverse work environment for our people.

Developing our growth platform

Leveraging operational excellence, a distinctive ESG performance and superior customer engagement, the decarbonization of its operations and the digitally enabled operational model, TITAN will develop its growth platform capitalizing on opportunities to strengthen and extend its current core business, as well as pursuing opportunities in new sources of value in the building materials value chain. To that end, important investments are already implemented or planned to enhance the operating leverage and sustainability of existing assets, increase the Group's logistics capabilities, pursue further targeted vertical integration, and accelerate the development of new products and customer solutions.

Global presence

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

USA

2 INTEGRATED CEMENT PLANTS

8 QUARRIES

82 READY-MIX PLANTS

3 IMPORT TERMINALS

7 CONCRETE BLOCK PLANTS

4* FLY ASH PROCESSING PLANTS

PRINCIPAL PRODUCTS/ ACTIVITIES

€

REVENUE	EBITDA
983.6m	**158.0m**

ASSETS

1,133.3m

USA

Integrated cement plants

1. Roanoke – Virginia
2. Pennsuco – Florida

Greece

Integrated cement plants

1. Thessaloniki
2. Kamari
3. Patras

Cement grinding plant

4. Elefsina

Brazil (Joint venture)

Integrated cement plant

1. Quixere

Cement grinding plant

2. Pecem

BRAZIL**

1 INTEGRATED CEMENT PLANT

1 CEMENT GRINDING PLANT

3 QUARRIES

4 READY-MIX PLANTS

PRINCIPAL PRODUCTS/ ACTIVITIES

Principal products/ activities key:

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

Number of operational units of all regions as calculated for ESG performance reporting purposes at Group level

* 1 facility in Canada is included.

** The joint venture in Brazil is incorporated in the financial statements using the equity method of consolidation. In the ESG performance overview and statements, the joint venture in Brazil is not included.

SOUTHEASTERN EUROPE

5 INTEGRATED CEMENT PLANTS

20 QUARRIES

6 READY-MIX PLANTS

1 PROCESSED ENGINEERED FUEL FACILITY

PRINCIPAL PRODUCTS/ ACTIVITIES

€

REVENUE **290.6m**

EBITDA **81.9m**

ASSETS **467.1m**

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

7 READY-MIX PLANTS

2 PROCESSED ENGINEERED FUEL FACILITIES

PRINCIPAL PRODUCTS/ ACTIVITIES

€

REVENUE **172.8m**

EBITDA **11.8m**

ASSETS **447.2m**

GREECE & WESTERN EUROPE

3 INTEGRATED CEMENT PLANTS

1 CEMENT GRINDING PLANT

25 QUARRIES

28 READY-MIX PLANTS

3 IMPORT TERMINALS

1 DRY MORTAR PLANT

2 PROCESSED ENGINEERED FUEL FACILITIES

PRINCIPAL PRODUCTS/ ACTIVITIES

€

REVENUE **267.6m**

EBITDA **23.6m**

ASSETS **549.4m**

EU Taxonomy Regulation eligible economic activities	Turnover	OpEx	CapEx
% of total TITAN Group	58.6	60.5	58.9

Creating and sharing value

We use our capital resources efficiently to drive sustainable, long-term shared value creation[1], through our products and services. We help address global societal and environmental challenges, and contribute to the attainment of the UN SDGs 2030.

DRIVEN BY OUR OBJECTIVES

WE DRAW ON OUR CAPITAL

Financial capital
We use our economic resources efficiently to support our business growth and safeguard our international competitiveness.

Manufactured capital
We manufacture our products using the best available techniques in a network of 14 integrated and three cement grinding plants in 10 countries, as well as quarries, ready-mix plants, and other production facilities, and we distribute them reliably to our customers through dedicated terminals.

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.

Human capital
We value our people's contribution and continuously support their professional development in an engaging, inclusive and collaborative working environment.

Social and Relationship capital
We engage with our stakeholders, building long-term relationships of trust and working together in collaborative projects to make a positive impact on society and local communities.

Natural capital
We source materials responsibly, and we preserve natural resources and biodiversity in the areas where we operate. We contribute to the circular economy by applying the principles of "reduce, reuse, recycle, recover".

TO PROVIDE OUR PRODUCTS AND SERVICES

Products

Cement
Ready-mix concrete
Aggregates
Dry mortars
Building blocks
Fly ash

We foster sustainable solutions over the life cycle of our products

Services and solutions

Production, transportation, distribution of building materials

Circular economy solutions:
- Separation technologies
- Alternative fuel and waste management solutions

We engage with business partners to scale sustainability efforts along our value chain

Note: For terms denoted with (1)-(12) under "Creating and sharing value", please refer to the section "ESG performance statements, 2.5.10 Notes for Value Creation Indicators".

AND CREATE VALUE FOR OUR STAKEHOLDERS

CONTRIBUTING TO THE UN SDGS 2030

Key Indicators	Amounts	Stakeholders	SDGs 2030
Gross value added[2]	€603.1m	Employees, customers, suppliers, shareholders and investors	8, 9
Net value added[3]	€466.7m	Employees, customers, suppliers, shareholders and investors	8, 9
Total spend on suppliers (local, national and international) for goods and services[4a]	€1,341m	Suppliers and contractors	9
% local spend of TITAN[4b]	65.1%	Local communities, customers	1, 3, 8, 9, 11
Taxes to national and local authorities[5]	€104.0m	Governments and authorities (central and local)	8, 17
Payments in cash to shareholders and minorities[6]	€32.0m	Shareholders	8, 17
Total spend on donations and community engagement initiatives[7]	€2.3m	Communities, academia and educational and environmental organizations, civil society, and society at large	1, 3, 4, 8, 9, 11, 15, 16, 17
Investment in environmental protection[8]	€25.3m	Communities, society at large	3, 7, 9, 15
Alternative fuels and raw materials	2.0m tonnes	Communities, governments and authorities (central and local), society at large	9, 12, 13, 17
Salaries, pensions (contributions) and social benefits, including additional benefits beyond those provided by law[9]	€309.3m	Employees and their families, local communities	8, 10, 17
Investments in training of direct employees[10]	€1.0m	Employees and their families	4, 8, 10
Internships	391 interns	Employees and their families, local communities, youth	4, 8, 17
Investments in research and innovation[11]	€10.7m	Employees, customers, academia and society at large	7, 9, 17
Capital expenditures[12]	€126.0m	Employees, shareholders, customers, local communities, suppliers and contractors	8, 9, 12, 13

Focusing on material issues

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.

TITAN's approach to sustainability is based on the principle 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 dynamic materiality assessment process.

A full cycle of materiality assessment at TITAN has a duration of five years. We use the resulting prioritization of material issues at local level as input for the materiality assessment at Group level and vice versa. The latest assessment at Group level, which was conducted in 2020, yielded nine material issues grouped in four focus areas, all underpinned by good governance, transparency and business ethics.

In 2021, all TITAN business units completed a new cycle of materiality assessment, by updating their priorities following the process established by the Group in 2020. This milestone marks the completion of our fourth materiality assessment cycle. The Group harmonized and further developed its materiality assessment process in alignment with the ten principles of the UN Global Compact and the SASB Materiality Map for our sector. Based on this methodology, both sector-agnostic and sector-specific material issues, as well as country-specific material issues, were identified and are presented in Table 1 of the ESG Statements. The issues that are most material for the majority of our business units are: Future-ready business model in a carbon-neutral world, safe and healthy working environment, positive local social, economic and environmental impact, and continuous development of our people. Following the completion of this exercise, TITAN set and announced its ESG targets for 2025 and beyond (see pages 20-21).

SUSTAINABILITY REPORTING STRUCTURE

Understanding both the impact that climate change has on TITAN's development, performance and position, as well as the impact that our activities have

FINANCIAL MATERIALITY

Climate change
impact on company

ENVIRONMENTAL & SOCIAL MATERIALITY

Company impact
on climate change

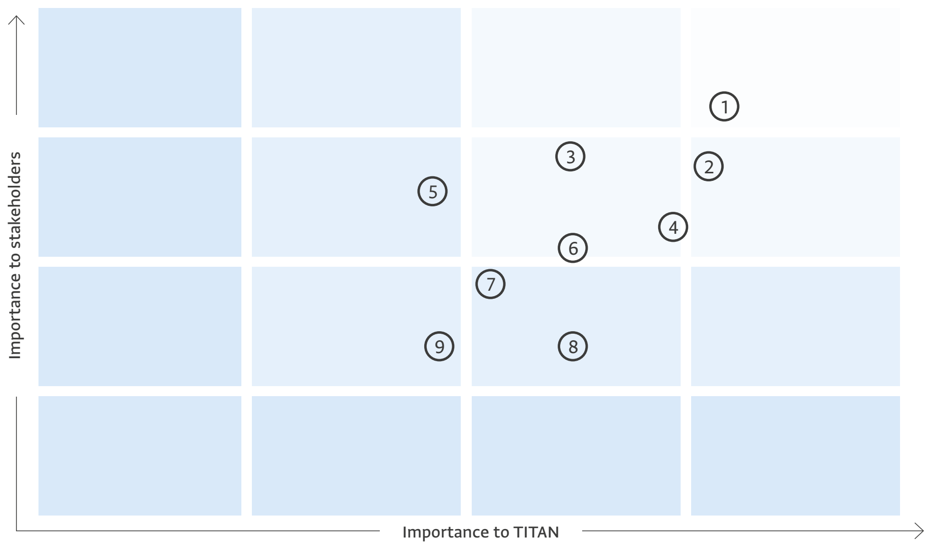
Audience: Investors, Consumers, Civil Society, Employees

Double materiality assessment on climate change

Stemming from the double materiality assessment, "future-ready business model in a carbon-neutral world" is ranked at the top of the list of our material issues. It is related to the long-term sustainability of the Group operations and the resilience of our planet. TITAN is assessing climate change risks and opportunities according to TCFD recommendations, considering a long-term horizon and the whole value chain, as presented on page 41.

What is immaterial to a company or industry today can become material tomorrow. Therefore, receiving regular feedback from our stakeholders through open and structured communication is imperative. In this context, we have designed a process to validate the existing materiality assessment with key stakeholders at each business unit. The outcomes of this exercise will help us adjust our priorities, if needed, and possibly add to our preparedness before the next materiality cycle. Through this dynamic materiality process, we aim to build on our trusted relationships and create shared value.

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

Moving ahead with ambitious ESG targets for 2025 and beyond

Building on our strong sustainability performance over the years, in 2021 we launched our Environmental, Social and Governance (ESG) targets for 2025 and beyond, focusing on four areas.

Read about our progress towards them on pages 30- 31

Decarbonization and digitalization

Ambition

We will TRANSFORM our business, focusing on resilience, innovation and building solutions to serve our customers more efficiently as we move towards a carbon-neutral, digital world

Targets

- we will reduce our CO_2 emissions[1] by 2030, and will have our targets validated by the Science Based Targets Initiative (SBTi) as follows:
  - Scope 1 (net): -35% vs. 1990 level
  - Scope 2: -45% vs. 2020 level
- we commit to drive down the CO_2 footprint of our operations and products aspiring to deliver society with carbon-neutral concrete by 2050
- we will monitor and independently verify our supply chain (Scope 3) emissions
- we will increase our annual investment in Research and Innovation to €20m

SDGs

Material issues addressed

- Future ready business model in a carbon-neutral world
- Innovation with emphasis on digitalization and decarbonization

Growth-enabling work environment

Ambition

We will CULTIVATE an inclusive culture with equal opportunities for all our people to grow professionally within a safe and healthy work environment

Targets

- we strive for zero fatalities and for an employee LTIFR performance which consistently places us among the three best in our peer group[2]
- we will implement initiatives addressing the physical, mental, social and financial dimensions of wellbeing for our employees, in all countries
- we commit that 1/3 of our BoD members will be women
- we will promote equal opportunities and inclusion and will grow by 20% the participation of women in senior roles, talent pools and new hires
- we will offer upskilling and reskilling opportunities to 100% of our employees, especially in areas vital for sustainable growth, such as health and safety, digitalization, and decarbonization

SDGs

Material issues addressed

- Safe and healthy working environment
- Diverse and inclusive workplace
- Continuous development of our people

All underpinned by:

Good governance, transparency and business ethics

[1] Scope 1: direct CO_2 emissions; Scope 2: indirect CO_2 emissions from electricity; Scope 3: indirect CO_2 emissions of the supply chain
[2] Peer group definition: Cemex, Holcim, Argos, HeidelbergCement, CRH, Cementir, Vicat, Buzzi
[3] Active wholly-owned sites

Positive local impact

Ambition

We will ENABLE our business operations and our people worldwide to contribute to the prosperity of our local communities with respect to their social and environmental concerns

Targets

- we will sustain and further improve our strong performance in cement production-related specific dust, NOx and SOx emissions
- we will have quarry rehabilitation plans at 100% of our sites[3] and will rehabilitate 25% of the affected areas
- we will have quarry biodiversity management plans at 100% of our sites[3] in high biodiversity value areas
- we will have community engagement plans that are aligned with material issues for stakeholders and UN SDGs 2030 at 100% of our key operations
- we will ensure that 2/3 of our total spend is directed to local suppliers and communities

SDGs

Material issues addressed

- Positive local social, economic, and environmental impact

Responsible sourcing

Ambition

We will EMPOWER our business ecosystems to incorporate sustainability considerations in their business decisions and daily behaviors, while using natural resources responsibly

Targets

- we commit to a water consumption of 280 l/t cementitious products and to covering 70% of our water demand with recycled water
- we will have 85% of our production[4] covered by ISO 50001 or energy audits
- we will have 50% of our production[4] covered by "Zero Waste to Landfill" certification
- we will ensure that 70% of our key suppliers[5] meet TITAN ESG supplier standards

SDGs

Material issues addressed

- Resource efficiency, recycling and recovery, contributing to the circular economy
- Reliable and sustainable supply chain

[4] Production of our integrated cement plants
[5] Key suppliers: critical suppliers according to the GCCA Guidance for Sustainable Supply Chain management with a meaningful level of spend for TITAN.

Working together for sustainable development

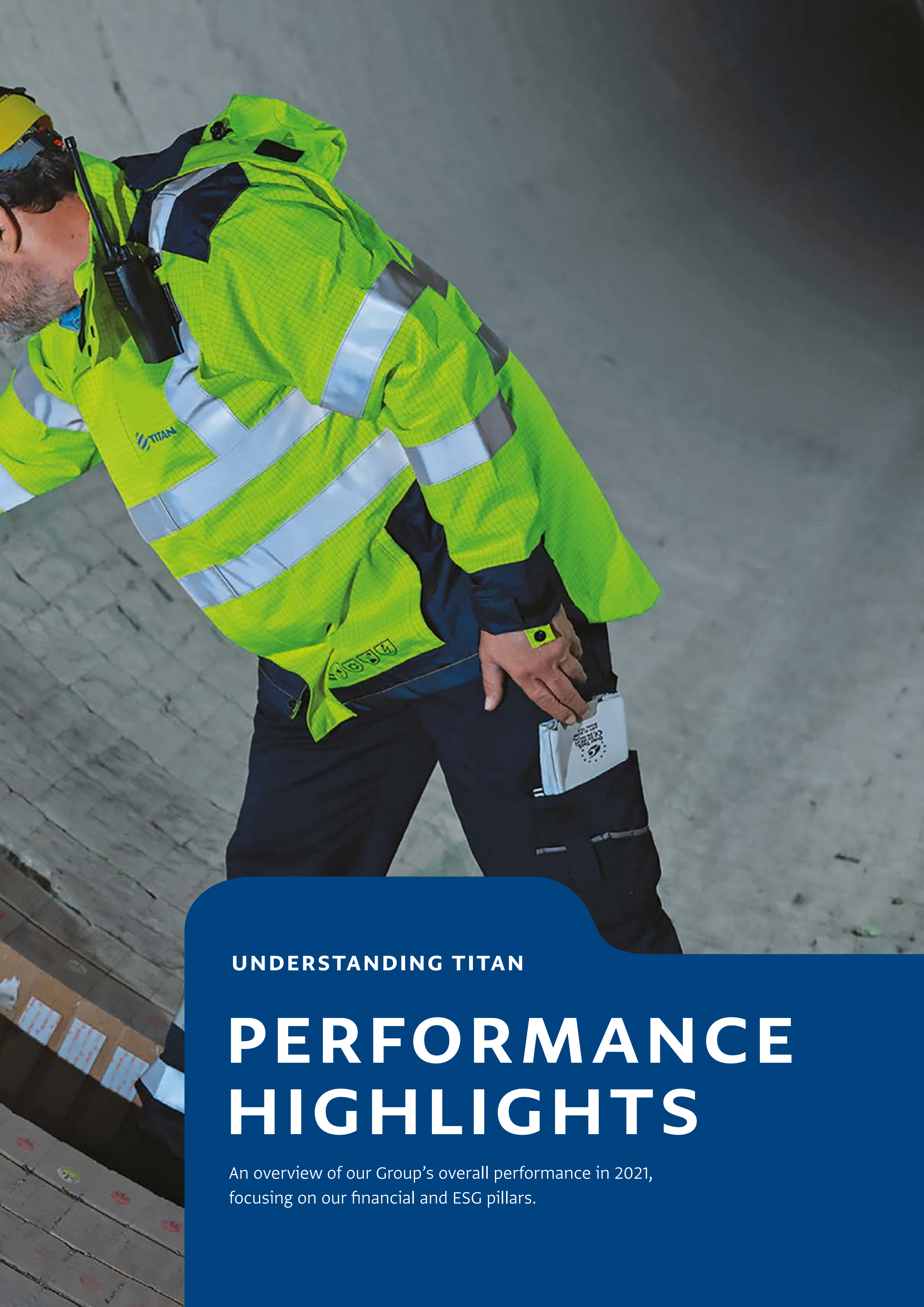
TITAN Group is an active participant in global collaborative initiatives and international organizations, aiming to contribute to the shaping of the sustainable world of tomorrow.

Participations	
WE SUPPORT UN GLOBAL COMPACT	• we were among the first 500 signatories in 2002 and became a participant of the UN Global Compact (UNGC) in 2017. We also participate in local UNGC Networks. • we have aligned our strategy and operations with the Ten Principles on human rights, labor, environment and anti-corruption; and take strategic actions to advance the UN Sustainable Development Goals (SDGs), with an emphasis on collaboration and innovation. • we submit annually the UNGC Communication on Progress (CoP) at an advanced level, providing valuable information with transparency to our stakeholders. Related material issues: 1, 3, 5, 6, 8, 9
SCIENCE BASED TARGETS DRIVING AMBITIOUS CORPORATE CLIMATE ACTION	• we were one of the first cement companies worldwide to have our CO_2 emissions reduction targets validated by the Science Based Targets initiative (SBTi) as consistent with levels required to meet the goals of the Paris Agreement. Related material issues: 1, 2
BUSINESS AMBITION FOR 1.5°C	• we have signed the “Business Ambition for 1.5°C” Commitment, a global campaign led by the Science Based Targets initiative (SBTi), in partnership with the UN Global Compact and the We Mean Business Coalition, 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. Related material issues: 1, 2
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. Related material issues: 1, 2
RACE TO ZERO	• we participate in the “Race To Zero” global campaign led by the Science Based Targets initiative (SBTi) in partnership with the UN Global Compact and the We Mean Business coalition for a healthy, resilient, zero-carbon recovery that prevents future threats, creates decent jobs, and unlocks inclusive, sustainable growth. • it mobilizes a coalition of leading net-zero initiatives, representing 733 cities, 31 regions, 3,067 businesses, 173 of the biggest investors, and 622 higher education institutions. Related material issues: 1, 2

Participations	
gcca	• we are a member of the Global Cement and Concrete Association (GCCA) since 2018. In 2021, we contributed to the development of the GCCA 2050 Roadmap to Net Zero Concrete "Concrete Future". • in addition, we participate in the GCCA Research Network, INNOVANDI, aiming to bring forth novel technological solutions towards decarbonization in collaboration with start-ups from across the globe. Related material issues: 1, 2, 3, 6, 7, 8, 9
CSR EUROPE	• we became a member of CSR Europe in 2004, and a founding member of national partner organizations. In 2021 TITAN participated in the collaborative work for: • the "Biodiversity and Industry Collaborative Platform", and • the "Inclusion Think Tank" through CSR Europe and its participation in EFRAG's European Reporting Lab, TITAN is contributing to the development of a New European Standard on ESG Reporting. Related material issues: 5, 6, 9
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. Related material issues: 1, 2
ecra european cement research academy	• we participate in the European Cement Research Academy (ECRA), founded in 2003, which supports and conducts research activities on the production of cement and its application in concrete, aiming at advancing innovation within the context of climate change mitigation and sustainable construction. Related material issues: 1, 2, 4, 6, 7

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

Kamari cement plant, Greece



UNDERSTANDING TITAN

PERFORMANCE HIGHLIGHTS

An overview of our Group's overall performance in 2021, focusing on our financial and ESG pillars.

Financial performance

Revenue growth in all geographies and strong Group net profit (NPAT).

In 2021 the fundamentals driving demand across our markets, namely the strong recovery of economic activity and a rise in public and private investment against a low interest rate environment, stimulated growth. It was a year of robust performance for TITAN Cement Group, although the second half of 2021 was marked by the surge in fuel, electricity and shipping freight costs, which held back profitability.

TITAN Cement Group generated record revenues of €1,714.6 million, up 6.7% from 2020, reflecting higher demand and a supportive pricing environment. Due to the unexpected spike of input costs in the second semester and despite pricing initiatives that partly alleviated the burden, Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) declined by 3.6% to €275.2 million. Net Profit after Taxes and minorities (NPAT) climbed to €91.9 million (vs €1.1 million in 2020 and €50.9 million in 2019). This significant increase was the result of lower finance costs, more favourable FX movements and a lower effective tax rate. It should be noted that in 2020 there were €63.9 million one-off charges related to Egypt. Thanks to a successful refinancing strategy the Group lowered significantly its finance costs for a third consecutive year to €33.6 million (€19.0 million lower than 2020 and €30.0 million lower than 2019).

2021 performance highlights

TITAN's US operations had another strong year. Benefitting from the growth of the housing market, sales in cement, ready mix and concrete blocks increased while sales in aggregates were sustained at high levels. Fly ash volumes reversed the previous year's trend by posting significant sales growth thanks to higher supply. Overall, in US$ terms, 2021 revenue increased by 8.6% year on year reaching $1.2 billion. In euro terms, revenue increased by 4.7% to €983.6 million, while EBITDA decreased to €158.0 million, a decline of 10.5% compared to 2020 due to the spike of energy, labor and transportation costs in the second semester.

Greece continued its upward trajectory with further improved performance. In 2021, higher domestic demand combined with higher export volumes and further operational efficiencies from the implementation of the digital optimization initiatives, were only partially offset by the increase of fuel and electricity costs. All in all, revenue for Greece and Western Europe increased by 9.4% to €267.6 million while EBITDA increased by €7.4 million to €23.6 million.

Southeastern Europe continued its ascending track as well, recording increased revenues of 7.3% at €290.6 million. During 2021 both cement plants in Albania and in North Macedonia achieved a new record, exceeding sales of 1 million tonnes. On the other hand, electricity and energy costs rose sharply after the second quarter of the year, resulting in an EBITDA of €81.9 million, lower by 14.8%.

Despite the macroeconomic uncertainties in the Eastern Mediterranean region, performance marked a material improvement year on year. In Egypt, the rationalized production regime implemented by the authorities improved the cement supply-demand balance and drove pricing to healthier levels. In Turkey, despite the slowdown of the economic activity and the pronounced volatility of the currency, domestic demand remained high. Following few years of weak performance and despite the macroeconomic uncertainties, the Eastern Mediterranean region recorded total revenue of €172.8 million, an increase of 13.9% from 2020. EBITDA was €11.8 million versus a €3.3 million loss in 2020. Finally, our Brazilian operations continued to grow significantly.

Increased sales volumes thanks to strong market fundamentals

Trends in domestic sales volumes were positive across all regions, testifying to strong market fundamentals. At Group level, volumes increased across all product lines: cement, ready-mix concrete, aggregates, building blocks and fly ash.

Group cement sales increased by 7% compared to 2020, reaching 18.3 million tonnes, with US being the main contributor of this increase. Ready-mix concrete sales increased by 2% in 2021, reaching 5.5 million m^3 on the back of stronger sales in US and Greece. Aggregates' sales increased by 1% reaching 20.2 million tonnes, thanks to the strength of the Greek market.

	2021	2020	+/-
Cement (million metric tonnes)*	**18.3**	17.1	7%
Ready-Mix concrete (million m^3)**	**5.5**	5.4	2%
Aggregates (million metric tonnes)	**20.2**	20.0	1%

*Cement sales include clinker and cementitious materials
**Includes Brazil, does not include Associates

Investments and Operating Free Cash Flow

In 2021, Group Operating Free Cash Flow reached €104.7 million versus €225.3 million in 2020. Lower OFCF was primarily due to higher capital expenditures by €41.8 million from the catch-up of the 2020 COVID-19 -restrained investment program, higher working capital needs by €48.9 million resulting from stronger business activity and higher levels of fuel inventories. Group capital expenditures during the year reached €126.0 million compared to €84.3 million in 2020, with most of the funding directed to investments focusing on production efficiencies, improved logistics capacities and reduction of carbon footprint. Moreover, the final tranche of €40.8 million were paid to IFC for the acquisition of their minority stakes held in the Group's activities in Southeastern Europe and Egypt.

	2021	2020	2019
Operating free cash flow	**€104.7m**	€225.3m	€175.1m
Capital expenditure	**€126.0m**	€84.3m	€109.3m
Net debt at the year end	**€713.2m**	€684.4m	€839.6m

Group Leverage

Year-end net debt increased to €713.2 million (2020: €684.4 million), following the repayment of a €163.5 million outstanding bond and the conscious reduction of cash balances. Net Debt/ EBITDA ratio came at 2.61x.

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, 75% of Group debt was in bonds, 17% in bank loans and 8% in lease liabilities.

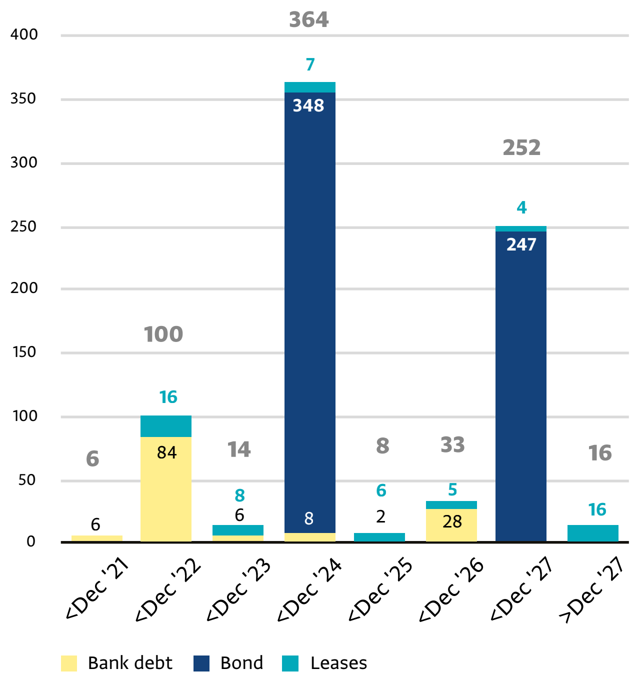
In the prevailing low interest environment, the Group took a number of initiatives and succeeded in both lowering its finance costs and extending the debt maturity profile. In June 2021, TITAN paid back the remaining €163.5 million of the originally €300 million Notes issued in 2016. The next significant maturities are one issue of €350 million maturing in November 2024 and another issue of €250 million maturing in July 2027. Both outstanding bonds are traded on the Global Exchange Market (GEM), which is the exchange-regulated market of Euronext Dublin.

In December 2021, Standard & Poor's affirmed its rating for Titan Cement International S.A. of "BB" with a stable outlook.

Outstanding bonds

ISIN	Amount Outstanding	Coupon	Maturity
XS2199268470	250,000,000	2.750%	09/07/2027
XS1716212243	350,000,000	2.375%	16/11/2024

DEBT MATURITY PROFILE (€m) AS OF 31 DECEMBER 2021



Resolutions of the Board of Directors

- Cancellation of treasury shares: In June 2021, TITAN Group cancelled 4,122,393 own shares, representing 5% of the voting rights. Following this transaction, the share capital of Titan Cement International amounts to €1,159,347,807.86 and is represented by 78,325,475 shares.
- Share buy-back: In October 2021, following the Board's decision, the Group activated a share buy-back program of an amount up to €10 million for a duration of up to six months. Until the end of 2021, 230,141 shares were purchased on Euronext Brussels and the Athens Exchange (ATHEX) for a total consideration of €3.2 million. On 31 December, the Group owned treasury shares representing 1.91% of the voting rights.
- Initiation of a new share buy-back programme: In March 2022, given the latest market developments, the Board decided to implement a new share buy-back programme. The new programme will begin on or around April 1, 2022, following the end of the current running programme. The new share buy-back programme will be up to €10 million and will have a duration of up to six months. TCI will keep the market fully informed of the progress of the relevant transactions in line with applicable regulations.
- Return of Capital: Following the authorization granted to the Board of Directors by the Extraordinary Meeting of the Company's Shareholders on 13 May 2019, the Board decided the return of capital of €0.50 per share to all the Shareholders of the Company. All shareholders who are recorded as shareholders on Thursday, 28 April 2022, at 12.00 midnight (CEST) (record date) will be entitled to receive the capital return. Shareholders will receive the payment of the capital return on Tuesday, 5 July 2022, through their custodians, banks, and securities brokers.

Equity market information

TITAN Cement Group is committed to maintaining relationships of trust with the investment community.

TITAN Cement Company S.A. was founded in 1902 in Athens, Greece and its shares were listed on the Athens Exchange in 1912. In June 2019 following a successful share exchange tender offer, Titan Cement International ("TCI") became TITAN Cement Group's parent company. TCI is listed in Euronext Brussels (primary listing) as well as in the Athens Exchange and in Euronext Paris. Aiming to enhance value for its shareholders, Titan Cement Group decided to cancel treasury stock of 4,122,939 own shares corresponding to 5% of the total shares of TCI on June 22nd, 2021. Therefore, since then the total number of outstanding shares of TCI was 78,325,475. TCI's shares are included in various indices, such as the BEL Mid Cap Index and the FTSE/ATHEX Large Cap. Moreover, TCI shares are constituents of the BEL Industrials, BEL Continuous, BEL ALL-Shares, ATHEX Composite, MSCI Greece Small Cap, CAC All-Shares and CAC industrials indices. Furthermore, TCI shares were also included in the ATHEX ESG index that was launched in August 2021. The ATHEX ESG Index tracks the financial performance of companies listed in the Athens Exchange who adopt and actively promote ESG practices.

Share price evolution

The share price of TCI as of December 31st, 2021, closed at €13.26 on Euronext and at €13.38 on the Athens Exchange, corresponding to a decline of 4.4% and 2.6% year on year respectively. In 2021, the BEL Mid cap Index and the ATHEX General Index, increased by 21% and 10%, respectively. As of December 31st, 2021, TCI's market capitalization stood at €1.05 billion (previous year at €1.1 billion).

Liquidity and market making contracts

Targeting an enhancement of liquidity for its shares in both exchanges, TCI partners with liquidity providers and market makers. At the end of 2020 TCI signed a liquidity provider agreement for its shares on Euronext with KBC Securities and a market maker agreement for its shares traded on the Athens Exchange with Eurobank Equities. In early 2021 Piraeus Securities was added as a second market maker in the Athens Exchange.

ESG investors

Titan Cement International is committed to sustainable development and focuses its efforts on the four pillars defined as material by its stakeholders to meet its ESG targets for 2025 and beyond. TCI aligns its targets with the expectations of its stakeholders, follows best practices and continuously seeks feedback from independent ESG rating agencies. Since 2010, TITAN Cement Group has attained and maintained the "Advanced" level reporter status in line with United Nations Global Compact principles. During 2021, TCI has been assessed multiple times by various rating agencies on its ESG performance, achieving very positive results. Amongst other ratings, TCI achieved an improved rating of "AA" from MSCI ESG Research (versus "A" in 2020) and a "A-" score from CDP.

Details on ESG ratings for TCI, can be found on page 29.

Treasury shares

In October 2021, the Group activated a share buy-back programme. By the end of 2021, 230,141 shares were acquired for an amount of €3.2 million. At the end of 2021, treasury shares represented 1.91% of total voting rights.

For more information please refer to the "Financial review" section on page 27.

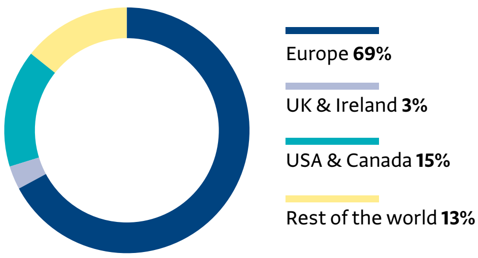
Shareholder structure of TCI

Below you can find the shareholder structure of the Company as of December 31st, 2021*:

- E.D.Y.V.E.M. Public Company Ltd and TCI founders acting in concert **39.12%**
- Paul and Alexandra Canellopoulos Foundation **10.17%**
- FMR LLC, FMR CO Inc, Fidelity Institutional Asset Management Trust Company, FIAM LLC **10.53%**
- Others **40.18%**

* Based on the transparency notifications made by its shareholders on 24 June 2021 and on changes in shares that did not require a transparency declaration due to the fact that the 5% threshold was not exceeded either upwards or downwards.
Data for FMR LCC are based on the transparency notifications made on 24 June 2021.

GEOGRAPHIC SPLIT OF TCI'S SHRAREHOLDER STRUCTURE



Source: Shareholder ID and company estimates

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

ISIN code: BE0974338700

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 DISCLOSER 2021	In 2021, TITAN was recognized by the CDP as a global climate leader for its transparency, climate actions and transition to a net zero carbon economy. With an "A-" score, TITAN was ranked in the top 15% of publicly disclosing companies globally, being one of only five cement sector companies (out of 27) to achieve this level.
MSCI ESG RATINGS AA	TITAN received an MSCI ESG Rating of "AA". MSCI ESG Research provides ESG Ratings on global public and a few private companies on a scale of AAA (leader) to CCC (laggard).*
SUSTAINALYTICS RATED	TITAN received an improved ESG Risk Rating of 27.9 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 119 construction materials companies.
Moody's ESG Solutions	TITAN was ranked 5th out of 25 in the building materials' sector by V.E., part of Moody's ESG Solutions, with an ESG overall score of 56/100. The Group was assessed to have a robust ESG performance and a high reporting rate (90%) compared to the sector average (75%).
ISS ESG	In the ISS ESG Corporate Rating, TITAN was assessed as a company with a very high transparency level and received an overall rating of "C" with a decile rank of 2, indicating a high relative ESG performance in its industry group.
REFINITIV	TITAN was ranked 10th in the construction materials sector across Europe and America, with a "B+" score by Refinitiv.
S&P Global Ratings	TITAN received a score of 54 in the 2021 S&P Global Corporate Sustainability Assessment, reflecting an improvement of 22 points over the previous year.

* Disclaimer statement. The use by Titan Cement International S.A. of any MSCI ESG research llc or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Titan Cement International by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

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ESG PERFORMANCE

Making progress towards our ESG targets

In 2021 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.

	Targets 2025 and beyond		2020	2021	Annual progress
Decarbonization and digitalization	SBTi validation		-	Targets validated	
	Scope 1[1] Reduction of our net CO_2 emissions to 500kg/t cementitious product (-35.0% vs. 1990 level)		674.0 (-13.4% vs. 1990)	654.2 (-16.0% vs. 1990)	
	Scope 1[1] Reduction of our gross CO_2 emissions to 553kg/t cementitious product (-20.7% vs. 2020 level)		697.9	681.9 (-2.3% vs. 2020)	
	Scope 2[1] Reduction of our CO_2 emissions to 32kg/t cementitious products (-45.0% vs. 2020 level)		61.0	51.5 (-15.6% vs 2020 level)	
	Monitoring and independent verification of supply chain (Scope 3)[2] emissions (kgCO_2/t cementious product)		116.8	103.4 Scope 3 emissions verified by independent auditor	
	We commit to drive down the CO_2 footprint of our operations and products aspiring to deliver society with carbon-neutral concrete by 2050			Business Ambition for 1.5°C commitment letter signed	
	Increase annual investment in Research and Innovation to €20m		10.5	10.7	
Growth enabling work environment	Zero Fatalities		3	0	
	LTI frequency rate (employees) performance among the three best in peer group[3]		0.57	0.91	
	Wellbeing initiatives, addressing the physical, mental, social and financial dimensions of wellbeing for our employees, in all countries		43	118	
	1/3 female participation in BoD (%)		21.0	20.0	
	Promote equal opportunities and inclusion and increase by 20% female participation in senior roles, talent pools and new hires	% women participation in management	16.5	17.6	
		% women in senior management	14.0	14.7	
		% women in new hires	13.4	17.2	
	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.		Learning hours in health and safety and digital increased by 38% and 251% respectively		

	TARGETS 2025 AND BEYOND		2020	2021	ANNUAL PROGRESS
Positive local impact	Sustain and further improve strong performance in cement production-related specific dust, NOx and SOx emissions	Dust emissions (g/t clinker)	19.3	16.6	Achieved
		NOx emissions (g/t clinker)	1,282	1,263	Achieved
		SOx emissions (g/t clinker)	253	245	Achieved
	100% of sites[4] with quarry rehabilitation plans		91	91	On track
	Rehabilitation of 25% of affected areas		23.6	22.6	On track
	Quarry biodiversity management plans at 100% of our sites[4] in high biodiversity value areas		90.0	83.0	On track
	100% of key operations covered with community engagement plans (CEP), aligned with material issues and UN SDGs 2030		All key operations covered by 124 initiatives	• All key operations covered by 142 initiatives • New CEP guidance framework	Achieved
	2/3 of total spend directed to local suppliers and communities (%)		67.0	65.1	On track
Responsible sourcing	Commit to a water consumption of 280l/t cementitious product		260.5	245.7	Achieved
	70% of water demand covered by recycled water		67.2	66.1	On track
	85% of production[5] covered by ISO 50001 or energy audits		54.9	86.2	Achieved
	50% of production[5] covered by "Zero Waste to Landfill" certification		29.5	56.2	Achieved
	70% of key suppliers[6] meeting TITAN ESG supplier standards		• Sustainable Supply Chain Roadmap • New Group Procurement Policy in 2021 • ESG criteria to evaluate key suppliers		On track

Progress key: Achieved On track In progress

[1] Scope 1: direct CO_2 emissions (net); Scope 2: indirect CO_2 emissions from electricity.
[2] Scope 3: indirect CO_2 emissions of the supply chain related to six categories considered relevant to cement production activities according to GCCA guidance.
[3] Frequency of Lost Time Injuries (LTIFR) per million worked hours. Peer group definition: Cemex, Holcim, Argos, HeidelbergCement, CRH, Cementir, Vicat, Buzzi. Comparison based on latest available information.
[4] Active wholly-owned sites
[5] Integrated cement plants
[6] Key suppliers: critical ones according to GCCA Guidance for Sustainable Supply Chain management with a meaningful level of spend for TITAN.

ESG PERFORMANCE

Delivering on our ambitions with concrete actions

With tangible progress on all focus areas, we are well on track to achieve all our ESG targets for 2025 and beyond.

Decarbonization and digitalization

TITAN seeks to transform its business, focusing on resilience, innovation and building solutions to serve our customers more efficiently as we move towards a carbon-neutral, digital world.

As a signatory to the "Business Ambition for 1.5°C" commitment, a worldwide campaign led by the Science Based Targets initiative (SBTi), TITAN is committed to playing its part to limit global warming to 1.5°C and to reach net-zero emissions by 2050. By increasing the use of alternative fuels, accelerating our efforts in energy efficiency, developing low-carbon products and adopting innovative technologies and solutions, we further improved our performance to meet the ESG targets we have set for 2025 and beyond. In 2021, we reduced our specific emissions to 654.2kg CO_2 per tonne of cementitious product, 16.0% below 1990 levels.

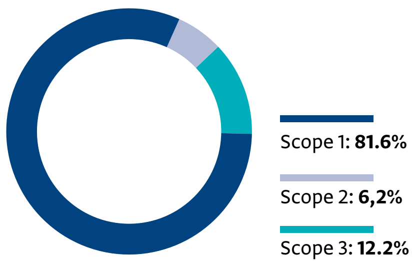
Following an investment of ca. €20 million across several TITAN plants in alternative fuel processing facilities and in feeding and combustion infrastructure in the USA, Bulgaria, Greece and North Macedonia, our alternative fuel thermal substitution rate grew to 15.5% in 2021, from 13.1% in 2020.

We further reduced the carbon footprint of our products by shifting to lower-carbon cements in the USA, Greece, Egypt and North Macedonia. Meanwhile, since September, approximately half of Titan America's cement output consists of the lower-carbon Type IL cement, which has almost 15% lower carbon emissions. Also, the Kamari plant in Greece has expanded its export product portfolio to include Type IL to meet US market demand for sustainable construction materials.

We also reduced our Scope 2 emissions by 15.6% in 2021, bringing them to 51.5kg CO_2 per tonne of cementitious product due to our energy efficiency measures and the decarbonization of national power generation. In order to measure our Scope 3 emissions, we ran a full-scale exercise covering 13 integrated and 2 grinding cement plants. Scope 3 emissions represent 12.2% of total emissions and equal 103.4kg CO_2 per tonne of cementitious product.

Through our participation in the Open Innovation Challenge of the Global Cement and Concrete Association (GCCA), we continued to contribute to the research activity of the GCCA's Innovandi research network. We are experimenting with the use of hydrogen as a fuel enhancer in cement clinker manufacturing and have run industrial pilots in Greece and Bulgaria.

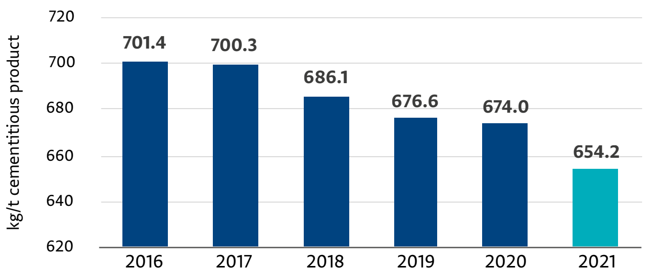
OUR CARBON FOOTPRINT IN 2021



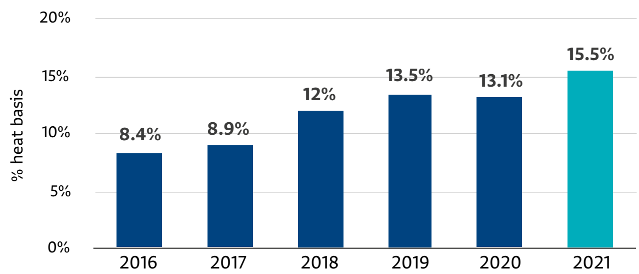
31.2 million t

Avoided (direct net) CO_2 emissions (1990-2021)

SPECIFIC NET DIRECT CO_2 EMISSIONS (Scope 1)



ALTERNATIVE FUEL SUBSTITUTION RATE



In 2021, TITAN Group worked on identifying and assessing the risks from climate change, and the opportunities from the transition to a low-carbon economy, in alignment with the TCFD Framework.

We were recognized by the CDP (formerly Carbon Disclosure Project) as a global climate leader for our transparency and actions to mitigate climate change and transition to a net-zero economy with an "A-" score.

In the related field of digitalization, we see big data, analytics and artificial intelligence (AI) of Industry 4.0 as an opportunity to transform the industry. In 2021, our Group Digital Center of Competence continued the rollout of existing AI-based Real Time Optimizer solutions in plants in the USA, Greece, Brazil and Southeastern Europe, leading to increased productivity and energy efficiency. We also rolled out a machine learning-based failure prediction system in plants in the USA, Egypt and Southeastern Europe.

We continued to develop AI-based tools and proprietary tools for forecasting sales demand as well as selected production inputs. To improve customer experience and create a more efficient commercial operating model, we worked on digitalizing how we interact with our customers, deploying digital customer applications in business units in the USA and Europe.

We support a digital transformation journey through internal and external capability-building efforts and by creating an ecosystem of partners comprising start-ups, academic institutions, equipment and systems manufacturers and specialized advisers.

Group annual investment in Research and Innovation with emphasis on digitalization and decarbonization stood at €10.7m in 2021.

BUSINESS AMBITION FOR 1.5°C

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Growth-enabling work environment

Core to our purpose is the cultivation of an inclusive culture with equal opportunities for all our people to grow professionally within a safe and healthy work environment.

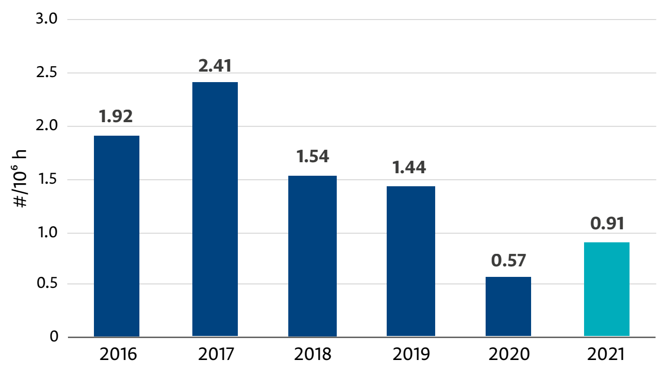
In 2021, safeguarding our people and operations against COVID-19 remained our priority. We responded to the challenge of the pandemic across all regions, with more than 13 initiatives in 7 countries to combat the impact on our employees and business partners as well as to provide humanitarian support to local communities. We launched information campaigns on vaccination and encouraged our employees to get immunized, covering the cost for more than 1,500 employees and contractors in the USA, Egypt, Albania and North Macedonia.

Guided by our Group Health and Safety policy, we systematically strengthened our accident prevention and health promotion systems in all production and distribution operations. In Europe, Turkey and Egypt, all of the cement plants and more than 83% of the combined ready-mix concrete and aggregates plants are now certified to the ISO 45001 standard, which has replaced OHSAS 18001. In the USA, all TITAN activities conform to the requirements of the relevant OHS organizations.

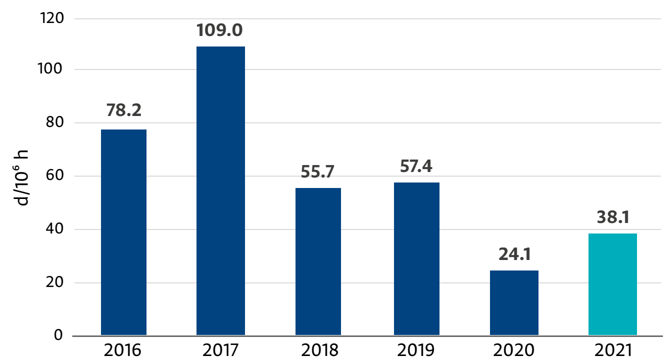
Lost Time Injuries Frequency (LTIFR) for our own personnel was 0.91 LTI per million hours worked. While slightly higher than in 2020 (0.57 LTIs per million hours worked), the figure remains consistent with the continuous improvement that began in 2017 (LTIFR 2.41) and has yielded an overall reduction of 62% that places us among the best in our peer group. There were no fatalities.

Living up to our commitment to implement initiatives for the physical, mental, social and financial wellbeing of our people,

EMPLOYEE LOST TIME INJURIES FREQUENCY RATE (LTIFR)



EMPLOYEE LOST TIME INJURIES SEVERITY RATE



we launched a Group-wide mental health campaign to raise awareness and promote good mental health. Individual business units provided a variety of programs to their employees, from cyber and live expert talks, smoking cessation programs, and nutritional support classes to virtual exercise sessions.

The recognition that achieving our aspirations for diversity and inclusion requires the awareness, action, responsibility and accountability of everyone in our business is at the foundation of our Group Diversity, Equity and Inclusion Policy, launched in 2022. The share of women in management increased to 17.6 in 2021 from 16.5 in 2020. The Group is on track to increase the participation of women in senior roles, talent pools and new hires by 20% by 2025.

Investment in upskilling our people and building the required capabilities needed for long-term growth continued. Due to COVID-19 restrictions, our efforts focused on ensuring digital training reached all targeted audiences. Our e-learning offerings increased to 11,233 virtual training hours in 2021, corresponding to 214 courses. Total learning hours in health and safety and digital increased by 38% and 251% respectively.

Our external learning platform provides employees with a vast choice in acquiring knowledge and building skills. 97% of the available LinkedIn learning licenses have been activated, resulting in the completion of attendance of nearly 29,000 learning videos by almost 980 employees.

Positive local impact

Enabling our business operations and our people worldwide to contribute to the prosperity of our local communities with respect to their social and environmental concerns is a major pillar of our ESG targets and a field where TITAN has always demonstrated strong performance.

In all our plants, management systems monitor and report on the reduction of air emissions, the protection of biodiversity, water management and recycling and quarry rehabilitation. Across the group, we maintained a strong performance in reducing cement production-related dust, NOx and SOx emissions, which were within the target set for 2025.

The percentage of active quarry sites with rehabilitation plans remained at the same level as last year. Furthermore, the percentage of quarry land areas rehabilitated out of the total affected land was slightly reduced. Although there was progress with the rehabilitation activities in most of our Group Quarries, this has not been reflected in the relevant indicator due to the opening of a large land area in one aggregates quarry in Titan America. However, the rehabilitation activities will continue in the following years so as to achieve the respective ESG targets for 2025. Finally, the number of the active quarry sites with biodiversity management plans increased to 10, following the completion of the plan at Agrinio quarry in Greece. The focus is now to develop biodiversity management plans at the two new sites recognized for their high biodiversity value, in order to meet the respective ESG target for 2025.

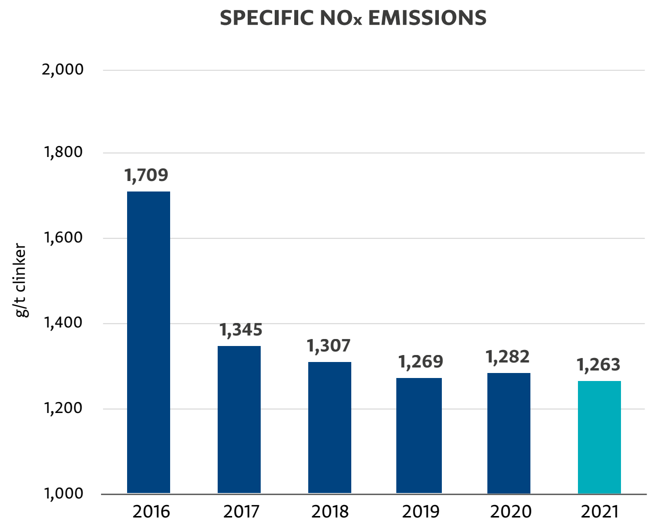
Our community engagement plans (CEP) were aligned with the material issues for our stakeholders and the UN SDGs 2030. We implemented 142 initiatives in all countries of operation, which

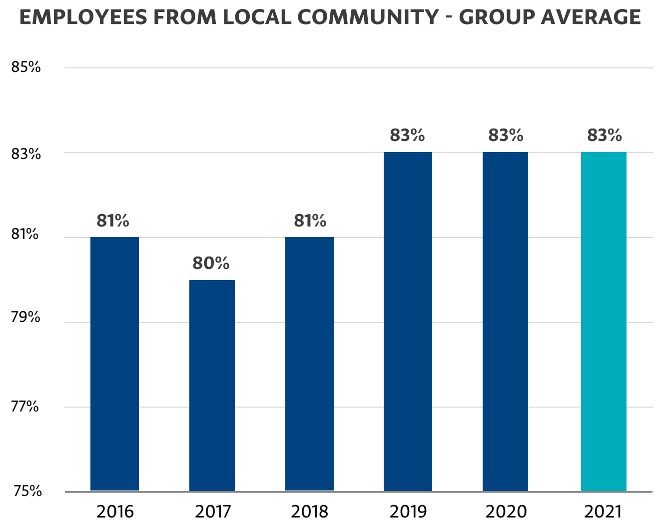
€ 25.3m

Investments in environmental protection in 2021

65,132t

Avoided dust emissions (2003-2021)





2,750 participants

in 142 community engagement initiatives

saw the engagement of more than 2,750 participants, of whom almost 2,000 were TITAN employees. The CEPs benefitted, directly and indirectly, more than 0.4 million people in the local and broader communities around our operations. We also ensured that two-thirds of our total spend was directed to local suppliers and communities, thus further enhancing our positive local impact. In total, our 2021 local spend accounted for 65.1% of total spending, close to the level of 2020.

Responsible sourcing

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.

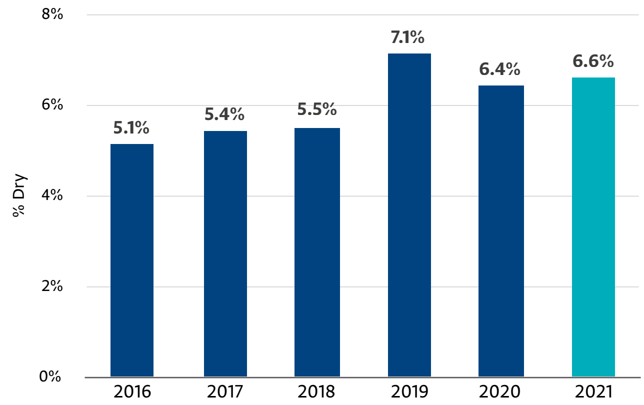
In 2021, specific water consumption at our cement and grinding plants and their attached quarries showed a reduction of approx. 6%, reaching 245.7l per tonne of cementitious product, which is well below the target set for 2025. In addition, use of recycled water over total water demand decreased slightly to 66.1%, but is is still on track to reach the respective target for 2025.

