TITAN

TITAN CEMENT GROUP

Integrated Annual Report 2023

Building a better world together

About the Report

The 2023 TITAN Cement Group Integrated Annual Report (IAR 2023) has been prepared in accordance with Belgian law, the 2020 Belgian Code on Corporate Governance, the Non-Financial Reporting Directive 2014/95/EU, the European Taxonomy Regulation (EU) 2020/852, the International Financial Reporting Standards (IFRS) and the International Integrated Reporting Council (IIRC) principles for integrated reporting.

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

The separate and consolidated financial statements of the IAR 2023 were audited by PwC. Selected information and data within the "ESG performance overview" and "ESG performance statements" sections were independently verified by DNV in accordance with the Charter and Guidelines of the Global Cement and Concrete Association (GCCA), as further detailed throughout the document and outlined in the assurance statement.

The independent auditor's report by PwC and the independent assurance statement by DNV are included in the IAR 2023 and are available online at www.titan-