We also continued to expand the use of energy-efficiency management systems, with our plants in Alexandria and Beni Suef in Egypt and Usje in North Macedonia successfully installing systems certified according to ISO 50001:2018. As a result, 86.2% of our total clinker production is now covered by ISO 50001, exceeding the 2025 target of 85.0% and marking a 54.9% improvement from last year.

Steady progress was made to reduce landfill waste. Our cement plants in Greece (Kamari, Patras and Thessaloniki) obtained “Zero Waste to Landfill” certification – and the highest Platinum rating – for diverting virtually all plant waste from landfill. As a result, 56.2% of our total clinker production is now covered by “Zero Waste to Landfill” certification, exceeding the 2025 target of 50.0% and showing an increase of 29.5% from 2020.

To empower our business ecosystems to incorporate sustainability considerations in their business decisions and daily behaviors, a Sustainable Supply Chain Roadmap was developed with specific milestones to ensure that 70% of our key suppliers meet TITAN ESG Supplier standards by 2025. As a first step and in line with the roadmap, our first TITAN Group Procurement Policy was published, laying down the fundamental principles governing procurement, incorporating practices that enhance our commitment to be a socially responsible, ethical and environmentally sensitive enterprise. Our efforts to engage with our suppliers on climate change have been recognized by CDP with an “A-” score in the CDP Supplier Engagement rating, which is in the Leadership band of CDP.

ALTERNATIVE RAW MATERIALS USE
(OF TOTAL RAW MATERIALS CONSUMED)



36.3 million m³

Avoided water consumption (2003-2021)

86.2%

of the Group’s total clinker production capacity covered by ISO 50001

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 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.

Legal structure of Titan Cement International S.A.

Titan Cement International S.A. (TITAN or the Company) is a public limited liability company (société anonyme) incorporated under Belgian law. Its shares are listed on the regulated markets of Euronext Brussels, Euronext Paris and the Athens Exchange. The seat of the management of the Company is in Cyprus.

Governance structure

TITAN has a 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 which only the General Meeting of Shareholders is legally authorized to carry out. At least once every five years, the Board of Directors reviews whether the chosen governance structure remains appropriate.

Board of Directors

The Company's Board is currently composed of 15 directors. The Board members have high-level, diverse and complementary expertise, and significant experience relevant to the main challenges that TITAN 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.

Management Committee

The Management Committee is composed of the Managing Director of the Company and other members 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 (ExCo) consists of the following members:

- **Dimitri Papalexopoulos,** Chair
- **Alexandra Papalexopoulou,** Deputy Chair
- **Michael Colakides,** Managing Director and Group CFO
- **Leonidas Canellopoulos,** Group Chief Sustainability Officer
- **Michael Chivers,** Group Human Resources Director
- **Antonis Kyrkos,** Group Transformation and Strategic Planning Director
- **Yanni Paniaras,** Group Executive Director Europe and Sustainability
- **Christos Panagopoulos,** Regional Director Eastern Mediterranean
- **Fokion Tasoulas,** Group Innovation and Technology Director
- **Bill Zarkalis,** Group COO, President and CEO of Titan America LLC

The role of the Group Executive Committee is to facilitate:

- cooperation and coordination of the Company's subsidiaries
- supervision of Group operations
- monitoring of Group management performance
- implementation of decisions and related accountability

Other Board committees

The Board, in order to discharge its duties effectively and efficiently, 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 has established the:

- Audit and Risk Committee, comprised entirely of independent directors
- Remuneration Committee, comprised entirely of independent directors
- Nomination Committee, comprised of two independent directors and chaired by the Chairman of the Board, who is a non-executive director

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

Titan Cement International S.A. Board of Directors:

Efstratios-Georgios (Takis) Arapoglou	Chairman Chair of Nomination Committee	Non-executive Director
Kyriacos Riris	Vice-Chairman Chair of Audit and Risk Committee	Independent Director
Dimitri Papalexopoulos	Chair of the Group Executive Committee	Executive Director
Michael Colakides	Managing Director and Group CFO	Executive Director
William Antholis	Member of Remuneration Committee	Independent Director
Andreas Artemis	Member of Nomination Committee	Independent Director
Leonidas Canellopoulos	Chief Sustainability Officer	Executive Director
Harry David	Member of Audit and Risk Committee	Independent Director
Lyn Grobler * *(since 31 December 2021)*	Member of Nomination Committee	Independent Director
Yanni Paniaras	Group Executive Director Europe and Sustainability	Executive Director
Alexandra Papalexopoulou	Deputy Chair of the Group Executive Committee	Executive Director
Stelios Triantafyllides	Member of Remuneration Committee	Independent Director
Dimitris Tsitsiragos	Member of Audit and Risk Committee	Independent Director
Bill Zarkalis	Chief Operating Officer President and CEO of Titan America LLC	Executive Director
Mona Zulficar	Chair of Remuneration Committee	Independent Director

* Maria Vassalou served as Independent Director and member of the Nomination Committee until 31 December 2021.

9/15
Directors are non-executive

8/15
Directors are independent

3/15
Directors are female

99.05%
Board attendance

6 Different nationalities represented on the Board (US, Egypt, UK, Cyprus, Greece, South Africa)

Sustainability governance

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.

ExCo Sustainability Committee

Chair: Chairman of the Group Executive Committee

Convener: Chief Sustainability Officer

The Group Executive Committee, acknowledging sustainability as a top priority of the Company, has set up an ExCo Sustainability Committee comprised of 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, set appropriate targets dynamically reviewing the corporate materiality assessment

Sustainability Working Group (SWG)

Chair: Chief Sustainability Officer

Convener: Group ESG Performance Director

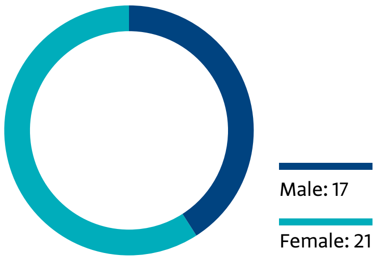
The Sustainability Working Group SWG is responsible for supporting the coordination of the Group sustainability agenda and the relevant decision-making at both Group and regional level. The main responsibilities of the SWG are to:

- develop and prepare specific proposals related to the Group 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 consolidate, coordinate and monitor 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, which consists of ESG liaison delegates from every business unit and coordinates the implementation of sustainability commitments at regional level.

ESG NETWORK MEMBERS



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.

As per the Group's remuneration policy, a three-year CO_2 target that is compatible with the Group's 2030 CO_2 targets is included in the performance objectives of the deferred compensation incentive for executive members of the Board and the members of the Executive Committee. In addition, 5% of the Short-term Incentive Scheme (STIP) is linked to the Lost Time Injury Frequency Rate.

Group policies and Code of Conduct

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, which 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, Corporate Social Responsibility, Whistleblowing, Environmental and Climate mitigation, Protection of Personal Data, Human Rights, Occupational Health and Safety. In 2021, we launched a new Procurement policy and at the beginning of 2022, we launched a new Diversity, Equity and Inclusion policy. All our policies are available on the Group corporate website (https://www.titan-cement.com/about-us/corporate-governance/group-policies/).

TITAN Group's Compliance Program and business ethics

A TITAN Group Compliance Program has been in place since 2020, as an integrated system of activities, mechanisms and controls, aiming to provide adequate assurance that compliance risks are timely identified, properly assessed and effectively mitigated, so that the possibility of a significant compliance failure is minimized. The Compliance Program facilitates the effort to maintain and foster a strong compliance culture, ensuring adherence to compliance requirements and promoting consistent and responsible ethical behavior. It is a risk-based program with dynamic elements and incorporates monitoring and oversight, compliance awareness, training, risk assessment and third-party due diligence components.

Consistent with our values and culture, and as clearly articulated in the TITAN Code of Conduct and relevant Group Policies, the Group follows a zero-tolerance approach towards bribery, fraud and any other corruptive practice. The Anti-Fraud Program Framework was developed during 2021 and widely communicated throughout the Group promoting openness and transparency, providing standards and guidelines, and clarifying roles, expectations and responsibilities on the subject of occupational fraud.

TITAN launched in 2021 the second phase of its "Group Policies Awareness" program, with the aim to raise awareness and understanding around our Code of Conduct and the set of Sustainability and Social Responsibility Policies – the tools that foster ethical behavior and represent "Our Culture in Practice".

8,974

Compliance training hours

Commitment to 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.

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, was developed in 2021 and is ready to be put into 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 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.

11

Cases reported through EthicsPoint

Risk management

TITAN is active 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.

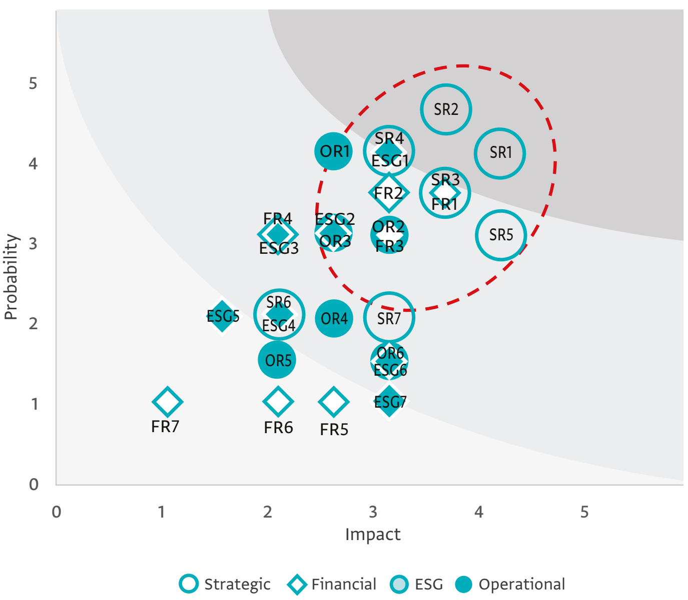
TITAN's risk management framework is presented below.

	Risk Management		
	Centrally-led	**Hybrid**	**BU-led**
Risks Covered	**Strategic, e.g.:** • Climate change mitigation and adaptation • Industry cyclicality • Market conditions • Political and economic uncertainty • Global disruptions (e.g. COVID-19) **Financial - in particular:** • Foreign currency risks • Interest rate risks • Liquidity and leverage risks • Counterparty risks	**ESG risks:** • Health and safety • Risks related to the environment • Human Resources, Diversity and Inclusion • Regulatory compliance risk **Operational Risks:** • Production cost • Natural disasters (e.g. due to climate change) • Cybersecurity Risks • Supply Chain Disruption	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 2021 a specific scenario-modelling assessment of the Group's climate-related risks and opportunities took place implementing the TCFD framework as one can see on page 41. The exercise covered physical risks like extreme temperatures, flooding and water stress, as well as transition risks, like carbon pricing, reputational risks and litigation.

The list of the Group's main risks and the respective probability vs. impact heat map is presented below:



SR1	Climate Change & GHGE	ESG1	Health and Safety
SR2	Industry Cyclicality	ESG2	License to Operate/ Access to Key Materials
SR3	Local Market Conditions and Prospects	ESG3	Risk Related to the Environment
SR4	Geopolitical Risk	ESG4	Human Resources, Diversity & Inclusion
SR5	Global Systemic Disruption	ESG5	Corruption/Fraud
SR6	Acquisitions/ Investments/ Divestments	ESG6	Regulatory and Compliance Risk
SR7	Key (top level) Management	ESG7	Governance, Transparency & Ethics
OR1	Energy Costs	FR1	Foreign Currency Risk
OR2	Cybersecurity	FR2	Goodwill Impairment Risk
OR3	Extreme Natural Events	FR3	Taxation Risk
OR4	Supply Chain Disruption	FR4	Customer Credit Risk
OR5	Product Quality/ Product Failure	FR5	Liquidity Risk
OR6	Litigation	FR6	Interest Rate Risk
		FR7	Counterparty Risk

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 Intergovernmental Panel on Climate Change (IPCC) scenarios, TITAN Group in 2021 assessed 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 with the TITAN Integrated Annual Report and our 2021 submission to the CDP. More information on the methodology used and the risks and opportunities can be found on page 95-96 of the Report (ESG Performance Review).

Governance	Strategy	Risk management	Metrics and targets
Board's oversight of climate-related risks and opportunities IAR 2021, p.36-38, 40, 95-96 CDP C1. Governance	**Climate-related risks and opportunities identified** IAR 2021, p.12, 73-78 CDP C2. Risks and opportunities	**Processes for identifying and assessing climate-related risks** IAR 2021, p.40, 73-78, 95-96 CDP C1. Governance C2. Risks and opportunities	**Metrics used** IAR 2021, p.30, 40, 73-78, 82-84, 95-96, 103-105, 120 CDP C1. Governance C4. Targets and performance C9. Additional metrics C11. Carbon pricing
Management's role IAR 2021, p.36-38, 40, 95-96 CDP C1. Governance	**Impact on the organization's businesses, strategy, and financial planning** IAR 2021, p.12, 73-78 CDP C2. Risks and opportunities C3. Business Strategy C4. Targets and performance C9. Additional metrics C12. Engagement	**Processes for managing climate-related risks** IAR 2021, p.40, 73-78, 95-96 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 2021, p.82-84, 103-105, 120 CDP C6. Emissions data C7.Emissions breakdown C8. Energy C9. Additional metrics
	Resilience of the organization's strategy, for different scenarios IAR 2021, p.12, 73-78 CDP C2. Risks and opportunities	**Integration into overall risk management** IAR 2021, p.40, 73-78, 95-96 CDP C1. Governance C2. Risks and opportunities	**Targets and performance against targets** IAR 2021, p.30 CDP C1. Governance C4. Targets and performance

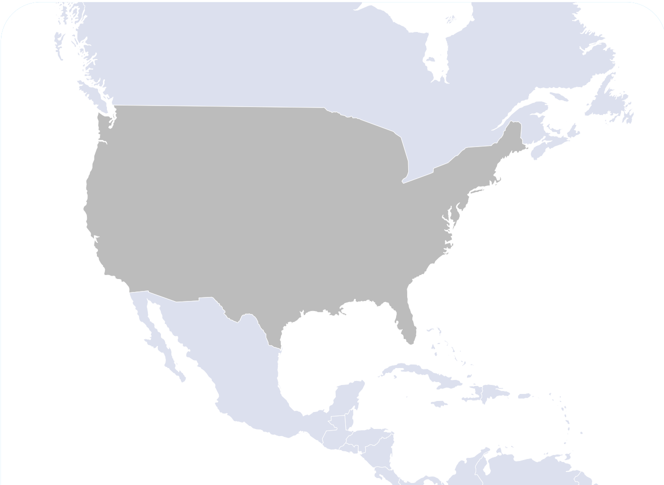
Please visit https://www.cdp.net for TITAN's response to the CDP Climate change questionnaire

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

CDP
DISCLOSURE INSIGHT ACTION

REGIONAL PERFORMANCE
USA



A record year of growth despite global cost headwinds. Favorable macroeconomic indicators support construction activity; substantial investments under way to capture the anticipated market upside.

Roanoke cement plant, USA

2021 performance highlights

Revenue
€983.6m
(2020: €939.7m)

EBITDA
€158.0m
(2020: €176.4m)

Assets
€1,133.3m
(2020: €1,104.9m)

Scope 1 net CO_2 emissions (kg/t cementitious product):
643.6
(2020: 700.2)

Alternative fuel substitution rate (%heat basis):
8.8
(2020: 5.8)

%sales of Type IL:
50

LTIFR (employees):
0.38
(2020: 0.39)

Employees

2,278

Operational Units

2	8	82	3	7	4
Integrated cement plants	Quarries	Ready-mix plants	Import terminals	Concrete block plants	Fly ash processing plants

Market overview

The US economy rebounded strongly in 2021, following the historic slowdown attributed to the COVID-19 pandemic. Real GDP increased by 5.7% following a decrease of 3.4% in 2020 and unemployment declined to 3.9%, showcasing an impressive economic recovery. Inflation reached 7%, a level not seen since the 1980s, reflecting the buoyancy of the economy.

Bolstered by historically low interest rates, construction spending increased by 8.2% to $1.59 trillion. Residential spending increased by 22.9% mainly driven by strong single-family housing. Public construction spending contracted by 4.1% and private non-residential construction decreased by 2.1%, principally due to the decline in the travel and office construction segments. In total for 2021, cement consumption in the US increased by 4.1% reaching 109 million tonnes.

Regional performance

2021 was a year of solid growth for Titan America. Consumption in our markets grew considerably above the US average, as our customers saw their activities expanding and their backlogs increasing. 2021 also marked an industry milestone as US lawmakers approved the $1.2 trillion Infrastructure Investment and Jobs Act. The Act includes $550 billion in additional new spending that equates to an estimated increase of 50 million tonnes of cement consumption over a five-year period (PCA estimates). Considering the strength of the US market and its positive outlook, the Group initiated an ambitious investment program, aimed at expanding the effective supply capacity of its operations and at achieving efficiencies in logistics and production, in order to capture growth. In 2021 cement, ready-mix, concrete blocks and fly ash sales increased, while aggregates sales were maintained at high levels. Revenue for TITAN's US operations increased compared to 2020 reaching $1.2 billion, an increase of 8.6% year on year. In euro terms, revenue increased by 4.7% to €983.6 million. EBITDA reached €158.0 million, a decline of 10.5% compared to 2020 (-6.8% in US $ terms) as operational profitability was constrained by global cost headwinds and supply chain disruptions which reflected negatively on import freight, energy, logistics and labor costs.

Florida

Florida continues to develop as a business and financial center and also to benefit from the positive migration trends of recent years, which are leading to increased housing demand and attendant non-residential construction. Overall, 2021 cement consumption in Florida grew by 12.2% to 9.1 million tonnes.

Virginia, and the Carolinas

Cement consumption in Virginia increased by 2.9% to 2.2 million tonnes, while consumption in North Carolina increased by 7.3% to 3.2 million tonnes. Business performance was driven by increased volumes, boosted by strong residential demand and cement-intensive public works projects.

New York/Metro

In the New York Metropolitan area, cement consumption increased by 4.6% to 1.9 million tonnes and in New Jersey by 7.4% to 1.5 million tonnes. Our import terminal, which serves both aforementioned markets, expanded its sales but higher import costs negatively affected its profitability.

ESG Performance

In 2021, protecting the health and wellbeing of our people and communities from COVID-19 remained a key priority. We continued to provide emergency sick and quarantine pay, which we established in 2020, and to implement COVID-related safe-working protocols. We provided onsite vaccination clinics for families and contractors, and established new mental health and wellbeing programs. Lost time and recordable health and safety incidents remained at historical lows. Despite the pandemic and the tight labor market, we were able to continue to hire, onboard and train employees in preparation for our next phase of growth. We accelerated progress towards our carbon footprint goals. Our new processed engineered fuel facility at Pennsuco enabled the substitution of coal and natural gas usage in our kiln by 30% with alternative fuels. The plant is now also the largest producer of Portland-limestone cement (PLC) which meets ASTM C595 Type IL specifications, in the USA. Pennsuco and Roanoke, the only US cement plants certified to ISO 50001, enjoy at least 15 years of energy-management excellence under the EnergyStar program. The Portland Cement Association (PCA) and the US Green Building Council recognized the two sites in their annual environmental performance awards for excellence in sustainability and community engagement. Last but not least, the Roanoke team strengthened community partnership during the pandemic by creatively using drone technology to deliver plant tours.

Leading in low-carbon cement manufacturing

TITAN aims to produce carbon-neutral concrete by 2050, in line with the goals of the Paris Climate accord. In an important step towards achieving this goal, TITAN USA has pioneered the adoption of Portland-limestone cement (PLC), which offers customers lower CO_2 emissions of up to 15% with equivalent performance. Low-carbon cements, such as PLC (ASTM Type IL), are essential for sustainable development and were first introduced by TITAN USA in 2015.

Pennsuco cement plant, USA

Since September 2021, approximately half of Titan America's cement output consists of the lower-carbon Type IL cement, making Pennsuco the largest producer of it in the USA. Our PLC was the first such cement to be approved by Florida Department of Transportation (FDOT) in 2017. We also worked closely with customers and specifiers to update commercial construction specifications and support successful conversions of our products to PLC.

SDGs related to regional material issues:

REGIONAL PERFORMANCE

Greece and Western Europe

Marked performance improvement despite the significant rise in energy costs.

Patras cement plant, Greece

2021 performance highlights

Revenue
€267.6m
(2020: €244.6m)

EBITDA
€23.6m
(2020: €16.2m)

Assets
€549.4m
(2020: €551.5m)

Alternative fuel substitution rate (%heat basis):
28.6
(2020:27.0)

LTIFR (employees):
0.00
(2020: 0.49)

Share of women in new hires (%):
29.8
(2020: 20.3)

Active quarry sites with biodiversity management plans:
6
(2020: 5)

Employees

1,208

Operational Units

3	1	25	28	1	2
Integrated cement plants	Cement grinding plant	Quarries	Ready-mix plants	Dry mortar plant	Processed engineered fuel facilities

3
Import terminals

Market overview

Demand continued to grow at a strong rate, similar to the one recorded in 2020, leading cement consumption in 2021 close to the 3 million tonnes mark. The main drivers of demand were the increased levels of activity in public and municipal infrastructure projects, as well as growth in residential construction and broader real estate and logistics projects. Tourism activity also picked up, following the slowdown caused by the pandemic. The positive trend in residential construction and tourism is set to continue, as indicated by the consistent increase in building permits, while large-scale infrastructure projects across Greece are now underway.

Cement exports remained strong, with the US representing Greece's biggest export destination.

Regional performance

2021 was a year of solid sales performance, with higher export and domestic cement volumes. At the same time profitability was impacted by an unexpected steep rise in energy, raw materials, and transportation costs in the second half of the year which have affected the industry at a national and international level. Energy costs were partly mitigated by the notable increase in alternative fuel utilization and by further operational efficiencies that resulted from an increased number of digitalization projects, such as the Cement Mill Optimization projects carried out in our plants.

Overall export volumes remained strong with the US being the leading destination. The Group's import terminals in the UK, Italy and France performed in line with the trends of their respective local markets. As such, high cement export volumes also resulted in high capacity utilization rates of the plants. Total revenue for Greece and Western Europe in 2021 increased by 9.4% to €267.6 million while EBITDA increased by €7.4 million to €23.6 million.

ESG Performance

We maintained our strong performance in Health and Safety despite the limitations caused by the pandemic. Leading indicators, including training hours for employees and contractors remained on target and we piloted a new e-learning program in our plant in Patras. We continued to reduce our carbon footprint, by further increasing the use of alternative fuels and reducing our clinker-to-cement ratio, through the launch of new types of cement – CEM II/B-M 42.5 and Type IL (ASTM) for our domestic and international markets. We also piloted two new decarbonization initiatives: the introduction of hydrogen as a fuel enhancer in the main burner of the kiln and the use of calcined clays in low-carbon cement production. Moreover, we issued third-party verified Environmental Product Declarations (EPDs) for all cement and key concrete products, to mark our product and process excellence, disclosing the information customers need for sustainable construction. All our integrated cement plants in Greece received platinum-level zero waste-to-landfill certifications for diverting practically 100% of waste from landfills. Our sustainability initiatives in 2021 focused on creating value for communities through partnerships with the Hellenic Society for the Protection of Nature, Young Men's Christian Association Thessaloniki and Youthnest. The previous year was also rich in actions for our employees, with an emphasis on promoting well-being, fostering open communication and accelerating talent development. Last but not least, following the devastating summer wildfires across Greece, TITAN and the Paul and Alexandra Canellopoulos Foundation jointly donated a total of €1 million for long-term rehabilitation and prevention efforts.

“Nothing to Waste”: A recycling business initiative for the community

In 2021, TITAN’s cement plant in Thessaloniki participated in the multi-stakeholder circular economy program “Nothing to Waste” to promote sustainable solutions for the local community and the environment, in collaboration with other companies. At the core of the project, which was initiated by TITAN and its employees, are 24 companies and more than 500 employees. The initiative was designed and implemented with the scientific support of the non-profit organization “NoWaste21”. It promotes efficient waste management while taking into account the specifics of each type of business activity.

Recycling corners were created in each of the 24 businesses to collect and sort six types of recyclable materials, namely paper, PET plastic bottles, residual plastic-metal-composite packaging (PMD), electrical appliances, portable batteries, and cooking oil. A training program for the employees and their families was carried out on topics such as waste prevention, circular economy as a new model of individual responsibility towards the environment, and the preservation of natural resources for future generations.

Some 16 metric tonnes of recyclable materials were collected. This significant result highlights the role that all businesses, irrespective of size, can play in promoting circular economy and the leadership that companies such as TITAN, can and must show in bringing together peers, authorities and communities for the benefit of the environment.

SDGs related to regional material issues:

REGIONAL PERFORMANCE
Southeastern Europe

Construction activity and attendant cement demand continued to grow; surge in energy costs in the second half softened profitability performance.

Antea cement plant, Albania

2021 performance highlights

Revenue
€290.6m
(2020: €271.0m)

EBITDA
€81.9m
(2020: €96.2m)

Assets
€467.1m
(2020: €456.9m)

Scope 1 specific net CO_2 emissions (kg/t cementitious product):
633.1
(2020: 641.6)

Alternative fuel substitution rate (8.0% heat basis):
8.0
(2020:6.7)

LTIFR (employees):
2.43
(2020: 1.48)

Share of women in new hires (%):
33.8
(2020: 29.5)

Number of community engagement initiatives:
77
(2020: 65)

Employees
1,130

Operational Units

5	20	6	1
Integrated cement plants	Quarries	Ready-mix plants	Processed engineered fuel facility

Regional performance

In this growing regional market, revenue increased to €290.6 million, driven by higher domestic market volumes and improved pricing. Price increases were not sufficient to offset the increase in electricity and fuel costs, which surged especially in the second half of the year. As a result, in spite of productivity gains, EBITDA declined by 14.8% versus 2020, reaching €81.9 million, still above however the profitability of 2019. In the last quarter, price increases were announced, in anticipation of further input cost hikes in the coming months.

In the second year of the pandemic, our plants were fully operational, whilst our focus remained on protecting the health and well-being of our employees. We continued investing in expanding the efficiency of our plants, with two of them reaching more than 10-year production records.

Albania

The Albanian economy grew by ca. 7%, following a year of contraction. Private construction activity continued being robust, while heightened building activity in the run-up to elections held in the first half of the year boosted cement demand by an estimated 12% compared to 2020.

Bulgaria

In spite of a ca. 3% growth in Bulgaria's GDP, the construction market slowed down, as a result of the political uncertainty generated by repeated elections. Cement demand recorded only a marginal increase of approximately 1%. Group volumes decreased, squeezed by the increase in the flow of imports into the country. Alternative fuel utilization reached new records, supporting both the company's decarbonization efforts and helping mitigate energy costs.

Kosovo

The construction sector in Kosovo, driven by the residential and commercial segments, grew by an estimated 4% on the back of a GDP growth of ca. 7%. TITAN supplied the market from its local plant as well as through its nearby cement plant network in North Macedonia and Albania, having set up the supply chain to effectively serve the market in line with the evolution of demand.

North Macedonia

GDP in North Macedonia grew by ca. 4% in 2021 with the construction market following at pace and recording a growth of ca. 3%, driven by all market segments. Demand for apartments and an increase in construction permits after the lifting of a moratorium in Skopje, were pertinent growth drivers. Thanks to an investment in a new shredding line at TITAN's plant, the use of locally sourced alternative fuels was increased.

Serbia

The Serbian economy grew by 6% in 2021. Continuing public infrastructure spending, but mainly a strong activity in residential and commercial building, fueled cement demand, which grew by ca. 14%. In neighbouring Montenegro, the main export market of our Serbian subsidiary Kosjeric, the cement market declined despite strong economic growth. The expected start of new infrastructure projects has not yet materialized. During a major kiln overhaul, we invested in the installation of a new main filter for the plant, further reducing dust emissions.

ESG Performance

All five plants in the region continued to apply preventative measures to stem the spread of COVID-19 among their people, partners and local communities and to offer youth training, outreach, mental health support and wellbeing programs. TITAN Bulgaria's efforts were recognized as best in class by the Centre for Safety and Health at Work Foundation, while TITAN Serbia continued its support to local public health institutions. In Kosovo, we provided employment opportunities to young people and training towards employability by joining forces with private sector companies and local authorities. The Kosovo CSR Network acknowledged TITAN's contribution to society with the Annual CSR Award. Health and Safety remained a priority, with TITAN Bulgaria digitizing safety procedures and devising a new safety program that streamlines all safety-critical procedures for the region. The plants also continued to take important steps towards decarbonization. TITAN Bulgaria managed to replace 44% of the conventional fossil fuels in the clinker production process with alternative fuels, thus cutting CO_2 emissions by 25kg CO_2/t cementitious product. The installation of a modern bag filter on the rotary kiln in Serbia, an investment of almost €2 million, has significantly reduced dust emissions, contributing to the overall strong environmental performance of the plant.

Connecting biodiversity management with social needs

Zlatna Panega plant and its quarries are located in an area of high biodiversity value. In 2021, we implemented two projects, in cooperation with Bulgarian experts, in order to map out a science-based path for the rehabilitation of the ecosystems in the quarry. We conducted a Net Impact Assessment (NIA) based on the GCCA Guidelines for Quarry Rehabilitation and Biodiversity Management. This will allow us to amend, improve or come up with additional respective biodiversity rehabilitation measures in the area, such as increasing afforestation areas, diversifying the hornbeam with other species characteristic for the area, but also adding hairy oak plantations, supporting thus some threatened and vulnerable species developing on the periphery of such forests. We also carried out an ecosystem services assessment, which follows the Toolkit for Ecosystem Service Site-based Assessment (TESSA), developed by Birdlife International in partnership with the University of Cambridge and Anglia Ruskin University. This assessment will help us to better evaluate the possible future uses of the rehabilitated area. As part of the TESSA study, we conducted two public consultations with the local community and other important stakeholders.

SDGs related to regional material issues:

REGIONAL PERFORMANCE

Eastern Mediterranean

Return to positive performance in an environment of continued demand growth, despite local macroeconomic uncertainties.

Tokat cement plant, Turkey

2021 performance highlights

Revenue
€172.8m
(2020: €151.7m)

EBITDA
€11.8m
(2020: €-3.3m)

Assets
€447.2m
(2020: €484.8m)

Alternative fuel substitution rate (%heat basis):
13.1
(2020: 10.8)

LTIFR (employees):
2.17
(2020: 0.00)

Integrated cement plants with certified Energy Management Systems (ISO 50001 or equivalent) (%):
100
(2020: 37)

Employees from local community (%):
88.9
(2020: 88.9)

Local spend(%):
85.1
(2020: 85.9)

Employees

742

Operational Units

3	1	13	7	2
Integrated cement plants	Cement grinding plant	Quarries	Ready-mix plants	Processed engineered fuel facilities

Market overview

Egypt's economy has been resilient in the face of the COVID-19 pandemic, recording GDP growth of 3.3% in 2021, following growth of 3.6% in 2020. Cement demand started to recover after four years, as a result of stronger construction activity coming from national infrastructure projects and the construction of affordable housing. Cement consumption reached 48.5 million tonnes posting a 6% increase.

In Turkey, despite the volatile economic environment witnessed through a sharp depreciation of the local currency of 65% vs the euro, soaring inflation of 36% and a reduction in households' real income, the economy grew by 9% in 2021, thanks to the continuous credit expansion following a series of rate cuts by the Central bank. Domestic cement demand strengthened by 7%, reaching 60 million tonnes, still approximately 15% below the peak levels of 2017.

Regional performance

Following a few years of weak performance and despite the macroeconomic uncertainties, the Eastern Mediterranean region recorded total revenue of €172.8 million, an increase of 13.9% from 2020. EBITDA was €11.8 million versus a €3.3 million loss in 2020, reflecting a significant improvement in the EBITDA margin, despite the sharp depreciation of the Turkish Lira.

Egypt

The market regulation agreement set by the Egyptian government on all cement producers in July 2021 narrowed the gap between supply and demand, leading prices to much healthier levels. Moreover, to assist the real estate industry, the government initiated a new construction-mapping layout defining permitted and restricted areas for building, issued new construction licensing procedures and directed the central bank of Egypt to facilitate mortgage procedures and conditions. TITAN achieved 7% volume growth year on year and an increase in revenue, mainly driven by price increases and expansion in new cement products. Many decarbonization initiatives took place, leading to a reduction of CO_2 emissions by 6% in Alexandria and 2% in Beni Suef. The Company focused on operational excellence and digitization projects, while also exploring new growth opportunities, mainly in export markets.

Turkey

The performance of our Turkish operations in 2021 reflected the upward trend of the cement industry. Continued demand for private housing, public infrastructure projects as well as exports were for another year the backbones of growth for our local operations. Production costs increased mainly due to higher electricity and fuel prices -both affected by the depreciation of the Turkish Lira by 65%- however they were offset by significant price increases and by growth in both domestic and export volumes. Our local modern assets and the healthy balance sheet, allowed us to withstand macroeconomic headwinds and to satisfy the increasing market demand.

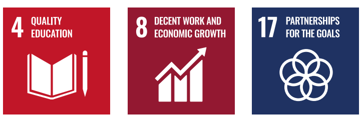
ESG performance

Despite a challenging year in both plants due to COVID-19 and its financial ramifications, TITAN Egypt and TITAN Turkey took a number of steps to improve their ESG performance. TITAN Egypt secured ISO 50001 certification in energy management, thus building on its achievements in reducing its carbon footprint. Likewise, TITAN Turkey stepped up its usage of alternative fuels and reduced the clinker content of its cement, launching CEM II/A-LL 42.5R in the market. In Egypt, we maintained our academic-industrial collaboration with Alexandria and Beni Suef universities, preparing about 150 undergraduates for the labor market, while in Turkey, our people attended over 100 different training programs in fields such as soft skills, leadership, digitalization and project management. In the area of COVID-19, in Egypt we implemented awareness raising and vaccination campaigns for our people and our contractors while taking all precautionary measures. In Turkey, we achieved another Health and Safety milestone by successfully completing the transition to ISO 45001. Community outreach also continued, though Adocim's Employee Assistance program and online wellbeing seminars for employees and their families, as well as through TITAN Egypt's programs, conducted in partnership with NGOs, to improve the living and health conditions of our local communities.

Finding and recruiting talent

In order to attract young talented candidates to the company and offer internships in Tokat, in 2021 TITAN Turkey signed a protocol with Tokat Gaziosmanpaşa University (TOGÜ). Under the protocol, we committed ourselves to provide internship and employment opportunities (both full- and part-time) to TOGÜ students and graduates. The two-day TOGÜ career fair 2021 allowed members of our technical staff to speak directly to students, to answer their questions and invite them to submit job and internship applications. The career fair was a very fruitful experience as we were able to contribute to informing TOGÜ students about their job prospects, creating career awareness and providing them with information about companies, institutions and professions.

SDGs related to regional material issues:



REGIONAL PERFORMANCE

Joint venture in Brazil

Demand growth for a third consecutive year.

Overview

In Brazil, the improved economic environment led to stronger construction activity and cement demand grew for a third consecutive year. In the second half of 2021 however, the market witnessed a slight slowdown as inflationary pressures started to mount and interest rates increased.

Regional performance

Our joint venture Apodi increased its sales volumes at a higher rate than the national average by continuing to penetrate the bulk cement segment, with a focus on the pre-cast industry, the growing regional wind park sector and projects in the renovation and expansion of infrastructure such as the Fortaleza airport. As a result, Apodi posted a significant increase in revenue to €83.8 million vs €70.7 million in 2020, while net profit attributable to TITAN Group reached €2.7 million compared to €2.6 million in 2020, posting a 4.6% increase.

ESG performance

Our joint venture in Brazil continued to integrate ESG practices, according to its material issues and the Sustainable Development Goals and it published its second Sustainability report in 2021. Cimento Apodi's main sustainability and community outreach projects continued in 2021, despite the challenges posed by the pandemic. The promotion of the use of the native carnauba palm tree as biomass in co-processing contributed to the creation of new forms of employment and income for the local communities around our plants while our participation in the Construir Saber Project of the Social Service of Industry (SESI) continued to equip young people and adults with higher levels of education. Furthermore, we kept doing voluntary work in the community, supporting handcrafts, donating food parcels, providing PPE to hospitals while also raising awareness on the need for environmental conservation and other topics.

Other business activities

STET

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

The applications for 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. In 2021, STET commissioned the world's first industrial-scale plant to reclaim, dry and electrostatically separate landfilled fly ash which is then used to reduce the carbon footprint of cement and concrete products. Through this innovative process, an unusable waste material is converted into high-quality, green end-products used in the cement, concrete and power generation industries. Resulting benefits include a lower carbon footprint and a solution for the cleanup and remediation of fly ash landfills and ponds.

The STET water-free beneficiation process offers sustainability benefits to industries other than cement. In 2021, STET successfully manufactured a high-protein Dry Distillers Grain with Solubles (DDGS), a plant-based protein source generated from the corn ethanol industry that offers a sustainable source of protein for aquaculture rations.

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 ten 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. In 2021, GAEA upgraded its operations by investing in new, state-of-the-art mechanical treatment equipment, enabling the Zlatna Panega Cement plant to substantially increase its alternative fuels' thermal substitution rate to a new all-time record. 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.

Outlook 2022

The current military conflict after the Russian invasion in the Ukraine creates geopolitical uncertainties with macroeconomic implications the extent of which cannot yet be assessed. TITAN Group has no exposure to Ukraine, Russia or affected regions. Nevertheless the effect on the Group's businesses from developments in the energy sector and the broader macro implications are anticipated to impact market trends and further increase inflation risks.

In the US, despite macroeconomic risks, the underlying construction market dynamics remain strong. Residential activity continues to reflect the country's housing deficit with both the multi- and single-family segments driving demand. The infrastructure segment is poised to provide a steady backbone to demand from 2023 onwards, as the full effect of America's large infrastructure investment drive starts to materialize on the ground. Cost pressures are expected to persist and the Group will continue to address global cost headwinds by adjusting pricing, as evidenced already by the successful price increase implemented in January in both Florida and mid-Atlantic and by the recently announced second round of price increases in Florida. At the same time, TITAN initiated an investment program to significantly grow its effective capacity. This centers around the transformation and expansion of the import terminals in Tampa, Florida and in Norfolk, Virginia, including the $60 million construction of two new storage domes. Several other investments and initiatives are in progress aiming to achieve logistics and production efficiencies, which will effectively allow the Group to capture the market's upside for several years ahead and to improve flexibility and customer service. Concurrently, TITAN America is building on its head start with the full adoption of lower carbon footprint cements across its operations.

The impact of the ongoing war in the Ukraine may lead to more uncertainties in Europe overall. There is a negative impact already on the energy sector, the severity of which, as well as the duration, cannot yet be assessed. The European economies are entering a difficult phase, with increased risks of rising inflation and a slowdown of economic growth.

In Greece, demand growth in the residential segment looks set to continue from a low base, with the larger urban centers which our plants primarily serve, holding the lion's share of growth. The infrastructure pipeline is ripe with projects scaling up and offering a backlog timeline for the years ahead. The Group is continuing its efforts on all fronts to manage its cost base and minimize its carbon footprint. Alternative fuel utilization is constantly increased, supported by investments in both the Kamari and Thessaloniki plants. The Group is continuing with the roll-out of more environmentally friendly cement products with lower clinker content.

Southeastern Europe should continue delivering satisfactory returns, driven primarily by residential and light commercial development, as well as select infrastructure projects, depending on the country. Cost challenges will persist but the Group continues its efforts unabated to address inflationary pressures and mitigate their impact on operational profitability. Alternative fuel utilization is increasing, as is the promotion of new products with lower carbon emissions throughout our regional presence.

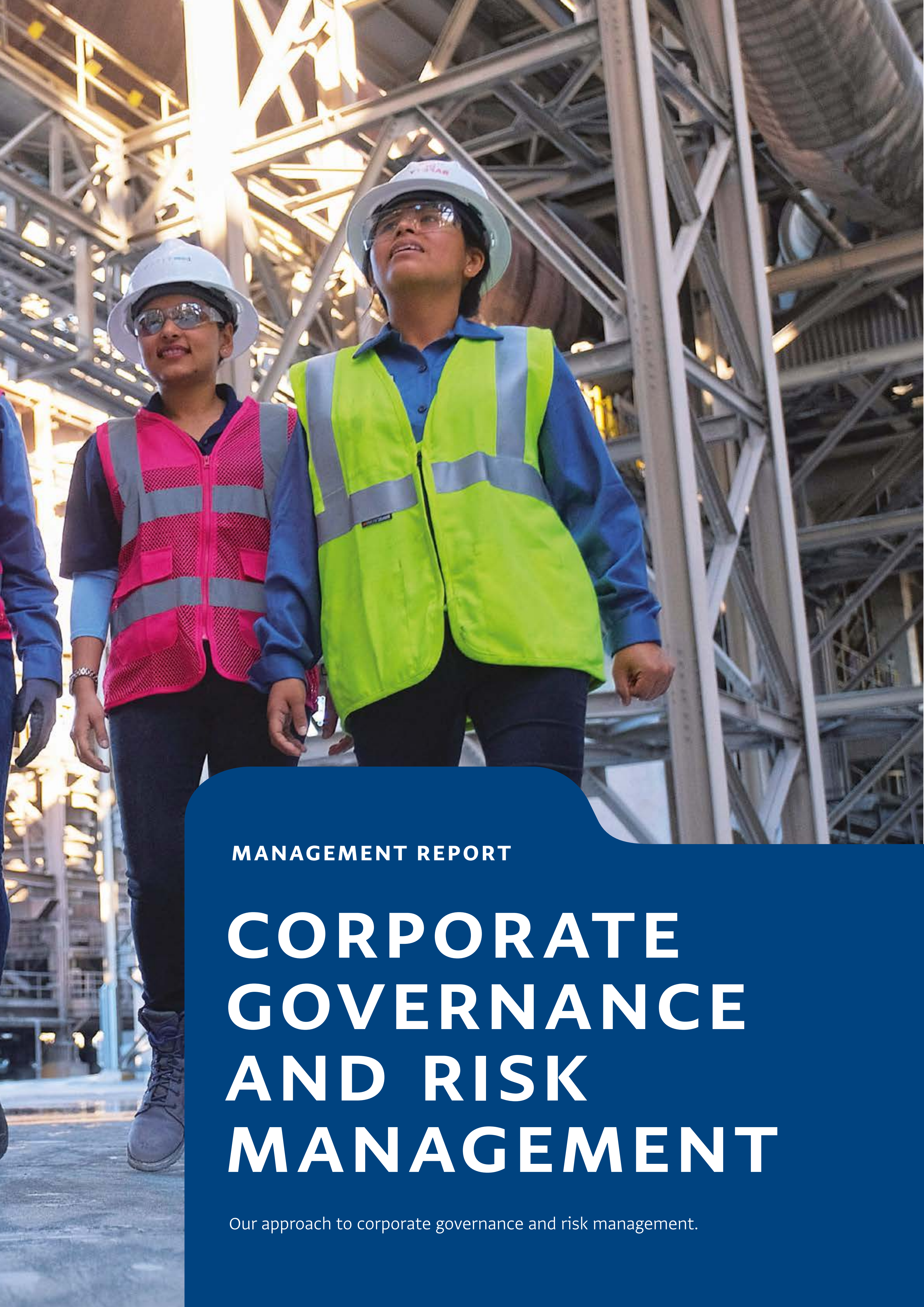
In Egypt the economy is growing driven by large infrastructure projects and the country's increased LNG exports. Trends of cement demand are positive going forward and the new balance between supply and demand favors a healthier pricing environment. The Group is well-placed to benefit from market dynamics and alternative fuel utilization has been increasing, aiming to both address costs as well as ameliorate the Group's carbon footprint.

The situation remains challenging in Turkey, exacerbated by the geopolitical turbulence on the Black Sea. The outlook for the construction sector is highly dependent on the fortunes of the economy which remains under stress. Successful price increases manage to address the inflationary pressures while increased export volumes provide an outlet for the Group.

In Brazil, while high commodity prices and the country's trade surplus should support the economy, global inflationary pressures, in an election year, make for a very delicate macroeconomic setting.

In 2022, we will continue to harness the advantages offered by decarbonization, digital transformation and business model innovation to benefit our customers, employees, suppliers, and communities, aspiring to deliver to society carbon-neutral concrete by 2050.

Pennsuco cement plant, USA



MANAGEMENT REPORT

CORPORATE GOVERNANCE AND RISK MANAGEMENT

Our approach to corporate governance and risk management.

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 consistent enhancement of its corporate governance performance and promoting transparency, sustainability and long-term value creation.

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

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

The Corporate Governance Charter (the CG Charter), which is available on the Company's website (https://www.titan-cement.com/wp-content/uploads/2021/07/TCI-CG_Charter_22.7.2021.pdf), describes the main aspects of the Company's governance structure, as well as the terms of reference of the Board of Directors and its Committees and the Dealing Code of the Company.

1.2 Deviations from the Code

The Company complies with the provisions of the Code except with regard to the following deviations:

a. Non-executive board members do not receive part of their remuneration in the form of shares in the Company. Therefore, the Company deviates from Provision 7.6 of the 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 and, hence, that their partial payment in the form of shares is not deemed necessary. This is a new provision of the Code, which had not been taken into account when the remuneration of the non-executive directors had been decided. However, the Company intends to consider, after the completion of the current term in office of the non-executive Board members, the alignment of the Company with the Provision 7.6 of the 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. Therefore, the Company deviates from Provision 7.12 of the 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 case of early termination, the Company applies the Remuneration Policy, which was approved by the Annual General Meeting of Shareholders on 14 May 2020.

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 shall review whether the chosen one-tier structure is still appropriate, and if not, it should propose a new governance structure to the General Meeting of Shareholders.

2. Capital, Shares and Shareholders

2.1 Capital

On 31 December 2021, the share capital of the Company amounted to €1,159,347,807.86 and was represented by 78,325,475 shares, without nominal value, with voting rights, each representing an equal share of the capital.

2.2 Shareholder Structure

The shareholder structure of the Company as of 31 December 2021, based on the transparency notifications made by its shareholders on 24 June 2021 is 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, Dimitri Papalexopoulos and Eleni Papalexopoulou, who act in concert, hold 29,004,392 shares corresponding to 37.03% of the Company's voting rights;
- FMR LLC – Fidelity Institutional Asset Management Trust Company – FIAM LLC and Fidelity Management & Research Company LLC hold 8,244,786 shares corresponding to 10.53% 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.

However, based on changes in shares that did not require a transparency declaration, due to the fact that the 5% threshold was not exceeded either upwards or downwards, the actual percentage held by shareholders on 31 December 2021 is 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, Dimitri Papalexopoulos, Eleni Papalexopoulou, Alpha Trust, Delta Trust and Lamda Trust, who act in concert, hold 30,641,972 shares corresponding to 39.12% of the Company's voting rights;
- The Paul and Alexandra Canellopoulos foundation holds 7,962,542 shares corresponding to 10.17% of the Company's voting rights;

- FMR LLC – Fidelity Institutional Asset Management Trust Company – FIAM LLC and Fidelity Management & Research Company LLC hold 8,244,786 shares corresponding to 10.53% of the Company's voting rights (based on the transparency declaration made on 24 June 2021);
- Others: 40.18%

The legal threshold applied by the Company requires a transparency declaration by shareholders at 5% and each subsequent multiple of 5%.

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

2.3 Interactions with institutional and individual investors

The Company regularly interacts with institutional investors. Roadshows are organized with the participation of executive Board members and investor relations representatives. The Company's representatives attend investor conferences and pursue dialogue with the investment community on TITAN's strategy, business performance and progress against ESG goals.

In 2021, TITAN participated mainly remotely in investor conferences and roadshows in several countries across Europe. In addition, a few in-person meetings were held in autumn before the new upsurge in the pandemic.

At the same time, shareholders have access to clear, comprehensive and transparent information through direct contact with the investor relations team, including corporate presentations and information available on the Investor Relations section of the Company's website.

The Shareholder Services Department responds to all queries and requests for information and shareholder assistance.

3. Board of Directors

3.1 Resumes of Directors

Efstratios-Georgios (Takis) Arapoglou

Chairman – Non-executive Director – Chairman of the Nomination Committee

Takis Arapoglou has had an earlier career in International Capital Markets and Corporate & Investment banking based in London and later in managing, restructuring and advising publicly listed Financial Institutions and Corporates, primarily in SE Europe and the Middle East.

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

He is currently holding the following non-executive board positions: Chairman of Bank of Cyprus Group, Chairman of Tsakos Energy Navigation (TEN) Ltd and non-executive Board member of EFG-Hermes Holding SAE.

He has degrees in Mathematics, Engineering and Management from Greek and British Universities.

Kyriacos Riris

Vice Chairman – Independent Director – Chairman 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 respectively, and later Deputy Territory Senior Partner. In 2009, he was elected as Chairman of the Board of PwC 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.

Dimitri Papalexopoulos

Chairman of the Group Executive Committee

Dimitri Papalexopoulos started his career as a business consultant for McKinsey & Company Inc in New York and Munich.

He joined TITAN in 1989 and in 1996 he assumed the position of Chief Executive Officer.

Mr. Papalexopoulos is Vice-Chair of the European Round Table for Industry (ERT) and chairs the ERT's Energy Transition and Climate Change Committee.

In June 2020, he was elected Chairman of the Board of the Hellenic Federation of Enterprises (SEV). 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 an MSc in Electrical Engineering from the Swiss Federal Institute of Technology (ETHZ) and an MBA from Harvard Business School.

Michael Colakides

Managing Director – Group CFO

Michael Colakides started his career at Citibank Greece, where 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 at the National Bank of Greece responsible for the Corporate and Retail Banking business.

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

From 2000 to 2007, he served as Vice Chairman and Managing Director at 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. as Deputy CEO - Group Risk Executive Officer (2007–2013), overseeing the risk management in Greece and abroad.

In January 2014, he returned to TITAN Cement Group as 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 SA.

As of November 2021, he is 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 Antholis

Independent Director – Member of the Remuneration Committee

William 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 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 PhD from Yale University in Politics (1993) and his BA from the University of Virginia in Government and Foreign Affairs (1986).

Andreas Artemis

Independent Director – Member of the Nomination Committee

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

He is also 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 on 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 the University of London and holds a BSc in Engineering and an 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.

Harry David

Independent Director – Member of the Audit and Risk Committee

Harry 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 as member of the Board of A.G. Leventis (Nigeria) PLC, the Nigerian Bottling Company Ltd, Beta Glass (Nigeria) PLC, Frigoglass Industries (Nigeria) Ltd, Pikwik (Nigeria) Ltd (a joint venture with Pick n Pay, South Africa).

He is a member of the TATE Modern's Africa Acquisitions Committee.

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

Lyn Grobler

Independent Director – Member of the Nomination Committee

Lyn 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 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).

Yanni Paniaras

Executive Director

Yanni Paniaras studied Civil Engineering at Imperial College (B.Sc., M.Sc.) 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 SEV Business Council for Sustainable Development.

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 before heading Strategic Planning.

She is a non-executive director of Coca-Cola HBC, an FTSE 100 company, an independent, non-executive director of Aegean Group, 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.

Stelios Triantafyllides

Independent Director – Member of the Remuneration Committee

Stelios Triantafyllides has been working with and been a partner of Antis Triantafyllides & Sons LLC law firm since 1983. His practice focuses on international business transactions, banking and finance, capital markets, M&A and joint ventures, general corporate and commercial, corporate restructuring, tax, financial services and securities regulation. He is the legal adviser to the Cyprus Securities and Exchange Commission. He regularly advises major international companies on corporate and banking matters.

He is member of the Cyprus Bar Association (admitted in 1984) and a member of the Committee for Private Companies, of which he served as Chairman until 2021. He is also member of the Committee on the Cyprus Stock Exchange. From 2006 to 2012, he was a member of the Board of Directors of the Cyprus Investment Promotion Agency (CIPA).

He studied at Worcester College, Oxford University (M.A. in Jurisprudence), and at the University of California, Berkeley (LLM).

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)

ANTEA cement plant, Albania

(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 and Gas (2000-2001) and held a number of investment positions in the same unit (1989-2001).

Currently he is a Senior Advisor, Emerging Markets at the Pacific Investment Management Company (PIMCO). He also sits on the Board of Alpha Bank (Greece) as an independent director.

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

Bill Zarkalis

Executive Director

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 Dow Chemical Co., where he started in commercial posts, growing in experience through a fast succession of marketing and product management responsibilities, culminating into 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 Specialty Plastics and Elastomers and Global Business Director for 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 an MSc from the Pennsylvania State University.

Mona Zulficar

Independent Director – Chairwoman 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 the 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 on 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, and has served as member of the National Council for Human Rights for several terms ending 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 LLM from Mansoura University, as well as an honorary PhD in law from the University of Zurich.

3.2 Role and competencies of the Board of Directors

The CG Charter, which is available on the Company's website (https://www.titan-cement.com/wp-content/uploads/2021/07/TCI-CG_Charter_22.7.2021.pdf), defines the terms of reference of the Board of Directors including its role, mission, composition, training and evaluation.

3.3 Structure of the Board of Directors

As at 31 December 2021, the Board was composed of fifteen (15) directors:

• The majority of directors, namely nine (9) out of fifteen (15), including the Chairman, are non-executive directors.

• Eight (8) out of the fifteen (15) directors, namely Kyriakos Riris, William Antholis, Andreas Artemis, Harry David, Lyn Grobler, Stelios Triantafyllides, Dimitris Tsitsiragos and Mona Zulficar, met on their appointment the independence criteria of article 7:87 of the Belgian Code on Companies and Associations (the BCCA) and also those of Provision 3.5 of the Code.

• Six (6) out of the fifteen (15) directors, namely Dimitrios Papalexopoulos, Michael Colakides, Leonidas Canellopoulos, Yanni Paniaras, Alexandra Papalexopoulou and Bill Zarkalis, are executive directors.

• Three (3) out of the fifteen (15) directors are women. The Company's primary listing on Euronext Brussels took place on August 2019. Therefore, the Company is required to comply with the gender diversity rule of 1/3 provided in article 7:86 of the BCCA by 1 January 2025 at the latest. Nevertheless, the Company intends to comply with the above rule, earlier than provided by law;

• The directors represent six (6) different nationalities (US, Egyptian, UK, Cypriot, Greek and South African);

• The Board meeting attendance at the seven scheduled Board meetings was 99.05%. The non-executive board members held a meeting on 10 November 2021, in the absence of the Managing Director and the other executive directors, in which the attendance was 88.89% (8 out of 9). The individual attendance of each Board member is shown in the table included in Section 3.4 ("Functioning of the Board of Directors") below.

Currently the Board consists of the following fifteen (15) directors:

Name	Position	Term started	Term expires
Efstratios-Georgios (Takis) Arapoglou	Chairman, Non-Executive Director	July 2019	May 2022
Kyriacos Riris	Vice-Chairman, Independent Non-Executive Director	October 2018*	May 2022
Dimitri Papalexopoulos	Executive Director	July 2019	May 2022
Michael Colakides	Managing Director	July 2019	May 2022
William Antholis	Independent Non-Executive Director	July 2019	May 2022
Andreas Artemis	Independent Non-Executive Director	July 2019	May 2022
Leonidas Canellopoulos	Executive Director	July 2019	May 2022
Haralambos (Harry) David	Independent Non-Executive Director	July 2019	May 2022
Lyn Grobler	Independent Non-Executive Director	December 2021	May 2022
Ioannis (Yanni) Paniaras	Executive Director	May 2021	May 2022
Alexandra Papalexopoulou	Executive Director	July 2019	May 2022
Dimitrios Tsitsiragos	Independent Non-Executive Director	March 2020	May 2022
Stylianos (Stelios) Triantafyllides	Independent Non-Executive Director	October 2018*	May 2022
Vassilios (Bill) Zarkalis	Executive Director	July 2019	May 2022
Mona Zulficar	Independent Non-Executive Director	July 2019	May 2022

* Kyriacos Riris and Stelios Triantafyllides were reappointed as independent members of the Board of Directors by the Annual Shareholders' Meeting held on 13 May 2021 for a term of one year, namely until the Annual Shareholders' Meeting of 2022.

3.4 Functioning of the Board of Directors

During 2021, the Board of Directors held seven (7) scheduled meetings on 20 January, 22 March, 8 April, 12 May, 27 July, 4-5 October and 10 November 2021.

The following table shows the individual attendance of each Board member at the meetings of the Board and its committees held in 2021:

Individual attendance of each Board member at the scheduled meetings of the Board and the Board Committees

Director	Board of Directors Meetings	Non-executive Directors Meetings	Audit and Risk Committee Meetings	Remuneration Committee Meetings	Nomination Committee Meetings
Efstratios-Georgios (Takis) Arapoglou	7/7	1/1	-	-	1/1
Kyriacos Riris	7/7	1/1	6/6	-	-
Dimitri Papalexopoulos	7/7	-	-	-	-
Michael Colakides	7/7	-	-	-	-
William Antholis	7/7	1/1	-	2/2	-
Andreas Artemis	7/7	1/1	-	-	1/1
Leonidas Canellopoulos	7/7	-	-	-	-
Harry David	7/7	1/1	6/6	-	-
Yanni Paniaras	3/3[1]	-	-	-	-
Alexandra Papalexopoulou	7/7	-	-	-	-
Stelios Triantafyllides	7/7	1/1	-	2/2	-
Dimitris Tsitsiragos	7/7	1/1	6/6	-	-
Maria Vassalou[2]	6/7	0/1	-	-	1/1
Bill Zarkalis	7/7	-	-	-	-
Mona Zulficar	7/7	1/1	-	2/2	-

[1] Yanni Paniaras was appointed as executive board member by the Annual Shareholders' Meeting held on 13 May 2021. Therefore, he participated in all board meetings held after his appointment.

[2] Maria Vassalou was a member of the Board of Directors until 31 December 2021. The Board decided to co-opt Lyn Grobler as independent director of the Company and member of the Nomination Committee, effective 31 December 2021.

3.5 Board evaluation

As provided in the Code, the Board should assess at least every three years its own performance, its interaction with the executive management, as well as its size, composition, functioning and that of its committees.

After the completion of one and a half year as a listed Company primarily on Euronext Brussels with secondary listings on the Athens Exchange and on Euronext Paris, in December 2020 the Board carried out a formal Board evaluation without external facilitation.

Each Board member received a questionnaire, in the form of a survey link, comprising of 33 questions, ensuring the anonymity of each participant and requesting feedback on how the Board functions, its composition, effectiveness and operation, the role of the Chair and the functioning of the Board committees. All Board members responded to the questionnaire and the Board evaluation feedback was presented and discussed at the first Board meeting of 2021.

Given that the term in office of all Board members will end on 12 May 2022, the Nomination Committee will evaluate each member's presence at the Board or Committee meetings and their commitment and constructive involvement in discussions and decision-making, in accordance with a pre-established and transparent procedure. The Nomination Committee will also assess whether the contribution of each Board member adapted to changing circumstances.

3.6 Code of Conduct – Conflicts of interest

A Code of Conduct has been drawn-up, setting out the expectations for the Company's leadership and employees in terms of responsible and ethical behavior.

All Board members should uphold the highest standards of integrity and always act in the best interest of the Company.

Each member of the Board, both during his or her membership of the Board 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 he or she has a legal obligation to disclose such information.

No member of the Board may use the information described above to his or her own advantage.

Demir Kapija – Smokvica Highway, section of Corridor 10, N. Macedonia

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

All members of the Board are required to inform the Board of conflicts of interests as they arise. In case 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:

1. Resolution of the meeting of the Board of Directors held on 20 January 2021: Amendment to the 2020 LTIP approval decision of 9 April 2020

On 20 January 2021, the Board decided to amend the 2020 Long Term Incentive Plan (the 2020 LTIP) approval decision of the Board taken at the meeting of 9 April 2020. The conflict of interest relates to the fact that the amendment would benefit the Cyprus-based executive directors, namely Michael Colakides and three members of the Group Executive Committee based in Cyprus, Christos Panagopoulos, Fokion Tasoulas and Grigoris Dikaios. Mr. Colakides, in his capacity as member of the Board of Directors, declared that he had a potential conflict of interest pursuant to article 7:96 of the BCCA and withdrew from the meeting.

The amendment of the 2020 LTIP provided that, instead of "shadow shares" the above senior executives based in Cyprus would receive in their individual accounts in the "Kronos Special Pension Fund" the number of fund units corresponding to the same number of "shadow shares", once they would mature. The value of the award will be the same. The above action does not impact the principles of the 2020 LTIP nor the grants awarded.

The relevant awards were approved by the Board at the meeting of 9 April 2020, but the Cyprus Ministry's tax ruling regarding their treatment in Cyprus was only received in December 2020.

Following relevant deliberation, the Board, in the absence of Michael Colakides, decided unanimously and by separate votes to approve the above proposed amendment of the 2020 LTIP.

2. Resolution of the meeting of the Board of Directors held on 22 March 2021

The following decisions were taken, in the absence of the executive members of the Board of Directors, namely Michael Colakides, Leonidas Canellopoulos, Alexandra Papalexopoulou, Dimitri Papalexopoulos and Bill Zarkalis, who declared that they had a possible conflict of interest, pursuant to article 7:96 of the BCCA:

a. to approve the variable remuneration payouts (bonuses) for 2020 of the executive members of the Board, the members of the Management Committee and the members of the Group Executive Committee, as included in the Remuneration Report for the year 2020, noting that the relevant variable remuneration payouts, which amount in total to €2,744,316, are paid in accordance with the provisions of the 2020 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;

b. to approve the long-term incentive awards to be granted in 2021 to the executive members of the Board, the members of the Management Committee and the members of the Group Executive Committee, as recommended by the Remuneration Committee, noting that the value of such long-term incentive awards amount in total to €2,572,000 and are granted subject to the achievement of personal and collective targets provided in the 2020 Remuneration Policy; and

c. to approve the implementation of the Deferred Compensation Plan as presented, noting that the awards granted amount in total to €643,000.

The conflict of interest is related to the fact that the executive members of the Board are beneficiaries of the variable remuneration payouts of 2020, the long-term incentive awards to be granted in 2021 and the implementation of the Deferred Compensation Plan.

The Board has set (a) a Policy for transactions and other contractual relationships between the Company or Group Subsidiaries and members of the Board or the Management Committee or the Group Executive Committee or other designated persons and (b) a Dealing Code, which 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 (within the meaning of the Regulation (EU) No 596/2014 on market abuse).

The Policy for Transactions and the Dealing Code are included (as Appendix 2 and Appendix 8, respectively) in the Company's CG Charter which is available on the Company's website (https://www.titan-cement.com/wp-content/uploads/2021/07/TCI-CG_Charter_22.7.2021.pdf).

4. Composition and Operation of Board Committees

4.1 Audit and Risk Committee

4.1.1 Composition, Role and Functioning

Chair: Kyriacos Riris, independent director
Members: Harry David, independent director
Dimitris Tsitsiragos, independent director

With a career spanning some 40 years, the Chairman of the Audit and Risk Committee has accumulated vast experience in auditing and accountancy. Likewise, Harry David and Dimitris Tsitsiragos, have collective expertise regarding the activities of the Company.

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

a. monitoring the financial reporting process;

b. monitoring the effectiveness of the Company's internal control and risk management systems;

c. monitoring the internal audit and its effectiveness;

d. 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;

e. reviewing and monitoring of the independence of the External Auditor, in particular regarding the provision of additional services to the Company.

The Audit and Risk Committee held six meetings in 2021: on 22 February, 22 March, 8 April, 11 May, 27 July and 9 November 2021.

The discussions and decisions of the Audit and Risk Committee meeting held on 22 February 2021 included: the presentation by the external auditors (PwC) of the audit plan for the year ended 31 December 2020; the presentation by the Head of the Group's Internal Audit, Risk and Compliance Department of the full activity report for the year 2020 and the update on the Company's internal control environment; the presentation by the Head of the Group's Internal Audit, Risk and Compliance Department of the fraud and whistleblowing cases reported in 2020; the presentation by the Group IT Manager of the Cyber Security status of the Company and the measures taken; the presentation by the General Counsel of the Company of the legal cases that may potentially have a significant negative effect on the financial statements of the Company.

The discussions and decisions of the Audit and Risk Committee meeting held on 22 March 2021 included: the presentation of the condensed financial statements for the year ended 31 December 2020, the relevant financial statements and the press release for the fourth quarter and the year end results; the presentation by the external auditors (PwC) of their report on the consolidated financial statements for the year 2020 and a discussion on their findings; the approval of non-audit services (NAS) provided in Q1 (following management's approval).

The discussions and decisions of the Audit and Risk Committee meeting held on 8 April 2021 included: the presentation and recommendation for approval of the Integrated Annual Report for the year 2020; the presentation and recommendation for approval of the stand-alone financial statements for the year ended 31 December 2020 of Titan Cement International S.A.; the presentation by the external auditors (PwC) of their audit reports on the Integrated Annual Report and the stand-alone financial statements of Titan Cement International S.A. for the year ended 31 December 2020 (both unqualified); a brief discussion on the Management Letter which would be repeated at a date after the Annual Shareholders' Meeting.

The discussions and decisions of the Audit and Risk Committee meeting held on 11 May 2021 included: the presentation of the new Audit Engagement Partner of PwC Réviseurs d'Entreprises SRL, Didier Delanoye, who replaced Marc Daelman as of 13 May 2021; the presentation and recommendation for approval of the unaudited condensed financial statements for the first quarter ended 31 March 2021 and the press release for the same period; the discussion with the Head of the Group's Internal Audit, Risk and Compliance Department of the status of implementation of the Internal Audit plan during Q1, the findings of this period, the compliance and anti-fraud activities performed and other matters.

The discussions and decisions of the Audit and Risk Committee meeting held on 27 July 2021 included: the presentation of the interim condensed financial statements of the half year 2021 and the press release for the same period; the approval of NAS provided in Q2 (following management's approval); a discussion on the findings of the external auditors (PwC) in respect of the interim condensed financial statement and their unqualified report for the same period; a discussion with the external auditors (PwC) on the quality review control of PwC Réviseurs d'Entreprises SRL executed by the CTR/CSR; the status of implementation of the Internal Audit Plan; the Q2 activity report of the Group Audit Risk and Compliance Department.

Finally, the discussions and decisions of the Audit and Risk Committee meeting held on 9 November 2021 included: the presentation of the unaudited condensed financial statements of Q3 2021 and the 9 months press release; the presentation of the 2021 Audit Plan by the External Auditors (PwC); the extensive discussion of the 2020 Management Letter; the approval of NAS provided in Q3 (following management's approval); the discussion with the Head of the Group's Internal Audit, Risk and Compliance Department, without the presence of any member of the management team, of the status of implementation of the Internal Audit Plan; the Q3 activity report of the Group Audit, Risk and Compliance Department, the compliance and anti-fraud activities performed, one new whistleblowing case and other matters.

4.1.2 External Auditor

The audit of the Company's financial statements was entrusted, by virtue of the resolution of the Extraordinary General Meeting of Shareholders dated 13 May 2019, as amended by virtue of the resolution of the Annual General Meeting of Shareholders dated 13 May 2021, to PriceWaterhouseCoopers, Réviseurs d'Entreprises SRL, with registered office located at Culliganlaan 5, 1831 Machelen, Brussels, represented by Mr. Didier Delanoye, for a term of three years, ending on the date of the Annual General Meeting of Shareholders to be held in 2022 related to the approval of the annual accounts for the year ending on 31 December 2021.

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 2021 audit fees for the statutory accounts of Titan Cement International S.A. (TCI) were set at €117,200 (plus VAT, out of pocket expenses and the IRE/IBR fee) (€109,000 in 2020).

The audit fees for Group and statutory audit of TCI subsidiaries and affiliates in 2021 amount to €1,397,795 (€1,207,861 in 2020).

Non-audit fees (for TCI, subsidiaries and affiliates) paid or accrued in 2021, amount to €187,116 (€334,637 in 2020) and include:

• Audit related fees (assurance services for TCI, subsidiaries and affiliates) €168,055 (€298,596 in 2020);

• Tax advisory, other advisory and compliance services €19,061 (€36,041 in 2020).

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/2021/07/TCI-CG_Charter_22.7.2021.pdf).

4.2 Remuneration Committee

Chair: Mona Zulficar, independent director
Members: William Antholis, independent director
Stelios Triantafyllides, independent director

The Remuneration Committee has the duties set out in article 7:100 of the Belgian Companies and Associations Code, including, to prepare and assess 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 on the 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.

The Remuneration Committee held two meetings in 2021: on 19 March and 22 November 2021.

The main topics of the meeting of the Remuneration Committee held on 19 March 2021 referred to recommendations of the Committee on:

a. the variable remuneration payouts for 2020 based on the actual collective performance versus targets;

b. the vesting of the stock options awarded in 2018;

c. the salary increases for 2021, bonus payout for 2020 and LTIP awards for 2021 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;

d. the implementation of the Deferred Compensation Plan;

e. the Remuneration Report for the year 2020.

The topic of the meeting of the Remuneration Committee held on 22 November 2021 referred to the approval by the Committee of a deferred cash bonus payment to one executive director (Mr. Bill Zarkalis) as provided by his contract. The relevant decision was approved by the Board of Directors on 18 January 2022 and for this reason it is not included in section 3.6 "Code of Conduct – Conflicts of interest" of the Corporate Governance Statement of 2021.

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/2021/07/TCI-CG_Charter_22.7.2021.pdf).

4.3 Nomination Committee

Chair: Efstratios-Georgios (Takis) Arapoglou, non-executive director
Members: Andreas Artemis, independent director
Lyn Grobler, independent director

The role of the Nomination Committee is to make recommendations to the Board with regard to the appointment of new members in 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:

a. the nomination of candidates for any vacant directorships, for approval by the Board;

b. the preparation of proposals for reappointments;

c. the periodical assessment of the size and composition of the Board and making recommendations for any changes; and

d. ensuring that sufficient and regular attention is paid to the succession of executives, talent development and promotion of diversity in leadership positions.

The Nomination Committee meets at least once a year and whenever a meeting is deemed necessary and advisable for its proper functioning.

During 2021, the Nomination Committee held one meeting on 2 November 2021.

The main topics of the meeting of the Remuneration Committee held on 2 November 2021 referred to the presentation of Lyn Grobler as potential Board candidate to replace Maria Vassalou, subject to the confirmation of the mandate by the next general meeting, and the presentation of two more women as potential new Board candidates, in order to increase the number of women in the Board to five (5).

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/2021/07/TCI-CG_Charter_22.7.2021.pdf).

4.4 Management Committee

Chairman: 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 applicable accounting standards and policies of the Company, to prepare the Company's required disclosure of the financial statements and other material financial and non-financial information, to manage and assess the internal control systems of the Company 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 6 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/2021/07/TCI-CG_Charter_22.7.2021.pdf).

4.5 Group Executive Committee

Chair: Dimitri Papalexopoulos
Deputy Chair: Alexandra Papalexopoulou
Members: Michael Colakides, Managing Director and Group CFO
Leonidas Canellopoulos, Group Chief Sustainability Officer
Michael Chivers, Group Human Resources Director
Antonis Kyrkos, Group Transformation and Strategic Planning Director
Yanni Paniaras, Group Executive Director Europe and Sustainability
Christos Panagopoulos, Regional Director Eastern Mediterranean
Fokion Tasoulas, Group Innovation and Technology Director
Bill Zarkalis, Group Chief Operating Officer – President and CEO of Titan America LLC – Chairman of STET

The role of the Group Executive Committee is to facilitate the supervision of the 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 held 19 meetings during 2021. 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 7 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/2021/07/TCI-CG_Charter_22.7.2021.pdf).

5. Diversity and Inclusion

TITAN is committed to offering equal opportunities and encourages diversity and inclusion at every level of employment in the Company. 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 is 3 out of 15. However, the Company intends to comply with the 1/3 gender diversity rule, earlier than provided by law, by increasing the number of women serving on the Board.

The Board has also promoted diversity in the composition of the Board Committees, by appointing a woman as Chair of the Remuneration Committee and another woman as a member 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 the 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, six Board members have their permanent residence in Cyprus, two in the USA, four in Greece, one in Egypt and two in the UK.

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

The results of diversity promotion in 2021 are published in the ESG Performance review and statements, table 2.2 Focus area growth enabling work environment.

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

The key elements of the system of internal controls utilized in order 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 the embedded risk management processes, the 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 on a monthly basis the consolidated financial statements and the Group's Management Information (MI) – both sets of information being 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.

The Audit and Risk Committee, during its quarterly meetings prior to the financial reporting, is informed by the Managing Director and Group CFO and by other competent officers of the Company and the Group about the performance of the Group, monitors the consolidated accounts and the financial reporting process and reports accordingly to the Board. 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 is made after the relevant recommendation of the Audit and Risk Committee.

7. 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 18 executives duly trained and having appropriate experience to carry out their work. Two (2) new hires were added in early 2021.

Internal Audit's primary role is to monitor the effectiveness of the internal control environment. Internal Audit's 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. new procedures review, new IT systems post-implementation reviews);
- undertaking special assignments (e.g. fraud investigations).

During the year, the Audit and Risk Committee received in total 35 internal audit reports. Likewise, the Audit and Risk Committee received all progress reports referring to the most important audit findings in 2021.

As already mentioned in the section referring to the work and function of the Audit and Risk Committee, in all meetings held by the Audit and Risk Committee, the Head of the Group's Internal Audit, Risk and Compliance Department participated. The Head of the Group's Internal Audit, Risk and Compliance Department had a number of meetings with the Chairman of the Audit and Risk Committee pertaining to the better 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 the year 2022 and specified the functions and areas on which internal audit should primarily focus.

8. Remuneration report 2021

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.

8.1 Introduction

In 2021 the fundamentals driving demand across our markets, namely the strong recovery of economic activity and a rise in public and private investment against a low interest rate environment, stimulated growth. It was a year of robust performance for TITAN Cement Group, although the second half of 2021 was marked by the surge in fuel, electricity and shipping freight costs which held back profitability.

The Group generated record revenues of €1,714.6 million, up 6.7% from 2020, reflecting higher demand and a supportive pricing environment. Due to the unexpected spike of input costs after the first semester and despite pricing initiatives that partly alleviated the burden, Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) declined by 3.6% to €275.2 million. Net Profit after Taxes and minorities (NPAT) climbed to €91.9 million (vs. €1.1 million in 2020 and €50.9 million in 2019). This significant increase was the result of lower finance costs, more favourable FX movements and a lower effective tax rate. It should be noted that in 2020 there were €63.9 million one-off charges related to Egypt. Thanks to a successful refinancing strategy for a third consecutive year the Group lowered significantly its finance costs to €33.6 million (€19 million lower than 2020 and €30 million lower than 2019).

US operations marked a new milestone with sales revenue at record levels thanks to growing demand, underpinned by healthy macroeconomic conditions. In Greece, the market continued its positive performance, lending further support to the belief that demand is solidly in the upward path of the business cycle. In Southeastern Europe performance was robust. Performance in the Eastern Mediterranean turned positive, thanks to the mix of demand pick-up and better pricing dynamics in Egypt, while in Turkey, despite the volatile economic situation, the Group recorded revenue growth as well. Finally our Brazilian operations continued to grow significantly.

8.2 Remuneration Policy

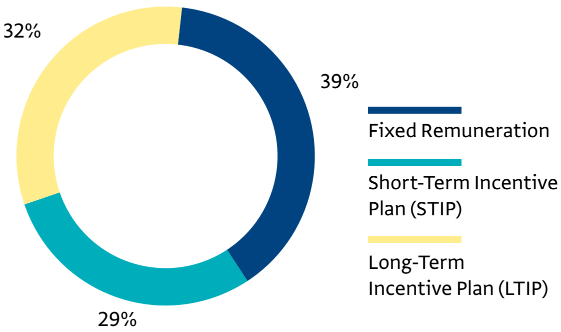
The 2020 Remuneration Policy was approved by the Annual General Meeting of Shareholders that was held on 14 May 2020 and is aligned to a great extent with the implementation of the European Shareholder Rights Directive II ("SRD II").

The 2020 Remuneration Policy ensures that TITAN is remunerating on the basis of the Company's short and long-term business plan, so as to continue creating value for customers, shareholders, employees, societies and economies.

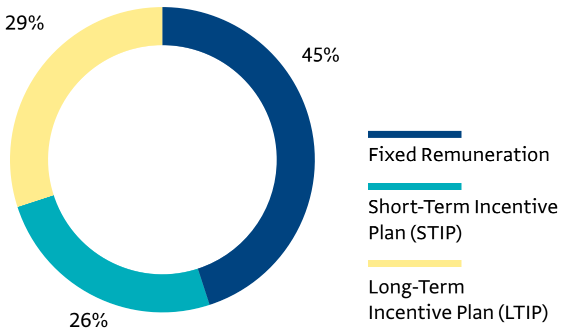
8.3 Target Pay Mix

The following pie charts represent the fix/variable pay mix for the Executive Directors and the members of the Management Committee (on aggregate target average) in case of 'on-target' performance and reflects the underlying pay-for-performance principles and market-competitive reference of the Remuneration Policy.

BOARD EXECUTIVE DIRECTORS (AGGREGATE)



MANAGEMENT COMMITTEE (AGGREGATE)



The total amount of remuneration of the Executive Directors and the member of the Management Committee is in line with the Remuneration Policy adopted, linked to strategy, mechanisms and 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.

8.4 Labor Market

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 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.

The Committee also recommends the levels of remuneration of Non-Executive Directors on the basis of their time commitment and responsibilities.

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

The level of remuneration for the Chairman of the Board of Directors is decided by the General Meeting, following respective recommendation of the Board of Directors and of the Remuneration Committee. Likewise, the level of remuneration for the Managing Director 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.

8.5 Variable pay schemes

Short Term Incentive Scheme and Long-Term Incentive Plan awards are treated in accordance with the rules of the relevant plans.

Element of Remuneration	Overview
Short-Term Incentive Scheme	**Target payout:** Executive Directors of the Board and the Management Committee: up to 100% of Annual Base Salary **Maximum:** In case of overachievement, the collective part of the STI is capped at 130% of target, the individual part at 150% (in case of extraordinary performance) and the safety part at 200% **Performance Criteria:** • Financial Performance (up to 45%): EBITDA • Individual Performance (up to 55%): combination of objectives and behaviors • Safety (5%): Lost Time Injury Frequency Rate
Long-Term Incentive Plan (LTIP)	A new Long Term Incentive Plan (LTIP) applied in 2020 in line with the approved 2020 Remuneration Policy. Awards are granted to the plan participants in the form of a conditional grant of TCI shares. The individual awards granted are based on each participant's position, fixed salary, individual performance and potential for development. The LTIP award granted to each participant is approved by the Board of Directors following relevant recommendation by the Remuneration Committee. The award has been defined up to 125% of Annual Base Salary for the Management Committee and the Executive Directors of the Board. The conditional grant of the number of TCI shares is determined based on the value of the TCI share at the time of grant. 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. Upon the completion of the vesting period, the benefit of the employee is determined based on the value of TCI share at the time of vesting. Upon vesting the LTIP provides the flexibility to the eligible Executive, upon her/ his request, to receive the vested award as contribution to a company-provided pension plan investing mainly in TCI shares (Fund). Participants are expected to maintain in TCI shares (or Fund(s)) at a minimum 20% of the total awards vested 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 will be taken into consideration. **Special Trust Fund Plan (Fund)** Special Trust fund is a fund which invests in TCI shares. LTIP participants may elect to receive their LTIP award as contributions in the Fund, and therefore their long term interests are still linked to TCI share.

Element of Remuneration	Overview
Deferred Compensation Plan (DCP)	As of 2021, the Company launched 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 LTIP of the eligible executives. **Target payout:** The award has been defined up to 25% of Annual Base Salary for the Management Committee and the Executive Directors of the Board. **Maximum:** In case of overachievement, the DCP is capped at 160% of target. **Performance Criteria:** • 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 (50%). •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 be changed, if required): 1. Lafarge-Holcim 5. CRH 2. Heidelberg 6. Buzzi 3. Cemex 7. Argos 4. Cementir 8. Vicat The performance period is 3 years. Flexibility is provided in ways to receive vested benefit (e.g. cash, pension plan contributions).
Retirement Allowance	**Type of Plan:** Defined contribution plan **Maximum contribution:** up to 10% of Annual Base Salary **Plan mechanism:** First tier: up to 8% of Annual Base Salary. Second-tier: in addition to the 1st tier 8%, a further up to 2% is offered through matching the employee's 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.

No specific clauses and/or arrangements in relation to change in control are applicable. No variable remuneration claw back mechanisms were used during FY2021.

8.6 Non-executive Directors' remuneration in 2021

As at 31 December 2021, the fees of the Non-Executive Directors for the year 2021, amounted to:

Non-Executive Director	Compensation by the Company		
	Board of Directors	Board Committees	Pro-bono allowance
Eftrsatios-Georgios (Takis) Arapoglou	€200,000 gross	€15,000 gross	No
Andreas Artemis	€50,000 gross	€10,000 gross	No
William Antholis	€50,000 gross	€8,000 gross	No
Harry David	€50,000 gross	€15,000 gross	No
Lyn Grobler *as of 31 December 2021 member of the Nomination Committee*	-	-	-
Kyriacos Riris	€50,000 gross	€20,000 gross	No
Stelios Triantafyllides	€50,000 gross	€8,000 gross	No
Maria Vassalou *until 31 December 2021*	€30,000 gross	€3,750 gross Paid for period 1-25 July 2021	No
Dimitris Tsitsiragos	€50,000 gross	€15,000 gross	€5,000
Mona Zulficar	€50,000 gross	€12,000 gross	No

According to the 2020 Remuneration Policy, 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.

Non-executive members of the Board are not entitled to termination payment.

8.7 Remuneration of Executive Directors and members of the Management Committee in 2021

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 2020 Remuneration Policy and thus contributes to the long-term performance of the company as set above in § 8.3.

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 annual change in the average remuneration (excluding board fees and long term incentive), expressed in full time equivalents, of the company's employees other than the Directors, the members of the Management Committee, the other directors and the persons in charge for the daily management for 2021 is 4%. The ratio between the highest remuneration of the management members and the lowest remuneration (in full time equivalent) of the Company's employees is 40 times.

8.8 Remuneration of the Executive Directors and the members of the Management Committee in 2021

Executive Directors of the Board and Management Committee Remuneration packages in 2021											
Name	Annual Base Salary	Board Fees	Allowances and Other Benefits[1]	Annual Variable Compensation[2]	Pension Contribution[3]	Long-Term Incentives (vested in 2021)	Total Annual Compensation	Fixed Compensation	Variable Compensation	Total Annual Compensation	Total Annual Compensation
Year	2021									2020	2019
Board Executive Directors											
Michael Colakides, Managing Director	426,150	45,000	32,139	363,743	42,615	138,782	1,048,429	52%	48%	1,075,190	1,124,092
Dimitri Papalexopoulos, Chairman of Group Executive Committee	514,547	30,000	18,652	513,939	51,225	242,398	1,370,760	45%	55%	1,381,193	1,432,979
Alexandra Papalexopoulou, Deputy Chair of Group Executive Committee	394,462	30,000	33,702	335,214	39,270	155,698	988,347	50%	50%	980,443	909,587
Leonidas Canellopoulos	198,386	30,000	15,615	116,410	21,774	18,493	400,678	66%	34%	283,046	248,366
Yanni Paniaras*	238,542	19,000	17,072	185,108	23,750	107,651	591,122	50%	50%	-	-
Bill Zarkalis** (in €)	642,301	30,000	248,488	563,327	47,861	186,126	1,718,102	56%	44%	1,561,012	1,627,556
Takis-Panagiotis Canellopoulos***	-	-	-	-	-	-	-	-	-	85,065	308,000
Management Committee Members											
Grigoris Dikaios	188,580	0	34,079	63,363	11,315	18,187	315,524	74%	26%	316,092	306,617
Christos Panagopoulos	274,800	0	108,215	152,722	26,480	61,442	623,659	66%	34%	591,567	581,835
Konstantinos Derdemezis****	-	-	-	-	-	-	-	-	-	614,685	647,087

* Amounts refer to period May-December 2021 during which Yanni Paniaras was Board Executive Director.

** Amounts include allowances linked to Bill Zarkalis' international assignment in the US and part of the Deferred 3-year assignment success bonus linked to 2021. Amounts, paid in $, are converted into euro based on fx rate €/$ of 31 December 2021 for 2021, on 31 December 2020 for 2020 and on 31 December 2019 for 2019 figures respectively.

*** Takis-Panagiotis Canellopoulos was Board Executive Director till March 2020.

**** Konstantinos Derdemezis was member of the Management Committee till October 2020. In alignment with the Company's Remuneration Policy, severance payment of 12 months' remuneration offered to Mr. Derdemezis as a way for the Group to express its appreciation for the loyalty, hard work and flexibility during the last 23 years.

[1] Includes benefits and allowances (such as travel, housing, international assignment related allowance), life insurance, medical plan, company car.

[2] Cash payment.

[3] Defined contribution.

8.9 Share-based Remuneration (for 2021)

Name	Specification of plan[1]	Grant Date	Vesting Date of 2021 Grant	Expiry Date[2]	Number of Stock grants in 2021	Number of units Fund[3] 2021 grant	Options forfeited in 2021	Options Vested in 2021 (granted in 2019)	Exercise Price	Options Exercised in 2021
Michael Colakides, Managing Director*	LTI	April 2021	31/3/2025	N/A	-	42,860	-	6,176	€10	12,658
	DCP	April 2021	31/3/2024	N/A	5,910	-	-	-	-	-
Dimitri Papalexopoulos, Chairman, Group Executive Committee	LTI	April 2021	50% on 31/3/2024 50% on 31/3/2025	N/A	30,450	-	-	20,833	-	-
	DCP	April 2021	31/3/2024	N/A	7,620	-	-		-	-
Alexandra Papalexopoulou, Deputy Chair, Group Executive Committee	LTI	April 2021	50% on 31/3/2024 50% on 31/3/2025	N/A	23,630	-	-	13,506	-	-
	DCP	April 2021	31/3/2024	N/A	5,910	-	-	-	-	-
Leonidas Canellopoulos, Board Executive Director	LTI	April 2021	50% on 31/3/2024 50% on 31/3/2025	N/A	4,730	-	-	1,391	€10	379
	DCP	April 2021	31/3/2024	N/A	1,190	-	-	-	-	-
Yanni Paniaras, Board Executive Director**	LTI	April 2021	50% on 31/3/2024 50% on 31/3/2025	N/A	18,900	-	-	7,331	-	-
	DCP	April 2021	31/3/2024	N/A	4,730	-	-		-	-
Bill Zarkalis, Board Executive Director	LTI	April 2021	50% on 31/3/2024 50% on 31/3/2025	N/A	30,450	-	-	14,276	€10	23,206
	DCP	April 2021	31/3/2024	N/A	7,620	-	-	-	-	-
Grigoris Dikaios, Management Committee member*	LTI	April 2021	LTI: 31/3/2025	N/A	-	4,170	-	1,083	€10	2,003
Christos Panagopoulos, Management Committee member*	LTI	April 2021	LTI: 31/3/2025	N/A	-	15,240	-	3,861	€10	4,878
	DCP	April 2021	DCP: 31/3/2024	N/A	2,100	-	-	-	-	-

[1] Long Term Incentive Plan (LTI), Deferred Compensation Plan (DCP).
[2] 2021 Grant refers to Stock (or Fund units) Grant and therefore expiry date i s not applicable.
[3] Fund invests in TCI shares.
* Management Committee members' 2021 LTI award received as units of Fund which invest mainly in TCI shares.
** Yanni Paniaras is Board Executive Director since May 2021. Options vested in 2021 granted prior to Mr. Paniaras' appointment as Board Executive Director

8.10 2021 performance criteria and outcomes | Short-Term Incentives

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

The Covid challenges were still very much the cause of significant uncertainties at the beginning of 2021. The Group maintained the view that the trend of market fundamentals was positive and within this context set the emphasis of performance criteria primarily on Group, regional and country profitability targets. These performance criteria are a key incentive for leading the company to successfully surpass the Covid period's uncertainty and to be better positioned to pursue its longer term strategy thereafter.

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 for decision making.

Despite very sharp cost increases in critical cost elements (such as fuel, electricity and shipping freight) in the last four months of the year, the overall profitability of The Group was sustained at levels not far below the original targets. In 2021, at Group level, EBITDA was below the target resulting in a 88.0% payout in the respective part of variable pay and Group ROACE was also below target resulting in a 79.6% payout in the respective part of variable pay.

Furthermore, in 2021, at Group level, a strong performance achieved against the set target linked to safety (the Lost Time Injuries Frequency Rate index (LTIFR) was lower than the target), resulting in a 120.9% payout in the respective part of variable pay.

The remuneration committee considered the overall performance and concluded to award the variable pay for 2021 according to the achieved results.

8.11 2021 performance criteria and outcomes | Long-Term Incentives

As already mentioned, two Restricted Stock Option plans (the RSIP 2014 and the RSIP 2017) are currently under implementation:

The 2014 Stock Options Plan (approved by the AGM of Titan Cement Company SA of 2014)

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. Beneficiaries of the 2014 Stock Option Plan are 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 in 2014, 2015 and 2016 was three years. As a result, the granted options matured in December 2016, December 2017 and December 2018 respectively, provided that the beneficiaries were still employees of the Group. After the completion of the three-year vesting period, the Board of Directors, based on the following criteria, decided the final number of options that the beneficiaries had the right to exercise:

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

Based on the achievement against the above performance criteria, the percentage (%) vested of the options granted in 2014, 2015 and 2016 was: 49% options vested out of the total granted options in 2014, 46% options vested out of the total options granted in 2015 and 81.3% options vested out the total options granted in 2016.

The Plan's beneficiaries are entitled to exercise their stock option rights, either in whole or in part, within the first five working days of each month, paying the Company the relevant amounts until the expiration date of their stock options i.e. until December of the third year after vesting of the stock options. Based on the Board of Directors decision dated April 9, 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.

The 2017 Stock Options Plan (approved by the AGM of TITAN Cement Company SA of 2017)

According to this three-year Plan, the Board of Directors is entitled to grant up to 1,000,000 stock options at a sale price equal to €10.00 per share. Beneficiaries of this Plan are the 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 in 2017, 2018 and 2019 is three years. As a result, the granted stock options mature in December 2019, December 2020 and December 2021 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 will be entitled to exercise, shall be determined by the Board of Directors, within the first four months of 2020 (done), 2021 (done) and 2022 respectively and shall depend:

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 producing companies peer group:

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

Based on the achievement against the above performance criteria, the percentage (%) vested of the options granted in 2017, 2018 and 2019 was: 49.8% options vested out of the total number of options granted in 2017, 35.88% options vested out of the total number of options granted in 2018 and 31.83% options vested out the total number of options granted in 2019.

The Plan's beneficiaries are entitled to exercise their stock option rights, either in whole or in part, within the first five working days of each month paying the Company 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.

8.12 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 2020 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.

9. 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:

9.1 Capital Structure – Transfer of Company Shares

As referred above, in Section 2.1, on 31 December 2021, the Company's share capital amounted to €1,159,347,807.86 represented by 78,325,475 shares, without nominal value, with voting rights, each representing an equal share of the capital.

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

The Company's Articles of Association do not contain any restriction on the transfer of the Company's shares.

9.2 Restrictions on voting rights

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, 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.

9.3 Shares conferring special control rights

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

9.4 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

The Company, following the transparency notification received on 24 June 2021 and changes in shares that did not require a transparency declaration, due to the fact the 5% threshold was not exceeded either upwards or downwards, has been informed that the following shareholders, 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, Eleni Papalexopoulou, Alpha Trust, Delta Trust and Lamda Trust, holding in total 30,641,972 shares, which correspond to 39.12% of the Company's voting rights, are acting in concert.

9.5 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.

9.6 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 three-quarters of the votes cast, whereby abstentions are not taken into account either in the numerator or in the denominator.

9.7 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 and a maximum of fifteen 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 finishes 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 expires immediately after the Shareholders' Meeting, without prejudice to the validity of the composition of the Board of Directors until that date.

As long as the Shareholders' Meeting or the Board of Directors, for whatever reason, does not fill such vacancy, the directors whose mandate has expired 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.

9.8 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/).

9.9 Power of the Board of Directors to issue and buy-back shares

9.9.1 The Board of Directors, pursuant to article 6 of the Company's Articles of Associations and the relevant resolution of the Shareholders' Meeting of 13 May 2019, may increase the share capital of the Company in one or several times by a (cumulated) amount of maximum €1,106,211,679.40. The Board of Directors can exercise this power for a period of five (5) years as from the date of publication of the Annexes to the Belgian Official Gazette of the completion of the condition precedent of the amendment to the Company's Articles of Association approved by the Extraordinary Shareholders' Meeting of 13 May 2019. This authorization may be renewed in accordance with the relevant legal provisions.

9.9.2 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 7:215ff of the BCCA and within the limits set out in these provisions, acquire, on or outside a regulated market, its own shares, which correspond to maximum 20% of the issued shares, for a price which will respect 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 five years from the date of the publication of the completion of the condition precedent of the amendment to the Company's Articles of Association approved by the Extraordinary Shareholders' Meeting of 13 May 2019.

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 7:221ff of the BCCA. If the acquisition is made by a direct subsidiary, the dividends attached to the shares held by the subsidiary go to the subsidiary.

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 three years as from the date of publication in the Annexes to the Belgian Official Gazette of the completion of the condition precedent of the amendment of the Company's Articles of Association, approved by the Extraordinary Shareholders' Meeting of 13 May 2019.

The Board of Directors is authorized to divest itself of part of or all 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. The authorization covers the divestment of the Company's shares by a direct subsidiary within the meaning of the BCCA. The authorization is valid without any time restriction, irrespective of whether the divestment is to prevent any serious and imminent harm for the Company or not.

9.10 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 has not entered into agreements, which come into effect, are amended or terminated in the event of a change of control of the Company, solely following a public tender offer.

It should be noted, though, that the Company has entered into, as it is common, in agreements with a "change of control" clause, specifying the right of the lending bank to request the early repayment of the loan or the exit of the counterparty from a company of the Group, in the event of a change of control in the Company. In particular, such a clause is included in a Multicurrency Revolving Facility Agreement of €208 million, which has been 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.

9.11 Agreements between the Company and the 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.

10. Shareholder Information and Services

The Board as a whole is responsible for ensuring a satisfactory and effective dialogue with shareholders. The Investor Relations team, together with the Managing Director, the CFO and other Group executives, regularly meet with institutional investors and participate in investor roadshows and industry conferences. The announcements of the annual and the interim Group results are accompanied by webcasts and conference calls with analysts and investors.

All the 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).

10.1 Investor Relations Department

The Investor Relations Department is responsible for monitoring Company 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
Investor Relations Director: Afroditi Sylla,
e-mail: syllaa@titancement.com

10.2 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 is also responding to correspondence from shareholders on a wide range of issues.

Shareholder Services Manager: Nitsa Kalesi, e-mail: kalesin@titan.gr

10.3 Share Facts

10.3.1 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

10.3.2 Tickers

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

Risk management

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 values, including oversight model, operating structures, definition of desired cultural traits, 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 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 planning and performance management cycle of the Group, 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. These risks are categorized as "strategic", "operational", "ESG" or "financial".

A committee consisting of senior managers from the Group's Strategic Planning, Legal and Internal Audit, Risk and Compliance departments periodically assesses the Group's main risks 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 October 2021 the board held a meeting specifically dedicated to reviewing the Group's strategic directions and priorities against the key business risks for the next three years (2022, 2023 and 2024).

In addition, in 2021 a specific assessment of the Group's climate change-related risks and opportunities took place. The exercise covered physical risks like temperature, flooding and water stress, as well as transition risks, like carbon pricing, reputational damage and litigation. To this effect, TITAN's relevant Sustainability and Risk teams engaged with climate risk experts to analyze risks stemming from climate change, as well as opportunities arising from the transition to a low-carbon economy, in alignment with the TCFD framework. The results indicated that the Group's climate-related risks are in line with those of its sectoral peers.

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 expenditures reviews, strategic planning, budgeting process, etc).

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 in achieving 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 Corporate Affairs, Group IT, Group Communication, Group HR) and also at the local business unit level (BU Legal, Procurement, 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 enables a strong risk culture embedded in all relevant decision-making.

Kamari cement plant, Greece

At the same time, all risks of higher magnitude that are relevant at Group level are managed centrally, aggregating risk data points from multiple sources across the organization, integrating insights, and crafting mitigating action plans 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 this 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 into the day-to-day operations and 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.

Group Internal Audit, Risk and Compliance 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 on a regular basis management reports on the key risks to the business and the steps taken to mitigate such risks 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 mitigation and adaptation

The cement industry is potentially sensitive to ever more stringent carbon regulations. For example, the Group's operations in Greece and Bulgaria are required to comply with an EU-wide cap and trade emissions scheme, namely the European Trading Scheme (ETS), under which industrial installations must report and control their CO_2 emissions on an annual basis. This may result in additional capital expenditure and reduced profitability due to increases in operating costs; because of this, the Group may face increased competition from cement producers operating outside the EU, which do not incur ETS compliance costs. A mulled Carbon Border Adjustment Mechanism (CBAM) to protect against "carbon leakage" is still under design and may eventually prove ineffective. Beyond operations in the EU, additional countries in TITAN's footprint that do not face stringent carbon regulations today could in the future adopt CO_2 pricing or other carbon regulations, resulting in an uneven playing field if "carbon leakage" is not adequately addressed (for example resulting in reduced competitiveness of exports).

Moreover, the surging climate agenda may promote the use of concrete substitutes for construction as less carbon intensive.

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 (transitional risks) and the identification of appropriate roadmaps of mitigating actions for the safeguarding of 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, energy efficiency measures, the development of new products (including low-carbon clinker), and continuous innovation across the value chain. Indeed, the Group is engaging in research collaboration with the scientific community on less carbon-intensive cements and concretes (e.g. using cementitious materials and chemical additives) to develop and promote the use of new "green" concretes and create a level playing field versus other building materials.

• 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 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 developed markets, like the USA and EU markets, as well as in emerging markets, such as Egypt, Turkey and Brazil. Any future deterioration in the global economic environment, or in any particular market, that contributes significantly to the Group's revenues and profitability could have a material adverse effect on the construction sector, and consequently, on the Group's business, operational results and financial condition.

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

A large proportion of the Group's business, operations, and assets is concentrated in the United States, in particular in Virginia, Florida, North and South Carolina, and New Jersey, and the Group's operational results are dependent on the Group's performance in the United States. 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 adverse change in logistics or freight costs, can have an adverse effect on the Group's operating performance, business and profitability.

• Political and economic uncertainty

The Group operates and may seek new opportunities in emerging markets with differing and, at times, volatile economic, social and political conditions. These conditions could include political unrest, civil disturbance, currency devaluation, capital controls 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.

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 including COVID-19 pandemic risk

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 BUs/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 crisis (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 are continuously updated in order to mitigate the effects of health and safety-related crises, and financial resilience measures are taken so as to bolster the Group's balance sheet and insurance coverage. On a strategic level, the Group's geographical diversification can provide a high degree of resilience against the effects of more regional disruptions.

In 2021, similar to the previous year, a particular focus on the potential risk assessment of COVID-19 (SARS-CoV-2) continued to be placed, given the ongoing prevalence of the global pandemic, focusing on the potential effects of the pandemic in dimensions such as the health and wellbeing of personnel, disruptions in production capacity of our assets, the drop of demand for the Group's products in particular markets and supply chain disruptions affecting the local and international flows of materials and people. All the measures that successfully addressed the COVID-19 related risks since early 2020, such as COVID-specific workplace health protocols and policies, effective production and supply chain processes, safeguarding of critical supplies, and dedicated reporting to enhance the ability to detect potential impacts in our markets, were fully applied throughout the year and adjusted where needed, following the pandemic evolution in each area of the Group's operations.

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 risks

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 exposure 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 2021, the Group's ratio of fixed to floating interest rates stood at 88%/12% (31 December 2020: 93%/7%).

• 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 raise needed funds.

• Counterparty risks

Counterparty risk relating to financial institutions' inability to meet their obligations towards the Group deriving from placements, investments, and derivatives, is mitigated by pre-set 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 2021, the majority of Group liquidity was held with investment-grade financial institutions with pre-agreed credit support agreements.

The Group is also exposed to counterparty risks relating to customer receivables. Customer receivables primarily derive from a large, widespread customer base. The financial status of customers is constantly monitored at the 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.

Environmental, Social and Governance (ESG) Risks

• 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 top 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 coverage by an adequate number of 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 judicial authorities. These may impose increasingly stringent obligations and restrictions regarding, among other things, land use, remediation, air emissions, waste treatment, water use, and occupational and community health and safety. The costs of complying with these laws and regulations are likely to increase over time.

The Group is in compliance with all environmental regulations and conditions in all countries where it operates. With a view to continuously managing the environmental impact of its operations, TITAN applies in all its plants management systems to monitor and report their environmental impact. The Group's Environment Policy and environmental management provide targets for the reduction of air emissions, the protection of biodiversity, water and waste management, and quarry rehabilitation.

• Human Resources, Diversity 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 and promote their mobility may not be sufficient, 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.

Moreover, success in enforcing its Human Rights and Diversity 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 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 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.

• 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. The Compliance Program reinforces compliance culture, ensures adherence to compliance requirements, and fosters ethical behaviour. Moreover, all operations are continuously monitored at local and Group level by the Group Legal and Group Internal Audit, Risk and Compliance departments. Also, relevant reports provided by experts and independent organizations such as Transparency International, are taken in account.

The set of Code of Conduct and Group Policies, applicable to all TITAN Group operations, cover all strategic areas and provide guidelines to employees and external business collaborators for compliance with the applicable internal and statutory rules. Such Group Policies include but are not limited to Anti-Bribery and Corruption, Conflict of Interest, Competition Law, Sanctions, Corporate Social Responsibility, Whistleblowing, Environmental and Climate mitigation, Protection of Personal Data, Human Rights, Occupational Health and Safety. Regular training of employees is conducted to ensure that the Group's Code of Conduct and relevant Group Policies are effectively adhered to. All employees also have free and unrestricted access to the Group Policies, which have been uploaded on the Group Intranet and on our website (https://www.titan-cement.com/about-us/corporate-governance/group-policies).

Operational Risks

• Production cost (including raw materials and energy)

Thermal and electrical energy and fuel costs, freight rates or other transportation costs, and the cost of raw materials constitute the most important elements of the Group's cost base. Increases or significant fluctuations in energy and fuel costs, freight rates, or other transportation costs could adversely affect the Group's operational results, business, and financial condition, especially if it is unable to pass along higher input costs to its customers.

In 2021 the costs of energy (thermal and electrical) increased significantly, especially in Europe, due to a variety of factors, especially in the second half of the year. Freight rates, which are responsible for a significant part of the Group's logistics cost, also increased substantially. A specific review of the measures available to the Group for mitigating such cost increases was performed at regional level and at the Group Executive Committee and an appropriate set of actions (including hedging instruments) was put in place. In addition, in order to reduce costs and also curtail its environmental footprint, the Group is investing in low energy-requirement equipment and in energy efficiency.

Ensuring access to the required quality and quantity of raw materials at competitive cost is a constant priority. Care is taken to secure the adequacy of the supply of raw materials during the facilities' entire lifetime. The Group is investing in the use of alternative raw materials in order to gradually reduce its dependence on natural raw materials.

• Risks arising from various risks of business interruption, including as a result of natural disasters

Natural disasters such as earthquakes, hurricanes, storm surges, flooding, wildfires may at any time disrupt our asset base and production and/or distribution capacity, etc. There is also a risk of an increase in the frequency of extreme natural events, potentially as a result of climate change.

With regards to the mitigation of the effects of possible physical impacts on the Group's assets from extreme natural events, the company is implementing a set of proactive protective measures for its assets and developing continuously updated emergency plans. With a view to protect its people and its operations, TITAN also invests systematically in equipment and systems to prevent or mitigate the effects or flooding, fire, hurricanes, etc. The Group also 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.

• 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 opportunistic hackers to full-scale foreign government sponsored shadow organizations), with a diverse level of motivation, sophistication of attack systems, skills, and resources. Attacks could range from incidental 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 or corruption or leakage of data may be crucial for:

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

Kosjeric cement plant, Serbia

IT systems' breakdown or corruption could require lengthy remediation action, while OT systems breakdown or corruption 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.

• 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 and delivery of its products. Scarcity of natural resources, such as water and aggregates reserves, 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 and production inputs, 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, develops strategic options for the provision of its most critical supplies, stocks critical spare parts which in case of failure may result in long stoppages 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. Such measures to create sourcing resilience were reviewed in detail during 2021, given the ongoing global supply chain disruptions. 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.

Rehabilitated quarry, USA

MANAGEMENT REPORT

ESG PERFORMANCE REVIEW

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

ESG performance overview

As presented in pages 20-21, TITAN has 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, growth-enabling work environment, positive local impact, and responsible sourcing, all underpinned by good governance, transparency and business ethics.

In the ESG performance review section of the Management report, we provide 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 them, highlighting important achievements recorded throughout the year (e.g. new policies, initiatives, programs and investments).

Focus area: Decarbonization and digitalization

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

TITAN is committed to the COP21 Paris Agreement goal of keeping the increase in global average temperature to well below 2°C, and preferably 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 has signed the "Business Ambition for 1.5°C" Commitment, a 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.

In 2021, the GCCA launched "Concrete Future", the industry roadmap to net-zero concrete that will guide all GCCA members through their decarbonization process, a journey that has already started at TITAN with ambitious, science-based targets and concrete actions across all our regions and operations.

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 the 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.

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

TITAN Group was among the first cement companies worldwide to have its CO_2 emissions reduction targets validated by the Science Based Targets initiative (SBTi). Using the guidance and resources provided by SBTi, we developed the reduction targets in line with SBTi rules and submitted them for validation in mid-2021. Following a thorough procedure, the targets, covering greenhouse gas emissions from TITAN's operations (Scopes 1 and 2), were validated as consistent with reductions required to keep global warming to well below 2°C, in accordance with the goals of the Paris Agreement. The Group is aiming to:

- Reduce Scope 1 GHG (gross) emissions by 20.7% 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 March 2021.
- Reduce Scope 2 GHG emissions by 42.4% per tonne of cementitious product within the same timeframe. This target is in alignment with the 45% reduction target by 2030 from a 2020 base year, announced by TITAN in March 2021.

Note: The target boundary includes biogenic emissions and removals associated with the use of bioenergy.

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

In addition, TITAN has committed to drive down the CO_2 footprint of its operations and products, aspiring to deliver society with carbon-neutral concrete by 2050, while monitoring and independently verifying its supply chain (Scope 3) emissions.

TITAN's Scope 1 CO_2 emissions performance

In 2021, the Group improved further its net Scope 1 specific emissions by almost 20kgCO_2 per tonne of cementitious product to 654.2kgCO_2 per tonne of cementitious product, or else a 16.0% reduction compared to 1990 levels. The Group remains determined to address the climate change challenge and has committed to achieve a level of 500kg CO_2 per tonne of cementitious product by 2030 and a reduction of 35.0% since 1990.

Alternative fuels (Co-processing)

The increased use of lower-carbon fuels that replace non-renewable fossil fuels is a key lever towards achieving TITAN's decarbonization targets. Co-processing contributes to the conservation of natural resources, the reduction of CO_2 emissions, and the cement industry's long-term competitiveness while it also provides a low-cost circular-economy solution to society.

The Group's alternative fuel thermal substitution rate reached 15.5% in 2021, an increase of ca. 19.0% since last year. Biomass use also increased, reaching a thermal substitution rate of 4.8%. 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 in 2021. The increase in the use of alternative fuels has been the result of (a) successful permitting, (b) continuous and rigorous sourcing efforts for new alternative fuels in the local and international markets, and (c) investments across several TITAN cement plants in alternative fuel processing facilities and the plants' feeding, storage and combustion infrastructure of ca. €20 million.

More specifically, a new state-of-the-art production facility for alternative fuels went into operation in Pennsuco cement plant, Florida, during the first quarter of 2021, thus introducing high-quality RDF as a new fuel type for co-processing in the kiln. New installations or upgrades to the existing infrastructure for the production of alternative fuels were also completed in the cement plants of Zlatna Panega plant, Bulgaria, and Usje, North Macedonia, allowing both plants to reach record thermal-substitution levels and contributing to local waste-management efforts. The feeding installation of the Thessaloniki plant, Greece, was also upgraded, resulting in significant improvements in the plant's consumption of alternative fuels.

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 reducing the environmental footprint of the Group's plants. One of the key investments towards this goal is a new €25 million pre-calciner unit in Kamari plant, in Greece. Its installation started in 2021 and it is expected to be in full operation in 2023. Additional investments of ca. €14 million were approved during 2021, which will further improve the storage, handling and feeding infrastructure of Zlatna plant in Bulgaria, Beni Suef plant in Egypt and Thessaloniki plant in Greece.

Fully aligned with its sustainability ambitions and commitment to the circular economy, TITAN is also diversifying into the waste management sector. A notable example is the participation in the public tenders (PPPs) for mechanical and biological waste treatment (MBT) plants in Greece, in a joint venture with TERNA Energy. MBT plants can maximize recycling, minimize landfilling and secure the availability of alternative fuels, providing a solution to the critical environmental issue of municipal solid waste (MSW).

Low carbon products

The Group further reduced the carbon footprint of its products by shifting to lower-carbon cements in the USA, Greece, Egypt and North Macedonia. In 2021, we made further progress in the reduction of our clinker-to-cement ratio, achieving a decrease of 0.7 percentage points (81.7% vs. 82.4% in 2020).

Meanwhile, since September, approximately half of Titan America's cement output consists of the lower-carbon Type IL cement. Its Pennsuco plant in Florida is now the largest US producer of Type IL cement, which has approximately 15% lower carbon emissions than Type I or Type II cement. 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.

Moreover, the Group's plants in Greece – Kamari, Thessaloniki and Patras – started to produce a new Portland-composite cement (CEM II/B-M (P-LL) 42.5N) with an improved carbon footprint to cover both the domestic market and exports to other European countries. The Alexandria and Beni Suef plants in Egypt introduced a Portland-pozzolanic cement (CEM II/A-P 42.5N), with lower embodied CO_2 than the local industry benchmark of Ordinary Portland Cement (OPC). The Usje plant in North Macedonia, in line with its commitment for continuous improvement in the field of environmental protection and sustainable development by reducing waste, introduced two new pozzolanic cements (CEM IV/B (V-P) 32.5N and CEM IV/B (V-P) 42.5N), which have a lower clinker content and use more high-quality fly ash and natural pozzolana.

Thermal energy efficiency

Energy efficiency, the conscious use of raw materials and fossil fuels and their replacement with alternative ones, and the implementation of efficient waste management systems are proven means of adding value throughout the value chain as well as providing waste management solutions at a local level.

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 low energy demand equipment to improve energy efficiency.

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 pre-calciner and new burners), as well as careful selection of fuels, use of mineralizers and process optimization, helped sustain the Group's strong performance in thermal energy consumption.

In 2021, specific heat consumption (SHC) remained at almost the same level as in 2020.

Climate change mitigation indicators	2021	2020
Group level (cement operations)		
Specific net Scope 1 CO_2 emissions ($kgCO_2$/t cementitious product)	654.2	674.0
Alternative fuel thermal substitution rate (%)	15.5	13.1
Clinker-to-cement ratio (%)	81.7	82.4
Specific heat consumption (kcal/kg clinker)	839.5	834.9

Scope 2 CO_2 emissions performance

Regarding Scope 2 CO_2 emissions, TITAN Group is exploring the different options available to realize this target. Sourcing renewable energy from current or potential suppliers, installing renewable energy facilities like wind or solar farms at or near our plants and quarries or maximizing thermal energy retrieval using waste heat recovery systems are options that TITAN Group is considering as possible solutions.

In 2021, Scope 2 specific emissions were reduced by 15.6%, bringing them to 51.5kg 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, like low-energy vertical roller mills, roller presses and dynamic separators, or motors with inverters as well as the replacement of electrostatic precipitators with the lower energy-consuming bag filters. In 2021, the Zlatna Panega plant in Bulgaria finalized and commissioned the upgraded raw meal silo and raw meal transportation system, which resulted in a 10% reduction in electrical energy consumption for clinker production.

In 2021, specific electrical energy consumption slightly increased, reaching 115.0kWh per tonne of cement compared to 113.0kWh per tonne of cement in 2020.

Scope 3 CO_2 emissions performance

Monitoring our supply chain (Scope 3) CO_2 emissions is critical to achieving TITAN's long-term ambition for carbon-neutral concrete by 2050. In mid-2021, after two pilot tests in Greece and Serbia, the Group ran a full-scale exercise covering 13 integrated and 2 grinding cement plants to measure Scope 3 emissions. Our analysis covered 6 of the 15 Scope 3 emissions categories. The selected categories, namely purchased goods and services, fuel and energy-related activities, upstream transportation and distribution, business travel, employee commuting and downstream transportation and distribution, are considered relevant to cement activities according to the GCCA analysis, with only 4 of them being mandatory. Emissions related to downstream transportation and distribution were independently verified and disclosed for the first time in our second CDP 2021 report. ERM CVS reviewed our methodology to ensure that it is aligned with the GCCA guidance (Cement Sector Scope 3 GHG Accounting and Reporting Guidance) as well as the GHG protocol. In addition, ERM CVS verified our Scope 3 emissions, in all selected categories, in 2021. Scope 3 specific emissions were 103.4kg CO_2 per tonne of cementitious product, representing about 12.2% of the total GHG emissions. Fuel-related activities are the main contributor, accounting for more than 45.0% of the total Scope 3 emissions at Group level. Purchased goods and services is the second most important factor, contributing to about 25.0% of the total, while downstream transportation and distribution is the third most important category, at about 21.0%. Although Scope 3 emissions are affected by the specific operating conditions of each facility, such as the source of raw materials and fuels, product mix and market fragmentation, transportation distance, transportation means (e.g. trucks, trains, vessels, etc.), the analysis of the data showed that the above three categories are the main contributing factors for the majority of our facilities.

2021 emissions will serve as a baseline and help TITAN identify the major sources of emissions of its supply chain. The Group will also start encouraging its suppliers towards making a net-zero 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.

Decarbonization roadmap until 2030

In parallel with the validation of the Group's CO_2 emission targets by the Science Based Targets initiative (SBTi) in July 2021, a thorough internal exercise was initiated in order to establish a detailed Scope1 decarbonization roadmap until 2030, covering all traditional reduction levers:

1. Reducing clinker content in the final product (Clinker-to-cement ratio)

2. Increasing the thermal substitution rate of conventional fossil fuels by alternative fuels

3. Reducing specific heat consumption through process optimization and improvements in energy efficiency

A specific methodology developed in-house was applied to all business units (excl. Brazil), regardless of the existence of local carbon pricing mechanisms. Participation in this process was universal and cross-functional; senior and middle-management from commercial and technical departments across the Group worked on the project under the guidance and support of the Group's Corporate Center.

The outcome confirms TITAN's ability to achieve its published and validated by SBTi CO_2 targets. A detailed list of over 90 actions and projects has been compiled, all of which provide significant cost savings, business-growth opportunities and decarbonization potential. Total capital expenditure is ca. €150 million and relatively evenly distributed throughout the decade until the end of 2030.

Material issue: Innovation with emphasis on digitalization and decarbonization

TITAN continued to invest in research, development and innovation activities in 2021, covering the entire value chain of manufacturing and distributing cement, concrete and cement-based products, with a focus on decarbonization, digitalization and competitiveness.

Innovation with emphasis on decarbonization

In 2021, TITAN made progress in innovation to address climate change, both in terms of conventional levers (thermal energy efficiency, fossil fuel substitution, reduction of clinker-to-cement ratio), as well as through novel approaches, with an emphasis on new, lower-CO_2 cementitious products, carbon-capture utilization and sequestration, and hydrogen technologies.

We implemented new methods developed in-house for the rapid and accurate evaluation of materials suitable for use in cement and concrete production with a minimal or zero-carbon footprint, including by-products and wastes. We proceeded with the successful thermal activation of locally available clay materials on an industrial scale, achieving product performance at par with conventional cement with up to 30% lower CO_2 emissions. We remain highly optimistic that the activated materials will be part of our sustainable low-carbon solutions, enabling the transition to the decarbonization of cement and concrete in many of our geographies. In Greece in particular, the Patras plant conducted some very successful industrial trials, including the calcination, in an old existing rotary kiln, of local flysch, to produce calcined clay, a very active pozzolanic cement constituent.

With regards to carbon capture, utilization and sequestration (CCUS), we remain actively engaged in collaborative research actions, including initiatives supported by institutions at both a local and regional level. Relevant research activities in 2021 included investigations and pilot preparations on advanced sorption materials, membranes, oxyfuel, solar calcination and CO_2 conversion through mineralization and green chemistry. At the same time, we are continuing to evaluate mature technologies for industrial deployment, in collaboration with our industrial and scientific partners for our cement operations in the EU and the USA. In addition, we are participating in the Open Innovation Challenge by the Global Cement and Concrete Association (GCCA), aiming to bring forth novel technological solutions on carbon capture, calcination, concrete recycling and the use of captured CO_2 in construction, in collaboration with start-ups from across the globe. In this context, we continue to contribute to research activities of the GCCA Research Network, INNOVANDI, through our participation in the design and launch of new projects, as well as through industrial mentorships aiming to achieve new insights into calcined clays, recarbonation and efficient clinker calcination. In 2022, we look forward to obtaining first-hand experience in novel carbon-capture and utilization technologies, by proceeding with two pilot demonstrations at our Kamari plant, in Greece, in collaboration with our partners in EU Horizon2020 projects RECODE and CARMOF.

In 2021, we closely followed hydrogen use in cement clinker manufacturing, proceeding with industrial pilots in Greece and Bulgaria. Initial results showed that significant reductions in direct CO_2 emissions are possible with hydrogen, especially when produced through renewable means ("green hydrogen"). We participated in the call for Important Projects of Common European Interest on Hydrogen Technologies and Systems (EU IPCEI on Hydrogen), with the project proposal entitled H2CEM. In H2CEM we envision to deploy and scale up the use of green hydrogen, targeting at least an 8% reduction in CO_2 emissions by 2030.

With a view to developing innovative approaches to construction, we successfully completed laboratory and pilot trials involving 3D printing of cement and concrete structures in 2021. In collaboration with academic and industrial partners, we are proceeding with two full-scale printing demonstrations in 2022 while at the same time investigating business opportunities in the emerging market of 3D printed construction.

During the year, we continued to develop and implement innovative digital tools, deployed with the use of state-of-the-art equipment with an emphasis on improving our direct carbon footprint. Focusing on our core cement manufacturing technologies, we realized digital pilots using novel systems for accurately monitoring high temperature processes within our kilns, maintaining product quality, as well as optimizing the use of fuels by minimizing fluctuations. In addition, we implemented new online tools to continuously measure and control particle size during cement grinding operations, utilizing smart decision-making software, developed in-house to enhance product performance. Furthermore, in collaboration with our academic partners from the Aristotle University of Thessaloniki and the Centre for Research and Technology Hellas (CERTH), we launched the DIGIKILN project, co-funded by the Greek state. With DIGIKILN, we have begun to develop a mechanism-driven digital twin of the cement kiln, by coupling our long-term experience on clinker manufacturing with fundamental approaches and breakthrough computational methods. We developed energy consumption prediction models for cement mills at Kamari plant, following data science practices and adopting state-of-the-art machine learning (ML) technologies. By exploiting historical sensor measurements and operational data, the models offer high-accuracy predictions for energy consumption, supporting energy efficiency and decarbonization. The project was developed in cooperation with SYMBIOLABS, a spin-off company of ATHENA Research Center.

Digitalization

TITAN is a pioneer in the digital transformation in cement manufacturing. 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 building materials 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, TITAN's Group Digital Center of Competence continued the rollout of existing Artificial Intelligence-based Real Time Optimizer solutions (developed both in-house and with partners) for its cement manufacturing lines and developed new ones. The Real Time Optimizers allow for increased productivity, as well as reduced energy consumption. In 2021, the Group Digital Center of Competence 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, increasing the plants' reliability and reducing the cost of reactive maintenance. As of 2021, this system has been installed in plants in the USA, Egypt and Southeastern Europe.

Finally, TITAN has fully incorporated advanced digital solutions based on BIM (Building Information Modelling) technology in its major internal infrastructure deployments (including plant upgrades, logistics terminals, etc.).

TITAN continued the development of digital twins of the outbound supply chain network of its business units. 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 and Southeastern Europe.

Finally, TITAN continued the rollout of its in-house, proprietary, cement spare-parts inventory optimization analytical methodology and as of 2021 has implemented it in its cement plants in Egypt and Greece.

In the Customer Experience domain, TITAN is working on digitalizing the way the Group interacts with its customers to improve customer experience and create a more efficient

Group Digital Center of Competence

commercial operating model. To that end, as of 2021, TITAN has deployed digital customer applications in business units in the USA and Europe.

TITAN is supporting its digital transformation journey through internal and external capability building efforts (e.g., the Digital Academy established in Greece with an external training partner) and the development of an ecosystem of partners which includes start-ups, academic institutions, equipment and systems manufacturers, specialized advisers, etc.

Resilience of IT infrastructure and cyberattacks

The resilience of IT infrastructure is of high importance for the sustainability of the Group's operations. Therefore, TITAN appointed a Group Information Security manager who reports to the Chief Information Officer and is responsible for the development of the organization's information security strategy and program. Regional Information Security Managers report to the Group information Security Manager.

TITAN's Information Security framework, policies and the overall IT-related risk management are aligned with the requirements of the ISO 27001 standard.

TITAN's information security governance outcomes are:

• Protection of information assets against cyber attacks

• Value delivery through efficient utilization of security investments

• Performance measurement through information security KPIs and self-assessment

To strengthen the security and resilience of critical infrastructure against cyber-attacks, TITAN offers annually online interactive training to educate all end users, reduce vulnerabilities by enhancing existing proactive prevention capabilities and building new ones for rapid detection and response, constantly working towards the application of best practices and revising our business continuity plans.

Furthermore, the Group has initiated a major IT project to implement a common ERP system across all Group entities.

Focus area: Growth-enabling work environment

Caring for and developing our employees is core to the purpose and values of TITAN and essential to ensuring a growth-enabling work environment. As such, we aim to cultivate an inclusive culture with equal opportunities for all our people to grow professionally within a safe and healthy work environment as part of our 2025 ESG commitments.

Safeguarding our people and operations against COVID-19 was a priority in 2021 and, as a result, TITAN has managed to deal effectively with the waves of the ongoing pandemic. In close cooperation with medical experts, action plans were implemented at all sites to establish protective measures for people working on-site, both employees and contractors, and promote remote working, where possible.

TITAN's people strategy focuses on the three pillars of learning, talent, and organization, supported by a foundation of an engaging and inclusive work environment, fair and transparent reward management, and effective human resource management systems. The focus on learning encourages the development of upskilling and reskilling programs and strengthens leadership, functional as well as health and safety, decarbonization and digital skills across the Group. The focus on talent ensures the attraction, retention and development of the talent necessary to meet the strategic workforce needs of the company and the fulfillment of the career aspirations of employees. Finally, the focus on organization ensures that the structures, processes and workflows enable our talent to perform.

Material issue: Safe and healthy working environment

Response to COVID-19

TITAN responded to the pandemic through several measures, including increasing hygiene and sanitization standards, promoting social distancing, installing plexiglass panels, making mask use mandatory, offering PCR and rapid testing, and reducing or canceling travel and large meetings and events. In addition, medical and psychological support were provided by experts or through health care programs.

More than 13 initiatives in 7 Group countries were implemented to mitigate the impact on our employees and business partners, and to provide humanitarian support to citizens in local communities. In 2021, we launched information campaigns on vaccination and encouraged our employees to get immunized. These campaigns were especially successful in our business units in Egypt and Turkey, where the share of vaccinated employees against COVID-19 exceeded 90%. In addition, we collaborated with local hospitals and NGOs and implemented initiatives to enable, accelerate and cover the cost of the vaccination programs for more than 1,500 employees and contractors in the USA, Egypt, Albania and North Macedonia.

Health and Safety

Guided by the Group Health and Safety policy, which envisages a work environment that ensures health and safety for employees, contractors and third parties, we are systematically strengthening our accident prevention and health promotion systems in all production and distribution operations.

In this pursuit, the processes of health and safety certification, site auditing and incident investigation play an important role in reducing workplace risks and improving safety behavior.

In Europe, Turkey and Egypt, 100% of our cement plants and more than 83% of our combined ready-mix concrete and aggregates plants are now certified to the ISO 45001 Health and Safety Management System, which has replaced OHSAS 18001. In the USA, all TITAN activities conform to the requirements of the relevant OHS organizations.

Group Health, Safety and Environment (HSE) audits on an annual basis all integrated cement plants and, occasionally, other selected facilities. Installations, behaviors and procedures are examined and detailed recommendations are made. These recommendations, together with the recommendations derived from the investigation of accidents and important near misses, are implemented by operations management. In 2021, more than 1,700 audits (internal and external) were conducted in our cement plants.

While in 2020, COVID-related restrictions caused all Group HSE audits to be performed remotely (by streaming online video and audio from the sites to the remote auditors), the improved conditions in 2021 allowed the return to on-site auditing in most cases.

Lost Time Injuries Frequency (LTIFR) for our own personnel stood at 0.91 LTI per million hours worked. While this figure represents a slight increase relative to the 2020 LTIFR (0.57 LTIs per million hours worked), it remains consistent with the continuous improvement that began in 2017 (LTIFR 2.41) and has yielded an overall reduction of 62%.

Contractor LTIFR increased slightly, from 1.46 to 1.55 LTIs per million hours worked.

There were no fatalities.

The average training hours in health and safety per person for both employees and contractors increased in 2021, despite the continuing difficulties posed by the pandemic.

The effort to maintain safety awareness in relation to specific tasks and hazards continued in 2021 by targeting safe work at concrete-pouring sites , the safe unloading of silo trucks and safe driving. Safety at concrete-pouring and silo-truck unloading sites was a focus point in the Group HSE audits. Group HSE produced a detailed audit guide covering both the unloading silo truck and the receiving installation. This program will continue in 2022, as will Next Step in Safety, a multifaceted program for the prevention of serious incidents, which is already running in Europe, Turkey and Egypt. Refresher training in Root Cause Analysis, an important tool in incident investigation, will also be offered.

Safe driving was also given significant attention. In Greece, TITAN is implementing a program focusing on the condition of vehicles. Raw materials transportation trucks, concrete mixer trucks and concrete pumps are subjected (over and above legal requirements) to periodic controls at specialized workshops, in order to obtain or renew the Safety Pass stipulated by TITAN.

In the US, TITAN is employing digital technology to improve the skills of concrete mixer drivers. Training on a digital Truck Driving Simulator is helping the drivers to avoid rollovers, while a Safe Driving system is coaching them to avoid unsafe behavior and detects rollover precursors in their driving style.

Wellbeing initiatives

TITAN's legacy of caring for its people continues to evolve through our 2025 commitment to cultivate a safe and healthy work environment and implement initiatives addressing the physical, mental, social and financial dimensions of wellbeing for our employees, in all countries.

In October 2021, on World Mental Health Day, we launched a Mental Health campaign, aiming to raise awareness and promote good mental health across the Group. Addressing local needs, countries have provided a variety of programs to their employees, from cyber and live expert talks, smoking cessation programs, and nutritional support programs to virtual exercise programs. The campaign included useful resources, such as relevant articles, videos, and self-assessment questionnaires, and promoting TITAN Group's consulting support service, TITAN EAP (Employee Assistance Program). For example, since 2019 TITAN Greece has established the program "Epilego", which promotes self-care and wellbeing through numerous actions under three themes – nutrition, physical condition and balance. Typically, every year "Epilego" offers to all employees smoking cessation programs, nutritional support programs, virtual exercise programs and online and live expert talks. In 2021, the series of more than 15 online talks included topics such as Mindfulness, Self-Care: The Positive Psychology Way, Self-regulation and inner dialogue, Managing Stress, Understanding Depression, No Such Thing as a 'Perfect Parent', Resilience.

Material issue: Diverse and inclusive workplace

We are committed to creating an environment where all differences are valued and where everyone has the opportunity to flourish and experience a sense of belonging. Following the identification of equality, diversity and inclusion as material issues for 2020–2025, specific targets were set to increase female participation the company. These include a commitment to promote equal opportunities and inclusion, to increase by 20% the participation of women in senior roles, talent pools and new hires, and to achieve at least one-third representation of females on the Board of Directors.

In order to monitor progress towards these objectives, diversity metrics were analyzed and reported. In addition, we continued the review and update of key people policies and process, including the Group's Resourcing Framework, International Relocation Policy, People Management Framework and People Development Process, to ensure that they can positively influence and support inclusion and diversity across TITAN Group. Finally, recognizing that achieving our aspirations for diversity and inclusion in the work we do and the way we work is an on-going process and one that requires awareness, action, responsibility and accountability from everyone in our business, the Group Diversity, Equity and Inclusion Policy was launched in 2022. The policy sets out our principles, definitions, scope and approach to diversity and inclusion.

The share of women in management increased to 17.6% in 2021 from 16.5% in 2020. Employment by ethnicity in the US, where employee race data is recorded, has broadly remained stable.

Material issue: Continuous development of our people

Upskilling and reskilling opportunities

We invest in upskilling our people and building the required capabilities for our organization's long-term growth. In 2021, as the COVID-19 restrictions continued, many of our employees worked remotely. Thus, efforts focused on digital training reaching all targeted audiences. The virtual learning environment we have been building for the past years through our Learning Management System enabled us to operate effectively in this unforeseen situation.

11,233 virtual training hours were recorded in 2021, corresponding to 214 courses. Total learning hours in health and safety, and digital increased by 38% and 251% respectively. In line with our strategic focus, we defined and created a new Decarbonization training category in our Learning Management System, while enriching the Digitalization category.

In addition, we developed e-learning courses to consolidate practical and advanced in-house knowledge. Cross-regional and cross-functional in-house authoring teams created these e-learning courses intended for cement professionals across the Group. These courses also aim to improve the operation of our cement plants, resulting in more sustainable use of natural resources, significant fuel savings, and improved and consistent product performance.

Some of our business units organized and ran trainings for a significant percentage of their population. Titan America recently went live with its new SAP ERP system, which is used by the operations, maintenance, quality, logistics, finance, procurement, and sales teams. Nearly 500 employees from across the business dedicated 5,600 hours to relevant training. This initiative trained those employees on how to perform their day-to-day work functions effectively with the new system. TITAN Greece launched an additional e-learning program on Health and Safety, addressed to 260 blue-collar employees.

We continued to invest in an external learning platform to provide TITAN employees with vast choices in the areas they need to acquire knowledge and build skills. 97% of the available LinkedIn Learning licenses have been activated, with nearly 29,000 learning videos viewed by almost 980 employees. Our "Learning Bites" internal newsletter channels learners towards new technology trends, which are part of our digital transformation journey.

Employee engagement and human resources management system

Engaging its employees is a continuous process for TITAN Group, which incorporates feedback in structured and organized ways, via group-wide surveys, focus groups and local pulse surveys. In 2021, we implemented Group and country action plans that were developed to address the results of the 2019 Employee Engagement Survey. As a result, a number of initiatives were introduced, from more frequent employee communications on strategic priorities and a focus on employee health and wellbeing across TITAN, to local actions, such as the simplification of work processes, focused development programs, and the enhancement of local communication tools and processes.

Employment at TITAN Group, as of the end of the year, remained stable, with an increased share of women in employment (13.4% in 2021 vs. 12.4% in 2020). Overall, the Group employee turnover rate decreased (10.6% in 2021 vs. 11.4% in 2020). Turnover of female employees decreased from 10.4% in 2020 to 9.1% in 2021.

In 2021, 3,250 employees (61% of our workforce) participated in annual performance reviews. Participating female employees were 597 that is 83% of the total female workforce, a figure similar to the equivalent one in 2020.

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 process.

Furthermore, we have defined TITAN's Global Principles for Hybrid Work Models and outlined the key areas to incorporate locally. Business units, based on local needs, market practice and employee expectations have further elaborated and introduced local remote work practices.

Focus area: Positive local impact

Material issue: Environmental positive impact

With a view to the continuous improvement of the environmental impact of the Group's operations all of TITAN's business units monitor and report their environmental impact, while also setting targets for the reduction of air emissions, the protection of biodiversity, quarry rehabilitation, and water management and recycling.

For almost 20 years, in line with our environmental policy, the Group has disclosed measurable qualitative and quantitative targets to monitor progress with respect to its environmental impact. The Group engages in a long-term process with experts and stakeholders, seeking meaningful ways to understand society's needs and contribute to a net positive local impact for the communities in which it operates.

The Group is implementing 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 have adopted a system that is aligned with local and federal regulatory requirements.

Over the years, we have heavily invested 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.

In recent years, TITAN Group ran an extensive investment program to install new or upgrade existing 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), with the latest example being the bag filter installed at Kosjeric cement plant in Serbia in 2021. Consequently, the main stacks are no longer the main dust sources and efforts are now underway to further reduce fugitive dust. On that front, we are covering conveyors and elevators in closed systems, reducing air leakages and spillage points, ensuring proper maintenance of the installation using vacuum cleaning, enclosing storage areas with natural wind barriers, using water spray for road wetting, and focusing on housekeeping as well as paving where feasible. The systematic monitoring of fugitive dust emissions safeguards the health of our employees and reduces the impact on nearby areas. The Group ensures the proper maintenance and optimal functioning of machinery and equipment and applies rigorous rules on the transport of materials within its plant sites and beyond.

Combustion at high temperatures leads to the creation and emission of nitrogen oxides (NOx). Over the years, TITAN has invested heavily in technologies that reduce NOx emissions, like Selective Non-Catalytic Reduction (SNCR) systems and low NOx burners, as well as flame reduction and secondary firing, and will continue to follow this path in the future.

The presence of sulfur (S) in raw materials is the primary cause of sulfur dioxide (SOx) emissions. At many of our Group plants, SOx emissions are negligible. Wherever there is a need, TITAN Group applies best practices to abate SOx emissions and ensure compliance with the limits stipulated in the environmental permits as well as specific conditions set by local authorities.

Monitoring and reporting air emissions are part of the Group's effort to mitigate its impact on the environment. In alignment with legal and sectoral requirements, TITAN monitors and reports dust, NOx, SOx, TOC, HCl, HF and NH_3, mostly through continuous emissions monitoring systems. Minor emissions like PCDD/PCDF and heavy metals are spot measured by accredited independent laboratories at a frequency equal or higher than that mentioned in the relevant permits. In line with our commitments and permits, dust, NOx and SOx emissions, as well as CO_2, are covered by independent third-party verification.

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. 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 are providing similar information to the local authorities.

Group environmental performance in main air emissions is presented in the table below:

Group level (cement operations)	**2021**	**2020**
Air emissions (g/t clinker)		
Specific dust emissions	16.6	19.3
Specific NOx emissions	1,263	1,282
Specific SOx emissions	245	253

Group performance in both NOx and SOx emissions remained at a level similar to that of 2020 and within the target set for 2025. Moreover, dust emissions were further reduced by 14.0%, and were also below the 2025 Group target.

Protection of biodiversity and sustainable land stewardship are 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. Relevant targets have been set for 2025, underscoring our commitment to contributing to the prosperity of our local communities and achieving positive local impact where possible.

Following the results of the biodiversity risk assessment that was conducted in 2020 for all Group sites with the use of the Integrated Biodiversity Assessment Tool (IBAT, https://ibat-alliance.org/), further evaluation was made in 2021 for those sites that had been identified as in proximity to (or part of) areas of high biodiversity value. Two new such sites, namely the Drimos and Thisvi quarries, were identified in Greece, and a biodiversity study and a management plan will be developed for them by 2025, as presented in Table TITAN Group Quarry Sites with High Biodiversity Value of the ESG Statements.

In 2021, TITAN continued to actively participate in the Biodiversity and Industry Platform that was launched in 2020 by CSR Europe. The platform is a cross-sectoral business-led initiative that aims to demonstrate how companies are driving the biodiversity agenda and to support them in the practical integration of biodiversity into decision-making processes. In its first year of activities, the platform developed a structured framework, consisting of a five-step methodology, through which companies can assess their impact on biodiversity across their value chain, and follow a decision-making process involving stakeholder engagement to prioritize actions for biodiversity management.

Our ongoing efforts to mitigate the local impacts of the raw material extraction process are reflected in the indicators presented in the following table, which also monitor our progress towards the respective ESG targets set for 2025.

Local impact indicators	**2021**	**2020**
Active quarry sites with high biodiversity value (number)	12**	10
Active quarry sites with biodiversity management plans (number)	10	9
Active quarry sites with biodiversity management plans (percentage)	83%	90%
Active quarry sites with quarry rehabilitation plans (percentage)	91%	91%*
Disturbed quarry land areas that has been rehabilitated (percentage)	22.6%	23.6*%

* Note: the quarries of Titan Cement Egypt (TCE) are no longer considered to be under full management control of TITAN due to changes in mining legislation in the country. Therefore, since 2021 all TCE quarries have been excluded from the baseline and the calculations of the respective local impact indicators. The 2020 figures have been adjusted accordingly where appropriate.

** Note: figure reflects the updated situation with the addition of the 2 new sites (under full management control of TITAN) that were identified in the 2020 Group biodiversity risk assessment as areas of high biodiversity value and for which the Group intends to develop a biodiversity management plan.

The percentage of active quarry sites with quarry rehabilitation plans remained at the same level as last year. However, the rehabilitation plans for these remaining sites are scheduled to be completed in the next few years so as to meet the respective target by 2025.

The percentage of land areas rehabilitated out of the total disturbed land was slightly reduced compared to last year. Despite the progress made with the rehabilitation activities at most of our Group Quarries, the opening of a big land area at one aggregates quarry in Titan America resulted in the deterioration of the respective indicator. The rehabilitation activities will however continue at a steady rate in the following years and it is expected that the respective ESG target for 2025 will be met.

Falco eleonorae. Courtesy of Hellenic Society for the Protection of Nature, ©Pavlos Andriopoulos

The number of active quarry sites with biodiversity management plans increased to 10, following the completion of the relevant plan at Agrinio quarry in Greece in 2021. The focus now is now on the two new sites identified for their high biodiversity value, namely the Thisvi and Drimos quarries. The goal is to develop BMPs for all these sites in line with the relevant 2025 target.

Material issue: Social positive impact

TITAN continued to engage with its stakeholders and contribute to the sustainability of the local communities in all areas where the Group has operations. TITAN promotes open dialogue and collaborative actions with stakeholders by implementing sustainability initiatives in all countries, as mandated by its target to have Community Engagement Plans (CEPs) aligned with material issues for stakeholders and UN SDGs 2030 at 100% of its key operations by 2025.

In total, 142 initiatives were implemented in 2021 at 15 key operations (integrated cement plants and grinding plants) across 9 countries, with the engagement of 2,750 participants despite the difficulties caused by COVID-19 restrictions that impeded social interaction. Almost 2,000 participants were employees of TITAN, who acted as volunteers. In total more than 0.4 million 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 exceeded €1.3 million (30% of that amount was contributed in-kind).

All 2021 initiatives were assessed to see whether they met an adequate or high level of alignment with the material issues important for both our stakeholders and our business activities at business unit level. Our analysis on the connection of material issues with our initiatives was based on the SASB Materiality Map methodology. We identified the Social Capital area as the most relevant material issue 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, albeit in a smaller number of initiatives. Our initiatives towards the sustainability of our communities focused on supporting education (50 initiatives), promoting voluntary work (34), contributing to community infrastructure (34), improving skills for new jobs (31), and supporting our communities in crisis conditions (e.g. humanitarian relief due to COVID-19 pandemic, natural disasters such as wildfires, etc.).

Road Safety initiative, Antea cement plant, Albania

In relation to the level of business unit engagement with communities, more than 56% of the initiatives achieved active involvement of stakeholders, while 35% promoted good collaboration with participants from the communities (input of stakeholders in the decision-making to identify best solutions, agreement on win-win opportunities, and plan for joint implementation). We remain focused on strengthening our authentic and distinctive social engagement approach and enhancing our social positive impact.

In Greece, the devastating wildfires of August 2021, amid an unprecedented heatwave, burned thousands of hectares of land and forest and destroyed homes and livelihoods. During the fires, TITAN cooperated closely with the local authorities near our sites to make our vehicles and equipment available for the fire-fighting effort and to create fire-protection zones. In the direct aftermath of the fires, TITAN donated €0.5 million to forest fire prevention and protection initiatives. Acting in tandem with TITAN, the Paul and Alexandra Canellopoulos Foundation committed another €0.5 million to initiatives that focus on the medium- and long-term response to the consequences of the wildfires. The funds are being distributed in consultation and collaboration with the competent authorities. Relevant initiatives in progress include the conversion of 50 cement silo trucks to water tanks and their donation to local authorities as well as the installation of open water reservoirs in depleted quarries for fire-fighting aerial means. As the crisis was evolving across Greece, TITAN cooperated closely with the local authorities in areas where it operates to offer mobile equipment to competent organizations fighting wildfires and creating fire-protection zones.

In the USA, Titan America concentrated its efforts on the improvement of the sustainability of communities through partnerships. Roanoke plant partnered with local citizens groups to sponsor the scholarship for a local high school student and supported the local county's livestock auction by sponsoring a collaborative food bank initiative with students to provide food to citizens in need in the community.

In Bulgaria, we further promoted our internship program focusing on young people from the local community. Out of a total of 17 interns (11 females), 4 were hired, and another 8 continued their traineeships in the business unit. In Albania, North Macedonia, Kosovo, Serbia and Brazil, we enhanced our collaboration with the neighboring municipalities of our cement plants, by implementing several initiatives to support youth education with development programs tailored for local schools that boost learning opportunities and enhance job skills and employability while also empowering youth and fostering entrepreneurship. In Egypt and Turkey, we partnered with local universities to attract young talent.

TITAN was also active in supporting blood donations in 2021, in cooperation with governmental authorities and local health centers, and succeeded in encouraging 579 employees and contractors in business units to voluntarily donate. In Greece we also reached an active pool of 646 potential bone marrow donors, with a track record of 4 donorships until 2021.

In all countries, with Egypt and Albania serving as particularly good examples, TITAN's business units were actively engaged in initiatives to improve local community infrastructure related to public schools and hospitals, as well as recreation and sports centers.

In 2021, our approach to community engagement was further enhanced through the introduction of a new framework to ensure that our efforts are aligned with TITAN's principles and priorities across all business units. Using the ESG databank-TITAN's in-house information management system- as a tool, we ran a structured assessment of all initiatives and actions across business units in 2021 to ensure alignment with our material issues.

Community Engagement Plans (CEPs)	2021
Number of initiatives and actions under the CEPs	142
Participants (TITAN employees, business partners, NGOs, local authorities, and people from communities)	2,750
TITAN volunteer-employees who were among participants	1,873
Beneficiaries from communities	447,000
Total amount of "social investment" (contribution in cash and in kind for the implementation of the initiatives under the CEPs)	€1.3m

Material issue: Economic positive impact

TITAN recognizes the positive economic impact, both direct and indirect, of its operations on its local communities. The monitoring and reporting of "local spend" (calculated as the ratio of the spend on local suppliers to the spend on all suppliers in each country) according to TITAN standards and following the UNCTAD Guidance was first introduced in 2019. The ongoing Group digital transformation process and the unification of digital systems has enabled TITAN to track local spend of global activities accurately and efficiently. In 2021 average local spend accounted for 65.1% of total spend on a Group level, close to the level of 2020. TITAN's business units seek to ensure that two-thirds of our total spend is directed to local suppliers and communities. This is achieved by implementing a number of projects, where local companies are selected for the supply of specific products and services. In addition to the positive impact on society, this process will help TITAN's business units receive competitive products and services in a timely manner and thus limit risks from global supply chain disruptions.

Focus area: Responsible sourcing

Material issue: Resource efficiency, recycling and recovery, contributing to the circular economy

TITAN Group is committed to the principles of 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.

Having recognized the circular economy as fundamental to the development of a more sustainable business model, the Group systematically adopts and applies good practices in order to minimize its footprint and ensure a sustainable future for coming generations.

In 2021, we implemented circular economy programs and practices across all our activities, including the production of clinker, cement, concrete and concrete blocks and of aggregates for pavements and other applications. We have crucially reduced waste and minimized the need for primary raw materials. We eliminated 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 slightly increased in 2021 (6.6% of total consumption).

ST Equipment & Technology LLC (STET), a wholly owned subsidiary of the TITAN Group based in Needham, MA, USA, explored the potential of using its patented separation technology to recover, process and reuse fly ash stored in landfills and impoundments. In 2021, STET began to generate high quality fly ash product (ProAsh) from the fly ash impoundment at Brunner Island, which can be used to make a low-carbon cement substitute.

In Egypt, and after many years of research, in 2021 TITAN successfully began using bypass dust, a waste of the cement-making process, in road paving. Following several studies, and through a collaboration with a major local road-paving company, the use of bypass as a filler in road paving was successfully demonstrated. Subsequently, and after securing the relevant environmental approval for this product, the bypass dust will be used for road paving. Not only does this usage reduce the landfilling of bypass dust, but it also substitutes the use of limestone and clay as a paving filler. In 2021, around 50% of the produced bypass was successfully recycled as a road-filling material.

Water management

We seek to conserve the quantity and sustain the quality of water resources in all our facilities and neighboring areas, and to reduce the withdrawal and consumption of freshwater, by establishing recycling and promoting responsible and efficient practices for water usage and discharge. Effective water management inside and outside the premises of our sites is an important aspect of our environmental performance.

Since 2010, we have developed and applied an Integrated Water Management System (IWMS) at all our 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.

A water risk assessment exercise was conducted with the use of Aqueduct (a tool developed by the World Resources Institute) in 2020 and the results were communicated to all business units this year. According to this assessment, 73% of the Group's cement and cement grinding plant sites, 65% of its quarries for aggregates and industrial minerals, and 62% of its ready-mix concrete sites operate in water-stressed areas. As indicated also by the specific assessment of risks related to climate change that we made in 2021 in collaboration with recognized climate-risk experts, water stress poses the third highest physical risk (after coastal flooding and drought) for the cement manufacturing facilities throughout TITAN's global operations. In this respect, our next steps will involve the evaluation of local conditions at the sites operating in water-stressed areas, to identify related risks and opportunities and make the appropriate decisions to further enhance our practices for sustainable water management. Priority will be given to the cement plant sites, which are the larger water users among Group activities, as presented in the Notes of Table 2.4 of the ESG Statements.

In 2021, total water withdrawal and discharge quantities at Group level showed an increase of 5-6%, whereas the total water consumption increased by less than 2%. This increase is due to the higher production needs in most of the regions of our operations in 2021.

On the contrary, the specific water consumption at the Group's cement and grinding plants and their attached quarries showed a decrease of 5.7% to 245.7l/t cementitious product, well below the target set for 2025.

Water recycled as a percentage of overall water demand declined slightly to 66.1% but is still on track to reach the respective target for 2025.

Impact on natural resources: Water	2021	2020
Group level (all operations)		
Total water withdrawal, million m^3	43.2	41.3
Total water discharge, million m^3	31.9	30.2
Total water consumption, million m^3	11.3	11.1
Group level (cement operations)		
Specific water consumption, l/t cement	245.7	260.5
Percentage of water recycled over water demand	66.1%	67.2%

Energy efficiency management

Improved energy efficiency is a prerequisite, not just for addressing climate change, but also for preserving resources, enhancing energy safety and reducing the reliance on imported fossil fuels.

In 2020, in the context of its new Environmental, Social and Governance (ESG) targets, TITAN Group committed to have 85% of its clinker production covered by ISO 50001 or energy audits by 2025.

In 2016, the Group made its first step in applying energy efficiency management systems in its cement production plants. The Tokat integrated cement plant in Turkey was the first TITAN plant to be certified according to ISO 50001, followed by the Greek and USA-based integrated cement plants. Our integrated cement plant in Bulgaria is also covered by energy efficiency audits. In 2021, the Group continued to expand the use of energy efficiency management systems, with the Alexandria and Beni Suef integrated cement plants in Egypt and the Usje integrated cement plant in North Macedonia successfully completing the process and receiving their Energy Efficiency Management Systems certifications according to the international standard ISO 50001:2018.

As a result, the Group's clinker capacity covered with ISO 50001 now represents 86.2% of its total clinker production, exceeding the target of 85% set for 2025 and showing a significant increase compared to the 54.9% achieved in 2020.

Waste management

In the context of the global transition towards a circular economy, TITAN Group has worked steadily on the reduction of landfill waste. Since 2016, TITAN's cement plants in the USA and Turkey have received zero waste certifications, having demonstrated diversion of waste from landfill through reducing, reusing, recycling, or composting discarded material. In 2021, TITAN's cement plants in Greece – Kamari, Patras and Thessaloniki – were also certified under the "Zero Waste to Landfill" standard, receiving 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 56.2% of its total clinker production, exceeding the target of 50% set for 2025 and showing a significant increase compared to the 29.5% achieved in 2020.

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 to minimize landfill. As a result, the percentage of the total waste produced that was recycled increased slightly to 83.6%, compared to 82.6% in 2020. Furthermore, the percentage of concrete returns diverted from landfills have stood consistently over 85.0% in the last five years, reaching 86.0% in 2021.

Material issue: Reliable and sustainable supply chain

In 2021, TITAN continued its Group Procurement transformation program by further improving the sourcing efficiency of the strategic purchasing categories managed centrally by the Group Procurement Department (global categories), with a more extensive focus 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 the propagation of sustainability practices in the supply chain.

The Group has also developed a Sustainable Supply Chain Roadmap which outlines specific milestones and deadlines to timely achieve the target of ensuring that 70% of our key suppliers meet TITAN ESG Supplier standards by 2025. In accordance with this roadmap, a first ever TITAN Group Procurement Policy was developed and made official in July 2021. The Procurement Policy sets forth the fundamental principles governing procurement in TITAN, incorporating upgraded procurement practices that enhance the Group's commitment to be a socially responsible, ethical and environmentally sensitive business organization.

Finally, the Group initiated a process to further develop and expand the respective ESG criteria for use in the evaluation of its key suppliers. Our key suppliers have been defined as critical suppliers according to the GCCA Guidance for Sustainable Supply Chain management, with a meaningful level of spend (i.e. 80% of total spend) for each business unit. Critical suppliers are the ones who may mostly influence sustainability drivers for the company (e.g. provoke disruption, affect brand, etc.) because of ESG impacts that they may have (e.g. contractors who violate safe conditions or have no permit to operate legally). The newly developed ESG criteria are in line with the GCCA guidelines for Sustainable Supply

Chain management and the UN Global Compact principles, including the areas of compliance with laws, regulations and social customs, human rights, labor rights, health and safety, environmental management, climate change, anti-corruption and transparency.

TITAN's efforts to engage with our suppliers on climate change have been recognized by CDP with an "A-" score in the CDP Supplier Engagement rating, which is in the Leadership band of CDP.

Product responsibility

TITAN offers a wide range of cement and concrete products to its customers, meeting the growing demand for sustainable construction in all areas of activity. It is widely accepted that concrete exhibits some of the lowest carbon footprints among construction materials, allowing for durable construction with increased service life. In addition, responsible use of concrete enables further reductions in CO_2 emissions across multiple sectors, including renewable energy generation (e.g. foundations for wind towers), resilient infrastructure (roads and bridges) and optimal use of energy for heating and cooling residential and office buildings (especially compared to other building materials with lower thermal capacity). Concerning cement products, a significant part of our portfolio includes products manufactured with clinker content lower than that of Type I/II or CEM I cements. Also, TITAN offers, through its subsidiary Separation Technologies LLC (ST), valorized fly ash for use in concrete, a product with very low associated carbon emissions that directly replaces cement, allowing for enhanced emission reduction in the value chain. As per the Group's definition, lower carbon products represent approximately 40% of our portfolio of cement and cementitious products.

In 2021, a new bagged cement- in a water-soluble sack- was introduced in Greece under the name EcoSack. The launch of this innovative product, available in distinct green packaging, responds to the market's need to improve productivity on construction sites and, at the same time, contributes to the promotion of sustainable development and circular economy practices which rely on minimizing waste, reusing, recycling or recovering materials and energy, as well as on designing products that, throughout their lifecycle, will contribute to the conservation of natural resources, efficient management of waste, and reduction of CO_2 emissions.

Also, in 2021, Interbeton, a subsidiary of the Group in Greece, launched an innovative ready mixed concrete that is reinforced with structural fibers, branded Interforce. The new product can be used in commercial slab construction, displacing the use of wire mesh and economizing up to 5 $kgCO_2$ per square meter of application. Furthermore, Interbeton developed the Viridia ready mix product line, targeting residential and commercial construction. The innovative product is designed for extended durability under chloride ingress or carbonation, thus negating the need for costly and carbon intensive structural repairs during a project's lifetime.

Regular customer satisfaction surveys are implemented in the regions where we operate, helping us understand customers' needs. For instance, in TITAN America, we conducted a "Net Promoter Score" customer survey at both Pennsuco and Roanoke cement plants. The results of the survey were incorporated into our product quality and business development strategy.

Furthermore, the Roanoke cement division created an outreach program to educate architects and engineers about low carbon building materials and encourage the specification of more low-carbon cements.

In 2021, TITAN Greece completed a full Life Cycle Analysis (LCA), according to ISO 14040 and EN 15804, for all cement products produced in Greece, and developed an Environmental Product Declaration (EPD) for each separate cement product at plant level, as well as for most commercial ready mixed concretes. The LCA, as well as the EPDs, are assessed and reviewed by an independent and nominated body and published in The International EPD® System.

All Safety Data Sheets 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 EU and UK, the relevant cement product SDS are registered with the competent authority in each country.

In 2021, TITAN Greece bagged cement products were verified by an independent third party as compliant with the water-soluble hexavalent chromium content regulatory limit of Regulation (EC) 1907/2006. Assessment was based on the EN 196-10 evaluation scheme and a relevant certification of conformity was issued.

Good governance, transparency and business ethics

TITAN Group is strongly committed to conducting business in accordance with the highest standards of integrity and ethical business practices. Compliance with high governance standards to address and manage risks related to bribery and corruption and human rights throughout the Group's operations is considered fundamental in the implementation of TITAN's sustainability strategy. TITAN's Code of Conduct and Policies ensure, beyond compliance with applicable laws and regulations, the commitment to international norms and standards, including the UN Guiding Principles for Business and Human Rights and International Law against Bribery and Corruption. It is imperative that governance and ethics considerations are properly addressed at Group level and this is ensured through a consistent management approach and a strong governance structure, prescribed by the Group Corporate Governance Charter.

Anti-bribery and corruption

Bribery and corruption constitute a threat for businesses and societies across the world, one that impairs ethical values, enables crime and illegal activity, undermines equal opportunities in doing business and imposes a huge financial cost on societies. Consistent with our values and culture, and as clearly articulated in the TITAN Code of Conduct and relevant Group Policies, the Group follows a zero-tolerance approach towards bribery, fraud and any other corruptive practice.

All initiatives and efforts to fight corruption are supported by and effected through a strong organizational structure that sets clear roles and responsibilities and provides increased assurance for good governance and solid ESG performance. The Audit and Risk Committee, a Board Committee comprised by non-executive, independent board members, is delegated to oversee, among others, the risk of corruption and fraud. The Group Compliance and Anti-Fraud Department, as part of the Group Internal Audit, Risk and Compliance Department, maintains the overall responsibility to monitor compliance risks and to coordinate relevant controlling activities, in cooperation with management and the Legal Department.

Our Anti-Bribery and Corruption Policy sets forth principles, rules and responsibilities, specifies high-risk areas in which bribery and corruption may most often occur during business activities and provides guidance for preventive and detective procedures, including the performance of risk assessment activities and due diligence of third parties who perform services for or on behalf of TITAN Group.

The TITAN Group Anti-Fraud Program sets out our strategic priorities and efforts to deter and detect occupational fraud and corruption throughout the Group, aiming to provide a protection shield for assets and resources, corporate reputation and credibility, cultural strengths and operational efficiency. A comprehensive structure of anti-fraud initiatives and controls is deployed, contributing to the prevention and detection of occupational fraud as well as the response of the Group in such event.

Responding to the need for enhanced anti-fraud awareness, the **Anti-Fraud Program Framework** was developed during 2021 and widely communicated throughout the Group. The Framework promotes openness and transparency, provides standards and guidelines, and clarifies roles, expectations and responsibilities on the subject of occupational fraud.

Among preventive actions, the **Fraud Risk Assessment** projects, conducted in risk areas, aim to identify and remediate potential gaps and weaknesses in the applied anti-fraud preventive controls, through consistent and effective action plans.

Compliance Program and Group Policies

Compliance risks are proactively addressed at Group level through the TITAN Group Compliance Program, an integrated system of relevant activities, mechanisms and controls that aim to provide adequate assurance that compliance risks are timely identified, properly assessed and effectively mitigated. The Compliance Program reinforces compliance culture, ensures adherence to compliance requirements and fosters ethical behavior.

The set of Code of Conduct and Group Policies, applicable to all TITAN Group operations, covers all strategic areas and provides guidelines to employees and external business collaborators (i.e. vendors, customers), 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, Corporate Social Responsibility, Whistleblowing, Environmental and Climate mitigation, Protection of Personal Data, Human Rights, Occupational Health and Safety**.

All TITAN Group employees have free and unrestricted access to the Group Policies, which are available on the Group Policies Repository in the Group Intranet. A separate section offers translations of Group policies in all local languages. Group policies are also communicated to our internal and external stakeholders through our website (https://www.titan-cement.com/about-us/corporate-governance/group-policies).

A key hallmark of the TITAN Group Compliance Program is awareness, training and continuous advice, as we consider it imperative that our people are adequately informed and supported in this continuous effort. To this end, the second phase of the TITAN Group Policies Awareness Program, comprising e-learnings, and assessment tests for the Code of Conduct and the set of Sustainability and Social Responsibility Policies, was implemented during 2021. The e-learnings were assigned to the general population through the learning management system platform and during the year around 1,500 employees took part in 6,400 training hours in total.

Human rights

Human rights is a material issue for employees and TITAN suppliers, local communities, but also regulators and civil society organizations. TITAN Group is committed to respecting fundamental human and labor rights, in full alignment with international norms and standards in all operations. Accordingly, an overview of potential risks to be addressed both in the workplace and in the supply chain is an integral part of the materiality assessment process that covers all countries in which the Group currently operates. As a follow up, a country-specific risk assessment is planned for 2022, as there are considerable differences in the enforcement of international human rights norms from country to country. A certain priority for the Group is the protection of labor rights and safe working conditions among contractors’ employees, particularly under the extraordinary conditions of COVID-19. We have not identified consequences in the areas of environment, human rights or/and anti-bribery and corruption compared to the pre-pandemic period. We measure the progress on these objectives through a set of key performance indicators, corresponding to advanced criteria which satisfy the Communication on Progress requirements of the UN Global Compact Network.

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. The set of commitments, are clearly articulated in the TITAN Group Human Rights Policy. Among the practices that are strictly prohibited are forced labor (including slave labor), human trafficking, and inhumane treatment of workers, child labor and discrimination.

The **TITAN Group Procurement Policy**, released in 2021, clearly sets as a prerequisite for our suppliers to comply with all laws and regulations and respect human and labor rights in their business activities, and to establish a safe working environment. Contractual clauses embedded in contracts describe in detail the above requirements.

Diversity and inclusion are also identified as priorities for the Group, and are important for the business and for key stakeholders, including suppliers, customers and local communities in addition to employees. We seek to maintain an environment where everyone has a strong sense of belonging and inclusion, preserving ethnic diversity and not to tolerate discrimination, bullying or harassment. Our **Diversity, Equity and Inclusion Policy** was approved by the Group Executive Committee in 2021 and launched in 2022.

Intensifying our efforts to ensure compliance not only with regulatory but also with ESG requirements, a comprehensive **Third-Party Due Diligence system**, supported by an online tool, was fully developed in 2021 and is ready to be put in operation. The objective is to provide across the Group the possibility for effective, fast, reliable and efficient due diligence, through a risk-based selection of counterparties, providing adequate assurance and ongoing monitoring over sanctions risks, ESG risks, other regulatory concerns and reputational risks.

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. In 2021, 11 cases in total were reported through the EthicsPoint platform, 10 of which were classified as allegations and one as an Inquiry - complaint (see ESG performance statements 2021 for more details)".

TCFD framework implementation (Climate change risks and opportunities)

The 2015 Paris Agreement on Climate Change, the United Nations Sustainable Development Goals and the Intergovernmental Panel on Climate Change call for accelerated and decisive action to reduce greenhouse gas (GHG) emissions and to create a low-carbon and climate-resilient economy.

In June 2017, the Task Force on Climate-related Financial Disclosures (TCFD), established by the G20's Financial Stability Board, 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. 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 & Compliance departments and the Group ESG performance department.

In 2021, under the supervision of its main governance body for climate-related issues (ExCo Sustainability) and in collaboration with recognized climate-risk experts, the Group 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 41.

The main elements of the Group's approach 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 presented to 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, like temperature, flooding and water stress, as well as transition risks, like 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.

Our analysis uses two climate-change scenarios based on the Representative Concentration Pathways (RCPs) from the International Panel on Climate Change (IPCC), namely the RCP8.5 and RCP4.5. RCP8.5, the "high emissions" scenario, is related to an expected increase of the global mean surface temperature in 2100 in the range of 4.2 to 5.4°C. RCP4.5, and the "low emissions" scenario, is related to an expected increase of the global mean surface temperature in 2100 in the range of 1.7 to 3.2°C.

The climate-related scenario assessment covers the cement manufacturing facilities throughout TITAN's global operations, encompassing 15 of our cement manufacturing facilities in 9 countries across Southeastern Europe, North Africa, 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. Financial impact from physical risks can be seen in Chapter C2 of the CDP questionnaire.

2021 was a year of multiple wildfires in Greece after a historic heatwave in the Mediterranean area (Greece, Turkey, etc.). The devastating fires resulted in thousands of acres of scorched land and loss of property. Our assets and our supply chain were not impacted. TITAN cooperated closely with the local authorities in Greece to mitigate the consequences of the wildfire as one can see in the chapter "Social positive impact".

Our decarbonization plans can significantly mitigate transition risks in the medium and long term. 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 gross Scope 1 emissions of our operations represent 51.2% of total Group Scope 1 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 entering Phase IV (2021–2030) with a surplus of rights, which should last for at least five years assuming there is no significant change in the EU ETS rules, 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 a way that a shortfall is created.

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 41 of this report.

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 500kg per tonne of cementitious product by 2030 is included in the performance objectives of the deferred compensation incentive for executive members of the Board and the members of the Executive Committee. In addition, 5% of the Short-term Incentive Scheme (STIP) is linked to the Lost Time Injury Frequency Rate.

Taxonomy EU Regulation implementation

In 2021, TITAN encompassed in its reporting framework the requirements of the EU Taxonomy Regulation (EU) 2020/852, as supplemented with the respective Commission Delegated Regulation EU 2021/2178 of 6 July 2021 especially for climate change mitigation and adaptation (EU 2021/2139), which specifies the content and presentation of information to be disclosed by undertakings concerning environmentally sustainable economic activities, and specifies the methodology to comply with that disclosure obligation.

In compliance with Article 8 of the Taxonomy Regulation, we screened all our taxonomy-eligible economic activities in 2021 and we disclose the prescribed indicators of turnover, capital and operational expenditures. It was concluded that the main Taxonomy-eligible economic activity is manufacture of cement (EU description refers to "manufacture of cement clinker, cement or alternative binder"). The economic activities in this category could be 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 Regulation (EU) 2020/852 where it complies with the technical screening criteria set out in this Section. The activity complies with the criteria set out in Appendix A to this Annex for climate adaptation.

In addition to clinker and cement manufacturing, the processing of fly ash could also be considered as a Taxonomy-eligible activity, although not economically material to disclose.

According to the Regulation and based on the Group consolidated data, €1,004.7m or 58.6% of the Group turnover in 2021 comes from Taxonomy eligible activities while the total respective CapEx corresponds to €74.3m (58.9% of total CapEx) and the total Operating expenditures correspond to €71.0m (60.5% of total Operating expenditures). Revenue from fly ash processing is around 0.1% of the total Group turnover.

More data and information on the Taxonomy KPIs as for the proportion of the respective turnover, capital and operational expenditures over the total figures for TITAN Group are provided in the ESG Performance Statements section. The definitions for the KPIs were adopted by TITAN as in the Commission Delegated Regulation (EU) 2021/2178 (Annex I: KPIs of non-financial undertakings).

In specific the 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 capital expenditures (CapEx) covered additions to tangible and intangible assets during 2021 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). 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.

In the ESG Statements, Table 2.5.2, we provide detailed figures for the KPIs of Turnover, CapEx and OpEx, and Notes for the contextual information according to the requirements of the Taxonomy Regulation, and explanation for the TITAN accounting policy specifically for these disclosures. Specific data for calculating the KPIs, referring to Turnover and CapEx are disclosed in the Financial Statements. For the Turnover, see "Financial Statements", section "Consolidated Income Statement", page 149, and Note 3 "Operating segment information", page 171. For the CapEx, see "Financial Statements", section "Financial performance overview" page 145, and Note 3 "Operating segment information", page 171.

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 addition, by responding to the CDP climate change and water security questionnaires, we are stepping up our efforts to provide increased transparency in our environmental disclosures.

In 2021, Titan Cement International received an upgraded MSCI ESG Rating of "AA". MSCI ESG Research provides ESG Ratings on global public and a few private companies on a scale of "AAA" (leader) to "CCC" (laggard), according to exposure to industry-specific ESG risks and the ability to manage those risks relative to peers.

TITAN Cement Group was also recognized by the CDP (formerly Carbon Disclosure Project) as a global climate leader for its transparency and actions to mitigate climate change and transition to a net-zero economy. With an “A-” score, TITAN Cement Group ranks in the top 15% of publicly disclosing companies globally and is one of only five Cement sector companies (out of 27) to achieve this level in 2021. Companies reaching the Leadership level represent best practice through their comprehensive disclosure of environmental data, thorough awareness of risks, demonstration of strong governance and management of those risks, as well as the implementation of market-leading best practices.

Furthermore, and in line with our commitment to open and transparent communication with our stakeholders, in 2021 we responded to the Carbon Disclosure Project (CDP) Water Security questionnaire and achieved a “B” score, which corresponds to the management band where companies “take coordinated action on water issues”.

For more information on the Group’s ESG performance assessment by ESG Rating agencies, please visit the corporate website (https://www.titan-cement.com/sustainability/esg-ratings/)

ESG performance statements

TITAN's approach for ESG Performance reporting

In 2021 the approach of TITAN Group for integrated ESG Performance reporting on the basis of voluntary commitments to IIRC principles, UNGC Communication on Progress according to Criteria Advanced Level, GCCA Charter and Guidelines, and connection with the Sustainability Accounting Standards Board (SASB) Framework, was expanded for covering the Regulatory requirements of the EU Taxonomy, and the TCFD requirements for climate-related risks.

In more specific about Taxonomy: TITAN encompassed the requirements of the EU Taxonomy Regulation (EU) 2020/852, as supplemented with the respective Commission Delegated Regulation EU 2021/2178 of 6 July 2021 in specific for climate change mitigation and adaptation. The Regulation 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. TITAN complies in this Report in more specific with the requirements on disclosures pursuant to Article 8 of the Regulation, for its EU Taxonomy-eligible economic activities in their total turnover, capital, and operational expenditures, these being the key performance indicators (KPIs) set by the Regulation and provides qualitative information (description) for its Taxonomy-eligible activities and investments. TITAN made a screening of all economic activities in 2021 based on the classification set by the Regulation. It was concluded that the main Taxonomy-eligible economic activity is 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 could also be considered Taxonomy-eligible activity (NACE code E38.32), although not economically material to disclose due to very low share in the total Group turnover.

Baseline years: For committing on targets 2025 and reporting on progress for all other environmental parameters except CO_2, the base line year is 2020. Also 2020 is used as base line for SBTi Targets on CO_2 emissions. For CO_2 emissions other than SBTi the baseline year for relevant target(s) is 1990 in line with the Kyoto Protocol.

Changes in the structure and content of the 2021 Integrated Annual Report:

Materiality: TITAN's framework of material issues, as outcomes of the last cycle for materiality assessment for the Group (2019), is presented in Table 1 of the ESG Statements. In this framework we have connected the outcomes of BUs' materiality, again following the outcomes of assessment in the most recent cycle for each country/BU level completed between 2020-2021. The connections provide a more inclusive approach of materiality for TITAN, which is seen as a bottom-up and top-down approach and combines the merits of BU level analysis and engagement with the Group level blueprint and guidance.

Restructuring of the ESG KPIs Index: All disclosures for the performance KPIs for the areas of Environment, Social and Governance, were restructured by following the outcomes of materiality assessment on Group level, with using the "compass" of TITAN's Focus Areas. The respective KPIs for ESG performance were aligned according to material issues mostly relevant under each of the Focus Areas. The new approach for our ESG Statements aimed at providing to the external as well as internal stakeholders an efficient flow of metrics around disclosures of performance focused on TITAN's materiality framework and connected with TITAN's targets 2025 and beyond. See Tables 2.1, 2.2, 2.3, 2.4, and 2.5, aligned with the Focus Areas of TITAN's materiality: 1. De-carbonization and Digitalization, 2. Growth-enabling work environment, 3. Positive local impact, and 4. Responsible sourcing. All underpinned by 5. Good governance, transparency, and business ethics.

New disclosures under the Focus Area Decarbonization and Digitalization, Table 2.1: Scope 1 gross and net direct CO_2 emissions, also with regional performance data and % clinker production emissions coverage rate, Scope 2 CO_2 emissions, and Scope 3 emissions, also with regional performance data, % clinker production emissions coverage rate, and specific CO_2 emissions per t cementitious product. Also, we report on sustainable products as part of our cement production, disclosed as % cement production, and annual investment in research and innovation.

New disclosures under the Focus Area Growth-enabling work environment, Table 2.2: We added the KPIs for wellbeing initiatives for employees, % turnover breakdown by gender and age structure, % share of employees with performance evaluation and % share female employees with performance evaluation, also % share of female employees in talent pools.

Under the Focus Area Positive local impact, Table 2.3, we added the KPIs: % employees from local communities, % share of Internships from local community, total number of Initiatives under community engagement plans, total number of participants to community engagement plans, TITAN employees as volunteers to community engagement plans, total amount of "social investment" for the implementation of these community engagement plans, and blood donations (TITAN employees, business partners and communities).

Under the Focus Area Responsible sourcing, Table 2.4, we added KPIs for: water withdrawal and discharge, % water demand covered with recycled water, also regional performance in water consumption, regional performance in specific thermal energy consumption, Group performance and regional performance in specific electrical energy consumption, % renewable energy as part of total electrical energy consumption, number of integrated cement plants with "Zero Waste to Landfill" certification, and Key suppliers meeting TITAN ESG standards.

Last, under the Focus Area Good governance, transparency, and business ethics, we added the information under the Table 2.5.1 for: Number of nationalities represented on the Board, Number of meetings and attendance rates of the Audit and Risk Committee, the Nomination Committee, and the Remuneration Committee, also the KPI for Grievance mechanism (Ethicspoint) coverage, % unionized employees, and % employees covered by Collective Bargain Agreements.

New Tables under the ESG Statements as new KPIs and supplementary information supporting our disclosures for Governance: 2.5.2 Taxonomy, 2.5.3 ESG Polices, 2.5.5 Political contributions & Fines and other non-monetary sanctions, and 2.5.6 Environmental Audits. Also, we added under the Focus Area Good governance, transparency and business ethics the Tables 2.5.4 Group Management Systems, 2.5.7 Consolidated Report on Payments to Governments for extractive operations, and 2.5.10 Notes for Value Creation Indicators.
See 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).

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.

UNGC: TITAN follows the reporting requirements for meeting the criteria of UN Global Compact concerning to a Communication on Progress (COP) Advanced Level.

UNCTAD: TITAN has adopted under its reporting framework the applicable KPIs according to the Guidance of UNCTAD, as supplementary to the above Reporting Standards.

TCFD: TITAN started reporting according to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in 2021.

SASB: TITAN aligns its reporting on ESG performance with the Sustainability Accounting Standard Board (SASB).

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 word**
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 de-carbonization	**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					

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 improve 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

Notes

The first column of the Table above provides the order of prioritization of the material issues for TITAN, and same holds for the order of material issues in each column for the separate BUs, according to the outcomes of the materiality assessment of the last cycle in 2020 and 2021.

About definitions:

The boundaries of reporting for each material issue are defined by the principles of “materiality”, “relevance”, “conciseness”, “consistency”, and “connectivity” aligned with the guidance of the International Integrated Reporting Council (IIRC)[1]:

Materiality

A matter is material if it is of such relevance and importance[2] that it could substantively influence the assessments of providers of financial capital with regard to the organization’s ability to create value over the short, medium and long term. In determining whether or not a matter is material, senior management and those charged with governance should 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.

Relevance

Relevant matters are past, present or future matters that impact or may impact the organization’s strategy, its business model or one or more of the capitals and thus ultimately affect the organization’s ability to create value over time. Identifying relevant matters for inclusion in the integrated report includes identifying the population of potentially relevant matters and narrowing these down to matters that are relevant for inclusion in the integrated report. Information about relevant matters will have either, or both, predictive value or confirmatory value with respect to intended users’ decisions.

Conciseness

Disclosures about material matters should include concise information that provides sufficient context to make the disclosures understandable and should avoid information that is redundant in nature.

Consistency and comparability

Reporting policies should be followed consistently from one period to the next unless a change is needed to improve the quality of information reported. This includes using the same KPIs to report on the same matters if they continue to be material across reporting periods. When a significant change has been made, the organization explains the reason for the change, describing (and quantifying if practicable and material) its impact. 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.

Connectivity

Connectivity is intended to address the connection between financial and non-financial information, in order to provide a holistic view of the combination, interrelatedness and dependencies between all the factors that affect the organization’s ability to create value over time.

1. Sources: ‘Materiality Background Paper for <IR>’ (IIRC, 2013), and ‘The International <IR> Framework’ (IIRC 2013). 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

code	ESG Performance Indicators	Unit	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
2.1.1 Material Issue: Future-ready business model in a carbon neutral world														
Cement and cementitious production activities														
1.1	**Scope 1 gross CO_2 emissions[2]**	**million t**	10.5	9.9	10.3	11.1	12.1	●	●	●	●	●	EM-CM-110a.1	SDG 9.4
1.2	Greece[1]	million t	2.9	2.5	3.0	3.0	3.2		●	●	●	●		
1.3	USA[1]	million t	2.2	2.2	2.2	2.1	2.1		●	●	●	●		
1.4	Southeastern Europe[1]	million t	2.6	2.5	2.5	2.5	2.6		●	●	●	●		
1.5	Eastern Mediterranean[1]	million t	2.8	2.8	2.6	3.5	4.1		●	●	●	●		
1.6	Scope 1 gross CO_2 emissions covered under limiting regulations	%	51.2	49.9	55.1	56.9	58.6			●	●		EM-CM-110a.1	
1.7	Scope 1 gross CO_2 emissions coverage rate[1]	% Clinker production	100.0	100.0	100.0	100.0	100.0							
1.8	**Scope 1 net CO_2 emissions**	**million t**	10.1	9.6	10.0	10.8	11.9	●	●	●	●	●		
1.9	Greece[1]	million t	2.7	2.3	2.8	2.8	3.1		●	●	●	●		
1.10	USA[1]	million t	2.2	2.2	2.2	2.1	2.1		●	●	●	●		
1.11	Southeastern Europe[1]	million t	2.5	2.4	2.5	2.5	2.6		●	●	●	●		
1.12	Eastern Mediterranean[1]	million t	2.7	2.7	2.5	3.4	4.1		●	●	●	●		
1.13	Scope 1 net CO_2 emissions coverage rate[1]	% Clinker production	100.0	100.0	100.0	100.0	100.0							
1.14	Scope 1 specific gross CO_2 emissions	kg/t Cementitious Product	681.90	697.92	701.12	708.80	716.59	●	●	●		●		
1.15	Scope 1 specific net CO_2 emissions	kg/t Cementitious Product	654.20	673.99	676.56	686.08	700.25	●	●	●		●		
1.16	Avoided Scope 1 net CO_2 emissions[3]	million t	31.2	29.3	27.8	26.3	24.9			●	●	●		
1.17	**Scope 2 CO_2 emissions[4,5]**	**million t**	0.8	0.9	0.9	1.0	1.2	●	●	●	●	●		
1.18	Greece[1]	million t	0.2	0.3	0.3	0.3	0.5		●	●	●	●		
1.19	USA[1]	million t	0.1	0.1	0.1	0.1	0.2		●	●	●	●		
1.20	Southeastern Europe[1]	million t	0.2	0.3	0.3	0.3	0.3		●	●	●	●		
1.21	Eastern Mediterranean[1]	million t	0.2	0.2	0.2	0.3	0.3		●	●	●	●		

code	ESG Performance Indicators	Unit	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
1.22	Scope 2 CO_2 emissions coverage rate[1]	% Clinker production	100.0	100.0	100.0	100.0	100.0							SDG 9.4
1.23	Scope 2 specific CO_2 emissions[1]	kg/t Cementitious Product	51.50	61.00	62.18	63.99	72.74		•	•		•		
1.24	**Scope 3 CO_2 emissions[1,6,7]**	**million t**	**1.6**	**n/a**	**n/a**	**n/a**	**n/a**	•	•			•		
1.25	Category 1 - Purchased goods and services[1,7]	million t	0.4	n/a	n/a	n/a	n/a	•	•			•		
1.26	Category 3 - Fuel and energy related activities[1,7]	million t	0.7	n/a	n/a	n/a	n/a	•	•			•		
1.27	Category 4 - Upstream transportation and distribution[1,7]	million t	0.1	n/a	n/a	n/a	n/a	•	•			•		
1.28	Category 6 - Business travels[1,7]	million t	0.0	n/a	n/a	n/a	n/a	•	•			•		
1.29	Category 7 - Employee commuting[1,7]	million t	0.0	n/a	n/a	n/a	n/a	•	•			•		
1.30	Category 9 - Downstreamtransportation and distribution[1,7]	million t	0.3	n/a	n/a	n/a	n/a	•	•			•		
	Scope 3 CO_2 emissions per region													
1.31	Greece[1,7]	million t	0.4	n/a	n/a	n/a	n/a		•			•		
1.32	USA[1,7]	million t	0.2	n/a	n/a	n/a	n/a		•			•		
1.33	Southeastern Europe[1,7]	million t	0.4	n/a	n/a	n/a	n/a		•			•		
1.34	Eastern Mediterranean[1,7]	million t	0.5	n/a	n/a	n/a	n/a		•			•		
1.35	Scope 3 CO_2 emissions coverage rate[1,7]	% Clinker production	100.0	n/a	n/a	n/a	n/a							
1.36	Scope 3 specific CO_2 emissions[1,7]	kg/t Cementitious Product	103.40	116.80	n/a	n/a	n/a	•	•			•		
1.37	Conventional fossil fuels substitution rate	% Heat	84.5	86.9	86.5	88.0	91.1	•	•	•	•	•		
1.38	Alternative fuel substitution rate	% Heat	15.5	13.1	13.5	12.0	8.9	•	•	•	•	•	EM-CM-130a.1	
1.39	Biomass in fuel mix[8]	% Heat	4.8	3.8	4.3	3.4	2.8	•	•	•	•	•	EM-CM-130a.1	

code	ESG Performance Indicators	Unit	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
1.40	Fuel mix, energy consumption for clinker and cement production	% Heat	100.0	100.0	100.0	100.0	100.0			●		●		SDG 7.2 SDG12.2 SDG 13.1
1.41	**Conventional fossil fuels**	**% Heat**	**84.5**	**86.9**	**86.5**	**88.0**	**91.1**			●		●		
1.42	Coal, anthracite, and waste coal	% Heat	44.7	33.0	42.8	32.6	29.3			●		●		
1.43	Petroleum coke	% Heat	28.5	44.8	38.5	51.2	57.3			●		●		
1.44	Lignite	% Heat	1.2	1.7	1.6	1.0	1.6			●		●		
1.45	Other solid fossil fuel	% Heat	1.9	1.8	1.4	1.4	1.0			●		●		
1.46	Natural gas	% Heat	7.4	5.0	1.0	0.5	0.6			●		●		
1.47	Heavy fuel (ultra)	% Heat	0.3	0.3	0.6	0.8	0.7			●		●		
1.48	Diesel oil	% Heat	0.4	0.4	0.6	0.5	0.6			●		●		
1.49	Gasoline, LPG (Liquified petroleum gas or liquid pr	% Heat	0.1	0.0	0.1	0.1	0.1			●		●		
1.50	**Alternative fossil and mixed fuels**	**% Heat**	**15.5**	**13.0**	**13.1**	**11.5**	**8.3**		●	●	●	●		
1.51	Tyres	% Heat	2.9	3.0	3.1	2.8	2.1		●	●	●	●		
1.52	RDF	% Heat	5.6	3.6	3.9	1.7	0.8		●	●	●	●		
1.53	Impregnated saw dust	% Heat	0.7	0.8	0.7	0.7	0.5		●	●	●	●		
1.54	Mixed industrial waste	% Heat	1.5	1.2	1.4	1.8	1.0		●	●	●	●		
1.55	Other fossil based and mixed wastes (solid)	% Heat	4.7	4.4	4.0	4.5	3.9		●	●	●	●		
1.56	**Biomass fuels**	**% Heat**	**0.1**	**0.1**	**0.4**	**0.5**	**0.6**		●	●	●	●		
1.57	Dried sewage sludge	% Heat	0.0	0.0	0.0	0.0	0.1		●	●	●	●		
1.58	Wood, non-impregnated saw dust	% Heat	0.0	0.0	0.3	0.4	0.5		●	●	●	●		
1.59	Agricultural, organic, diaper waste, charcoal	% Heat	0.0	0.0	0.0	0.0	0.0		●	●	●	●		
1.60	Other	% Heat	0.0	0.0	0.0	0.0	0.1		●	●	●	●		
1.61	Alternative fuels consumption (total)	t	335,700	234,451	269,665	244,395	203,170		●	●	●	●	EM-CM-130a.1	
1.62	Clinker to cement ratio	%	81.66	82.44	82.87	83.68	83.78		●	●		●		
1.63	Lower carbon products as part of our cement production[1,7,9]	% Cement production	45.4	41.3	n/a	n/a	n/a					●		

2.1.2 Material issue: Innovation with emphasis on digitalization and de-carbonization

All Activities

code	ESG Performance Indicators	Unit	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
1.64	Annual investment in Research and Innovation[7,10]	million €	10.74	10.50	7.90	5.80	n/a					●		SDG 13.2

Notes

General Note for the consolidation of data

Consolidation (aggregation) of data for the above ESG performance indicators related to the Material Issues

• "Future-ready business model in a carbon neutral world" was made on the basis of the percentage of property share for each of the subsidiaries, where TITAN holds a property share of more than 50.0%, also called share of equity for the purposes of non-financial data consolidation. The indicators were calculated according to the share of equity held by the Group at the end of 2021. Performance of previous years was recalculated to reflect changes in share of equity in 2021, if required. A detailed list of TITAN Group subsidiaries and TITAN's share of equity is provided in the Table 2.5.8 "TITAN Group Basis for Calculating Environmental Performance Indicators, using the Share of equity", in this section of ESG performance statements.

• "Innovation with emphasis on digitalization and de-carbonization" was made with 100.0% contribution for all subsidiaries, where TITAN holds percentage of property share of more than 50.0%.

Notes for the external verification, standards, guidance, and terms used

Assurance: Specific KPIs denoted in this Table are included in the scope of ERM Certification and Verification Services (ERM CVS) assurance engagement (ERM CVS' "Independent assurance statement").

Standards: For the reporting standards under TITAN's Global Sectoral Approach, namely the GCCA, UNGC, UNCTAD, TCFD, and SASB, please refer to the section "TITAN's approach for ESG Performance reporting" in the ESG performance statements.

Guidance: TITAN follows the GCCA Sustainability Framework Guidelines, and the Sustainability Guidelines for the monitoring and reporting of CO_2 emissions from cement manufacturing, and coprocessing fuels and raw materials. The above Guidelines had superseded before 2021 the previous – and respective – Guidelines of the WBCSD/CSI, which were the guidance for measuring, reporting and verifying environmental performance until (and including) year 2018. For the Sector standards, see details in Table 2.5.9 "Sector Standards for the Non-financial disclosures in 2021".

Notes on specific KPIs

1. New indicator.
2. Direct CO_2 emissions related to the operation of TITAN's cement production facilities.
3. 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 to the Kyoto protocol. The base year performance for specific net Scope 1 CO_2 emissions was 778.3kg/tCementitious product, adjusted for the equity of year 2021.
4. Indirect CO_2 emissions related to emissions released for the production of the electrical energy consumed at TITAN's cement production facilities. For their calculation, we use emission factors provided by the supplier of the electrical energy or other publicly available data sources.
5. 2020 figures adjusted based on updated information received after the publication of 2020 IAR.
6. Indirect CO_2 emissions related to the emissions of the supply chain.
7. Relevant information is not available for the specific years denoted as 'n/a'.
8. Biomass rate corresponds to the percentage of total thermal energy consumption that comes from renewable energy sources.
9. Lower 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. For the definition of KPI "Annual investment in Research and Innovation" see the section 2.5.10 "Notes for Value Creation Indicators".

Notes for connection of KPIs with the SASB Standards

Connection of ESG performance indicators with metrics according to SASB Standards, in specific:

- EM-CM-110a.1 under the area "Greenhouse Gas Emissions" for Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations. Also the connection with the EM-CM-110a.2 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 area "Energy Management" for total energy consumed, percentage grid electricity, percentage alternative, and percentage renewable.

2.2 Focus area: Growth-enabling work environment

code	ESG Performance Indicators	Unit	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
2.2.1 Material issue: Safe and healthy working environment														
All activities														
2.1	Employee fatalities	#	0	1	0	0	0	●	●	●	●			SDG 3.6
2.2	Employee fatality rate	$\#/10^4$ persons	0.00	1.85	0.00	0.00	0.00	●	●	●	●			SDG 3.8
2.3	Contractors fatalities	#	0	2	0	2	0	●	●	●	●			SDG 4.3
2.4	Third-party fatalities	#	0	0	0	0	0	●	●	●	●			SDG 8.8
2.5	Employee Lost Time Injuries (LTIs)	#	10	6	16	17	27	●	●	●	●			
2.6	Employee Lost Time Injuries Frequency Rate (LTIFR)	$\#/10^6$ h	0.91	0.57	1.44	1.54	2.41	●	●	●	●		EM-CM-320a.1	
2.7	Employee lost working days[1]	d	417	256	637	615	1,220	●	●	●				
2.8	Employee Lost Time Injuries Severity Rate[1]	$d/10^6$ h	38.1	24.1	57.4	55.7	109.0	●	●	●	●			
2.9	Contractors Lost Time Injuries (LTIs)	#	11	10	10	9	7	●	●	●	●			
2.10	Contractors Lost Time Injuries Frequency Rate (LTIFR)	$\#/10^6$ h	1.55	1.46	1.35	1.12	0.82	●	●	●	●		EM-CM-320a.1	
All activities														
2.11	Near misses	#	3,603	3,467	3,746	2,169	1,185			●			EM-CM-320a.1	SDG 3.6
2.12	Training man-hours on health and safety per employee[2]	h/person	9.53	6.88	14.10	12.98	12.32			●	●			SDG 3.8
2.13	Training man-hours on health and safety per contractor[2]	h/person	10.83	10.40	12.34	14.88	11.73			●	●			SDG 4.3
2.14	Expenditures for Health and Safety, Group Total[3,6]	€	6,532,210	8,501,138	n/a	n/a	n/a			●	●			SDG 8.8
Cement production activities														
2.15	Employee fatalities	#	0	0	0	0	0	●	●	●	●			SDG 3.6
2.16	Employee fatality rate	$\#/10^4$ persons	0.00	0.00	0.00	0.00	0.00	●	●	●	●			SDG 3.8
2.17	Contractors fatalities	#	0	2	0	2	0	●	●	●	●			SDG 4.3
2.18	Third-party fatalities	#	0	0	0	0	0	●	●	●	●			SDG 8.8
2.19	Employee Lost Time Injuries (LTIs)	#	7	2	10	8	16	●	●	●	●			
2.20	Employee Lost Time Injuries Frequency Rate (LTIF	$\#/10^6$ h	1.11	0.33	1.59	1.25	2.41	●	●	●	●		EM-CM-320a.1	
2.21	Employee lost working days	d	283	176	440	416	1,014	●	●	●				
2.22	Employee Lost Time Injuries Severity Rate	$d/10^6$ h	44.9	29.2	69.9	65.0	152.8	●	●	●	●			
2.23	Contractors Lost Time Injuries (LTIs)	#	8	8	8	6	6	●	●	●	●			
2.24	Wellbeing initiatives for employees, Group total for all activities[3,6]	#	118	43	n/a	n/a	n/a							

Code	ESG Performance Indicators	Unit	Greece and Western Europe	USA	SEE	EM	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
2021 Performance by region													
2.25	Employee fatalities	#	0	0	0	0		●	●	●			SDG 3.6 SDG 3.8 SDG 4.3 SDG 8.6 SDG 8.8 SDG 10.3
2.26	Employee fatality rate	#/10^4 persons	0.00	0.00	0.00	0.00		●	●	●			
2.27	Contractors fatalities	#	0	0	0	0		●	●	●			
2.28	Third-party fatalities	#	0	0	0	0		●	●	●			
2.29	Employee Lost Time Injuries (LTIs)	#	0	2	5	3		●	●	●			
2.30	Employee Lost Time Injuries Frequency Rate (LTIFR)	#/10^6 h	0.00	0.38	2.43	2.17		●	●	●		EM-CM-320a.1	
2.31	Employee lost working days	d	0	57	344	16		●	●				
2.32	Employee Lost Time Injuries Severity Rate	d/10^6 h	0.00	10.75	167.16	11.57		●	●	●			
2.33	Contractors Lost Time Injuries (LTIs)	#	4	0	4	3		●	●	●			
2.34	Contractors Lost Time Injuries Frequency Rate (LTIFR)	#/10^6 h	2.50	0.00	2.30	0.86		●	●	●		EM-CM-320a.1	
2021 Performance by activity			Cement	Aggregates	Ready Mix	Other							
2.35	Employee fatalities	#	0	0	0	0		●	●	●			SDG 3.6 SDG 3.8 SDG 4.3 SDG 8.6 SDG 8.8 SDG 10.3
2.36	Employee fatality rate	#/10^4 persons	0.00	0.00	0.00	0.00		●	●	●			
2.37	Contractor fatalities	#	0	0	0	0		●	●	●			
2.38	Third-party fatalities	#	0	0	0	0		●	●	●			
2.39	Employee Lost Time Injuries (LTIs)	#	7	0	3	0		●	●	●			
2.40	Employee Lost Time Injuries Frequency Rate (LTIFR)	#/10^6 h	1.11	0.00	0.90	0.00		●	●	●		EM-CM-320a.1	
2.41	Employee lost working days	d	283	0	134	0		●	●				
2.42	Employee Lost Time Injuries Severity Rate	d/10^6 h	44.9	0.0	40.1	0.0		●	●	●			
2.43	Contractors Lost Time Injuries (LTIs)	#	8	1	2	0		●	●	●			
2.44	Contractors Lost Time Injuries Frequency Rate (LTIFR)	#/10^6 h	1.34	2.37	3.64	0.00		●	●	●		EM-CM-320a.1	

code	ESG Performance Indicators	Unit	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
2.2.2 Material issue: Diverse and Inclusive workplace														
2.45	Average employment, Group total[4]	#	5,352	5,363	5,382	5,424	5,552			●				SDG 5.4 SDG 8.5 SDG 8.6 SDG 8.8 SDG 10.3
2.46	Number of employees as of 31 December 2020, Group total	#	5,358	5,359	5,400	5,365	5,432			●				
2.47	**Employee turnover per gender, Group average[3]**	**%**	**10.62**	**11.31**	**12.33**	**11.03**	**13.94**			●				
2.48	Females	%	9.08	10.41	11.11	14.20	14.70							
2.49	Males	%	10.86	11.48	12.50	10.47	13.49							
Employee turnover per age group[3,5,6]														
2.50	Under 30	%	31.84	26.80	28.61	n/a	n/a							
2.51	Between 30-50	%	10.82	9.86	10.67	n/a	n/a							
2.52	Over 50	%	6.83	10.68	11.61	n/a	n/a							
2.53	Employees left, Group total[5]	#	569	606	666	592	757			●				
Employees left per age group[3]														
2.54	Under 30	#	121	97	111	119	108							
2.55	Between 30-50	#	293	277	309	281	316							
2.56	Over 50	#	155	234	246	192	333							
Employees left per gender[3]														
2.57	Females	#	65	69	73	91	96							
2.58	Males	#	504	539	593	501	661							
2.59	Employee new hires, Group average[5]	%	15.47	10.73	14.24	10.27	13.02			●				
2.60	Employee new hires, Group total[5]	#	829	575	769	551	707			●				
Employee new hires per gender[5]														
2.61	Females	#	143	77	119	77	123			●				
2.62	Males	#	686	498	650	474	584			●				
New hires per age group[5]														
2.63	Under 30	#	241	140	204	157	200			●				
2.64	Between 30-50	#	415	330	417	294	367			●				
2.65	Over 50	#	173	105	148	100	140			●				
Employment per type[5]														
2.66	Full time	#	5,247	5,231	5,297	5,342	5,461			●				
2.67	Part Time	#	30	48	42	28	35			●				
2.68	Temporary	#	81	80	61	54	56			●				

Code	ESG Performance Indicators	Unit	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
Employment per category[5]														SDG 5.4 SDG 8.5 SDG 8.6 SDG 8.8 SDG 10.3
2.69	Managers	#	657	649	641	481	473			●				
2.70	Senior managers	#	116	121	114	121	126			●				
2.71	Administration/technical	#	1,514	1,459	1,460	1,616	1,654			●				
2.72	Semi skilled/unskilled	#	3,071	3,130	3,185	3,214	3,294			●				
Employment per gender[5]														
2.69	Females	#	716	663	657	641	653			●				
2.70	Males	#	4,642	4,696	4,743	4,783	4,899			●				
2.71	Share of women in employment, Group average[5]	%	13.36	12.37	12.17	11.82	11.76			●				
2.72	Share of women in management, Group average[5]	%	17.59	16.49	15.50	16.53	15.69			●	●			
2.73	Share of women in Senior Management, Group average[5]	%	14.66	14.05	14.91	19.01	16.67			●	●			

2.2.3 Material issue: Continuous development of our people

Code	ESG Performance Indicators	Unit	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
2.74	Training investment per (trained) employee, Group average[3,5]	€	205	105	202	205	157			●	●			SDG 4.3 SDG 4.4 SDG 5.1 SDG 5.5 SDG 8.5 SDG 10.2 SDG 10.3 SDG 16.5
2.75	Training investment, Group total[3]	€	962,196	485,331	900,495	1,035,398	871,992			●	●			
Training investment per gender, Group total[3,5]														
2.76	Females	€	239,806	112,819	209,268	187,153	191,633			●	●			
2.77	Males	€	722,390	372,512	691,659	848,245	680,359			●	●			
2.78	Trained employees, Group total[5]	#	4,693	4,606	4,465	5,064	4,717			●				
2.79	Share of trained employees (in total workforce), Group average[5]	%	87.59	85.95	82.69	93.36	84.96			●				
2.80	Share of trained female employees (in total female employees). Group average[5]	%	96.79	93.21	95.13	97.50	94.03			●				
Trained employees per category, Group total[5]														
2.81	Managers	#	689	651	538	643	595							
2.82	Senior Managers	#	113	106	133	142	178							
2.83	Administration/technical	#	1,520	1,408	1,824	2,007	1,852							
2.84	Semi skilled/Unskilled	#	2,371	2,441	1,970	2,272	2,092							

Code	ESG Performance Indicators	Unit	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
	Trained employees per age group, Group total													SDG 4.3 SDG 4.4 SDG 5.1 SDG 5.5 SDG 8.5 SDG 10.2 SDG 10.3 SDG 16.5
2.85	Under 30	#	357	318	461	510	444			•				
2.86	Between 30-50	#	2603	2631	2644	2982	2725			•				
2.87	Over 50	#	1733	1657	1360	1572	1548			•				
2.88	Training hours, Group total	#	109,364	79,350	137,272	138,114	155,587	•		•	•			
2.89	Average training hours per employee (over the total number of direct employees), and breakdown per gender, Group total[5]	#	20.41	14.81	25.42	25.46	28.02			•	•			
2.90	Average female	#	25.68	18.06	35.32	35.66	37.00	•						
2.91	Average male	#	19.60	14.35	24.05	24.10	27.00	•						
	Training hours per subject, Group total									•				
2.92	Company on-boarding[3,6]	#	2,651	942	6,414	n/a	n/a	•						
2.93	Compliance	#	8,974	6,359	1,191	1,430	308	•			•			
2.94	CSR and Sustainability	#	554	525	970	955	211	•			•			
2.95	Digital[3,6]	#	9,718	2,767	11,767	n/a	n/a	•						
2.96	Environment	#	3,186	2,115	3,722	3,136	4,801	•						
2.97	Foreign languages	#	3,692	2,837	3,113	3,929	6,772	•						
2.98	Functional competence	#	7,856	4,994	3,512	23,152	27,725	•						
2.99	Generic competence	#	4,711	2,947	6,302			•						
2.100	Health and safety	#	50,992	36,912	76,372	69,591	68,200	•						
2.101	Managerial skills	#	4,243	3,615	10,297	15,223	19,883	•						
2.102	Other	#	1,738	3,620	1,276	2,440	4,716	•						
2.103	Security	#	136	586	407	761	754	•						
2.104	Technical know-how	#	10,916	11,132	11,931	17,497	22,217	•						
2.105	Share of employees with performance evaluation, Group average[3]	%	60.66	58.70	58.80	48.60	48.20							
2.106	Share of female employees with performance evaluation, Group average[3,6]	%	83.38	82.05	n/a	n/a	n/a							
2.107	Share of female employees in talent pools, Group average[3,6]	%	13.90	13.00	n/a	n/a	n/a							

Notes

General Note for the consolidation of data

Consolidation (aggregation) of data for the above ESG performance indicators was made with 100.0% contribution for all subsidiaries, where TITAN holds percentage of property share of more than 50.0%, also called share of equity for the purposes of ESG performance statements data consolidation. A detailed list of TITAN Group subsidiaries and TITAN's share of equity is provided in the Table TITAN 2.5.8 "Group Basis for Calculating Environmental Performance Indicators", using the Share of equity, in this section of ESG performance statements.

Notes for the external verification, standards, guidance, and terms used

Assurance: Specific KPIs denoted in this Table are included in the scope of ERM Certification and Verification Services (ERM CVS) assurance engagement (ERM CVS' "Independent assurance statement").
Standards: For the reporting standards under TITAN's Global Sectoral Approach, namely the GCCA, UNGC, UNCTAD, TCFD, and SASB, please refer to the section 'TITAN's approach for ESG Performance reporting' in the ESG performance statements.
Guidance: TITAN follows the GCCA Sustainability Framework Guidelines, and the Sustainability Guidelines for the monitoring and reporting of safety in cement and concrete manufacturing (last edition in February 2020). This document has been agreed within the GCCA to have extended application to concrete and other related activities.

Notes on specific KPIs

1. Figure for 2020 was adjusted to include previously unreported data,
2. The KPI was calculated for closing of the reporting period 2020 in accordance with the practice for all Safety data, being the use of "Average Employment" (see Note 3 below). This is consistent with all years prior to 2021.
3. New KPIs and other notes:
• "Wellbeing initiatives" was introduced in this report for providing the total number of initiatives of TITAN BUs which aim to support employees on all dimensions of the TITAN Health and Wellbeing framework (the four dimensions are: physical, mental, social, and financial), in a holistic and integrated way. In 2021 all BUs have increased efforts for achieving coverage of the dimensions of TITAN's Framework, and 8 countries covered all four dimensions, while one country covered three out of four. The KPI aims to strengthen our reporting on performance for the Material Issue Safe and healthy working environment, under the Focus Area Growth-enabling work environment.
• "Employee turnover per gender" (females and males), "Employee turnover per age group" (under 30, between 30-50, and over 50), "Employees left per age group", and "Employees left per gender", were introduced for the first time in this report, to enlarge the coverage of TITAN's disclosures on performance related to the Material Issue Material Issue Diverse and Inclusive workplace.
• Also new KPIs were introduced for TITAN's discloser of performance related to the Material Issue Continuous development of our people, in specific: "Share of employees with performance evaluation", "Share of female employees with performance evaluation", and "Share of female employees in talent pools". TITAN follows an inclusive approach for increasing the coverage of employees under the performance evaluation programs on each BU level and engages employees from all categories or employment (managers and senior managers, administration/technical, and employees in the category semi-skilled/unskilled).
• Last, for the definition of KPI "Training Investment" see the section 2.5.10 "Notes for Value Creation Indicators".
4. The calculation of the KPI "Average Employment" was made according to Belgian Law (sec. 165 XIVB of RD of 30 January 2001).
5. Other notes KPIs calculated on the basis of "Average Employment" data for years 2017-2018. As of 2019, the specific KPIs are calculated on the basis of the number of employees as of 31 December. 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%.
The total hours of training under the subject area "Environment" cover also the hours of training for the topics related to "Decarbonization" which was introduced as a new subject area in the last quarter of 2021 and accounted for insignificant in the total hours of training on Group level.
The figures of KPIs for year 2020, related to "Employee new hires" and "Employees left", were amended in order to meet the requirements of TITAN standards and the in-house system for data analytics.
6. Relevant information is not available for the specific years denoted as 'n/a'.

Notes for 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 area "Workforce Health and Safety", and in specific for the 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	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
3.1	Overall coverage rate	%	72.0	65.4	74.1	79.8	78.1	●	●	●			EM-CM-120a.1	SDG 3.9
3.2	Coverage rate continuous measurement	%	77.8	77.7	78.6	81.0	82.1	●	●	●			EM-CM-120a.1	SDG 9.4
3.3	Dust emissions (total)	t	206.9	225.4	177.5	155.9	277.9	●	●	●			EM-CM-120a.1	
3.4	Specific dust emissions	g/t clinker	16.6	19.3	14.7	12.1	19.8	●	●	●			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[1]	t	65,132	60,700	56,600	52,310	47,680	●		●	●			
3.7	NOx emissions (total)	t	15,729.4	14,962.1	15,316.6	16,880.8	18,863.1	●	●	●			EM-CM-120a.1	
3.8	Specific NOx emissions	g/t clinker	1,263.4	1,282.4	1,268.6	1,307.0	1,345.3	●	●	●			EM-CM-120a.1	
3.9	Coverage rate for NOx emissions	%	100.0	100.0	100.0	100.0	100.0	●	●	●			EM-CM-120a.1	
3.10	Avoided NOx emissions[1]	t	282,474	261,235	241,555	221,025	199,555	●		●	●			
3.11	SOx emissions (total)	t	3,050.9	2,953.0	2,334.9	2,632.4	2,738.4	●	●	●			EM-CM-120a.1	
3.12	Specific SOx emissions	g/t clinker	245.0	253.1	193.4	203.8	195.3	●	●	●			EM-CM-120a.1	
3.13	Coverage rate for SOx emissions	%	100.0	100.0	100.0	100.0	100.0	●	●	●			EM-CM-120a.1	
3.14	Avoided SOx emissions[1]	t	39,664.7	37,290.0	35,350.0	32,630.0	29,855.0	●		●	●			
3.15	TOC emissions (total)	t	492.6	435.3	682.2	546.9	710.7		●	●			EM-CM-120a.1	
3.16	Specific TOC emissions	g/t clinker	39.6	37.3	56.5	42.3	50.7		●	●			EM-CM-120a.1	
3.17	Coverage rate for TOC emissions	%	96.4	90.9	98.9	100.0	100.0		●	●			EM-CM-120a.1	
3.18	PCDD/F emissions (total)	mg	339.4	211.3	152.5	227.7	343.4		●	●			EM-CM-120a.1	
3.19	Specific PCDD/F emissions	ng/t clinker	27.3	18.1	12.6	17.6	24.5		●	●			EM-CM-120a.1	
3.20	Coverage rate for PCDD/F emissions	%	83.3	96.8	100.0	100.0	89.3		●	●			EM-CM-120a.1	
3.21	Hg emissions (total)	kg	279.6	360.3	494.5	492.8	478.0		●	●			EM-CM-120a.1	
3.22	Specific Hg emissions	ng/t clinker	22.5	30.9	41.0	38.2	34.1		●	●			EM-CM-120a.1	
3.23	Coverage rate for Hg emissions	%	94.5	100.0	97.0	100.0	96.0		●	●			EM-CM-120a.1	
3.24	Cd and Tl emissions (total)	kg	181.8	166.5	221.3	267.2	241.3		●	●			EM-CM-120a.1	
3.25	Specific (Cd and Tl) emissions	ng/t clinker	14.6	14.3	18.3	20.7	17.2		●	●			EM-CM-120a.1	
3.26	Coverage rate for (Cd and Tl) emissions	%	72.0	77.7	75.1	81.0	78.1		●	●			EM-CM-120a.1	
3.27	Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V emissions (total)	kg	2546.7	2,092.6	2,101.1	2,479.6	3,758.1		●	●			EM-CM-120a.1	
3.28	Specific (Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V)	ng/t clinker	204.6	179.36	174.03	191.99	268.03		●	●			EM-CM-120a.1	
3.29	Coverage rate for (Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V) emissions	%	72.0	77.7	75.1	81.0	78.1		●	●			EM-CM-120a.1	
3.30	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	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
All activities														
3.31	**Environmental complaints**[2,3]	**#**	**13**	**2**	**10**	**n/a**	**n/a**							
3.32	Greece[2,3]	#	6	2	8	n/a	n/a							
3.33	USA[2,3]	#	0	0	0	n/a	n/a							
3.34	Southeastern Europe[2,3]	#	6	0	1	n/a	n/a							
3.35	Eastern Mediterranean[2,3]	#	1	0	1	n/a	n/a							

Rehabilitation

Cement production and aggregates activities

Code	ESG Performance Indicators	Unit	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
3.36	Sites with rehabilitation plans[4,7]	%	91.0	91.0	94.0	78.0	83.0	•	•	•			EM-CM-160a.1	SDG 15.3 SDG 15.4 SDG 15.9 SDG 15a
3.37	Sites rehabilitated areas over affected areas (cumulative)[3,4,7,8]	%	22.6	23.6	n/a	n/a	n/a			•			EM-CM-160a.2	
3.38	Sites with Environmental Management System (ISO14001 or similar)	%	78.0	79.0	77.0	80.0	83.0			•			EM-CM-160a.1	

Biodiversity

Cement production and aggregates activities

Code	ESG Performance Indicators	Unit	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
3.39	Sites in high biodiversity value areas[4,5]	#	12	10	10	10	10		•	•			EM-CM-160a.1	SDG 15.3 SDG 15.4 SDG 15.9 SDG 15a
3.40	Sites with biodiversity management plans[4,6]	#	10	9	9	9	8		•	•			EM-CM-160a.1	
3.41	Sites with biodiversity management plans	%	83.3	90.0	90.0	90.0	80.0	•	•	•			EM-CM-160a.1	

Investments in environmental protection

All activities

Code	ESG Performance Indicators	Unit	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
3.42	**Environmental expenditures across all activities**[9]	**million €**	**25.3**	**22.2**	**26.6**	**29.1**	**27.6**			•	•			SDG 7b SDG 9.4
3.43	Environmental management	million €	16.7	13.9	16.8	16.3	15.8			•	•			
3.44	Reforestation	million €	0.5	0.3	0.5	0.5	0.5			•	•			
3.45	Rehabilitation	million €	0.8	0.7	0.6	0.5	0.5			•	•			
3.46	Environmental training and awareness building	million €	0.3	0.3	0.2	0.2	0.2			•	•			
3.47	Application of best available technologies	million €	4.8	4.2	6.4	9.6	8.7			•	•			
3.48	Waste management	million €	2.0	2.7	2.1	1.9	2.0			•	•			

Code	ESG Performance Indicators	Unit	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
2.3.2 Material issue: Social positive impact														
3.49	Donations, Group total[10]	€	2,310,864	2,125,725	2,532,248	2,263,920	2,083,370			•	•			SDG 2.1 SDG 2.3 SDG 4.3 SDG 4.4 SDG 9.3
3.50	Donations in cash, Group total[10]	€	1,836,286	1,560,093	2,020,330	1,626,390	1,498,483			•	•			
3.51	Donations in kind, Group total[10]	€	474,578	565,633	511,918	637,530	584,887			•	•			
3.52	Employees from local community, Group average[11]	%	83.31	83.16	83.32	80.79	80.00							
3.53	Internships, Group total	#	391	251	396	477	910			•				
3.54	New entry level jobs from internships/traineeships, Group total	#	24	15	24	23	24			•				
3.55	Internships from Local Community, Group total[2,3]	%	83.38	95.62	58.84	61.22	n/a							
3.56	Key operations with Community Engagement Plans related to material issues and Group policies[2,3]	#	15 of 15	14 of 14	6 of 14	3 of 14	n/a	•		•	•			
3.57	Total number of Initiatives under Community Engagement Plans, Group total[2,3]	#	142	124	n/a	n/a	n/a							
3.58	Total number of Participants to Community Engagement Plans, Group total[2,3]	#	2,750	3,633	n/a	n/a	n/a							
3.59	TITAN Employees, volunteers to Community Engagement Plans, Group total[2,3]	#	1,873	n/a	n/a	n/a	n/a							
3.60	Total amount of "social investment" for the implementation of the Community Engagement Plans, Group total[2,3]	million €	1.3	1.5	n/a	n/a	n/a							
3.61	Blood donations (TITAN employees, business partners and communities), Group total[2,3]	#	579.0	n/a	n/a	n/a	n/a							
2.3.3 Material issue: Economic positive impact														
3.62	Local Spend, Group average[3,10]	%	65.12	66.95	65.35	n/a	n/a			•	•			

Notes

General Note for the consolidation of data

Consolidation (aggregation) of data for the above ESG performance indicators related to the Material Issues
• "Environmental positive impact" was made on the basis of the percentage of property share for each of the subsidiaries, where TITAN holds a property share of more than 50.0%, also called share of equity for the purposes of non-financial data consolidation. The indicators were calculated according to the share of equity held by the Group at the end of 2021. Performance of previous years was recalculated to reflect changes in share of equity in 2021, if required. A detailed list of TITAN Group subsidiaries and TITAN's share of equity is provided in the Table 2.5.8 "TITAN Group Basis for Calculating Environmental Performance Indicators", using the Share of equity, in this section of ESG performance statements.
• "Social positive impact" and "Economic positive impact" was made with 100.0% contribution for all subsidiaries, where TITAN holds percentage of property share of more than 50.0%.

Notes for the external verification, standards, guidance, and terms used

Assurance: Specific KPIs denoted in this Table are included in the scope of ERM Certification and Verification Services (ERM CVS) assurance engagement (ERM CVS' "Independent assurance statement").
Standards: For the reporting standards under TITAN's Global Sectoral Approach, namely the GCCA, UNGC, UNCTAD, TCFD, and SASB, please refer to the section "TITAN's approach for ESG Performance reporting" in the ESG performance statements.
Guidance: TITAN follows the GCCA Sustainability Framework Guidelines, and the Sustainability Guidelines for the monitoring and reporting of emissions from cement manufacturing, and quarry rehabilitation and biodiversity management. The above Guidelines had superseded before 2021 the previous - and respective - Guidelines of the WBCSD/CSI, which were the guidance for measuring, reporting and verifying environmental performance until (and including) year 2018. For the Sector standards, see details in Table 2.5.9 "Sector Standards for the Non-financial disclosures in 2021".

Notes on specific KPIs

1. 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 370.3g/tClinker, for specific NOx emissions was 2,969.2g/tClinker and for specific SOx emissions was 418.8g/tClinker, adjusted for the equity of year 2021.
2. New indicators. More details:
- "Internships from Local Community", "Total number of Initiatives under Community Engagement Plans", "Total number of Participants to Community Engagement Plans", "TITAN Employees, volunteers to Community Engagement Plans", "Total amount of 'social investment' for the implementation of the Community Engagement Plans", and "Blood donations (TITAN employees, business partners and communities)" were introduced as new KPIs in this report for strengthening our disclosures on performance related to the Material Issue "Social positive impact".
In more specific:
• The number of "Internships from Local Community" is calculated as % share of Interns (students or other) who are residents from the local communities, over the total number of Internships, as reported by the KPI "Internships".
• The KPIs of "Total number of Participants to Community Engagement Plans", "TITAN Employees, volunteers to Community Engagement Plans", and "Total amount of 'social investment' for the implementation of the Community Engagement Plans" are related to the KPI "Key operations with Community Engagement Plans related to material issues and Group policies" which was incorporated for the first time in the ESG performance statements in the TITAN IAR 2020. In 2021 TITAN progressed with the implementation of a new framework guidance for Community Engagement Plans across all BUs and strengthened its approach. The discussion on performance in 2021 is provided in the Management report, section "ESG performance review", for Material issue: "Social positive impact". Few definitions for providing more clarity about TITAN's approach to stakeholders engagement in communities, are as follows:
o "Inform" refers to: Provide (local) Stakeholders with info on the BU Materiality Assessment outcomes and the ESG targets, and assist in understanding problems, alternatives, and solutions, as well as exploring opportunities for win-win collaborative initiatives.
o "Consult" refers to: Obtain Stakeholders feedback following the 'Inform' stage, and explore synergies of the BU with the local community.
o "Involve" refers to: Work directly with Stakeholders, and consider their concerns, aspirations, and expectations from the company (BU).
o "Collaborate" refers to: Listen to the input of Stakeholders as part the decision-making of the BU, following the previous 3 stages. Identify best option(s) for solutions, and agree on win-win opportunities for the local community and the company. Plan for implementation jointly with Stakeholders, and agree on the adequate level of advocacy for your decisions and actions.
o "Empower" refers to: Stakeholders and the local community can make their decisions and plan for their actions, for leading (their) solution-based efforts. The company aims to be the 'enabler' or 'facilitator'.
3. Relevant information is not available for the specific years denoted as 'n/a'.

4. Coverage includes all wholly-owned quarries attached to cement plants and quarries for aggregates production.
5. Active quarries within, containing or adjacent to areas designated for their high biodiversity value. See also Table “TITAN Group Quarry Sites with High Biodiversity Value”.
6. Active quarries with high biodiversity value where biodiversity management plans are actively implemented. See also Table “TITAN Group Quarry Sites with High Biodiversity Value”.
7. Performance figures of previous years have been re-calculated and adjusted to reflect the revised baseline (scope) (see Note 2).
8. 2020 is the initial year for disclosing data for this indicator.
9. The definition of “Environmental expenditures across all activities” is equivalent to the definition of “Investment in the Environment”, see section 2.5.10 “Notes for Value Creation Indicators”.
10. For definitions related to "Donations", and "Local Spend", see section 2.5.10 “Notes for Value Creation Indicators” (see the equivalent definitions, respectively: “Total spend on donations and social engagement initiatives”, and “% local spend of TITAN”).
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 specific method of calculation see respective Note under the Table 2.2 “Growth-enabling work environment”, part of the ESG performance statements.

Notes for connection of KPIs with the SASB Standards

Connection of ESG performance indicators with metrics according to SASB Standards, in specific:
- EM-CM-120a.1 under the 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 area “Biodiversity Impacts” for the environmental management policies and practices for active sites, and terrestrial acreage disturbed, percentage of impacted area restored (see also Table “TITAN Group Quarry Sites with High Biodiversity Value” part of the ESG performance statements).

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	Adjacent to area for preservation of terrestrial ecosystems 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	Adjacent to 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	Partly inside NATURA 2000 area for protection of terrestrial ecosystems (SAC)	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/adjacent to NATURA 2000 area for protection of terrestrial and maritime ecosystems (SAC/SPA)	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 NATURA 2000 area for protection of terrestrial ecosystems (SPA)	YES	
Aspra Homata I + II Quarries	Greece	Cement	Apsalos, Pella	Inside NATURA 2000 area for protection of terrestrial ecosystems (SPA)	YES	
Rethimno Quarry	Greece	Aggregates	Rethimno, Crete Island	Inside area for protection of terrestrial ecosystems on national level	YES	
Leros Quarry	Greece	Aggregates	Leros Island	Inside area for protection of terrestrial ecosystems on national 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.
Thisvi Quarry	Greece	Aggregates	Thisvi, Viotia	Adjacent to NATURA 2000 area for protection of marine ecosystems (SCI)	NO	Biodiversity Study planned for 2022.
Drimos Quarry	Greece	Cement and Aggregates	Drimos, Thessaloniki	Inside area for protection of terrestrial ecosystems on national level	NO	Biodiversity Study planned for 2023.

Notes

1. The above Table is complementary to the Table 2.3, "Focus area: Positive local impact" , and in specific for the KPIs: a) Active quarries with biodiversity issues, b) Active quarry sites with biodiversity management plans (number), c) Active quarry 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 in 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). Also this information, combined with the disclosures under the respective section of this report, cover the requirements for reporting according to the SASB Standards for "Biodiversity Impacts" and in more specific 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	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
All Activities														
4.1	**Water consumption (total)**	**million m3**	**11.3**	**11.1**	**11.0**	**10.7**	**10.5**	●	●	●				SDG 6.3
4.2	Greece[1]	million m3	1.6	1.5	1.5	1.6	1.8							SDG 6.4
4.3	USA[1]	million m3	7.9	7.8	7.7	7.2	6.6							SDG 6.5
4.4	Southeastern Europe[1]	million m3	0.9	0.9	0.9	0.7	0.8							
4.5	Eastern Mediterranean[1]	million m3	0.9	0.9	0.8	1.1	1.4							
4.6	**Water withdrawal (total, by source)[2]**	**million m3**	**43.2**	**41.3**	**39.8**	**39.2**	**35.4**	●	●	●	●		EM-CM-140a.1	
4.7	Ground water	million m3	39.8	37.8	36.4	35.5	31.4						EM-CM-140a.1	
4.8	Municipal water	million m3	1.0	0.9	0.9	1.1	1.3						EM-CM-140a.1	
4.9	Rain water	million m3	0.2	0.2	0.2	0.2	0.2						EM-CM-140a.1	
4.10	Surface water	million m3	0.8	0.8	0.8	0.9	1.0						EM-CM-140a.1	
4.11	Quarry water used (from quarry dewatering)	million m3	0.1	0.1	0.1	0.1	0.1							
4.12	Ocean or sea water	million m3	1.3	1.3	1.3	1.3	1.3							
4.13	Waste water	million m3	0.1	0.1	0.1	0.1	0.1							
4.14	**Water discharge (total, by destination)[3]**	**million m3**	**31.9**	**30.2**	**28.8**	**28.5**	**24.9**	●	●	●	●			
4.15	Surface (river, lake)	million m3	30.4	28.7	27.3	27.0	23.5							
4.16	Sub-surface water (well)	million m3	0.1	0.1	0.1	0.0	0.0							
4.17	Ocean or sea	million m3	1.3	1.3	1.3	1.3	1.3							
4.18	Off-site treatment	million m3	0.1	0.1	0.1	0.1	0.1							
4.19	Other[4,5]	million m3	0.0	n/a	n/a	n/a	n/a							
Cement and cementitious production activities														
4.20	**Water consumption (total)**	**million m3**	**3.8**	**3.7**	**3.7**	**4.0**	**4.3**	●	●	●				SDG 6.3
4.21	Greece[1]	million m3	1.0	1.0	1.0	1.0	1.2							SDG 6.4
4.22	USA[1]	million m3	1.1	1.1	1.1	1.2	1.1							SDG 6.5
4.23	Southeastern Europe[1]	million m3	0.9	0.9	0.9	0.7	0.7							
4.24	Eastern Mediterranean[1]	million m3	0.8	0.8	0.7	1.0	1.3							
4.25	Water withdrawal (total)[2]	million m3	7.8	7.6	7.6	7.9	8.3	●					EM-CM-140a.1	
4.26	Water discharge (total)[3]	million m3	4.0	3.9	3.9	4.0	4.0	●						
4.27	Water recycled (total)	million m3	15.2	15.5	15.1	17.7	18.5		●	●	●		EM-CM-140a.1	
4.28	Specific water consumption	l/t Cementitious Product	245.74	260.54	255.70	256.53	259.29	●	●	●	●			
4.29	Specific water consumption	l/t Cement	250.86	260.82	257.32	259.18	269.80	●	●	●	●			
4.30	Water demand covered with recycled water	%	66.1	67.2	66.5	69.0	69.0							
4.31	Avoided water consumption	million m3	36.3	32.5	29.1	25.5	21.8			●	●			

code	ESG Performance Indicators	Unit	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
2.4.1 Material issue: Resource efficiency, recycling and recovery, contributing to circular economy														
Ready mix concrete activities														
4.32	Total water withdrawal	million m3	3.1	3.0	3.0	2.9	3.0			●	●			SDG 6.4
4.33	Specific water withdrawal	l/m3 Concrete	572.8	577.8	598.3	589.7	555.5			●	●			SDG 6.5
All Activities														
4.34	Thermal energy consumption (total)	TJ	44,834	41,229	43,102	45,740	50,114		●	●	●		EM-CM-130a.1	SDG 7
4.35	Electrical energy consumption (total)	TJ	6,580	6,116	6,328	6,549	6,914		●	●	●		EM-CM-130a.1	SDG 12
Cement production activities														
4.36	Integrated cement plants with certified Energy Management System (ISO 50001 or similar)	% Clinker production	86.2	54.9	40.5	40.7	6.1	●		●		●		SDG 7.2 SDG 7.3 SDG 9.4 SDG 12.2
4.37	Thermal energy consumption (Cement, grinding plants and attached quarries)	TJ	43,756	40,786	42,160	45,176	49,708	●	●	●	●	●	EM-CM-130a.1	
4.38	**Specific thermal energy consumption**	**kcal/kg Clinker**	**839.5**	**834.9**	**833.5**	**835.6**	**847.1**	●	●	●	●	●		
4.39	Greece[1]	kcal/kg Clinker	894.5	874.3	865.7	853.8	858.2		●	●	●	●		
4.40	USA[1]	kcal/kg Clinker	760.2	757.7	752.2	752.0	756.0		●	●	●	●		
4.41	Southeastern Europe[1]	kcal/kg Clinker	839.3	844.9	843.5	844.1	838.7		●	●	●	●		
4.42	Eastern Mediterranean[1]	kcal/kg Clinker	848.8	852.5	856.1	863.9	890.9		●	●	●	●		
4.43	Electrical energy consumption (Cement, grinding plants and attached quarries)	GWh	1,723	1,604	1,661	1,724	1,826	●	●	●	●	●	EM-CM-130a.1	
4.44		TJ	6,204	5,773	5,981	6,206	6,573	●	●	●	●	●	EM-CM-130a.1	
4.45	**Specific electrical energy consumption[1]**	**kWh/t Cement**	**115.0**	**113.0**	**115.4**	**113.7**	**115.3**					●		
4.46	Greece[1]	kWh/t Cement	132.1	130.6	137.4	135.6	141.6					●		
4.47	USA[1]	kWh/t Cement	123.0	120.7	121.7	105.8	108.2					●		
4.48	Southeastern Europe[1]	kWh/t Cement	100.6	104.8	104.5	102.8	103.3					●		
4.49	Eastern Mediterranean[1]	kWh/t Cement	106.5	100.4	101.7	109.1	108.6					●		
4.50	Renewable energy as part of total electrical energy consumption[1,5]	% Electrical energy consumed	24.0	22.8	n/a	n/a	n/a					●		

code	ESG Performance Indicators	Unit	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
Ready mix concrete activities														
4.51	Specific electrical energy consumption in concrete production	kWh/m³ Concrete	3.7	3.5	3.7	3.8	3.2			•	•			SDG 6.4 SDG 6.5
All Activities														
4.52	**Natural raw materials extracted (total, wet)**	**million t**	**34.9**	**32.5**	**32.4**	**33.6**	**34.2**			•				SDG 12.2
4.53	Raw materials extracted for clinker and cement production	million t	18.9	17.9	18.5	20.2	21.2			•				
4.54	Raw materials extracted for aggregates	million t	16.1	14.5	13.8	13.5	13.0			•				
Cement production activities														
4.55	Materials consumption (total, dry)	million t	22.0	20.6	21.1	22.5	24.4			•				SDG 12.2 SDG 12.4 SDG 12.5
4.56	Extracted (natural) raw materials consumption (dry)	million t	20.5	19.3	19.6	21.2	23.0							
4.57	Alternative raw materials consumption (dry)	million t	1.5	1.3	1.5	1.2	1.3							
4.58	Alternative raw materials use (of total raw materials consumed)	% Dry	6.6	6.4	7.1	5.5	5.4		•		•			
4.59	Alternative raw materials rate (based on clinker-to-cement (equivalent) factor)	% Dry	7.6	7.2	8.1	6.4	6.3	•	•	•	•			
4.60	Avoided consumption of natural resources and landfilling of alternative materials and fuels[6]	million t	27.5	25.7	24.1	22.4	21.0			•	•			
All Activities														
4.61	**Externally recycled waste materials (total, wet)**	**t**	**263,729**	**273,828**	**236,736**	**200,684**	**259,696**			•	•			SDG 12.2 SDG 12.4 SDG 12.5
4.62	Reused	t	23	125	53	1,832	4,395							
4.63	Recycled	t	262,928	273,193	236,610	198,831	255,218							
4.64	Recovered	t	778	510	74	21	83							
4.65	Waste disposal, break down by destination-usage (wet)	% By mass	100.0	100.0	100.0	100.0	100.0			•	•		EM-CM-150a.1	
4.66	Reuse	% By mass	0.0	0.0	0.0	0.7	1.4			•	•		EM-CM-150a.1	
4.67	Recycled	% By mass	83.3	82.4	76.8	77.1	79.4			•	•		EM-CM-150a.1	
4.68	Recovered (including energy recovery)	% By mass	0.2	0.2	0.0	0.0	0.0			•	•		EM-CM-150a.1	
4.69	Incineration	% By mass	0.0	0.0	0.0	0.0	0.0			•	•		EM-CM-150a.1	
4.70	Landfilled	% By mass	16.4	17.3	23.1	22.1	19.0			•	•		EM-CM-150a.1	
4.71	Other (incl. storage)	% By mass	0.1	0.1	0.1	0.1	0.1			•	•		EM-CM-150a.1	

code	ESG Performance Indicators	Unit	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
4.72	**Waste disposal (total, wet)**	**t**	**315,623**	**331,709**	**308,218**	**258,032**	**321,240**			●	●		EM-CM-150a.1	SDG 12.2
4.73	Non-hazardous waste	t	315,178	331,201	307,241	255,943	320,436			●	●		EM-CM-150a.1	SDG 12.5
4.74	Hazardous waste	t	445	508	977	2,089	803			●	●		EM-CM-150a.1	
	Cement production activities													
4.75	Integrated cement plants with “Zero Waste to Landfill” certification[1,5]	% Clinker production	56.2	29.5	n/a	n/a	n/a							SDG 12.2 SDG 12.4
	Ready mix concrete activities													
4.76	Recycled/reused concrete (internally and externally)	% Returned concrete	86.0	90.3	86.6	86.9	87.7			●	●			SDG 12.2 SDG 12.4

2.4.2 Material Issue: Reliable and Sustainable Supply Chain

All Activities

code	ESG Performance Indicators	Unit	2021	2020	2019	2018	2017	Assurance	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
4.77	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

General Note for the consolidation of data

Consolidation (aggregation) of data for the above ESG performance indicators related to the Material Issue “Resource efficiency, recycling and recovery, contributing to circular economy” was made on the basis of the percentage of property share for each of the subsidiaries, where TITAN holds a property share of more than 50.0%, also called share of equity for the purposes of non-financial data consolidation. The indicators were calculated according to the share of equity held by the Group at the end of 2021. Performance of previous years was re-calculated to reflect changes in share of equity in 2021, if required. A detailed list of TITAN Group subsidiaries and TITAN’s share of equity is provided in the Table 2.5.8 “TITAN Group Basis for Calculating Environmental Performance Indicators”, using the Share of equity, in this section of ESG performance statements.

Notes for the external verification, standards, guidance, and terms used

Assurance: Specific KPIs denoted in this Table are included in the scope of ERM Certification and Verification Services (ERM CVS) assurance engagement (ERM CVS’ “Independent assurance statement”).
Standards: For the reporting standards under TITAN's Global Sectoral Approach, namely the GCCA, UNGC, UNCTAD, TCFD, and SASB, please refer to the section “TITAN’s approach for ESG Performance reporting” in the ESG performance statements.
Guidance: TITAN follows the GCCA Sustainability Framework Guidelines, and the Sustainability Guidelines for the monitoring and reporting of monitoring and reporting of water in cement manufacturing. The above Guidelines had superseded before 2021 the previous – and respective – Guidelines of the WBCSD/CSI, which were the guidance for measuring, reporting and verifying environmental performance until (and including) year 2018. For the Sector standards, see details in Table 2.5.9 “Sector Standards for the Non-financial disclosures in 2021”.

Notes on specific KPIs

1. New indicator.
2. Total withdrawal includes also the water quantities withdrawn by TITAN and supplied to third parties without being used in any of TITAN facilities.
3. Total discharge includes also the water quantities withdrawn by TITAN and supplied to third parties without being used in any of TITAN facilities.
4. Refers to the water quantities 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 503.9lt/tCement, adjusted for the equity of year 2021. 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 2021 with building an internal Sustainable Supply Chain Roadmap and establishing: (a) New Group Procurement Policy, and (b) Foundations for ESG criteria to evaluate key suppliers, as defined in accordance with the GCCA Guidance for Sustainable Supply Chain management, and with a meaningful level of spend for TITAN (i.e. 80% of total spend).

Notes for connection of KPIs with the SASB Standards

Connection of ESG performance indicators with metrics according to SASB Standards, in specific:
- 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.

TITAN Group Cement Plant Sites within water-stressed Areas

Site	Country	Water Stress (Baseline)
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, cover also the requirements for reporting according to the SASB Standards for 'Water Management' and in more specific 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.

2.5.1 Good governance, transparency and business ethics

Code	Governance Core Indicators	Notes	Performance 2022	Reporting Standards
	Board structure			
5.1	Number and percentage of female board members		Number of females: 3 Contribution to the total: 20%	SDG 5.5 SDG 16.5 SDG 16.6 SDG 16.7 UNGC UNCTAD SASB[5]
5.2	Number of nationalities represented on the Board		6	
	Board members by age range			
5.3	Under 30		0	
5.4	Between 30-50		1	
5.5	Over 50		14	
5.6	Number of independent board members		8/15	
	Board effectiveness			
5.7	Number of board meetings and attendance rate	1	Seven (7) scheduled meetings were held in 2021, with attendance rate reaching 99.05%.	
5.8	Audit and Risk Committee: Number of meetings and attendance rates	2	Six (6) meetings with 100% attendance.	
5.9	Nomination Committee: Number of meetings and attendance rates	2	One (1) meeting with 100% attendance.	
5.10	Remuneration Committee: Number of meetings and attendance rates	2	One (1) meeting with 100% attendance and one (1) meeting was held by circulation.	
	Compliance and business ethics			
5.11	Grievance mechanism (Ethicspoint) coverage	3	100%	
5.12	Number of cases reported in EthicsPoint	3	In 2021, 11 cases in total were reported through the EthicsPoint platform, ten of which were classified as allegations and one as an Inquiry (complaint).	
5.13	Percentage of unionised employees (%)	4	33.22%	
5.14	Percentage of employees covered by Collective Bargain Agreements (CBAs)	5	52.26%	
5.15	Average number of hours of training on subjects related to Compliance, per employee	6	1.67	

Notes

Note for the standards, guidance, and terms used

The KPIs referred in ESG Performance Statements as Governance core indicators are in line with the requirements of the UNCTAD Guidance on reporting of Core Indicators (UNCTAD, 2019), and are connected with the most relevant SDGs and specific Targets for each SDG. Specific KPIs from this list are also essential to reporting on progress with respect to TITAN Group commitments for the UNGC Ten Principles.

Notes for specific Governance core indicators

1. Number of board meetings during the reporting period and number of Board members who participate at 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.
2. Number of board meetings during the reporting period and number of Audit committee members who participate at 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.
3. Of the ten (10) cases classified inside the TITAN EthicsPoint as allegations, nine (9) 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 nine (9) cases, two (2) were found fully substantiated, one (1) was partially substantiated and six (6) were unsubstantiated. For each of the substantiated cases an action plan for remediation was implemented. In more specific, the cases with action plans related to the areas of 'Environment, Health & Safety', and 'People, Diversity and Workplace Respect'.
4. Specific information provided by the Adocim BU under confidentiality for the names of employees.
5. In 2021 this percentage reached 52.3%, slightly increased compared to 51.7% in 2020. The breakdown by employees in USA (TITAN America) and other countries was 9.1% vs. 85.5%, close to the respective figures of 2020 (9.3% and 85.0% respectively). TITAN keeps annual records of number and duration of strikes and lockouts inside internal data collection systems (zero cases recorded in 2021). These disclosures cover the requirements for reporting according to the SASB Standards for 'Labor Relations' and in more specific the metrics (KPIs) EM-MM-310a.1 and EM-MM-310a.2.
6. Average number of hours of training per employee and per year, on Policies & internal regulations of TITAN (priority being on the Code of Conduct, Policies for Human Rights, Anti-Bribery, GDPR, but without considering this list 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, for the KPI "Training hours per subject, Group total").

2.5.2 Taxonomy

	Consolidated data Group level ('consolidated' data 'after elimination')					
Taxonomy-Eligible Economic Activities	Turnover[1] (mEUR)	%Turnover[1] (%of Total)	OpEx[2] (mEUR)	%OpEx[2] (%of Total)	CapEx[3] (mEUR)	%CapEx[3] (%of Total)
Manufacture of cement clinker, cement or alternative binder	1,004.7	58.6%	71.0	60.5%	74.3	58.9%
Taxonomy Non-eligible Economic Activities	709.9	41.4%	46.2	39.5%	51.7	41.1%
TITAN Group (Total)	1,714.6	100.0%	117.2	100.0%	126.0	100.0%

Notes

General Note

The Taxonomy Regulation is a key component of the European Commission's action plan to redirect capital flows towards a more sustainable economy. It represents an important step towards achieving carbon neutrality by 2050 in line with EU goals as the Taxonomy is a classification system for environmentally sustainable economic activities.

In this section, TITAN as a parent undertaking presents the share of our group turnover, capital expenditure (CapEx) and operating expenditure (OpEx) for the reporting period 2021, 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.

Specific Notes for the Taxonomy KPIs

1. 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 economic activities in this category were 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 Regulation (EU) 2020/852 where it complies with the technical screening criteria set out in this Section. The activity complies with the criteria set out in Appendix A to this Annex for climate adaptation. 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 reached 0.1% in 2021.

2. 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.

3. The capital expenditures (CapEx) covered additions to tangible and intangible assets during 2021 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).

2.5.3 ESG Polices

Group Polices	New or Updated in 2021	TITAN Focus Areas mostly relevant				
		Decarbonization and Digitalization	Growth-enabling work environment	Positive local impact	Responsible sourcing	Good governance, transparency and business ethics
Environmental Policy		•		•	•	
Occupational Health and Safety (OH&S) Policy			•			
Code of Conduct Policy	√		•			•
Diversity and inclusion Policy	√		•			
CSR Policy				•		
Procurement Policy	√			•	•	
Whistleblowing Policy						•
Human Rights Policy			•	•	•	•
Anti-Bribery and Corruption Policy						•
Competition Law Compliance Policy						•
Confict of Interest Policy						•
Data Protection Policy			•			•
Information Security Policy		•				•
Sanctions Policy						•

2.5.4 Group Management Systems

Area	Albania	Bulgaria	Egypt	Greece	Kosovo	North Macedoni	Serbia	Turkey	USA
H&S	ISO 45001 All operations	ISO 45001 All operations	ISO 45001 All integrated cement plants	ISO 45001 All operations (except 2 terminals)	ISO 45001 All operations	ISO 45001 All operations	ISO 45001 All operations	ISO 45001 (1) integrated cement plant, (1) grinding cement plant and (1) RMC unit	All operations conform with the regulatory framework of MSHA and OSHA
Environment	ISO 14001 All operations (except 1 terminal)	ISO 14001 All operations	ISO 14001 All integrated cement plants	ISO 14001 All operations (except 2 terminals)	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 (except 2 quarries)	ISO 9001 All integrated cement plants	ISO 9001 All operations (except 1 quarry)	ISO 9001 All operations	ISO 9001 All operations (except 1 quarry)	ISO 9001 All operations	ISO 9001 All operations (except 1 terminal)	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, 3] (in Euros)	Total number of non-monetary sanctions[2]
Albania[2]	0	10,900	0
Brazil	0	0	0
Bulgaria	0	0	0
Egypt	0	0	0
Greece[3]	0	0	0
Kosovo	0	0	0
North Macedonia	0	0	0
Serbia	0	0	0
Turkey	0	0	0
USA[1]	20,307	0	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 2021, TITAN America contributed with the total amount of 20,307 Euros various political organizations in support of local elections in Virginia and Florida. From the total amount spend, 16,334 Euros was offered to support political institutions and candidates in Virginia (payment made by Titan America LLC), and 3,973 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.

2. Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations, including but not limited to environmental laws and regulations, laws and regulations concerning the provision and use of products and services, labor laws and regulations, and laws and regulations concerning anti-corruption, anti-competitive behavior and anti-trust or monopoly practices. Whereas: TITAN considers 'significant fine' any fine over 10,000 Euros.
In 2021 there was one case of significant fine paid: A penalty imposed to Antea Cement (Albania) by the General Customs directorate for unmarked diesel, and related to unpaid Excise tax, in the amount of 10,900 Euros. The case was sent to administrative court in the country for ungrounded claim by the Customs directorate.
In 2021 there were four cases of fines imposed and paid by Antea in Albania and its subsidiaries, for different violations of legal requirements for administrative matters, but not considered significant. in specific: An amount of 3,600 EUR imposed by the General Customs directorate for unmarked diesel, related to the above case related to unpaid Excise tax. Also, three fines in the amount of 3,300 Euros each, imposed by the National Business Centre of Albania due to delays in the registration of the Ultimate Beneficiary for each of the companies. The registration was completed in 2021, and the case was attributed to unclear ruling for the pertinent legal requirements, administrative documentation, and applicable deadlines by the state.
3.Also, there was one case of fine related to non-compliance of TITAN's operations in Greece, but not considered significant: A fine of an amount of 6,000 Euros was imposed to, and paid by, Interbeton LLC for a violation of labor law, namely negligence for updating properly the required maintenance records for a concrete pump, which was involved in an occupational accident in 2020.
No corruption-related fines were imposed by regulators and courts in the reporting period.
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	1	1	2	4	3	1	1	3		**16**
	Internal			1	20	1		1			**23**
Energy Management System/Energy audits	External		1	2	3	1			1	1	**9**
	Internal			1	3						**4**
CO_2 emissions	External		1		5	2	1		1		**10**
	Internal				3	1				4	**8**
Waste Management	External		1		3	1	1		25		**31**
	Internal				2	1					**3**
Complaints	External			6		3			1		**10**
	Internal										**0**
Permitting	External	1		5	1						**7**
	Internal				1						**1**
Other	External	4	3	4	1	10		4			**26**
	Internal			1	2		1	3	1	1	**9**
TOTAL	**External**	**6**	**7**	**19**	**17**	**20**	**3**	**5**	**31**	**1**	**109**
	Internal	**0**	**0**	**3**	**31**	**3**	**1**	**4**	**1**	**5**	**48**

2.5.7 Consolidated Report on Payments to Governments for extractive operations

Group Companies	Country	Payment type	Amount
TITAN CEMENT S.A.	Greece	Quarry Rental Fees/taxes	795,269.00
INTERBETON S.A.	Greece	Quarry Rental Fees	2,127,848.76
		Municipality Taxes	667,571.91
Alexandria Portland Cement Co	Egypt	Clay Tax	2,333,374.00
		Quarry Royalties	1,006,625.00
Beni Suef Cement Co	Egypt	Clay Tax	3,356,420.00
		Quarry Royalties	1,289,823.00
		Road maintenance	138,314.00
TBAE	EGYPT	Quarry Roylaties	221,925.00
Zlatna Panega Cement AD	Bulgaria	Concession Fees	209,000.00
Cementi Antea Sha	Albania	Extraction Fees	491,543.00
Titan America LLC	USA	Sales / Mitigation Fees	369,151.10
SHARRCEM SH.P.K.	Kosovo	Extraction Royalties	206,903.00
Titan Cementarnica Usje A.D.	North Macedonia	Concession Fees	236,576.00
Titan Cementara Kosjeric A.D.	Serbia	Concession Fees	179,435.00
ADOCIM A.S.	Turkey	Permission/Forestation Fees	372,841.00
		TOTAL	**14,002,619.77**

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 has paid to municipal authorities of EU Member States and third countries the total amount of €14,002,619.77 for extractive operations in 2021, with the analytical data per country 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 Environmental Performance Indicators, using the Share of equity[1]

Region	Country	Activity	2021	2020
USA	USA	All	100.00%	100.00%
Greece and Western Europe	Greece	All	100.00%	100.00%
Southeastern Europe	Albania	All	100.00%	100.00%
	Bulgaria	All	100.00%	100.00%
	North Macedonia	All	100.00%	100.00%
	Kosovo	All	100.00%	100.00%
	Serbia	All	100.00%	100.00%
Eastern Mediterranean	Egypt	All	100.00%	100.00%
	Turkey	Adocim all activities	75.00%	75.00%
		Marmara grinding plant	100.00%	100.00%

Note
1. The term "share of equity" is used as a "proxy" of the percentage of property share, and only for the above purposes

2.5.9 Sector Standards for the Non-financial disclosures in 2021

Sector Association or Initiative	Guidelines and other documents of reference	Published
GCCA	Sustainability Charter 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]	Latest edition (publications between 2019 and 2021)
(Previously) WBCSD/CSI	Recommended Good Practices for: (a) Contractor Safety, and (b) Driving Safety	2009

Notes
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 '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 was actively participant in 2021 in various working groups of the GCCA, contributing with knowhow and expertise, in line with its practice in the previous years.

2.5.10 Notes for Value Creation Indicators

The following Notes are inclusive of definitions for terms used in specific for Value creation and distribution to stakeholders and serves as index of Notes for Table "Creating and sharing value"

General Note for the consolidation of data

Consolidation (aggregation) of data for the above Value Creation Core Indicators was made with 100.0% contribution for all BUs where TITAN has property share 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%.

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, 2019), 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".

Detailed figures are provided in the Report under 'Creating and sharing value', see also: Tables 2.1, 2.2 and 2.3.

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" (2019 edition).
2. Gross Value added. Revenue minus costs of bought-in materials, goods, and services (called also: Value Added, according to the UNCTAD Guidance, 2019). 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, 2019). TITAN's approach is based on the verified and disclosed Financial Statements for the same reporting period, acc. to the IFRS.
4a."Total spend on Suppliers, local and international, for goods and services. According to TITAN Standards and the application of the IFRS, and in accordance with the approach for %local spend of TITAN" as defined in 4b below.
4b.% local spend of TITAN. 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, 2019). TITAN uses a bottom-up approach of raising awareness, guiding, and supporting the local BUs, in the direction of gathering – from the respective data sources – all such information, and consolidating on Group level. '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 cases of countries with governmental structure characterized as 'Federation-of-states' – in specific applies today to 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. TITAN discloses the respective figure in Table 2.3 of the ESG Performance Statements.
5. Taxes to national and local authorities. According to TITAN Standards and the application of the IFRS, see Financial Statements.
6. Payments in cash, to shareholders and minorities. According to TITAN Standards and the application of the IFRS, see Financial Statements.
7. Total spend on donations and social engagement initiatives. Total amount of charitable/voluntary donations and investments of funds (both capital expenditures and operating ones) in the broader community where the target beneficiaries are external to the enterprise incurred in the reporting period, in absolute amount (UNCTAD Guidance, 2019). TITAN discloses this amount as "Donations", as equivalent to "charitable/voluntary donations and investments of funds", and in detail in Table 2.3 based on the verified and disclosed Financial Statements for the same reporting period.
8.Investments in environmental protection. 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, 2019). TITAN discloses the respective figures in detail in Table 2.3 of the ESG Performance Statements (KPI "Environmental expenditures across all activities").
9. Salaries (contributions to) pensions, and social benefits, including additional benefits beyond those provided by law. According to TITAN Standards and the application of the IFRS, see Financial Statements.
10. Investments in training of direct employees. 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, 2019). TITAN discloses the respective figures in detail in Table 2.2 of the ESG Performance Statements.
11. 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, 2019). It includes all expenditures for the R&D and Innovation activities, and projects, and incl. 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 figure in detail in Table 2.1 of the ESG Performance Statements.
12. Capital expenditures. 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.

3. 2021 TITAN Group Global Compact Advanced Communication on Progress Review (CoP)

The contents of TITAN Group 2021 Integrated Annual Report also serve as a progress report on implementation of the ten principles of the UN Global Compact and the Sustainable Development Goals. Since 2015, TITAN communicates performance to stakeholders also aligned with SDGs 2030 and key performance indicators in the ESG Performance statements are accordingly to codified serve understanding of TITAN's contribution to sustainable development.

Scope	Principle	Criteria for GC Advanced Level	TITAN Approach	TITAN Reference
Implementing the Ten Principles into Strategies and Operations		**Criterion 1** The CoP describes mainstreaming into corporate functions and business units **Criterion 2** The CoP describes value chain implementation	TITAN's commitment to responsible business is embedded into governing objective and business practice, articulated in TITAN's Code of Conduct and Group Policies for Human Rights, Occupational Health and Safety, Environmental Policy and Climate Mitigation Strategy, Anti-Corruption and Bribery	IAR 2021 Understanding TITAN and Management report. In specific: Message from the Chairman of the BoD, Message from the Chairman of the Group Executive Committee, Corporate governance and risk management, ESG performance review, and ESG performance statements: Table 1, ESG Performance KPIs, Table 2.5.3, Table 2.5.4, Table 2.5.7, 2.5.10 Value Creation Core Indicator Index. TITAN Website: Sustainability, and Corporate Governance/Group Policies
Human Rights Management Policies and Procedure	**Principle 1** Businesses should support and respect the protection of internationally proclaimed human rights **Principle 2** Businesses should make sure they are not complicit in human rights abuse	**Criterion 3** The CoP describes robust commitments, strategies or policies in the area of human rights **Criterion 4** The CoP describes effective management systems to integrate the human rights principles **Criterion 5** The CoP describes effective monitoring and evaluation mechanisms of human rights integratio	TITAN's Human Rights Policy (updated in 2020) is in line with the UN Guiding Principles on Business and Human Rights (2011). The policy explicitly addresses the provisions of the International Bill of Human Rights (consisting, in addition to the Universal Declaration of Human Rights), of the International Covenant on Economic, Social and Cultural Rights) and the principles concerning fundamental rights set out in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. We set targets to improve continuously our performance particularly in the areas identified and prioritized as more material for our stakeholders.	IAR 2021 Understanding TITAN and Management report. In specific: Message from the Chairman of the BoD, Message from the Chairman of the Group Executive Committee, Corporate governance and risk management, ESG performance review, and ESG performance statements: Table 1, ESG performance KPIs, Table 2.5.3, and Table 2.5.4. Additional Notes to the ESG performance statements: 1. TITAN received no fines for non-compliance with human rights-related laws and regulations in 2021. 2. Unions, where established, operate freely according to each country's laws and regulations. 3. Sustainability clauses referring to respect of human rights are included in all tenders for global suppliers and contracts for local suppliers. 4. Security is fundamental for a safe working environment, protection of assets and intellectual property. Third parties providing or interested to provide security services must ensure that their employees are trained appropriately and respect the international standards and principles. 5. A Group-level grievance mechanism is in place to facilitate reporting of potential violations of Group Code of Conduct and respective policies (EthicsPoint). 6. All operations certified according to ISO 14001 and ISO 9001 (see Table 2.5.4) apply mechanisms to record feedback and complaints by key external stakeholders. TITAN Website: Sustainability, and Corporate Governance/Group Policies

Scope	Principle	Criteria for GC Advanced Level	TITAN Approach	TITAN Reference
Rubust labor Management Policies and Procedures	**Principle 3** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining **Principle 4** The elimination of all forms of forced and compulsory labor **Principle 5** The effective abolition of child labor **Principle 6** The elimination of discrimination in respect of employment and occupation	**Criterion 6** The CoP describes robust commitments, strategies or policies in the area of labor **Criterion 7** The CoP describes effective management systems to integrate the labor principles **Criterion 8** The CoP describes effective monitoring and evaluation mechanisms of labor principles	TITAN's People Management Framework safeguards common standards throughout the Group operations and enables the implementation of the Group Human Rights Policy in accordance with international standards and the UN Guiding Principles for Business and Human Rights. The TITAN Group Occupational Health and Safety Policy provides the framework to implement TITAN's ambition and long-term targets for health and safety at work. Equal opportunities and work-life balance are ensured with the provision of job opportunities and career development, flexible working options for female employees and various additional benefits for employees' families.	IAR 2021 Understanding TITAN and Management report. In specific: Message from the Chairman of the BoD, Message from the Chairman of the Group Executive Committee, Understanding TITAN, (Our business approach in a changing global landscape, Materiality assessment and stakeholder engagement), Corporate governance and risk management (Corporate governance statement), ESG performance review, and ESG performance statements: Table 1, ESG Performance KPIs, Table 2.5.3, Table 2.5.4, 2.5.10 Notes for Value Creation Indicators. Additional Notes to the ESG performance statements: 1. TITAN received no significant fines for non-compliance with labor laws in 2021. There was one case of fine related to non-compliance of TITAN's operations in Greece, but not considered significant. See details in the ESG Statements, Table 2.5.5 Political contributions and Fines and other non-monetary sanctions. 2. Regular meetings with union representatives are conducted with the management throughout the year. Main topics cover among else wages and additional benefits, proposals to improve health and safety conditions at work and other topics raised by employees. Health and Safety Councils or Committees comprising of management and employee representatives are formed at plant level to ensure employee engagement in efforts to improve health and safety performance. 3. A health surveillance program focused on potential impacts like noise, dust and crystalline silica is implemented according to TITAN Group Guidelines. 4. Collective bargaining agreements are applicable to TITAN employees in all countries that such agreements exist. The continuous increase of employment for TITAN operations in countries with limited union presence (compared to other countries with extensive union presence) has led to a trend of relevant decrease of the number of TITAN employees covered by collective bargaining agreements during the last 5 years. For details about 2021 data related to TITAN operations see the ESG Statements, Table 2.5.1 Good governance, transparency and business ethics. TITAN Website: Sustainability, and Corporate Governance/Group Policies

Scope	Principle	Criteria for GC Advanced Level	TITAN Approach	TITAN Reference
Robust environmental management policies and procedures	**Principle 7** Business should support a precautionary approach to environmental challenges **Principle 8** Undertake initiatives to promote greater environmental responsibility and **Principle 9** Encourage the development and diffusion of environmentally friendly technologies	**Criterion 9** The CoP describes robust commitments, strategies or policies in the area of environmental stewardship **Criterion 10** The CoP describes effective management systems to integrate the environmental principles **Criterion 11** The CoP describes effective monitoring and evaluation mechanisms for environmental stewardship	TITAN early recognized that Climate Change is a major challenge with planetary impacts and also corporate risks, and committed to playing its part in developing practical solutions at national, regional and global level. The Environmental Policy and Climate Change Mitigation Strategy of TITAN (published in 2018) reflects our commitment to sustainable development and our approach towards addressing the challenges and opportunities of climate change. As a heavy industry also focus on assessing and reducing environmental impacts at each facility while increasing the positive impact through on-going collaborative efforts, extensive use of Best Available Techniques, innovation and adoption of best practice. Environmental due diligence is conducted by internal and external experts on operating facilities and new projects.	IIAR 2021 Understanding TITAN and Management report. In specific: Message from the Chairman of the BoD, Message from the Chairman of the Group Executive Committee, Understanding TITAN, (Our business approach in a changing global landscape, Creating and Shaping Value, Focusing on Material Issues), Corporate governance and risk management, ESG performance review and ESG performance statements: Table 1, ESG Performance KPIs, Table 2.5.3, Table 2.5.4, Table 2.5.8 and Table 2.5.9.. Additional Notes to the ESG performance statements: 1. In 2021 no cases of significant fines or penalties were recorded, related to noncompliance of TITAN's operations with environmental laws. TITAN Website: Sustainability, and Corporate Governance/Group Policies

Scope	Principle	Criteria for GC Advanced Level	TITAN Approach	TITAN Reference
Robust anti-corruption management policies and procedures	**Principle 10** Business should work against corruption in all its forms, including extortion and bribery	**Criterion 12** The CoP describes robust commitments, strategies, or policies in the area of anti-corruption **Criterion 13** The CoP describes effective management systems to integrate the anti-corruption principle **Criterion 14** The CoP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption	TITAN acknowledges the risk of bribery and corruption and accordingly endorsed the Global Compact collaborative efforts for the 10th principle. The following TITAN Group policies provide relevant guidance to all employees, underline the principle of non-tolerance, and mandate the BUs to follow regular training to employees: Group Anti-Bribery and Corruption Policy, Conflict of Interest Policy, and Group Code of Conduct.	IAR 2021 Understanding TITAN and Management report. In specific: Message from the Chairman of the BoD, Message from the Chairman of the Group Executive Committee, Understanding TITAN, Corporate governance and risk management, ESG performance review, and ESG performance statements: Table 1, Table 2.5.1, Table 2.5.3, Table 2.5.4, Table 2.5.5, Table 4. Additional Notes to the ESG performance statements: 1. TITAN received no fines for non-compliance with anti-corruption laws and regulations, and no incidents of legal action for anti-competitive behavior, anti-trust or monopoly practices recorded during 2021. 2. TITAN continues to engage with governments and take public positions on different business issues through business associations and business driven initiatives such as the UN Global Compact and the Global Cement and Concrete Association (GCCA). 3. 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. In 2021, 11 cases in total were reported through the EthicsPoint platform, ten (10) of which were classified as allegations and one as an inquiry or complaint. For details about 2021 data related to TITAN's operations see the ESG Statements, Table 2.5.1 Governance Core Indicators. 4. Mechanisms for supporting our communities and local stakeholders to report incidents operate in all countries, while guidance and technical infrastructure is provided to BUs. In more specific TITAN follows the good practice of recording cases of incidents from local communities (as ‘complaints’ or ‘grievance’) through an internal data collection system. No important cases of incidents were recorded in 2021 in any of BUs of TITAN's operations. 5. TITAN’s Code of Conduct ensures transparency regarding relations with political institutions. In 2021, TITAN America contributed with the total amount of 20,307 Euros various political organizations in support of local elections in Virginia and Florida. For details about 2021 data related to TITAN's operations see the ESG Statements, Table 2.5.5 Political contributions and Fines and other non-monetary sanctions. TITAN Website: Sustainability, and Corporate Governance/Group Policies

Scope	Principle	Criteria for GC Advanced Level	TITAN Approach	TITAN Reference
Taking action in support of broader UN goals and issues	The ten principles of the United Nations Global Compact	**Criterion 15** The CoP describes core business contributions to UN goals and issues **Criterion 16** The CoP describes strategic social investments and philanthropy **Criterion 17** The CoP describes advocacy and public policy engagement **Criterion 18** The CoP describes partnerships and collective action	TITAN was among the first 500 signatories of the UN Global Compact initiative and remains a participant at both global and local levels with active engagement in local UNGC Networks in Greece, Serbia and N. Macedonia. TITAN is also member of CSR Europe since 2004 and an elected Board member since 2019. At local member, TITAN is a founding and active member in CSR Hellas, CSR Albania and CSR Kosovo, as well as in the Hellenic Business Council for Sustainable Development where TITAN Greece holds the President's position. As of 2018, TITAN is a member of the Global Cement and Concrete Association (GCCA).	IAR 2021 Understanding TITAN and Management report. In specific: Message from the Chairman of the BoD, Message from the Chairman of the Group Executive Committee, Understanding TITAN (Our business approach in a changing global landscape, Creating and Sharing Value, Focusing on Material Issues), ESG performance Review and ESG performance statements: Table 1, ESG Performance KPIs, Table 2.5.3, and Table 2.5.4 TITAN Website: Sustainability, and Corporate Governance/Group Policies
Corporate sustainability governance and leadership	The Ten principles of the United Nations Global Compact	**Criterion 19** The CoP describes CEO commitment and leadership **Criterion 20** The CoP describes Board adoption and oversight **Criterion 21** The CoP describes stakeholder engagement	Corporate social responsibility is one of TITAN's corporate values and underlines its enduring commitment to engage with stakeholders for sustainable development. TITAN CSR policy focus on understanding material issues for key stakeholders and delivering value for all, using available resources.	IAR 2021 Understanding TITAN and Management report. In specific: Understanding TITAN (Our business approach in a changing global landscape, Creating and Sharing Value, Focusing on Material Issues), ESG performance Review, and ESG performance statements: Table 1, ESG Performance KPIs, Table 2.5.1, Table 2.5.3 and Table 2.5.4. Notes - See Criteria 1-18 - Independent Auditors' Assurance Statement Non-financial performance review according to the UNGC criteria (see criteria 2-14) TITAN Website: Sustainability, and Corporate Governance/Group Policies

Scope	Principle	Criteria for GC Advanced Level	TITAN Approach	TITAN Reference
Business and peace	The Ten principles of the United Nations Global Compact	**Criterion22** The CoP describes policies and practices related to the Company's core business operations in high-risk conflict-affected areas stewardship	TITAN Group has no core business operations in countries or areas identified as high-risk conflict-affected	IAR 2021 Understanding TITAN and Management report. In specific: Message from the Chairman of the BoD, Message from the Chairman of the Group Executive Committee, Understanding TITAN (Our business approach in a changing global landscape, Creating and Sharing Value, Focusing on Material Issues), Corporate governance and risk management, Performance highlights (Regional performance), ESG performance Review, and ESG performance statements: Table 1, Table 2.5.3 and Table 2.5.4 General Notes - See above, criteria 1-21 Additional Notes to the ESG performance statements: 1. 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). 2. TITAN has completed an analysis of Materiality Assessment in 2020 for all countries of operations, including a focus country research in each counrty by third party. The country-level research concluded that no such matters of conflicts had emerged. No new information on the subject matter was noted in the press/madia in any of the countries of our operations, in 2021. 3. TITAN followed a thorough process of addressing Material Issues in all countries of operations in 2020, under the Materiality Analysis and Assessment for all BUs. This process enabled the engagement of TITAN's management in each country, and the due diligence on BUs level with respect to human rights and indigenous peoples' rights. In 2021 TITAN prepared the 'blueprint' of a new campaign for receiving direct feedback from our key stakeholders in each country, in specific for the material issues prioritization for each BU. The survey is planned to be implemented in 2022 and the outcomes will be part of the TITAN IAR 2022. 4. TITAN operated in 2021 a dedicated Group e-platform to record our community initiatives and actions as well as to facilitate their self-assessment and align with our priorities. Community engagement plans are impemented in all countries where we operate, covering programs of initiatives for contributing to the engagement with local stakeholders, and with long-term positive impacts for our communities. See section Social Positive Impact in the Management Report for the assessment of TITAN's community engagehhment initiatives across all countries or operations. The above disclosures (Notes 1-4) cover the requirements for reporting according to the SASB Standards for '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. 5. Concerning the SASB Standards under the area of 'Business Ethics and Transparency' and in specific the metric (KPI) 'EM-MM-510a.2' see Table 4. "Transparency International - Corruption Perception Index 2021". TITAN Website: Sustainability, and Corporate Governance/Group Policies

4. Transparency International - Corruption Perception Index 2021

Countries with TITAN key operations sorted by Transparency International CP Index 2021

Country	CPI 2021 rank	CPI 2020 rank	Change in rank[2]
USA[1]	27	25	▲
Greece	58	59	▼
Bulgaria	78	69	▲
Kosovo	87	104	▼
North Macedonia	87	111	▼
Turkey	96	86	▲
Brazil[1]	96	94	▲
Serbia[1]	96	94	▲
Albania	110	104	▲
Egypt	117	117	No change in 2021

Notes

1. According to the above Table there were no operations of TITAN's subsidiaries in countries with lower ranking than Egypt, in 2020. There were in total 58 countries which ranked lower, in positions between 123 and 179 in 2021. Please note that in the cases of: Brazil, Serbia, and USA, the CPI 2021 rank was higher (deteriorated) compared to the CPI 2020 rank, although the respective figures for the CPI scoring remained unchanged for these specific countries. This disclosure covers the requirements for reporting according to the SASB Standards for "Business Ethics and Transparency" and in more specific the metric (KPI) EM-MM-510a.2 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

Thessaloniki cement plant, Greece

MANAGEMENT REPORT

FINANCIAL REVIEW

An overview of our financial performance and our financial statements.

Financial performance overview

Review of the year 2021

TITAN Cement Group generated record revenues of €1,714.6 million, up 6.7% from 2020, reflecting higher demand and a supportive pricing environment. Due to the unexpected spike of input costs in the second semester and despite pricing initiatives that partly alleviated the burden, Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) declined by 3.6% to €275.2 million. Net Profit after Taxes and minorities (NPAT) climbed to €91.9 million (vs €1.1 million in 2020 and €50.9 million in 2019). This significant increase was the result of lower finance costs, more favourable FX movements and a lower effective tax rate. It should be noted that in 2020 there were €63.9 million one-off charges related to Egypt. Thanks to a successful refinancing strategy the Group lowered significantly its finance costs for a third consecutive year to €33.6 million (€19.0 million lower than 2020 and €30.0 million lower than 2019).

Delivery was strong across all Group markets: US operations marked a new milestone with sales revenue at record levels thanks to growing demand, underpinned by healthy macroeconomic conditions. In Greece, the market continued its positive performance, lending further support to the belief that demand is solidly in the upward path of the business cycle. In Southeastern Europe performance was robust. Performance in the Eastern Mediterranean turned positive, thanks to the mix of demand pick-up and better pricing dynamics in Egypt, while in Turkey, despite the volatile economic situation, the Group recorded revenue growth as well. Finally, our Brazilian operations continued to grow significantly.

Trends in domestic sales volumes were positive across all regions, testifying to strong market fundamentals. At Group level, volumes increased across all product lines: cement, ready-mix concrete, aggregates, building blocks and fly ash. Group cement sales increased by 7% compared to 2020, reaching 18.3 million tons, with US being the main contributor of this increase. Ready-mix concrete sales increased by 2% in 2021, reaching 5.5 million m^3 on the back of stronger sales in US and Greece. Aggregates' sales increased by 1% reaching 20.2 million tons, thanks to the strength of the Greek market.

Regional review of the year 2021

2021 was a year of record sales for Titan America. Consumption in our markets grew considerably above the US average, as our customers saw their activities expanding and their backlogs increasing. Sales of cement, ready-mix, concrete blocks and fly ash increased, while aggregates sales were maintained at high levels.

Activity in Florida benefits as the state develops into a vibrant business and financial center, while augmented internal migration trends are generating an increase in housing demand and attendant non-residential construction. Cement consumption also grew in the Mid-Atlantic with business performance being driven by the increased volumes generated by strong residential demand and cement-intensive public works projects.

The New York Metropolitan area and New Jersey, also saw cement consumption increase, allowing our import terminal to expand its sales, though higher import freight costs negatively affected its profitability. Considering the strength of the US market and its positive outlook, the Group initiated an ambitious investment program, aimed at expanding the effective supply capacity of its operations and at achieving efficiencies in logistics and production, in order to capture growth.

Revenue for TITAN's US operations increased compared to 2020 reaching $1.2 billion, an increase of 8.6% year on year. In euro terms, revenue increased by 4.7% to €983.6 million. EBITDA reached €158.0 million, a decline of 10.5% compared to 2020 (-6.8% in US $ terms) as operational profitability was constrained by global cost headwinds and supply chain disruptions which reflected negatively on import freight, energy, logistics and labor costs.

In Greece, cement demand continued to grow at a strong rate, similar to the one recorded in 2020, driven by the increased levels of activity in public and municipal infrastructure projects, as well as growth in residential construction and broader real estate and logistics projects. Tourism activity also picked up, following the slowdown caused by the pandemic. Cement exports remained strong, with the US representing Greece's biggest export destination. Profitability was nevertheless impacted by the unexpected steep rise in energy and transportation costs in the second half of the year. The Group was able to partly mitigate the effect through product price increases implemented in Q4, with the notable increase in alternative fuel utilization and by further operational efficiencies that resulted from an increased number of digitalization projects across our plants.

Total revenue for Greece and Western Europe in 2021 increased by 9.4% to €267.6 million while EBITDA increased by €7.4 million to €23.6 million.

Performance in Southeastern Europe was again solid, driven by higher demand and improved pricing. Overall, it was the residential and private commercial works which formed the key sources of demand. The Group continued investing in expanding plant operational efficiency, with two of them reaching more than 10-year production records. Despite the strength of the market and successful price increases earlier in the year, the increase in electricity and fuel costs, which surged especially in the second half of the year, inevitably softened profitability.

Revenue for the region overall increased by 7.3% reaching €290.6 million while EBITDA declined by 14.8% versus 2020 reaching €81.9 million, however still above the profitability of 2019.

The Eastern Mediterranean region saw a return to positive performance in 2021 amidst continued demand growth, despite the local macroeconomic uncertainties.

In Egypt, cement demand started to recover after four years, as a result of stronger construction activity coming from national infrastructure projects and construction of affordable housing. Cement consumption reached 48.5 million tons posting a 6% increase. Moreover, the market regulation agreement set by the Egyptian government on all cement producers in July 2021, has narrowed the gap between supply and demand, leading selling prices to much healthier levels. Group volumes grew and our plants also focused on operational excellence and digitization projects, while also exploring new growth opportunities mainly in export markets.

In Turkey, despite the volatile economic environment characterized by a 65% depreciation of the local currency, soaring inflation of 36% and a contraction in household real income, the economy grew by 9% in 2021, supported by the continuous credit expansion following a series of rate cuts by the Central bank. Domestic cement demand strengthened by 7%, reaching nearly 60 million tons, still approximately 15% below the peak levels of 2017. Group volumes reflected this upward trend, as demand continued to grow for private housing, public works in infrastructure projects, as well as exports.

Following a few years of weak performance and despite the macroeconomic uncertainties, the Eastern Mediterranean region recorded total revenue of €172.8 million, an increase of 13.9% from 2020. EBITDA was €11.8 million versus a €3.3 million loss in 2020, reflecting a significant improvement in the EBITDA margin, despite the sharp depreciation of the Turkish Lira.

In Brazil the improved economic environment led to stronger construction activity and cement demand grew for a third consecutive year. In the second half of 2021 however, the market witnessed a slight slowdown as inflationary pressures started to mount and interest rates increased.

Our joint venture Apodi increased its sales volumes at a higher rate than the national average by continuing to penetrate the bulk cement segment, with a focus on the pre-cast industry, the growing regional wind park sector and projects in the renovation and expansion of infrastructure such as the Fortaleza airport. As a result, Apodi posted a significant increase in revenue to €83.8 million vs €70.7 million in 2020, while net profit attributable to TITAN Group reached €2.7 million compared to €2.6 million in 2020, posting a 4.6% increase.

Financing and Investments

In 2021, Group Operating Free Cash Flow reached €104.7 million versus €225.3 million in 2020. Lower OFCF was primarily due to higher capital expenditures by €41.8 million from the catch-up of the 2020 COVID-19 -restrained investment program, higher working capital needs by €48.9 million resulting from stronger business activity and higher levels of fuel inventories. Group capital expenditures during the year reached €126.0 million compared to €84.3 million in 2020, with most of the funding directed to investments focusing on production efficiencies, improved logistics capacities and reduction of carbon footprint.

Moreover, the final tranche of €40.8 million were paid to IFC for the acquisition of their minority stakes held in the Group's activities in Southeastern Europe and Egypt.

In the prevailing low interest environment, the Group took a number of initiatives and succeeded in both lowering its finance costs and extending the debt maturity profile. Year-end net debt increased to €713.2 million (2020: €684.4 million), following the repayment of a €163.5 million outstanding bond and the conscious reduction of cash balances. Net Debt/EBITDA ratio came at 2.61x.

The next significant maturities are a bond of €350 million maturing in November 2024 and another of €250 million maturing in mid-July 2027.

In December 2021, Standard & Poor’s affirmed its rating for Titan Cement International of ‘BB” with a stable outlook.

Resolutions of the Board of Directors

• Cancellation of Treasury Shares

In June 2021 TITAN Group cancelled 4,122,393 own shares held as Treasury stock, representing 5% of the voting rights. Following this transaction, the share capital of Titan Cement International amounts to €1,159,347,807.86 and is represented by 78,325,475 shares.

• Share buy-back

In October 2021, the Board decided to implement a share buy-back programme of up to an amount of €10 million for a duration of up to 6 months. Until the end of 2021, 230,141 shares were purchased on Euronext Brussels and the Athens Exchange (ATHEX) for a total consideration of €3.2 million. On December 31st, the Group owned treasury shares representing 1.91% of the voting rights.

• Initiation of a new share buy-back programme

In March 2022, given the latest market developments, the Board decided to implement a new share buy-back programme. The new programme will begin on or around April 1, 2022, following the end of the current running programme. The new share buy-back programme will be up to €10 million and will have a duration of up to six months. TCI will keep the market fully informed of the progress of the relevant transactions in line with applicable regulations.

• Return of Capital

Following the authorization granted to the Board of Directors by the Extraordinary Meeting of the Company's Shareholders on 13 May 2019, the Board decided the return of capital of €0.50 per share to all the Shareholders of the Company. All shareholders who are recorded as shareholders on Thursday, 28 April 2022, at 12.00 midnight (CEST) (record date) will be entitled to receive the capital return. Shareholders will receive the payment of the capital return on Tuesday, 5 July 2022, through their custodians, banks, and securities brokers.

Outlook

The current military conflict after the Russian invasion in the Ukraine creates geopolitical uncertainties with macroeconomic implications the extent of which cannot yet be assessed. TITAN Group has no exposure to Ukraine, Russia or affected regions. Nevertheless, the effect on the Group’s businesses from developments in the energy sector and the broader macro implications are anticipated to impact market trends and further increase inflation risks.

In the US, despite macroeconomic risks, the underlying construction market dynamics remain strong. Residential activity continues to reflect the country’s housing deficit with both the multi- and single-family segments driving demand. The infrastructure segment is poised to provide a steady backbone to demand from 2023 onwards, as the full effect of America's large infrastructure investment drive starts to materialize on the ground. Cost pressures are expected to persist and the Group will continue to address global cost headwinds by adjusting pricing, as evidenced already by the successful price increase implemented in January in both Florida and mid-Atlantic and by the recently announced second round of price increases in Florida. At the same time, TITAN initiated an investment program to significantly grow its effective capacity. This centers around the transformation and expansion of the import terminals in Tampa, Florida and in Norfolk, Virginia, including the $60 million construction of two new storage domes. Several other investments and initiatives are in progress aiming to achieve logistics and production efficiencies, which will effectively allow the Group to capture the market's upside for several years ahead and to improve flexibility and customer service. Concurrently, TITAN America is building on its head start with the full adoption of lower carbon footprint cements across its operations.

The impact of the ongoing war in the Ukraine may lead to more uncertainties in Europe overall. There is a negative impact already on the energy sector, the severity of which, as well as the duration, cannot yet be assessed. The European economies are entering a difficult phase, with increased risks of rising inflation and a slowdown of economic growth.

In Greece, demand growth in the residential segment looks set to continue from a low base, with the larger urban centers which our plants primarily serve, holding the lion's share of growth. The infrastructure pipeline is ripe with projects scaling up and offering a backlog timeline for the years ahead. The Group is continuing its efforts on all fronts to manage its cost base and minimize its carbon footprint. Alternative fuel utilization is constantly increased, supported by investments in both the Kamari and Thessaloniki plants. The Group is continuing with the roll-out of more environmentally friendly cement products with lower clinker content.

Southeastern Europe should continue delivering satisfactory returns, driven primarily by residential and light commercial development, as well as select infrastructure projects, depending on the country. Cost challenges will persist but the Group continues its efforts unabated to address inflationary pressures and mitigate their impact on operational profitability. Alternative fuel utilization is increasing, as is the promotion of new products with lower carbon emissions throughout our regional presence.

In Egypt the economy is growing driven by large infrastructure projects and the country's increased LNG exports. Trends of cement demand are positive going forward and the new balance between supply and demand favors a healthier pricing environment. The Group is well-placed to benefit from market dynamics and alternative fuel utilization has been increasing, aiming to both address costs as well as ameliorate the Group's carbon footprint.

The situation remains challenging in Turkey, exacerbated by the geopolitical turbulence on the Black Sea. The outlook for the construction sector is highly dependent on the fortunes of the economy which remains under stress. Successful price increases manage to address the inflationary pressures while increased export volumes provide an outlet for the Group.

In Brazil, while high commodity prices and the country's trade surplus should support the economy, global inflationary pressures, in an election year, make for a very delicate macroeconomic setting.

In 2022, we will continue to harness the advantages offered by decarbonization, digital transformation and business model innovation to benefit our customers, employees, suppliers, and communities, aspiring to deliver to society carbon-neutral concrete by 2050.

Treasury shares

Following the decision of the Extraordinary General Meeting of Shareholders dated 13 May 2019 which authorized the Board of Directors to acquire and dispose Company's own shares in accordance with the provisions of article 7:215 ff of the Belgian Companies and Associations Code, in October 2021, the Board decided to implement a share buy-back program of up to a maximum amount of €10 million for a duration of up to 6 months. The Company kept the market fully informed of the progress of the relevant transactions as provided by the applicable regulations.

In implementation of this program, during the period from October 14, 2021 until December 31, 2021, the Company acquired directly 90,948 own shares and indirectly through its subsidiary Titan Cement Company S.A. 139,193 shares, representing 0.12% and 0.18% respectively of the share capital of the Company. The total value of these transactions amounted to €3,229,701. On 31.12.2021 the Company holds 412,173 own shares representing 0.53% of the Company's share capital and Titan Cement Company S.A. (Titan SA), a direct subsidiary of the Company, holds 1,084,976 shares of the Company, representing 1.38% 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 2021 to Titan Group employees, in implementation of existing stock option plans, 123,101 shares of the Company, representing approximately 0.16% of the share capital of the Company, for a total amount of €1,231,010 (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

state 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 2021.

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 2021

The Board of Directors considers that the Annual Report and the Financial Accounts for the fiscal year 2021, 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 7th of April 2022.

Chairman of the Board of Directors

Efstratios-Georgios Arapoglou

Managing Director and Group CFO

Michael Colakides

Company CFO

Grigorios Dikaios

Financial Consolidation Director

Athanasios Danas

Consolidated Income Statement

(all amounts in Euro thousands)		Year ended 31 December	
	Notes	2021	2020
			*Restated**
Revenue	*3*	1,714,623	1,607,033
Cost of sales	*5*	-1,403,728	-1,297,763
Gross profit		**310,895**	**309,270**
Other operating income	*4.i*	10,728	7,552
Administrative expenses	*5*	-153,951	-143,046
Selling and marketing expenses	*5*	-26,391	-24,278
Net impairment losses on financial assets	*20*	-1,722	-1,985
Other operating expenses	*4.i*	-831	-1,485
Operating profit before impairment losses on goodwill	*3*	**138,728**	**146,028**
Impairment losses on goodwill	*13*	-	-46,614
Operating profit		**138,728**	**99,414**
Other income	*4.ii*	-	100
Finance income	*6.i*	4,255	636
Finance expenses	*6.ii*	-37,835	-53,197
Loss from foreign exchange differences	*6.iii*	-73	-13,216
Share of profit of associates and joint ventures	*15*	3,291	3,200
Profit before taxes		**108,366**	**36,937**
Income tax	*8*	-16,811	-35,777
Profit after taxes		**91,555**	**1,160**
Attributable to:			
Equity holders of the parent		91,923	1,126
Non-controlling interests		-368	34
		91,555	**1,160**
Basic earnings per share (in €)	*9*	**1.2290**	**0.0146**
Diluted earnings per share (in €)	*9*	**1.2242**	**0.0145**

**Restated due to change in accounting policy (note 1)*

The primary financial statements should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income

(all amounts in Euro thousands)	Notes	Year ended 31 December 2021	2020 *Restated**
Profit after taxes		**91,555**	**1,160**
Other comprehensive income:			
Items that may be reclassified to income statement			
Exchange gains/(losses) on translation of foreign operations	*35*	6,602	-121,042
Currency translation differences on transactions designated as part of net investment in foreign operation		5,707	-5,058
Gains/(losses) on cash flow hedges	*35*	3,093	-48
Reclassification to income statement	*35*	-1,723	-
Income tax relating to these items	*18*	-1,009	1,150
Items that will not be reclassified to income statement			
Asset revaluation surplus		242	256
Effect due to changes in tax rates	*18*	263	-
Re-measurement gains on defined benefit plans	*25*	1,240	30
Share of other comprehensive losses of associates and joint ventures		-5	-15
Income tax relating to these items	*18*	-372	-41
Other comprehensive income/(loss) for the year net of tax		**14,038**	**-124,768**
Total comprehensive income/(loss) for the year net of tax		**105,593**	**-123,608**
Attributable to:			
Equity holders of the parent		113,625	-116,791
Non-controlling interests		-8,032	-6,817
		105,593	**-123,608**

**Restated due to change in accounting policy (note 1)*

The primary financial statements should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

(all amounts in Euro thousands)	Notes	31/12/2021	31/12/2020 *Restated**	01/01/2020 *Restated**
Assets				
Property, plant and equipment	11	1,545,382	1,529,243	1,694,725
Investment properties	12	10,980	11,720	11,628
Goodwill	13	271,986	268,013	344,523
Intangible assets	14	91,444	84,279	85,170
Investments in associates and joint ventures	15	88,753	85,610	113,858
Derivative financial instruments	36	2,488	2,291	-
Receivables from interim settlement of derivatives	36	6,185	-	12,937
Other non-current assets	17	18,556	16,957	15,436
Deferred tax assets	18	8,867	12,464	11,453
Total non-current assets		**2,044,641**	**2,010,577**	**2,289,730**
Inventories	19	305,131	248,586	283,519
Receivables and prepayments	20	236,344	185,247	186,565
Income tax receivable		1,611	4,744	5,657
Derivative financial instruments	36	1,715	16,462	1,245
Receivables from interim settlement of derivatives	36	9,079	4,142	3,829
Cash and cash equivalents	21	79,882	206,438	90,388
Total current assets		**633,762**	**665,619**	**571,203**
Assets held for sale	11	238	-	-
Total Assets		**2,678,641**	**2,676,196**	**2,860,933**
Equity and Liabilities				
Equity and reserves attributable to owners of the parent	22,23	1,321,626	1,251,362	1,383,035
Non-controlling interests	15.3	15,260	23,994	34,626
Total equity (a)		**1,336,886**	**1,275,356**	**1,417,661**
Long-term borrowings	32	641,461	628,172	776,694
Long-term lease liabilities	33	46,004	38,821	46,126
Derivative financial instruments	36	6,185	-	11,084
Payables from interim settlement of derivatives	36	1,070	2,291	-
Deferred tax liability	18	113,604	102,078	96,319
Retirement benefit obligations	25	22,063	22,824	24,912
Provisions	26	56,001	49,550	39,456
Non-current contract liabilities	27	1,692	1,991	-
Other non-current liabilities	27	12,849	9,864	47,193
Total non-current liabilities		**900,929**	**855,591**	**1,041,784**
Short-term borrowings	32	89,242	205,656	90,140
Short-term lease liabilities	33	16,378	18,194	17,030
Derivative financial instruments	36	8,742	5,113	2,692
Payables from interim settlement of derivatives	36	-	12,957	1,092
Trade and other payables	28	302,611	278,370	260,009
Current contract liabilities	28	9,998	8,215	13,580
Income tax payable		1,544	4,054	3,251
Provisions	26	12,311	12,690	13,694
Total current liabilities		**440,826**	**545,249**	**401,488**
Total liabilities (b)		**1,341,755**	**1,400,840**	**1,443,272**
Total Equity and Liabilities (a+b)		**2,678,641**	**2,676,196**	**2,860,933**

**Restated due to change in accounting policy (note 1)*

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
Balance at 1 January 2020	**1,159,348**	**5,974**	**4,904**	**-117,139**
Change in accounting policy (note 1)	-	-	-	-
Restated balance at 1 January 2020	**1,159,348**	**5,974**	**4,904**	**-117,139**
Restated profit for the year	-	-	-	-
Restated other comprehensive loss	-	-	-	-
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)	-	-	-	-8,816
Sale - disposal of treasury shares for option plan (note 22)	-	-	-	1,835
Share based payment transactions (note 24)	-	-	1,720	-
Deferred tax adjustment due to change in income tax rates on revaluation reserves (note 18)	-	-	-	-
Acquisition of non-controlling interest	-	-	-	-
Transfer among reserves (note 23)	-	-	-1,317	-
Restated Balance at 31 December 2020	**1,159,348**	**5,974**	**5,307**	**-124,120**
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	-
Balance at 31 December 2021	**1,159,348**	**5,974**	**3,913**	**-31,773**

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
-744,764	**1,066,842**	**1,375,165**	**34,626**	**1,409,791**
1,383	6,487	7,870	-	**7,870**
-743,381	**1,073,329**	**1,383,035**	**34,626**	**1,417,661**
-	1,126	1,126	34	**1,160**
-117,917	-	-117,917	-6,851	**-124,768**
-117,917	**1,126**	**-116,791**	**-6,817**	**-123,608**
5,294	-	5,294	-	**5,294**
-15,414	-	-15,414	-	**-15,414**
-	-	-	-2,238	**-2,238**
-	-	-8,816	-	**-8,816**
-	-1,056	779	-	**779**
-	-	1,720	-	**1,720**
1,117	-	1,117	372	**1,489**
925	-487	438	-1,949	**-1,511**
-6,116	7,433	-	-	-
-875,492	**1,080,345**	**1,251,362**	**23,994**	**1,275,356**
-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**

Consolidated Cash Flow Statement

(all amounts in Euro thousands)		Year ended 31 December	
	Notes	2021	2020
			*Restated**
Cash flows from operating activities			
Profit after taxes		**91,555**	**1,160**
Depreciation, amortization and impairment of assets	*29*	136,481	186,181
Interest and related expenses	*29*	35,972	48,397
Other non-cash items	*29*	10,733	68,390
Changes in working capital	*29*	-43,978	5,474
Cash generated from operations		**230,763**	**309,602**
Income tax paid		-12,172	-10,176
Net cash generated from operating activities (a)		**218,591**	**299,426**
Cash flows from investing activities			
Payments for property, plant and equipment	*11,12*	-118,910	-76,787
Payments for intangible assets	*14*	-7,134	-7,509
Proceeds/(payments) of share capital decrease/(increase) in associates and joint ventures		336	-355
Payments for acquisition of subsidiaries, net of cash acquired	*16*	-45	-330
Proceeds from sale of PPE, intangible assets and investment property	*29*	8,694	3,110
Proceeds from dividends		934	2,449
Interest received		535	559
Net cash flows used in investing activities (b)		**-115,590**	**-78,863**
Net cash flows after investing activities (a)+(b)		**103,001**	**220,563**
Cash flows from financing activities			
Acquisition of non-controlling interests		-40,814	-21,795
Payments due to share capital decreases		-767	-
Dividends paid and share capital returns		-31,985	-17,615
Payments for shares purchased back	*22*	-3,230	-8,816
Proceeds from sale of treasury shares	*22*	1,231	779
Payments for financial assets designated at FVTPL	*36*	-50	-
Interest and other related charges paid	*34*	-36,153	-49,917
Proceeds from borrowings and derivative financial instruments	*34*	243,129	478,398
Payments of borrowings and derivative financial instruments	*34*	-347,968	-459,932
Principal elements of lease	*34*	-16,309	-15,967
Net cash flows used in financing activities (c)		**-232,916**	**-94,865**
Net (decrease)/increase in cash and cash equivalents (a)+(b)+(c)		**-129,915**	**125,698**
Cash and cash equivalents at beginning of the year	*21*	206,438	90,388
Effects of exchange rate changes		3,359	-9,648
Cash and cash equivalents at end of the year	*21*	**79,882**	**206,438**

**Restated due to change in accounting policy (note 1)*

The primary financial statements should be read in conjunction with the accompanying notes.

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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 Arch. Makariou III, 2-4 Capital Center, 9th floor, 1065, 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 7 April 2022.

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 consolidated financial statements are presented in euros and all values are rounded to the nearest thousand (€000), except when otherwise indicated.

In addition, they have been prepared with the same accounting policies of the prior financial year, except for the application of IFRIC Agenda Decision IAS 19 – Attributing Benefit to Periods of Service (May 2021) and the adoption of new or revised standards, amendments and/or interpretations that are mandatory for the periods beginning on or after 1 January 2021.

1.1.1 Application IFRIC Agenda Decision IAS 19 – Attributing Benefit to Periods of Service

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. As such, each year of service between age 46 and age 62 leads to further benefits. Prior to age 46 and after age 62 no further benefit accrues. Consequently, the entity attributes the retirement benefit to each year in which the employee renders service from the age of 46 to the age of 62.

In accordance with the aforementioned decision, the application of the basic principles of IAS 19 in Greece has been changed. Group entities, which calculated retirement obligations form recruitment until the date when further service by the employee would lead to no material amount of further benefits under the retirement plans, other than from further salary increases, have adjusted their calculations with the decision and recognized retirement obligations for the last 16 years of service until retirement.

The application of the IFRIC Agenda Decision is a change in the accounting policy that is applied retrospectively according to paragraphs 19-22 of IAS 8. The affected entities adjusted the opening balance of each related component of equity and the other comparative amounts disclosed for 2020, as if the new accounting policy had always been applied.

The effect of the change in the accounting policy is as follows:

Impact on the consolidated statement of financial position (increase/(decrease)) - all amounts in Euro thousand:

	31.12.2020	1.1.2020
Deferred tax assets	-2,737	-2,486
Total Assets	**-2,737**	**-2,486**
Equity and reserves attributable to owners of the parent	8,669	7,870
Non-controlling interests	4	-
Total Equity (a)	**8,673**	**7,870**
Retirement benefit obligations	-11,410	-10,356
Total Liabilities (b)	**-11,410**	**-10,356**
Total Equity and Liabilities (a)+(b)	**-2,737**	**-2,486**

Impact on the consolidated income statement (increase/(decrease)) - all amounts in Euro thousand:

	31.12.2020
Cost of sales	-213
Gross profit	**-213**
Administrative expenses	-386
Selling and marketing expenses	-37
Operating profit	**-636**
Finance expenses	122
Profit before taxes	**-514**
Income tax	122
Profit after taxes	**-392**
Attributable to:	
Equity holders of the parent	-392

Impact on basic and diluted earnings per share (EPS) (increase/(decrease) in EPS) - all amounts in Euro:

	31.12.2020
Basic earnings per share (in €)	-0.0051
Diluted earnings per share (in €)	-0.0051

Impact on the consolidated statement of comprehensive Income (increase/(decrease)) - all amounts in Euro thousand:

	31.12.2020
Profit after taxes	**-392**
Re-measurement losses on defined benefit plans	1,568
Income tax relating to these item	-374
Other comprehensive income for the year net of tax	**1,194**
Total comprehensive income for the year net of tax	**802**
Attributable to:	
Equity holders of the parent	798
Non-controlling interests	4

1.1.2 The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2021 and have been endorsed by the European Union:

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2 (effective 01/01/2021). These amendments address issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. The amendments are effective for annual periods beginning on or after 1 January 2021, with earlier application permitted.

The Group adopted the amendments on the required effective date. However, it continues to monitor the output from the various industry working groups managing the transition to new benchmark interest rates, including the announcements made by the IBOR regulators as the reform is ongoing. On 31.12.2021, the amendments had no impact on the consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

Borrowings

On 31.12.2021, the total amount of the Group's borrowings is €730.7 million (note 32), from which €596.4 mil. are bonds of fixed interest rate. The Group also has a floating interest rate revolving facility agreement with available commitment of €208 million, which already includes adequate fall back provisions for a cessation of the referenced benchmark interest rate. On 31.12.2021, the outstanding balance of this facility is €28 million. Moreover, it has local floating rate debt in Albania and Turkey. None of these debt agreements include floating interest rates that are based on IBORs. Finally, the Group's subsidiary in USA, Titan America LLC, maintains committed and uncommitted credit facilities with banks of €33.3 million balance on 31.12.2021. The facilities provide for loans at variable interest rates based on Libor and they include adequate fall back provisions.

Derivatives

On 31.12.2021, the Group has recognised the following derivatives in the statement of financial position (note 35):

1) Various short-term EUR/USD forward contracts, in order to hedge foreign currency risk,

2) Cross currency interest rate swaps, in order to hedge foreign currency exposure and exchange fixed Euro rates to fixed USD rates,

3) Energy swap transactions, in order to hedge fluctuations of natural gas and coal prices,

4) Various forward freight agreements, in order to hedge fluctuations of freight rates and

5) Forward starting interest rate swaps, in order to hedge variability to changes in the future interest payments.

None of the aforementioned derivatives are subjects to IBOR reform.

Leases

On 31.12.2021, the total amount of the Group's lease liabilities is €62.4 million (note 33).

None of the Group's lease contracts are based on IBORs and, as a result, there will be no impact on the Group's lease liability balances.

Receivables

On 31.12.2021, the Group, through its subsidiary Titan America LLC in USA, incorporates in its statement of financial position the amount of €43.2 million, as interest-bearing note receivables (note 20). The note receivables are fixed-rate linked.

Amendment to IFRS 16 Leases Covid 19-Related Rent Concessions (effective 01/06/2020, with early application permitted). If certain conditions are met, the Amendment would permit lessees, as a practical expedient, not to assess whether particular covid-19-related rent concessions are lease modifications. Instead, lessees that apply the practical expedient would account for those rent concessions as if they were not lease modifications.

The Group has not received Covid-19-related rent concessions, but plans to apply the practical expedient if it becomes applicable within allowed period of application.

1.1.3 The following new amendments have been issued, is not mandatory for the first time for the financial year beginning 1 January 2021 but have been endorsed by the European Union:

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).

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.

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 2021 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 01/01/2023), 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.

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.

1.2 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.
- 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:

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 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 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:

	Amortization Method	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 (quarries under operating leases)	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 leased quarries, these are included under 'Development expenditure' under Intangible assets and amortised over the shorter of the lease term and the useful life of the quarry.

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.

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.

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 of 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

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 do not qualify for hedge accounting

Certain derivative transactions, do not qualify for hedge accounting under rules in IFRS. 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. On an ongoing basis, management evaluates its estimates, which are presented below.

Estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

These management's estimation and assumptions 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 (note 13). These calculations require the use of estimates, which mainly relate to future earnings and discount rates.

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. In the Group's view, a statement that the impairment test of joint ventures includes estimates that "have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year" should be made.

2.3 Deferred tax assets

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies (note 8).

2.4 Useful lives and residual values

PPE are depreciated over their estimated useful lives. The actual lives of the assets are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product lifecycles, life-of-mine and maintenance programmes are considered.

2.5 Provision for environmental rehabilitation

The Group recognizes provision for environmental rehabilitation that is re-estimated on an annual basis. It reflects the present value of the expected restoration costs, using estimated cash flows and is calculated based on the area of the land disturbed at the reporting date and the cost of rehabilitation per metric unit of land at the level of the broader area of interest. Given the complexity of the calculations and the significant assumptions therein, management provides its best estimate in relation to the present value of the aforementioned liability.

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 2021				
	Greece and Western Europe	North America	South Eastern Europe	Eastern Mediterranean	Total
Gross revenue	333,515	983,590	290,613	172,800	1,780,518
Inter-segment revenue	-65,885	-	-10	-	-65,895
Revenue from 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.

Revenue consists of 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
Revenue	1,011,199	692,751	10,673	1,714,623

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 and the Regulatory Electricity Market. 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 transportation services and the activity of Regulatory Electricity Market in Greece. None of these activities have the prerequisite magnitude to be presented separately.

At Group level, "Revenue" 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 2020 *restated*				
	Greece and Western Europe	North America	South Eastern Europe	Eastern Mediterranean	Total
Gross revenue	308,778	939,747	270,952	151,748	1,671,225
Inter-segment revenue	-64,192	-	-	-	-64,192
Revenue from external customers	**244,586**	**939,747**	**270,952**	**151,748**	**1,607,033**
Earnings before interest, taxes, depreciation, amortization and impairment (EBITDA)	16,246	176,397	96,202	-3,250	285,595
Depreciation, amortization and impairment of tangible and intangible assets	-21,893	-71,818	-26,206	-19,650	-139,567
Operating profit before impairment losses on goodwill	-5,647	104,580	69,996	-22,901	146,028
ASSETS					
Property, plant & equipment	286,912	604,241	286,841	351,249	1,529,243
Intangible assets and goodwill	35,035	200,647	60,180	56,430	352,292
Other non-current assets	32,267	8,465	8,847	1,275	50,854
Current assets	197,246	291,542	101,015	75,816	665,619
Total assets of segments excluding joint ventures	**551,460**	**1,104,895**	**456,883**	**484,770**	**2,598,008**
Investment in joint ventures (note 15.2)					78,188
Total assets					**2,676,196**
LIABILITIES					
Non-current liabilities	193,509	350,594	97,938	213,550	855,591
Current liabilities	93,775	289,762	49,055	112,657	545,249
Total liabilities	**287,284**	**640,356**	**146,993**	**326,207**	**1,400,840**
Capital expenditures (note 11,12,14)	15,675	46,317	14,227	8,077	84,296
Impairment of property, plant and equipment (note 11)	-		-992	-	-992
Impairment of Goodwill (note 13)	-	-	-	-46,614	-46,614
Allowance for doubtful debtors (note 20)	-766	-461	-611	-147	-1,985
Investment in associates (note 15)	3,523	134	3,765		7,422
Non-qualified deferred compensation plans (note 17, 25)	-	2,572	-	-	2,572
Non-current assets excluding financial instruments, deferred tax assets and post employment benefit assets	330,137	805,022	354,889	407,679	1,897,727

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.
Revenue consists of 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.
Segment information of 2020 was restated in order to be comparable with the corresponding segment information of 2021, as a result of Arresa Marine Co change of operating segment.

3. Operating segment information (continued)

Information by business activities

(all amounts in Euro thousands)	For the year ended 31 December 2020			
	Cement	Ready mix concrete, aggregates and building blocks	Other activities	Total
Revenue	896,137	705,138	5,758	1,607,033

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)	2021	2020 *restated*
Operating profit before impairment losses on goodwill	**138,728**	**146,028**
Impairment losses on goodwill	-	-46,614
Operating profit	**138,728**	**99,414**
Other income	-	100
Finance income	4,255	636
Finance expenses	-37,835	-53,197
Loss from foreign exchange differences	-73	-13,216
Share of profit of associates (note 15.1)	585	611
Share of profit of joint ventures (note 15.2)	2,706	2,589
Profit before taxes	**108,366**	**36,937**

4. Other income and expenses

i) Other operating income and expenses

(all amounts in Euro thousands)	2021	2020
Scrap sales	48	237
Income from services	1,215	1,375
Rental income	2,550	4,087
Gains on disposal of PPE, intangible assets and investment property (note 11, 29)	5,747	1,094
Fair value gain from investment property (note 12)	333	-
Other income	835	759
Other income total	**10,728**	**7,552**
Fair value loss from investment property (note 12)	-	-94
Restructuring cost	-255	-531
Various recurrent taxes - fees	-354	-
Other expenses	-222	-860
Other expenses total	**-831**	**-1,485**

The restructuring cost relates to voluntary retirement incentive programs in all Group operating segments.

ii) Other income

(all amounts in Euro thousands)	2021	2020
Income from participations and investments	-	100
Other income	**-**	**100**

5. Expenses by nature

(all amounts in Euro thousands)	2021	2020
		restated
Staff costs and related expenses (note 7)	-328,879	-312,692
Raw materials and consumables used	-481,338	-421,729
Energy cost	-279,296	-204,269
Changes in inventory of finished goods and work in progress	20,309	-12,096
Distribution expenses	-183,784	-178,932
Third party fees	-136,410	-129,896
Depreciation, amortization and impairment of tangible, intangible assets and government grants (note 11,14,27)	-136,481	-139,567
Other expenses	-58,191	-65,906
Total expenses by nature	**-1,584,070**	**-1,465,087**
Included in:		
Cost of sales	-1,403,728	-1,297,763
Administrative expenses	-153,951	-143,046
Selling and marketing expenses	-26,391	-24,278
	-1,584,070	**-1,465,087**

In 2021, energy costs increased sharply. The Group faced unexpected spike of fuels (primarily pet coke and natural gas) and electricity costs, especially in the second semester of the year. The negative impact affected all Group regions.

Moreover, the Group's costs in raw materials impacted by the rising import shipping freight costs, especially in the North America region.

6. Net finance costs and foreign exchange differences

(all amounts in Euro thousands)	2021	2020
		restated
i) Finance income		
Interest income and related income	1,176	636
Fair value gains on derivatives	3,079	-
Finance income	**4,255**	**636**
ii) Finance expenses		
Interest expense and related expenses	-34,620	-46,222
Finance costs of actuarial studies (note 25)	-186	-186
Unwinding of discount of rehabilitation and other provisions (note 26)	-501	-730
Interest expense on lease liabilities	-2,528	-2,811
Fair value losses on derivatives	-	-3,248
Finance expense	**-37,835**	**-53,197**
iii) Loss from foreign exchange differences		
Net exchange gains/(losses)	25,385	-46,458
Fair value (losses)/gains on derivatives	-25,458	33,242
Losses from foreign exchange differences	**-73**	**-13,216**

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)	2021	2020
		restated
Wages, salaries and related expenses	294,606	279,741
Social security costs	27,615	27,254
Share-based payment expense of 2020 plan (note 24)	2,829	1,394
Fair value of share options granted to directors and employees (note 29)	886	1,720
Other post retirement and termination benefits - defined benefit plans (note 25)	3,384	3,300
Total staff costs	**329,320**	**313,409**

The average number of Group employees for the fiscal year 2021 was 5,352 (2020: 5,363).

8. Income tax expense

(all amounts in Euro thousands)	2021	2020 *restated*
Current tax	11,717	10,380
Deferred tax (note 18)	2,612	23,761
Non deductible taxes and differences from tax audit	2,482	1,636
	16,811	**35,777**

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)	2021	2020 *restated*
Profit before tax	**108,366**	**36,937**
Impairment of goodwill	-	-46,614
Profit before tax and impairment of goodwill	**108,366**	**83,551**
Tax calculated at the parent company tax rate of 12.5% (2020:12.5%)	13,546	10,444
Effect of different tax rates in the countries that the Group operates	5,695	1,098
Tax calculated at weighted average tax rate of 17.8% (2020: 14%)	**19,241**	**11,542**
Tax adjustments in respect of:		
Income not subject to tax	-2,226	-1,182
Expenses not deductible for tax purposes	4,969	7,669
Effect of change in tax rate	127	-
Utilization of prior years unrecognized losses	-120	-15
Effect of unrecognized deferred tax asset on tax carry forward losses	1,898	5,148
Effect of de-recognition of net operating loss carryforwards	-	12,198
Tax incentives	-3,521	-3,374
Base Erosion and Anti-Abuse Tax	527	1,757
Tax on loss from disposal of treasury shares	-6,174	-
Change in recognition of net operating loss carryforwards	-46	862
Other	2,136	1,172
Effective tax charge	**16,811**	**35,777**

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. The calculation of the tax carry-forward receivable to be recognized requires management judgment in assessing future profitability and recoverability (note 2.3).

On 31 December 2021, certain Group entities had tax carry forward losses of €127.4 million (2020: €115.5 million). These entities have recognized deferred tax assets amounting to €22.4 million (2020: 21.8 million), attributable to losses amounting to €93.2 million (2020: €86.2 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 €34.2 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 €24.9 million and €7.9 million expire up to 2025 and 2026 respectively, while losses amounting to €1.4 million may be carried forward indefinitely.

The Group's subsidiary in USA, Titan America LLC on 31.12.2020 had net operating losses carryforwards of €15.3 million which were utilized in 2021.

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)	2021	2020 *restated*
Net profit for the year attributable to equity holders of the parent	91,923	1,126
Weighted average number of ordinary shares in issue	74,795,239	77,133,713
Basic earnings per ordinary share (in €)	**1.2290**	**0.0146**

Diluted EPS is 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)	2021	2020 *restated*
Net profit for the year attributable to equity holders of the parent	91,923	1,126
Weighted average number of ordinary shares for diluted earnings per share	74,795,239	77,133,713
Share options and awards	294,514	256,516
Total weighted average number of shares in issue for diluted earnings per share	75,089,753	77,390,229
Diluted earnings per ordinary share (in €)	**1.2242**	**0.0145**

10. Dividends and return of capital

For the year ended 31.12.2021

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 31.12.2020

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 2020							
	Land	Quarries	Buildings	Plant & equipment	Motor vehicles	Office furniture, fixtures and equipment	Assets under construction	Total
Opening balance	**253,640**	**134,805**	**211,496**	**880,352**	**71,136**	**12,904**	**72,909**	**1,637,242**
Additions	41	1,747	309	3,402	227	668	56,071	62,465
Provisions for restoration	191	826	98	6,680	-	-	-432	7,363
Additions due to acquisition	-	-	133	29	-	-	-	162
Interest capitalization		-	-	-	-	-	1,008	1,008
Disposals (NBV)	-793	-	-123	-108	-72	-31	-	-1,127
Reclassification of assets from/to other PPE categories	784	338	5,674	39,306	3,329	2,361	-51,590	202
Transfers from/to other accounts	13	-	45	-206	-31	-146	515	190
Depreciation charge (note 29)	-3,789	-9,911	-11,774	-74,363	-14,603	-4,267	-	-118,707
Impairment of PPE (note 29)	-944	-	-42	-6	-	-	-	-992
Exchange differences	-16,422	-9,099	-14,890	-58,814	-4,514	-359	-6,498	-110,596
Ending balance	**232,721**	**118,706**	**190,926**	**796,272**	**55,472**	**11,130**	**71,983**	**1,477,210**

Right of use assets

Opening balance	**12,338**	-	**17,176**	**13,657**	**14,254**	**58**	-	**57,483**
Additions	2,294	-	6,487	3,515	2,026	-	-	14,322
Disposals (NBV)	-	-	1	-790	-100	-	-	-889
Reclassification of assets from ROU's to PPE	-	-	-	-75	-127	-	-	-202
Depreciation charge (note 29, 33)	-1,472	-	-4,493	-4,319	-4,554	-36	-	-14,874
Exchange differences	-1,125	-	-955	-915	-812	-	-	-3,807
Ending balance	**12,035**	-	**18,216**	**11,073**	**10,687**	**22**	-	**52,033**
At 31 December 2020								
Cost	305,220	217,785	452,991	1,897,048	260,036	62,441	72,478	3,267,999
Accumulated depreciation	-55,200	-99,079	-242,910	-1,083,204	-193,873	-51,277	-	-1,725,543
Accumulated losses of impairment of PPE	-5,264	-	-939	-6,499	-4	-12	-495	-13,213
Net book value	**244,756**	**118,706**	**209,142**	**807,345**	**66,159**	**11,152**	**71,983**	**1,529,243**

11. Property, plant and equipment (continued)

(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

	Land	Quarries	Buildings	Plant & equipment	Motor vehicles	Office furniture, fixtures and equipment	Assets under construction	Total
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)

Disposal of assets

During 2021, the Group received €8,694 thousand (2020: €3,110 thousand) from the disposal of tangible/intangible assets and investment property with total net book value of €2,947 thousand (2020: €2,016 thousand). Thus, the Group recognized €5,747 thousand gains (2020: €1,094 thousand gains) on disposal of PPE in the consolidated income statement (note 4).

Impairments of property, plant and equipment

In 2020, the Group recorded impairment losses of €992 thousand, that were presented in the cost of sales in the consolidated income statement. Specifically, the amount of €944 thousand was recorded for a plot of land, €42 thousand for buildings and €6 thousand for machineries in Bulgaria. On 31.12.2020, their recoverable amount was estimated to be €1,516 thousand.

Property, plant and equipment pledged as security

On the Turkish subsidiaries Adocim Cimento Beton Sanayi ve Ticaret A.S. and Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S. assets, there are mortgages of €29.31 million and €0 million respectively, securing bank credit facilities. As at 31.12.2021, utilization under these credit facilities amounted to €3.72 million and nil respectively.

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 valuators, members of the institute of the certified valuators and certified from the European Group of Valuers' Associations (TEGoVA) & RICS (Royal Institution of Chartered Surveyors).

(all amounts in Euro thousands)	2021	2020
Opening balance	**11,720**	**11,628**
Disposals	-1,043	-
Net gain from measurement at fair value (note 4)	575	162
Transfer to assets held for sale	-238	-
Transfer to property, plant and equipment	-38	-58
Exchange differences	4	-12
Ending balance	**10,980**	**11,720**

The Board of Directors of the Group subsidiary in Greece, Titan Cement S.A., decided to sell its land plots located in Elefsina-Attika. In December 2021, the plots were sold 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, which resulted in a delay in completing the sale within 2021. Its sale is expected to be made during 2022 with a selling price of €500 thousand, resulting in a gain of €262 thousand.

(all amounts in Euro thousands)	2021	2020
Rental income derived from investment property	426	428
Direct operating expenses (including repair and maintenance) that did not generate rental income	-73	-63
Net profit arising from investment properties carried at fair value	333	-94

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)	2021	2020
Within one year	522	467
Between 1 and 2 years	415	408
Between 2 and 3 years	334	313
Between 3 and 4 years	246	242
Between 4 and 5 years	228	153
Later than five years	574	544
	2,318	**2,127**

13. Goodwill

(all amounts in Euro thousands)	Initial goodwill	Goodwill impairment	Total goodwill
Balance at 1 January 2020	**362,351**	**-17,828**	**344,523**
Additions due to acquisition	6	-	6
Impairment (note 29)	-	-46,614	-46,614
Exchange differences	-29,705	-197	-29,902
Balance at 31 December 2020	**332,652**	**-64,639**	**268,013**
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**

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. 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.

The calculation of value-in-use for the Group's evaluated CGUs is most sensitive to the following assumptions:

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.

13. Goodwill (continued)

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.

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**		

Key assumptions used for value in use calculations in respect of goodwill 2020

(all amounts in Euro thousands)	Carrying amount of goodwill	Perpetual Growth rates	Discount rates
North America	178,246	2%-3%	3.8%-5.1%
Bulgaria	45,440	1.3%	3%
Egypt	-	7.3%	17.60%
Turkey	27,238	9.5%	15.9%
Other	17,089	0.8%-2.4%	2.2%-6.9%
Total	**268,013**		

Sensitivity of recoverable amounts

On 31.12.2021, the Group analyzed the sensitivities of the recoverable amounts to the reasonably change in key assumptions. For all CGUs 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 and Turkey additional sensitivity analysis 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: 3.8% for Bulgaria and 6.4% for Turkey.
-Decrease in the operating margin (EBITDA margin) for each year of planning as well as in the terminal value of around 8.9% for Bulgaria and 8.6% for Turkey.

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 2020	**38,508**	**16,123**	**5,791**	**1,219**	**4,162**	**19,367**	**85,170**
Additions	72	-	-	63	137	7,237	7,509
Additions due to acquisition	-	-	-	-	5	-	5
Reclassification of assets from/to other intangible assets categories	-	-	-	2,950	111	-3,061	-
Transfers from other accounts	-	-	-	260	-2	-190	68
Amortization charge (note 29)	-1,112	-916	-1,710	-918	-544	-	-5,200
Exchange differences	-1,597	-1,162	-283	-15	-128	-88	-3,273
Balance at 31 December 2020	**35,871**	**14,045**	**3,798**	**3,559**	**3,741**	**23,265**	**84,279**
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**

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% (31.12.2020: 48.711%), Karierni Materiali AD with ownership percentage 48.764% (31.12.2020: 48.764%). The aforementioned companies are based in Bulgaria and operate in the aggregates business.

b) Ecorecovery S.A. with ownership percentage 48% (31.12.2020: 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% (31.12.2020: 33%) which beneficiates, markets and sells fly ash. ASH Venture LLC is based in USA.

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)	2021	2020
Summarized statement of financial position as at 31 December		
Non-current assets	17,686	26,617
Current assets	6,377	7,087
Total assets	**24,063**	**33,704**
Non-current liabilities	1,663	1,879
Current liabilities	6,864	7,198
Total liabilities	8,527	9,077
Equity	**15,536**	**24,627**
Summarized income statement and statement of comprehensive income for the year ended 31 December		
Revenue	**15,233**	**20,306**
(Loss)/profit after taxes	-6,384	1,049
Other comprehensive losses for the year	-10	-30
Total comprehensive (loss)/income for the year net of tax	**-6,394**	**1,019**
Reconciliation to carrying amounts:		
Opening net assets 1 January	**24,627**	**32,009**
(Loss)/profit for the year	-6,384	1,049
Other comprehensive losses for the year	-10	-30
Share capital increase	-700	740
Dividends paid	-1,839	-6,173
Foreign exchange differences	235	-915
Restructuring	-393	-2,053
Closing net assets	**15,536**	**24,627**
Adjustments due to unrecognized fair value gain on assets contributed to associate	-4,318	-4,665
Accumulated depreciation adjustments related to unrecognized fair value	4,318	1,272
Group's carrying amount of the investment after adjustments	**7,190**	**7,422**

15.Investments in associates, joint ventures and subsidiaries (continued)

15.2 Investment in joint ventures

On 31 December 2021, 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% (31.12.2020: 50%). Apodi is based in Brazil and operates in the production of cement.

b) Apodi Distribuição e Logistica Ltda with ownership percentage 50% (31.12.2020: 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 *	
	2021	2020
Summarized statement of financial position as at 31 December		
Non-current assets	124,251	126,497
Other current assets	42,544	34,130
Cash and cash equivalents	6,213	10,866
Total assets	**173,008**	**171,493**
Long-term borrowings	59,009	52,461
Other non-current liabilities	689	701
Short-term borrowings	21,192	40,653
Other current liabilities	27,991	19,477
Total liabilities	**108,881**	**113,292**
Equity	**64,127**	**58,201**
	1.1 - 31.12.2021	1.1 - 31.12.2020
Summarized income statement and statement of comprehensive income		
Revenue	**83,845**	**70,727**
Depreciation, amortization and impairments of assets	-8,363	-8,548
Finance income	623	779
Finance expense	-7,364	-8,319
Income tax	-	-
Profit after taxes	5,411	5,176
Total comprehensive profit/(loss) for the year net of tax	**5,411**	**5,176**
Earnings before interest, taxes, depreciation, amortization and impairment (EBITDA)	**19,524**	**19,409**
	2021	2020
Reconciliation to carrying amounts:		
Opening net assets 1st January	**58,201**	**74,155**
Profit for the year	5,411	5,176
Foreign exchange differences	515	-21,130
Closing net assets 31th December	**64,127**	**58,201**
Group's share in %	50%	50%
Group's share in '000 €	32,064	29,101
Goodwill	49,499	49,087
Carrying amount of the investment as at 31st of December	**81,563**	**78,188**

** Consolidated figures before elimination with the broader Group*

On 31.12.2021, 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 13.8% and a perpetual growth rate of 3.25%, 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 3.3%.
- Decrease in the operating margin (EBITDA margin) for each year of planning as well as in the terminal value of around 7.5%.

15. Investments in associates, joint ventures and subsidiaries (continued)

15.3 Subsidiaries with significant percentage of non-controlling interests

On 31.12.2021, the Group non-controlling interest was €15.3 million (2020: €24.0 million) of which €10.4 million (2020: €19.1 million) derived from Adocim Cimento Beton Sanayi ve Ticaret A.S., €0.7 million (2020: €0.6 million) from Alexandria Portland Cement Co. S.A.E., €3.0 million (2020: €3.0 million) from Usje Cementarnica AD and €1.1 million (2020: €1.1 million) from Cement Plus LTD.

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.*	
	2021	2020
Summarized statement of financial position as at 31 December		
Non-current assets	58,567	97,229
Current assets	15,791	19,076
Total assets	**74,358**	**116,305**
Non-current liabilities	14,459	17,266
Current liabilities	18,416	22,471
Total liabilities	**32,875**	**39,737**
Equity	**41,483**	**76,568**
Attributable to:		
Equity holders of the parent	**31,112**	**57,426**
Non-controlling interests (25%)	**10,371**	**19,142**
	1.1 - 31.12.2021	1.1 - 31.12.2020
Summarized income statement and statement of comprehensive income		
Revenue	**39,292**	**40,984**
Loss after taxes	-5,805	-4,594
Other comprehensive losses for the year	-29,290	-27,742
Total comprehensive losses for the year net of tax	**-35,095**	**-32,336**
Total comprehensive losses attributable to non-controlling interests	-8,773	-8,084
Summarized cash flow information		
Cash flows from operating activities	20	842
Cash flows from investing activities	-2,958	-1,457
Cash flows from financing activities	2,084	-105
Net decrease in cash and cash equivalents	**-854**	**-720**
Cash and cash equivalents at beginning of the period	874	1,952
Effects of exchange rate changes	53	-358
Cash and cash equivalents at end of the year	**73**	**874**

** 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	2021 % of investment (*) Direct	2021 % of investment (*) Indirect	2020 % of investment (*) Direct	2020 % of investment (*) 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	
Aitolika Quarries S.A.	Greece	Quarries & aggregates	-	63.723	-	63.723
Albacem S.A.	Greece	Trading company	-	100.000	-	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
Trojan Cem EOOD	Bulgaria	Trading company	-	95.000	-	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 (3)	Cyprus	Investment holding company	-	100.000	-	100.000
Titan Eastmed Investments Limited (4)	Cyprus	Investment holding company	-	100.000	-	100.000
Alvacim Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
East Cement Trade Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Feronia Holding Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Iapetos Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
KOCEM Limited	Cyprus	Investment holding company	-	100.000	-	100.000
Rea Cement Investments Limited (1)	Cyprus	Investment holding company	-	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 (2)	Egypt	Cement producer	-	99.605	-	99.601
Beni Suef Cement Co.S.A.E. (2)	Egypt	Cement producer	-	100.000	-	99.602
GAEA -Green Alternative Energy Assets (2)	Egypt	Alternative fuels	-	99.996	-	99.992
Titan Beton & Aggregate Egypt LLC (2)	Egypt	Quarries & aggregates	-	99.611	-	99.608
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
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	2021 % of investment (*) Direct	2021 % of investment (*) Indirect	2020 % of investment (*) Direct	2020 % 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
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
Stari Silo Company DOO	Serbia	Trading company	-	100.000	-	100.000
TCK Montenegro DOO	Montenegro	Trading company	-	100.000	-	100.000
Esha Material DOOEL	North Macedonia	Quarries & aggregates	-	100.000	-	100.000
GAEA Zelena Alternative Enerjia DOOEL	North Macedonia	Alternative fuels	-	100.000	-	100.000
ID Kompani DOOEL	North Macedonia	Trading company	-	95.000	-	95.000
MILLCO-PCM DOOEL	North Macedonia	machines, equipment and	-	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
Vesa DOOL	North Macedonia	Trading company	-	100.000	-	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) On 17 May 2021, the Group's subsidiary in Cyprus, Tithys Holdings Limited, acquired Rea Cement Investments Limited. The Group incorporated Rea Cement Investments Limited in its financial statements with the full method of consolidation.

2) Change in percentage ownership.

3) In April 2021, Alexandria Development Limited changed the country of its incorporation from U.K. to Cyprus.

4) In May 2021, Titan Egyptian Investments Limited changed its name to Titan Eastmed Investments Limited and the country of its incorporation from U.K. to Cyprus.

17. Other non-current assets

(all amounts in Euro thousands)	2021	2020
Utility deposits	5,197	2,759
Excess benefit plan assets (note 25)	3,307	2,572
Other non-current assets	10,052	11,626
	18,556	**16,957**

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)	2021	2020 *restated*
Deferred tax assets to be recovered:		
after more than 12 months	-78,992	-91,911
within 12 months	-14,877	-10,507
Deferred tax liabilities to be used:		
after more than 12 months	185,806	174,069
within 12 months	12,800	17,963
Deferred tax liability (net)	**104,737**	**89,614**

The movement in the deferred income tax account after set-offs is as follows:

(all amounts in Euro thousands)	2021	2020 *restated*
Opening balance, net deferred liability	**89,614**	**84,866**
Income statement charge (note 8)	2,612	23,761
Tax charged to equity through other comprehensive income	1,118	-1,109
Tax charged to equity	9,610	-5,294
Deferred tax adjustment on revaluation reserves	213	-1,489
Exchange differences	1,570	-11,121
Ending balance, net deferred liability	**104,737**	**89,614**

18. Deferred income taxes (continued)

(all amounts in Euro thousands)	2021	2020 *restated*
Analysis of deferred tax liabilities (before set - offs)		
Property, plant and equipment	128,342	131,322
Mineral deposits	17,624	17,223
Intangible assets	45,350	38,952
Unrealized foreign exchange differences	4,959	2,596
Receivables and prepayments	1,026	351
Trade and other payables	113	-
Prepaid expenses	1,624	1,468
Other	-432	120
	198,606	**192,032**
Analysis of deferred tax assets (before set - offs)		
Intangible assets	-78	-78
Investments & other non-current receivables	-1,450	-1,068
Treasury Shares	-1,940	-11,550
Unrealized foreign exchange differences	-10,773	-13,442
Inventories	-2,675	-3,029
Post-employment and termination benefits	-4,460	-4,743
Receivables and prepayments	-6,513	-6,155
Tax losses carried forward (note 8)	-22,402	-21,782
Interest expense tax carried forward	-4,421	-3,769
Deferred income	-701	-930
Long-term debt/lease obligations	-12,527	-10,675
Provisions and accrued expenses	-23,683	-23,509
Trade and other payables	-128	-87
Other	-2,118	-1,601
	-93,869	**-102,418**
Net deferred tax liability	**104,737**	**89,614**
Deferred tax assets (after set - offs)	8,867	12,464
Deferred tax liabilities (after set - offs)	113,604	102,078
Net deferred tax liability	**104,737**	**89,614**

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 year is as follows:

(all amounts in Euro thousands)	January 1, 2021 *restated*	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	131,322	213	-3,061	-263	131	128,342
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
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
	192,032	**213**	**1,503**	**-263**	**5,121**	**198,606**
Deferred tax assets (before set - offs)						
Intangible assets	-78	-	-	-	-	-78
Investments & other non-current receivables	-1,068	-	-372	-	-10	-1,450
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
	-102,418	**9,610**	**1,109**	**1,381**	**-3,551**	**-93,869**
Net deferred tax liability	**89,614**	**9,823**	**2,612**	**1,118**	**1,570**	**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, 2020 *restated*	Credit to equity	Deferred tax adjustment due to change in income tax rates	Debit/(Credit) to net profit	Debit/(Credit) to equity through statement OCI	Exchange differences	December 31, 2020 *restated*
Deferred tax liabilities (before set - offs)							
Property, plant and equipment	150,046	-	-1,489	-3,576	-	-13,659	131,322
Mineral deposits	20,127	-	-	-1,292	-	-1,612	17,223
Intangible assets	38,292	-	-	3,809	-	-3,149	38,952
Unrealized foreign exchange differences	5,694	-	-	-2,851	-	-247	2,596
Investments	157	-	-	-154	-	-3	-
Receivables and prepayments	351	-	-	-	-	-	351
Trade and other payables	9	-	-	-9	-	-	-
Prepaid expenses	1,113	-	-	481	-	-126	1,468
Other	186	-	-	-22	-	-44	120
	215,975	**-**	**-1,489**	**-3,614**	**-**	**-18,840**	**192,032**
Deferred tax assets (before set - offs)							
Intangible assets	-290	-	-	208	-	4	-78
Investments & other non-current receivables	-3,215	-	-	2,142	-	5	-1,068
Treasury Shares	-6,256	-5,294	-	-	-	-	-11,550
Unrealized foreign exchange differences	-9,051	-	-	-4,240	-1,151	1,000	-13,442
Inventories	-1,578	-	-	-1,560	-	109	-3,029
Post-employment and termination benefits	-5,436	-	-	508	42	143	-4,743
Receivables and prepayments	-7,222	-	-	867	-	200	-6,155
Tax losses carried forward (note 8)	-60,086	-	-	34,648	-	3,656	-21,782
Interest expense tax carried forward	-3,914	-	-	145	-	-	-3,769
Deferred income	-681	-	-	-329	-	80	-930
Long-term debt/lease obligations	-12,896	-	-	1,253	-	968	-10,675
Provisions and accrued expenses	-18,644	-	-	-6,442	-	1,577	-23,509
Trade and other payables	-107	-	-	19	-	1	-87
Other	-1,733	-	-	156	-	-24	-1,601
	-131,109	**-5,294**	**-**	**27,375**	**-1,109**	**7,719**	**-102,418**
Net deferred tax liability	**84,866**	**-5,294**	**-1,489**	**23,761**	**-1,109**	**-11,121**	**89,614**

19. Inventories

(all amounts in Euro thousands)	2021	2020
Inventories		
Raw materials-maintenance stores	213,465	179,360
Finished goods	101,299	81,293
Provision for obsolete inventories	-9,633	-12,067
	305,131	**248,586**
Analysis of provision for impairment of inventories		
Balance at 1 January	**12,067**	**4,538**
Charge for the year (note 29)	606	9,197
Unused amounts reversed (note 29)	-2,773	-984
Utilized	-180	-730
Reclassification from/to PPE	-184	135
Exchange differences	97	-89
Balance at 31 December	**9,633**	**12,067**

The Group's subsidiaries have not pledged their inventories as collateral.

In 2021, the increase in inventories of raw materials and finished goods mostly affected by the increase in energy and shipping freight costs.

20. Receivables and prepayments

(all amounts in Euro thousands)	2021	2020
Trade receivables	130,025	108,814
Cheques receivables	24,708	25,381
Allowance for doubtful debtors	-26,286	-26,231
Total trade receivables	**128,447**	**107,964**
Creditors advances	4,478	6,303
V.A.T. and other tax receivables	19,788	11,465
Prepayments	16,774	13,080
Notes receivable	43,204	22,808
Receivables from authorities	13,292	12,329
Other receivables	13,082	13,338
Allowance for doubtful debtors	-2,721	-2,040
Total other receivables	**107,897**	**77,283**
	236,344	**185,247**

Trade receivables are non-interest bearing and are normally settled on 30-170 days.

On 31.12.221, the balance of the notes receivable has been increased compared to the prior year due to the increased 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.

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 recognised in the income statement.

Moreover, the Group hold collaterals amounting to €29,449 thousand (31.12.2020: €30,720 thousand) (note 30).

20. Receivables and prepayments (continued)

The balances of trade receivables and impairment are as follows:

(all amounts in Euro thousands)

	Expected credit loss rate	Trade receivables	Impairments
As at 31 December 2021			
Current	2%	65,695	1,299
More than 30 days past due	3%	47,632	1,385
More than 60 days past due	6%	7,723	437
More than 120 days past due	69%	33,683	23,165
		154,733	**26,286**
As at 31 December 2020			
Current	3%	69,168	1,963
More than 30 days past due	6%	26,663	1,625
More than 60 days past due	9%	8,041	738
More than 120 days past due	72%	30,323	21,905
		134,195	**26,231**

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 €17.1 million on 31.12.2021 and €17.3 million on 31.1.2020 compared with the balances in the tables above.

(all amounts in Euro thousands)

	Trade receivables	Impairments
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**
As at 31 December 2020		
Greece and Western Europe	51,316	4,406
North America	30,223	2,160
South Eastern Europe	16,778	1,320
Eastern Mediterranean	18,620	1,087
	116,937	**8,973**

Allowance for doubtful and other debtors analysis	2021	2020
Balance at 1 January	**28,271**	**27,542**
Charge for the year (note 29)	2,412	2,835
Unused amounts reversed (note 29)	-690	-850
Utilized	-1,141	-755
Reclassification from other receivables/payables	183	96
Exchange differences	-28	-597
Balance at 31 December	**29,007**	**28,271**

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)

	2021	2020
Cash at bank and in hand	59	70
Short-term bank deposits	79,823	206,368
	79,882	**206,438**

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 2020	**82,447,868**	**1,159,348**	**5,974**	**82,447,868**	**1,165,322**
Balance at 31 December 2020	**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**

	Treasury shares	
	Number of shares	€'000
Balance at 1 January 2020	**4,804,140**	**117,139**
Treasury shares purchased	786,278	8,816
Treasury shares sold	-77,916	-1,835
Balance at 31 December 2020	**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**

The average ordinary shares stock price of Titan Cement International S.A. for the period 1.1.2021-31.12.2021 was €15.44 (1.1.2020-31.12.2020: €12.62). The closing stock price on 31 December 2021 was €13.26 (31.12.2020: €13.86).

Following the decision of the Extraordinary General Meeting of Shareholders dated 13 May 2019 which authorized the Board of Directors to acquire and dispose Company's own shares in accordance with the provisions of article 7:215 ff of the Belgian Companies and Associations Code, in October 2021, the Board decided to implement a share buy-back program of up to a maximum amount of €10 million for a duration of up to 6 months. The Company kept the market fully informed of the progress of the relevant transactions as provided by the applicable regulations.

In implementation of this program, during the period from October 14, 2021 until December 31, 2021, the Company acquired directly 90,948 own shares and indirectly through its subsidiary Titan Cement Company S.A. 139,193 shares, representing 0.12% and 0.18% respectively of the share capital of the Company. The total value of these transactions amounted to €3,229,701. On 31.12.2021 the Company holds 412,173 own shares representing 0.53% of the Company's share capital and Titan Cement Company S.A. (Titan SA), a direct subsidiary of the Company, holds 1,084,976 shares of the Company, representing 1.38% of the Company's voting rights.

Titan S.A., a direct subsidiary of the Company, sold in 2021 to Titan Group employees, in implementation of existing stock option plans, 123,101 shares of the Company, representing approximately 0.16% of the share capital of the Company, for a total amount of€1,231,010 (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	Foreign currency translation reserve	Total other reserves
Balance at 1 January 2020	**101,034**	**84,994**	**200,654**	**-1,188,374**	**272,885**	**26,457**	**64,200**	**-2,064**	**-**	**41,115**	**-345,665**	**-744,764**
Change in accounting policy (note 1)	-	-	-	-	-	-	-	1,383	-	-	-	1,383
Restated balance at 1 January 2020	**101,034**	**84,994**	**200,654**	**-1,188,374**	**272,885**	**26,457**	**64,200**	**-681**	**-**	**41,115**	**-345,665**	**-743,381**
Other comprehensive income/(loss)	-	-	-	-	-	-	243	-30	-36	-	-118,094	-117,917
Distribution of reserves (note 10)	-	-	-15,414	-	-	-	-	-	-	-	-	-15,414
Deferred tax on treasury shares held by subsidiary	-	-	-	-	-	-	5,294	-	-	-	-	5,294
Deferred tax adjustment due to change in income tax rates on revaluation reserves (note 18)	-	-	-	-	-	-	1,117	-	-	-	-	1,117
Acquisition of non-controlling interest	229	-	-	-	-	7	1,815	-	-	-	-1,126	925
Transfer from retained earnings	-	-	-1,027	-	-	-869	-5,524	-	-	-	-	-7,420
Transfer among reserves	-	3,876	-3,876	-	1,317	-	-	-	-	-	-13	1,304
Balance at 31 December 2020	**101,263**	**88,870**	**180,337**	**-1,188,374**	**274,202**	**25,595**	**67,145**	**-711**	**-36**	**41,115**	**-464,898**	**-875,492**
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**

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" of €200 million was introduced with the reduction of TCI share capital after the completion of the share exchange transaction. This reserve may be distributed in the future subject to the approval of the respective authoritative body. On 31 December 2021, the distributable reserves amounts to €149.1 million.

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, €48.2 million (2020: €51.5 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 (2020: €11.6 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 2021, this reserve has a debit balance of €26.0 million (2020: €28.4 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:

	2020 plan	2017 scheme	2014 scheme
Balance at 1 January 2020	-	**1,247,400**	**236,951**
Granted	616,980	-	-
Exercised	-	-18,548	-59,693
Non vested	-	-128,265	-
Cancelled	-116,460	-41,172	-6,901
Balance at 31 December 2020	**500,520**	**1,059,415**	**170,357**
Granted	407,630	-	-
Exercised	-	-82,166	-40,935
Non vested	-	-244,211	-
Cancelled	-6,420	-17,445	-5,340
Balance at 31 December 2021	**901,730**	**715,593**	**124,082**

Share options and awards outstanding at the end of the year have the following terms:

	2020 plan		2017 scheme		2014 scheme	
Exercise price	€ 0		€ 10		€ 10	
	2021	2020	2021	2020	2021	2020
Expiration date						
2021	-	-	-	-	-	6,594
2022	-	-	-	-	124,082	163,763
2023	249,115	250,260	62,447	108,531	-	-
2024	450,865	250,260	90,252	380,950	-	-
2025	201,750	-	562,894	569,934	-	-
	901,730	**500,520**	**715,593**	**1,059,415**	**124,082**	**170,357**

2014 Programme

On 20 June 2014, the General Meeting of TITAN Cement Company S.A. approved the introduction of a new, 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 options granted under the 2014 Programme have been accounted for in terms of the requirements of IFRS 2 “Share based payments”. The number of Share Options that were granted was: 250,190 during 2014, 313,080 during 2015 and 303,150 during 2016.

The fair value of the options granted in 2014 was €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%.

The fair value of the options granted in 2015 was €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%.

The fair value of the options granted in 2016 was €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)

2014 Programme (continued)

On 31 December 2021, the number of the cancelled share options that were granted during 2014, 2015 and 2016 was 4,300, 12,060 and 14,370 respectively. Out of the options that were granted in 2014, the share options that were not vested amounted to 125,378. Out of the options that were granted in 2015, the share options that were not vested amounted to 161,305 and out of the options that were granted in 2016 the share options that were not vested amounted to 53,968.

Out of the share options that were granted during 2014, 31,625 vested and cancelled. The remaining 88,887 share options were exercised by 83 Group executives. Out of the share options that were granted during 2015, 38,327 vested and cancelled while 11,086 remain unexercised and they can be exercised exceptionally until the end of 2022. The remaining 90,302 share options were exercised by 69 Group executives. Out of the share options that were granted during 2016, 11,849 vested and cancelled while 112,996 remain unexercised. The remaining 109,967 share options were exercised by 51 Group executives.

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.

As a result, two plans (2014 and 2017) are currently under implementation by stock options on shares of Titan Cement International owned by its subsidiary Titan Cement Company S.A. During 2021, the Beneficiaries were provided with shares of Titan Cement International owned by its subsidiary Titan Cement Company. The sale price of common treasury share (over-the-counter transaction) equaled to €10.00 per share. The total share price amounted to €1,231 thousand. The loss caused by this transaction amounted to €1,526 thousand, recognised in equity.

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 options granted under the 2017 Programme have been accounted for in terms of the requirements of IFRS 2 "Share based payments".

The number of Share Options that were granted during 2017 was 263,680.

The fair value of the options granted in 2017 was €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%.

On 1 June 2018, 402,370 share options were granted to Group executives under the three-year Stock Option Programme of 2017. The exercise price of the options is €10.0. The fair value of the options granted in 2018 was €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%.

On June 7 2019, 601,710 share options were granted to Group Executives under the three- years Stock Option Programme of 2017. The exercise price is €10.00. The fair value of the options granted was €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%.

On 31 December 2021, the number of the cancelled share options that were granted during 2017, 2018 and 2019 was 8,336, 21,420 and 38,816 respectively. Out of the options that were granted in 2017, the share options that were not vested amounted to 128,265 and out of the options that were granted in 2018, the share options that were not vested amounted to 244,211. Out of the share options that were granted during 2017, 10,193 vested and cancelled and 54,439 share options were exercised by 45 Group executives, while 62,447 remain unexercised and they can be exercised until the end of 2023. Out of the share options that were granted during 2018, 46,275 share options were exercised by 37 Group executives while 90,252 remain unexercised and they can be exercised until the end of 2024. Out of the share options that were granted during 2019, 562,894 remain unexercised and they can be exercised or cancelled until the end of 2025.

24. Share-based payments (continued)

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 2020, 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.

Upon vesting, participants may select to receive their vested awards in TCI shares, or in contributions to a fund, or in cash. In any case, the fair value of the cash alternative is the same as the share alternative. Thus, the Group accounts for the plan as a cash-settled transaction by recognising a liability for the fair value of the services it receives from the participants.

During 2020, the number of the awards granted was 616,980, but 116,460 of them were cancelled. The fair value of the awards was calculated based on the closing price of the TCI share, €13.86 in Brussels, adjusted for future dividend payments and the forfeiture rate. The calculation of the unforfeited awards resulted in the recognition of an expense of €1.4 million against a liability, which had a carrying amount of €1.4 million at the end of 2020.

During 2021, another 407,630 awards were granted and 4,130 of them were cancelled. Moreover, an additional number of 2,290 awards that are related to the 2020 granted awards were cancelled. The fair value of the awards was calculated based on the closing price of the TCI share €13.26 in Brussels, adjusted for future dividend payments and the forfeiture rate. The calculation of the unforfeited awards resulted in the recognition of an expense of €2.8 million against a liability, which had a carrying amount of €4.2 million at year end.

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 2021.

The principal actuarial assumptions used were as follows:
- discount rate of 0.5% as of 31/12/2019 with time weighted average duration 8.17 years according to the market conditions as of 31/12/2019, discount rate of 0.1% as of 31/12/2020 with time weighted average duration 8.19 years according to the market conditions as of 31/12/2020, and 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,
- future salary increases of 1.7% (2020: 1.7%),
- average turnover rate of employees with permanent contract up to age 50 is 1 % for voluntary resignation and 2 % for dismissal and for employees above the age 51 is 0 % for voluntary resignation and 1 % for 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 2021 the plan assets of the Group's subsidiaries in the US have invested approximately 56% (2020: 60%) in equity instruments quoted in US and international stock markets and 44% (2020: 40%) 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 2.56% (2020: 2.30%).

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 2021 and 2020, plan assets totaled €3,307 thousand and €2,572 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 2021 or 2020.

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)	2021	2020 *restated*
Current service cost	1,805	1,650
Interest cost	441	528
Provision of past service cost for the following year due to the voluntary resignation plans	102	125
Interest income	-255	-342
	2,093	**1,961**
Additional post retirement and termination benefits paid out, not provided for	1,138	933
Post retirement and termination benefits paid out, not provided for due to the voluntary resignation plans	153	406
	3,384	**3,300**
Amounts recognized in profit before interest, taxes, depreciation, amortization and impairment	3,198	3,114
Amounts recognized in finance cost (note 6)	186	186
Amounts recognized in the income statement	**3,384**	**3,300**
Actuarial losses recognized in other comprehensive income	-1,240	-30
Amount charged to statement of total comprehensive income	**2,144**	**3,270**
Present value of the liability at the end of the period	37,231	35,739
Minus fair value of US plans assets	-15,168	-12,915
	22,063	**22,824**

Change in the present value of the defined benefit obligation

(all amounts in Euro thousands)	2021	2020 *restated*
Opening balance	**22,824**	**35,268**
Change in accounting policy	-	-10,356
Total expense	3,384	3,300
Re-measurement losses recognized immediately in other comprehensive income	-1,240	-30
Exchange differences	261	-554
Benefits paid during the year	-3,166	-4,804
Ending balance	**22,063**	**22,824**

Changes in the fair value of US plan assets:

(all amounts in Euro thousands)	2021	2020
Fair value of plan assets at the beginning of the period	12,915	14,634
Expected return	1,209	1,333
Company contributions	501	117
Administrative expenses	-168	-178
Benefits paid	-363	-1,758
Exchange difference	1,074	-1,233
Fair value of plan assets at the end of the period	**15,168**	**12,915**

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 2021		Year ended 31 December 2020	
Assumptions	1.0% increase	1.0% decrease	1.0% increase	1.0% decrease
			restated	
Impact on the net defined benefit obligation:				
Discount rate	-1,691	1,930	-1,970	2,299
Salary	555	-518	603	-558
Health care costs	89	-78	91	-79
Impact on the current service costs:				
Discount rate	-80	90	-81	91
Salary	110	-99	109	-98
Healthcare costs	2	-2	3	-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:

	2021	2020
		restated
Not later than 1 year	4,451	4,118
Later than 1 year and not later than 5 years	8,865	8,075
Later than 5 years and not later than 10 years	8,671	8,883
Beyond 10 years	17,821	16,418
Total expected payments	**39,808**	**37,494**

The components of actuarial losses that re-calculated and recognized immediately in the other comprehensive income for the years ended December 31, 2021 and 2020 are as follows:

	2021	2020
		restated
Due to experience	157	-439
Due to assumptions (financial)	-541	1,634
Due to assumptions (demographic)	98	-204
Re-measurement losses on DBO	**-286**	**991**
Re-measurement gains on plan assets	-954	-1,021
Re-measurement losses for the period	**-1,240**	**-30**

26. Provisions

(all amounts in Euro thousands)		1 January 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	-	2,448	-1,342	-	-	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**	**14,992**	**-6,645**	**501**	**-4,500**	**3,265**	**68,312**

(all amounts in Euro thousands)		1 January 2020	Reclassifi-cations	Additions for the year	Unused amounts reversed	Unwinding of discount	Utilized	Exchange differences	31 December 2020
Provisions for restorations	a	21,717	-	9,541	-426	612	-733	-1,022	29,689
Insurance reserves	b	13,379	-	2,881	-	-	-	-1,154	15,106
Provisions for other taxes	c	3,596	-	655	-293	-	-372	-195	3,391
Litigation provisions	d	843	-	5	-198	-	-221	-13	416
Other provisions	e	13,615	-	8,316	-3,608	118	-4,309	-494	13,638
		53,150	**-**	**21,398**	**-4,525**	**730**	**-5,635**	**-2,878**	**62,240**

(all amounts in Euro thousands)	2021	2020
Non-current provisions	56,001	49,550
Current provisions	12,311	12,690
	68,312	**62,240**

a. The provisions for restorations are the present value of the estimated costs to reclaim quarry sites and other similar post-closure obligations. In 2020, the Group's subsidiary in USA, Titan America LLC (TALLC), changed its estimation and increased the provisions of restorations by the amount of €6.8 million due to increased fixed asset removal obligation associated with the long-term industrial use of one of its cement plant sites. It is expected that the amount of restoration provisions will be used over the next 1 to 50 years.

b. The insurance reserves represent the expected costs of claims payments related to risk and workers’ compensation claims, in addition to sponsored health insurance costs. Previously, they were reported as other liabilities.

c. The 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. The litigation provisions have been established with respect to claims made against certain companies in the Group by third parties, mainly against the subsidiaries in Egypt. 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. The 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)	2021	2020
Government grants	3,488	3,693
Liability of long-term incentive plan	4,223	1,394
Other non-current liabilities	5,138	4,777
	12,849	**9,864**
Analysis of Government grants:		
Non - current	3,488	3,693
Current (note 28)	69	69
	3,557	**3,762**
Opening balance	**3,762**	**3,968**
Amortization (note 29)	-205	-206
Ending balance	**3,557**	**3,762**

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)	2021	2020
Deferred Income	1,692	1,991
Non-current contract liabilities	**1,692**	**1,991**

28. Trade payables, other liabilities and current contract liabilities

(all amounts in Euro thousands)	2021	2020
Trade payables	238,746	175,360
Other payables	14,393	16,281
Consideration for acquisition of non-controlling interest	-	41,453
Accrued expenses	31,832	26,264
Social security	2,965	3,430
Dividends payable	305	364
Government grants (note 27)	69	69
Other taxes	14,301	15,149
Trade and other payables	**302,611**	**278,370**

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)	2021	2020
Customer down payments/advances	8,681	6,445
Deferred Income	1,317	1,770
Current contract liabilities	**9,998**	**8,215**

The amount of €5,817 thousand, which was included in the contract liability balance at the beginning of 2021, is recognised in revenue.

29. Cash generated from operations

(all amounts in Euro thousands)	2021	2020 restated
Profit after taxes	91,555	1,160
Adjustments for:		
Taxes (note 8)	16,811	35,777
Depreciation (note 11)	130,481	133,581
Amortization of intangibles (note 14)	6,205	5,200
Amortization of government grants received (note 27)	-205	-206
Impairment of assets (note 11,13)	-	47,606
Net profit on disposals of tangible and intangible assets (note 4)	-5,747	-1,094
Provision for impairment of debtors charged to income statement (note 20)	1,722	1,985
Cost of inventory obsolescence (note 19)	-2,167	8,213
Provision for restoration (note 26a)	1,282	1,937
Provision for litigation (note 26d)	1,534	-193
Other provisions (note 26e)	4,169	4,826
Provision for retirement and termination benefit obligations (note 25)	2,093	1,961
(Increase)/decrease of investment property (note 12)	-333	94
Dividend income (note 4.ii)	-	-100
Finance income (note 6)	-1,176	-636
Interest expense and related expenses (note 6)	37,148	49,033
Losses/(gains) on financial instruments (note 6)	22,379	-29,994
(Gains)/losses from foreign exchange differences (note 6)	-25,385	46,458
Gains on derivatives	-3,220	-
Share stock options (note 7)	886	1,720
Share in gain of associates and joint ventures (note 15)	-3,291	-3,200
Changes in working capital:		
(Increase)/decrease in inventories	-44,848	13,472
Increase in trade and other receivables	-52,643	-11,821
(Increase)/decrease in operating long-term receivables and payables	-258	136
Increase in trade payables	53,771	3,687
Cash generated from operations	**230,763**	**309,602**

In the cash flow statement, proceeds from the disposals of tangible and intangible assets, and investment property are as follows:

Net book amount	2,947	2,016
Net gains on disposals (note 4)	5,747	1,094
Net proceeds from disposals	**8,694**	**3,110**

Operating free cash flow calculation:

Cash generated from operations	230,763	309,602
Minus payments for intangible assets, property, plant and equipment	-126,044	-84,296
Operating free cash flow	**104,719**	**225,306**

30. Contingencies and commitments

Contingent liabilities

(all amounts in Euro thousands)	2021	2020
Bank guarantee letters	17,142	16,606
	17,142	**16,606**

30. Contingencies and Commitments (continued)

Litigation matters

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 Financière 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. The case is still suspended and no further action has been taken until now. 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 until 28 May 2016 and subsequently until 15 October 2016, provided that by such date the Supreme Constitutional Court of Egypt would have ruled on the constitutionality of the above Law no. 32/2014. The case was subsequently referred to the Administrative Court of Cairo, Investment Circuit no.1 but no hearing has been scheduled until now. The view of APCC's lawyers is that the action is devoid of any legal and 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. The view of APCC's lawyers is that the action is devoid of any legal and factual ground.

5. Sharr Beteiligungs GmbH (SharrB), a Titan Group entity based in Germany, filed on February 17, 2020, a claim in arbitration, seeking the arbitral tribunal's confirmation that it has satisfied its commitment to implement investments estimated at€35 million within five years, pursuant to Section 5.01(a) of the Share Purchase Agreement entered into between the Privatization Agency of Kosovo (PAK) and SharrB on 9 December 2010 (SPA).

The parties concluded the SPA in the context of PAK's privatization process, through which SharrB acquired a cement plant in Kosovo (Sharr Cement Plant) by acquiring the local operating company, Ndërmarrja e Re SharrCem SH.P.K. (SharrCem). On March 7, 2022, the arbitral tribunal issued its award in favor of SharrB confirming that SharrB has discharged its investment obligation under the SPA.

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 liability

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)	2021	2020
Bank guarantee letters for securing trade receivables (note 20)	22,350	23,493
Other collaterals against trade receivables (note 20)	7,099	7,227
	29,449	**30,720**
Collaterals against other receivables	4,442	920
	33,891	**31,640**

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)	2021	2020
Property, plant and equipment	713	1,425

Purchase commitments

Energy supply contracts (Gas, electricity, etc.)

(all amounts in Euro thousands)	2021	2020
	1,026	651

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 2021, TALLC had met the minimum cumulative payment requirement. On 31.12.2021, TALLC had paid €2,141 thousand (31.12.2020: €280 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, one in 2020 and another in 2021. On 31.12.2021, there are 2,432,000 MMBtus of committed capacity remaining through October 2022. Pricing under the capacity contract is based on the front-month NYMEX natural gas price settlements, plus a fixed basis component.

31. Related party transactions

The Group may enter into various transactions with related parties. During 2021 and 2020, the Group did not record material transactions with related parties.

Directors	2021	2020
Executive members on the Board of Directors	6	5
Non-executive members on the Board of Directors	9	9

Key management compensation	2021	2020
Short-term employee benefits	5,864	5,690
Share-based payments	929	952
Post-employment benefits	264	246
	7,057	**6,888**

32. Borrowings

(all amounts in Euro thousands)	2021	2020
Current		
Bank borrowings	30,997	2,968
Bank borrowings in non euro currency	52,517	33,789
Debentures	-	163,133
Interest payable	5,728	5,766
	89,242	**205,656**
Non-current		
Bank borrowings	30,863	-
Bank borrowings in non euro currency	14,241	32,911
Debentures	596,357	595,261
	641,461	**628,172**
Total borrowings	**730,703**	**833,828**

Maturity of non-current borrowings:

	2021	2020
Between 1 and 2 years	4,517	22,058
Between 2 and 3 years	357,455	2,639
Between 3 and 4 years	1,774	354,592
Between 4 and 5 years	27,967	-
Over 5 years	249,748	248,883
	641,461	**628,172**

In June 2021, Titan Global Finance PLC's (TGF) previously held Guaranteed Notes of €163.5 million 3.50% expired and were fully repaid accordingly.

In October 2021, TGF obtained a loan of €30 million by an International bank for a six month period, guaranteed by Titan Cement International SA.

Finally, in November 2021, TGF amended the Syndicate Revolving Facility Agreement of €200 million maturing in January 2022, by extending the maturity to January 2026 as well as by increasing the available commitment to €208 million.

The weighted average effective interest rates that affect the Income Statement are as follows:

	2021	2020
Borrowings (€)	2.59%	2.38%
Borrowings (USD)	2.88%	2.86%
Borrowings (LEK)	3.31%	3.38%
Borrowings (EGP)	10.75%	12.51%
Borrowings (TRY)	20.38%	14.32%

The Group has the following undrawn borrowing facilities:

(all amounts in Euro thousands)	2021	2020
Floating rate:		
- Expiring within one year	167,314	297,859
- Expiring beyond one year	188,876	237,730

During 2021, local borrowing facilities in Greece, Western Europe and Eastern Mediterranean region were paid and cancelled.

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)	2021	2020
Land	11,771	12,035
Buildings	19,420	18,216
Plant & equipment	17,268	11,073
Motor vehicle	6,356	10,687
Office furniture, fixtures and equipment	3	22
	54,818	**52,033**

Balances of lease liabilities

(all amounts in Euro thousands)	2021	2020
Long-term lease liabilities	46,004	38,821
Short-term lease liabilities	16,378	18,194
	62,382	**57,015**

The maturity analysis of lease liabilities is disclosed in note 35.

The following amounts that related to leases are recognised in the consolidated income statement:

(all amounts in Euro thousands)	2021	2020
Depreciation charge of ROU assets (note 11)	13,964	14,874
Interest expense (included in finance cost)	2,528	2,811
Expense relating to short-term leases	1,247	1,379
Expense relating to low-value leases that are not shown as short-term leases	285	399
Expenses relating to variable lease payments not included in lease liabilities	887	994

The total cash outflow for the leases in 2021 was €21,256 thousand (2020: €21,550 thousand).

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 31.12.2021, the undiscounted potential future cash flows of €34,333 thousand (31.12.2020: €36,237 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)	2021	2020
Within 10 years	4,884	9,320
From 10 to 20 years	19,921	17,278
In more than 20 years	9,528	9,639
	34,333	**36,237**

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 2020					
Opening balance	**776,694**	**90,140**	**63,156**	**-3,143**	**926,847**
Cash flows	140,938	-216,389	-15,967	30,021	-61,397
Acquisition of leases	-	-	13,979	-	13,979
Changes in fair value	-	-	-	-29,994	-29,994
Transfer among financial liabilities	-286,421	286,421	-	-	-
Charged in the finance expenses	1,809	48,487	-	-	50,296
Cash flow hedge	-	-	-	48	48
Currency translation differences on transactions designated as part of net investment in foreign operation	1,200	3,858	-	-	5,058
Exchange differences	-6,048	-6,861	-4,153	534	-16,528
Ending balance	**628,172**	**205,656**	**57,015**	**-2,534**	**888,309**
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**

** 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)	31/12/2021	31/12/2020
Non-current assets		
Interest rate swap - cash flow hedges	2,488	-
Cross currency swaps - trading derivatives	-	2,291
	2,488	**2,291**
Current assets		
Forward freight agreements - trading derivatives	1,715	-
Forwards - trading derivatives	-	16,462
	1,715	**16,462**
Non-current liabilities		
Cross currency swaps - trading derivatives	6,185	-
	6,185	**-**
Current liabilities		
Natural gas forwards - cash flow hedges	1,084	47
Energy swap - trading derivatives	27	-
Forwards - trading derivatives	3,290	1,224
Cross currency swaps - trading derivatives	4,341	3,842
	8,742	**5,113**

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 31.12.2021 and 31.12.2020, 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 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**
Balance at 31 December 2020			
Forwards - expired in 2021	15,238	-11,977	3,261
Natural gas forwards - expired in 2021	-47	-	-47
Cross currency swaps - expired in 2024	-1,551	871	-680
	13,640	**-11,106**	**2,534**

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, recognised 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 Turkey 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 Group's borrowing exposure to foreign currency risk at the end of the reporting period, expressed in Euro thousands, was as follows:

	2021	2020
USD	302,800	378,800
TRY	5,190	9,218
LEK	49,923	66,680

The total borrowing exposure of €302.8 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.

Moreover, TALLC entered into various short-term forward contracts during the year 2021, in order to hedge foreign currency risk arising from financial liabilities in Euro. Particularly, TALLC has rollovered the hedges of EUR/USD forward contracts of €152.8 million loan agreements (2020: €228.8 million) with maturities in January and in April of 2022.

In 2021, the aggregate net foreign exchange losses recognised in the consolidated income statement amounted to €73 thousand (2020: €13,216 thousand) and they are analysed further into net exchange gains of €25.4 million (2020: losses of €46.5 million) and fair value losses on derivatives of €25.5 million (2020: gains of €33.2 million) (note 6).

Also, the Group recognised exchange gains on translation of foreign operations of€6.6 million in the consolidated statement of comprehensive income, mainly due to euro depreciation against US dollars (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). The comparative exchange losses of 2020 amounted to €121 million were mainly due to euro strengthening against US dollar (€41.4 million), Turkish lira (€40.2 million), Brazilian real (€29.4 million) and Egyptian pound (€8.9 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 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
Year ended 31 December 2020	USD	5%	3,803	24,179
		-5%	-3,441	-21,876
	RSD	5%	964	1,373
		-5%	-872	-1,242
	EGP	5%	-2,141	12,446
		-5%	1,937	-11,260
	GBP	5%	195	287
		-5%	-176	-260
	TRY	5%	-352	4,492
		-5%	318	-4,064
	ALL	5%	449	3,557
		-5%	-407	-3,218
	BRL	5%	156	5,882
		-5%	-141	-5,321

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 2021, the Group entered into the following derivatives in order to hedge its exposure price changes of natural gas, coal and freights.

In December 2020, Titan America LLC (TALLC) entered into a natural gas swap transaction in order to fix a portion of the monthly NYMEX component of its natural gas costs during 2021. The total notional amount of the swap contract was 1,800,000 MMBtus and its termination date was on 31.12.2021. TALLC designated a cash flow hedge relationship between the highly probable forecast monthly purchases of natural gas during 2021 and the swap contract. During 2021, TALLC reclassified the net gain of €1,723 thousand associated with the monthly settlements from cash flow hedge reserve to cost of sales, while it recognised no ineffectiveness in the consolidated income statement.

Additionally, in 2021, 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 contracts was 2,350,000 MMBtus and the final termination date is 31.12.2022.

Again, TALLC designated a cash flow hedge relationship between the highly probable forecast monthly purchases of natural gas during 2022 and the swap contracts. Due to coincidence of economic terms, no ineffectiveness is anticipated in this hedge relationship and none was recognised in the consolidated income statement during 2021. On 31.12.2021, TALLC, and consequently the Group, recognised a total fair value loss of €1,096 thousand in consolidated other comprehensive income and in equity as a "hedging reserve from cash flow hedges", with no amount related to this hedge relationship reclassified to the consolidated income statement in 2021.

Moreover, Zlatna Panega Cement AD entered into a energy swap agreement in December 2021 in order to fix a portion of (API2) coal cost for the month of November 2022. On 31.12.2021, the loss of the derivative, that was classified as trading, amounted to €27 thousand and it was recorded in the "cost of sales" account of the consolidated income statement.

Finally, Arresa Marine Co entered into various forwards freight agreements (FFAs) during 2021 and various expirations dates in 2021 and 2022 in order to partially hedge price fluctuations of freight cost. The FFAs were classified as trading derivatives and their total gain during 2021 of €3.2 million was recognised in the "cost of sales" of the consolidated income statement.

35. Financial risk management objectives and policies (continued)

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 2021, the Group's ratio of fixed to floating interest rates, taking into account outstanding cross currency swaps and interest rate swaps, stood at 88%/12% (31 December 2020: 93%/7%).

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 EUR 250m 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.

On 31.12.2021, the carrying amount of the derivative amounted to €2.5 million and it was presented in non-current assets. Moreover, TGF, and therefore the Group, recognised a fair value gain of €2.5 million in other comprehensive income statement during 2021, while it had no ineffectiveness to recognise in the income statement.

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. Currently such changes are not expected.

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 2021	EUR	1.0%	283
	USD	1.0%	337
	EGP	1.0%	-
	ALL	1.0%	248
	TRY	1.0%	54
Year ended 31 December 2020	EUR	1.0%	14
	USD	1.0%	-
	EGP	1.0%	374
	ALL	1.0%	209
	TRY	1.0%	14

Note: Table above excludes the positive impact of interest received from deposits.

35. Financial risk management objectives and policies (continued)

c) 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 fulfilment 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 2021 & 2020 based on contractual undiscounted payments.

(all amounts in Euro thousands)	Year ended 31 December 2021					
	< 1 month	1 to 6 months	6 to 12 months	1 to 5 years	>5years	Total
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**
	Year ended 31 December 2020					
Borrowings	5,104	202,260	13,327	446,860	256,875	924,426
Lease liabilities (note 33)	2,079	6,760	9,663	29,722	17,551	65,774
Derivative financial instruments	1,224	-	3,889	-	-	5,113
Payables from interim settlement of derivatives	12,957	-	-	2,291	-	15,248
Other non-current liabilities	-	-	-	4,777	-	4,777
Trade and other payables	127,241	128,291	4,190	-	-	259,722
	148,605	**337,311**	**31,069**	**483,650**	**274,426**	**1,275,060**

d) 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)	2021	2020 *restated*
Long-term borrowings (note 32)	641,461	628,172
Long-term lease liabilities (note 33)	46,004	38,821
Short-term borrowings (note 32)	89,242	205,656
Short-term lease liabilities (note 33)	16,378	18,194
Debt	**793,085**	**890,843**
Less: cash and cash equivalents (note 21)	79,882	206,438
Net Debt	**713,203**	**684,405**
Earnings before interest, taxes, depreciation, amortization and impairment (EBITDA)	**275,209**	**285,595**
Total liabilities	**1,341,755**	**1,400,840**
Total equity	**1,336,886**	**1,275,356**

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	
	2021	2020	2021	2020
Financial assets				
At amortised cost				
Other non-current financial assets	9,249	6,275	9,249	6,275
Trade receivables	128,447	107,964	128,447	107,964
Cash and cash equivalents	79,882	206,438	79,882	206,438
Other current financial assets	52,860	36,831	52,860	36,831
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	-	2,291	-	2,291
Receivables from interim settlement of derivatives - non current	6,185	-	6,185	-
Other non-current financial assets	230	181	230	181
Derivative financial instruments - current	1,715	16,462	1,715	16,462
Receivables from interim settlement of derivatives - current	9,079	4,142	9,079	4,142
Other current financial assets	30	30	30	30
Financial liabilities				
At amortised cost				
Long term borrowings	641,461	628,172	659,678	645,374
Other non-current financial liabilities	17	16	17	16
Short term borrowings	89,242	205,656	89,242	208,137
Other current financial liabilities	281,727	256,486	281,727	256,486
Fair value through other comprehensive income				
Derivative financial instruments - current	1,084	47	1,084	47
Fair value through profit and loss				
Derivative financial instruments - non current	6,185	-	6,185	-
Payables from interim settlement of derivatives - non current	1,070	2,291	1,070	2,291
Derivative financial instruments - current	7,658	5,066	7,658	5,066
Payables from interim settlement of derivatives - current	-	12,957	-	12,957

Note: Derivative financial instruments consist of fx forwards, cross currency interest rate swaps (CCS), interest rate swaps (IRS), natural gas forwards, forward freight agreements (FFAs), energy swaps and interim settlements for derivatives that consist of cash, which covers fluctuations in the market value of the aforementioned derivatives.

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
	2021	2020	
Assets			
Investment property	10,980	11,720	Level 3
Other financial assets at fair value through profit and loss	260	211	Level 3
Derivative financial instruments	4,203	18,753	Level 2
Receivables from interim settlement of derivatives	15,264	4,142	Level 2
Liabilities			
Long-term borrowings	614,391	612,463	Level 2
Long-term borrowings	45,287	32,911	Level 3
Short-term borrowings	-	170,196	Level 2
Short-term borrowings	89,242	37,941	Level 3
Derivative financial instruments	14,927	5,113	Level 2
Payables from interim settlement of derivatives	1,070	15,248	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 2021.

The fair value of level 3 investment property is estimated by the Group by external, independent, certified valuators. 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 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 and e) Coal API2 cif ARA (Argus /McCloskey) 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 in which the Group owns an insignificant percentage. Their valuation is made based on their financial statements, which present the assets at fair value.

37. Fiscal years unaudited by tax authorities

(1)	Titan Cement Company S.A	2016-2021		Stari Silo Company DOO	2008-2021
(1)	Albacem S.A.	2016-2021		Cementara Kosjeric AD	2016-2021
(1)	Interbeton Construction Materials S.A.	2016-2021		TCK Montenegro DOO	2007-2021
(1)	Intertitan Trading International S.A.	2016-2021		Double W & Co OOD	2018-2021
(1)	Vahou Quarries S.A.	2016-2021		Granitoid AD	2007-2021
(1)	Gournon Quarries S.A.	2016-2021		Gravel & Sand PIT AD	2005-2021
(1)	Quarries of Tagaradon Community S.A.	2016-2021		Zlatna Panega Beton EOOD	2008-2016
(1)	Aitolika Quarries S.A.	2016-2021		Zlatna Panega Cement AD	2010-2021
(1)	Sigma Beton S.A.	2016-2021		Titan Investment EAD	2017-2019
(1)	Titan Atlantic Cement Industrial and Commercial S.A.	2016-2021		Cement Plus LTD	2014-2021
(1)	Titan Cement International Trading S.A.	2016-2021		Rudmak DOOEL	2006-2021
	Titan Cement International S.A.	2019-2021		Esha Material LLC	2016-2021
	Aemos Cement Ltd	2012-2018		Esha Material DOOEL	2016-2021
	Alvacim Ltd	2013-2021		ID Kompani DOOEL	2015-2021
	Iapetos Ltd	2014-2021		Opalit DOOEL	2019-2021
	Themis Holdings Ltd	2019-2021		Usje Cementarnica AD	2020-2021
	Feronia Holding Ltd	2019-2021		Titan Cement Netherlands BV	2010-2021
	Vesa DOOL	2006-2021		Alba Cemento Italia, SHPK	2017-2021
	Trojan Cem EOOD	2010-2021		Antea Cement SHA	2020-2021
(2)	Titan Global Finance PLC	2020-2021		Sharr Beteiligungs GmbH	2014-2021
	Salentijn Properties1 B.V.	2007-2021		Kosovo Construction Materials L.L.C.	2010-2021
	Titan Cement Cyprus Limited	2017-2021		Sharrcem SH.P.K.	2017-2021
	KOCEM Limited	2019-2021		Alexandria Development Co.Ltd	2019-2021
	Fintitan SRL	2015-2021		Alexandria Portland Cement Co. S.A.E	2019-2021
	Cementi Crotone S.R.L.	2015-2021		Beni Suef Cement Co.S.A.E.	2011-2021
	Cementi ANTEA SRL	2017-2021		East Cement Trade Ltd	2019-2021
	Colombus Properties B.V.	2010-2021		Titan Beton & Aggregate Egypt LLC	2015-2021
	Brazcem Participacoes S.A.	2016-2021		Titan Egyptian Inv. Ltd	2019-2021
	Adocim Cimento Beton Sanayi ve Ticaret A.S.	2021		Green Alternative Energy Assets EAD	2012-2021
	Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S.	2021		GAEA Zelena Alternative Enerjia DOOEL	2013-2021
	Aeas Netherlands B.V.	2010-2020		GAEA Enerjia Alternative e Gjelber Sh.p.k.	2017-2021
	Titan Cement U.K. Ltd	2015-2021		GAEA -Green Alternative Energy Assets	2016-2021
(3)	Titan America LLC	2018-2021	(4)	Arresa Marine Co	-
	Separation Technologies Canada Ltd	2016-2021		Tithys Holdings Limited	2020-2021
	MILLCO-PCM DOOEL	2016-2021		Rea Cement Investments Limited	2021

(1) For the fiscal years 2016-2020 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 2020 - 2021 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. COVID-19 implications

The 2021 was marked by the continuous effects of the Covid-19 pandemic, the emergence of new variants and the associated measures implemented globally.

The Group responded to these challenges through several measures, including increasing hygiene and sanitization standards, promoting social distancing, installing plexiglass panels, making mask use mandatory, offering PCR and rapid testing, and reducing or canceling travel and large meetings and events. In addition, medical and psychological support were provided by experts or through health care programs.

At the same time, the Group continuously re-assessed the economic consequences of the pandemic and re-examined the estimations and/or assumptions made in various accounting analyses to include the uncertainty caused by the COVID-19 pandemic.

Specifically, the Group reviewed the accounting estimates and management judgements used in the impairment test of non-financial assets, the measurement of net realizable value of inventories, the test of financial assets' collectability and the calculation of deferred tax assets' recoverability. It concluded that none of the above accounting analyses was impacted by the economic implications of the pandemic.

Finally, governmental measures in the USA allowed Titan America LLC to accelerate the refund of outstanding alternative minimum tax credits, which was actually received during the first semester of 2021. In addition, governmental measures in the USA allowed Titan America LLC to defer certain payroll taxes of €6.4 million in 2020 and repay the deferred funds equally in December 2021 and December 2022. The December 2021 installment was repaid and only the December 2022 installment of €3.2 million remains outstanding.

39. Events after the reporting period

In March 2022, the Board decided to implement a new share buy-back programme. The new programme will begin on or around April 6, 2022, following the end of the current running programme. The new share buy-back programme will be up to €10 million and will have a duration of up to six months. Titan Cement International S.A. will keep the market fully informed of the progress of the relevant transactions in line with applicable regulations.

Finally, the current military conflict after the Russian invasion in the Ukraine creates geopolitical uncertainties with macroeconomic implications the extent of which cannot yet be assessed. The Group has no exposure to Ukraine, Russia or affected regions. Nevertheless the effect on the Group's businesses from developments in the energy sector and the broader macro implications are anticipated to impact market trends and further increase inflation risks. Especially in Europe, the economies are entering a difficult phase, with increased risks of rising inflation and a slowdown of economic growth. There is a negative impact already on the energy sector, the severity of which, as well as the duration, cannot yet be assessed.

Parent company's Separate summarized financial statements

Income Statement

(all amounts in Euro thousands)	Year ended 31 December	
	2021	2020
Operating income	3,568	4,296
Operating charges	-10,121	-9,457
Operating loss	**-6,553**	**-5,161**
Financial result	356,887	1,799
Profit/(loss) for the period before taxes	**350,335**	**-3,362**
Income taxes	-1	-1
Profit/(loss) for the period	**350,334**	**-3,363**

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, 2021	December 31, 2020
Assets		
Fixed assets		
Formation expenses	4,402	6,062
Intangible assets	47	41
Tangible assets	171	225
Financial fixed assets		
Participating interests	1,679,788	1,443,069
Other financial fixed assets	23	27
Total financial fixed assets	**1,679,811**	**1,443,096**
Total fixed assets	**1,684,431**	**1,449,424**
Current assets		
Inventory	20,061	-
Amounts receivable within one year	1,456	4,614
Treasury shares	5,465	3,585
Cash at bank and in hand	139	267
Deferred charges and accrued income	145	119
Total current assets	**27,266**	**8,585**
Total assets	**1,711,697**	**1,458,009**
Equity and liabilities		
Equity		
Capital	1,159,348	1,159,348
Share premium	15,321	15,320
Reserves	162,261	135,648
Retained (losses)/earnings	246,683	-11,720
Total equity	**1,583,613**	**1,298,595**
Provisions and deferred taxes	**578**	**329**
Amounts payable		
Amounts payable after more than one year		
Financial debt	-	-
Other amounts payable	63,401	100,709
Total amounts payable after more than one year	**63,401**	**100,709**
Amounts payable within one year		
Financial debt	21,717	19,780
Trade debts	2,408	3,505
Taxes, remunerations and social security	927	1,148
Other amounts payable	38,956	33,870
Total amounts payable within one year	**64,008**	**58,303**
Accruals and deferred income	97	72
Total amount payables	**127,506**	**159,084**
Total equity and liabilities	**1,711,697**	**1,458,009**

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 their 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 development and performance of the business and the 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,

7 April 2022

Chairman of the Board of Directors	Managing Director- Group CFO
Efstratios- Georgios (Takis) Arapoglou	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 2021

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.* 13 May 2019, 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 2021. We have performed the statutory audit of the Company's consolidated accounts for 3 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 2021, the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated 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 2,678,641 and a profit for the year attributable to equity holders of the parent of '000 EUR 91,923.

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 2021, 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.

Impairment of goodwill, intangible assets, investments in Joint Ventures and PP&E

Description of the key audit matter

Titan Cement International Group carries significant values of property plant and equipment (PP&E), goodwill, intangible assets and investments in joint ventures on the balance sheet amounting to EUR 1,545 million, 272 million, 91 million and 89 million respectively as at 31 December 2021 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 joint ventures are assessed for impairment where indicators of impairment are present. The recoverable amount of the joint venture is determined in accordance with IAS 36.

Goodwill, intangible assets, investment in joint ventures and property, plant and equipment 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 judgments 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 CAPEX 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 found that sufficient headroom remained between the carrying value and the recoverable amount for all CGUs.

We included valuation specialists in our team to assist us with these procedures.

Based on the procedures performed 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;

- 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 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 as disclosed in the directors' report on 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 "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 comply in all material respects with the ESEF requirements under the Delegated Regulation.

Based on the work we have performed, we believe that the format of and marking of information in the digital consolidated financial statements included in the annual financial report of Titan Cement International SA per 31 December 2021 comply in all material respects with the ESEF requirements under the Delegated Regulation.

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 itemized in the notes to the consolidated accounts.

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, 8 April 2022

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 2021 for the reporting year ended 31 December 2021 (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:
▪ "Focusing on material issues" in section "Understanding TITAN" on pages 18 to 19.
▪ "Making progress towards our ESG targets" in section "Understanding TITAN" on pages 30 to 31
▪ The information and 2021 performance data disclosed in section "Management Report; ESG performance overview" on pages 82 to 97
▪ The Group data for the non-financial metrics relating to the period January 1 to December 31 2021 indicated within the assurance column in section "Management Report; ESG Performance statements" in tables 2.1 through 2.4 on pages 103 to 123.
2. Whether the relevant 2021 data and disclosures in the Report are aligned with the following GCCA requirements:
▪ Sustainability Charter (October 2019)
▪ Sustainability Framework Guidelines (October 2019)
▪ 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)
3. Whether the Report meets the UN Global Compact criteria relating to a Communication on Progress (COP) Advanced Level.</td></tr>
<tr><td>Reporting Criteria</td><td>▪ GCCA requirements for the scope referenced above;
▪ UN Global Compact COP Advanced Level; and
▪ as presented in notes to Tables 2.1-2.4 as referenced above.</td></tr>
<tr><td>Assurance Standard and Level of Assurance</td><td>International Standard on Assurance Engagements ISAE 3000 (Revised) 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board (IAASAB) of the International Federation of Accountants (IFAC). 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>
<tr><td>Respective Responsibilities</td><td>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.</td></tr>
</table>

Our opinion

We have assured selected information in the Report as detailed under 'Assurance Scope' above. In our opinion:

1. The 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;
2. The relevant 2021 data and disclosures in the Report are aligned with the following GCCA requirements:
   - Sustainability Charter (October 2019)
   - Sustainability Framework Guidelines (October 2019)
   - 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)
3. The Report meets the UN Global Compact criteria relating to a Communication on Progress (COP) Advanced Level.

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 2021;
- Virtual visits to TITAN Group's cement operations in Greece (Patras) and Albania (ANTEA), and RMC operations in Greece (Drepano) to verify the source data underlying the 2021 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. TITAN Group explained that the two cement operations contributed circa 14.4% of the Group's cement production and circa 15% of net CO_2 emissions for the reporting year;
- Virtual meeting with TITAN Group's cement operations in Egypt (Beni Suef) to verify source data and review management procedures for reported Scope 3 GHG emissions;
- 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 circa 22.5% of TITAN Group's net CO_2 emissions (excluding Patras to avoid double counting with sites visited);
- An analytical review and substantive testing (on a sample basis) of the 2021 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 2021 data for the selected disclosures;
- A second virtual meeting over two-days with TITAN Group's Head Office in Athens, Greece to:
  - review activities across the business during 2021 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 2021 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.

For previous periods (2016-2020) we refer to our Assurance Statements in the Integrated Annual Reports for those years in order to understand the scope, activities and related opinions. The reliability of the assured 2021 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.

Force Majeure – COVID-19

As a result of travel restrictions arising from the current global pandemic, we were unable to carry out our assurance activities as originally planned and agreed with TITAN Group. In-person visits to operations and the head office were replaced with remote reviews via teleconference and video calls for this year's assurance engagement. Whilst we believe these changes do not affect our reasonable assurance opinions above, we draw attention to the possibility that if we had undertaken in-person visits, we may have identified errors and omissions in the assured information that we did not discover through the alternative approach.

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

1 April 2022

ERM Certification and Verification Services Limited, London
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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, gains or losses from foreign exchange differences, net finance costs, other income or loss 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, gains or losses from foreign exchange differences, net finance costs and other income or loss. 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 local-level 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.

CDP: CDP Global is an international non-profit organization comprising of CDP Worldwide Group, CDP North America, Inc. and CDP Europe AISBL, founded in 2000. CDP runs a global environmental disclosure system supporting companies, cities, states and regions to measure and manage their risks and opportunities on climate change, water security and deforestation. CDP takes the information supplied in its annual reporting process and scores companies and cities based on their performance progress using an independent scoring methodology.

COP: The Communication on Progress is intended as a mechanism to inform, in a standardized format of an annual report, company stakeholders (e.g., investors, consumers, civil society, and governments) on progress made in implementing the Ten Principles of the United Nations Global Compact.

CSR Europe: The leading European business network for Corporate Sustainability and Responsibility. The network supports businesses and industry sectors in their transformation and collaboration towards practical solutions and sustainable growth. The ambition is the systemic change; therefore, following the SDGs, the network seeks to co-build with the European leaders and stakeholders an overarching strategy for a Sustainable Europe 2030.

ECRA: The European Cement Research Academy (ECRA) was founded in 2003 supports and conducts research activities on the production of cement and its application in concrete aiming at advancing innovation within the context of climate change mitigation and sustainable construction.

GCCA: The Global Cement and Concrete Association is a CEO-led industry initiative established in 2018, representing the global voice of the sector. The GCCA took over the role of the former CSI Project of the WBCSD and has carried, since 1 January 2019, the work programs and sustainable development activities of the CSI, with key objectives to develop and strengthen the sector's contribution to sustainable construction across the value chain, and to foster innovation in collaboration with industry, associations and key experts-stakeholders.

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.

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.

RECODE: Pilot project where TITAN engages with the European Union and collaborates with international stakeholders from the industry and academia, the aim being to advance in climate change-related innovation, and explore technical solutions for reducing CO_2 emissions, while developing more sustainable products.

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.

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 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.

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.

TAXONOMY: The EU taxonomy is a classification system, establishing a list of environmentally sustainable economic activities. It could play an important role helping the EU scale up sustainable investment and implement the European green deal.

TCFD: Established by the Financial Sustainability Board in 2016, the Task Force on Climate-related Financial Disclosures is a market- driven coalition with the mission to develop voluntary, consistent climate-related financial risk disclosures for use by companies in providing information to stakeholders (like investors, lenders and insurers).

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.

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.

WBCSD: The World Business Council for Sustainable Development is a global, CEO-led organization of over 200 leading businesses working together to accelerate the transition to a sustainable world, helping member companies to become more successful and sustainable by focusing on the maximum positive impact for shareholders, the environment and societies.

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.

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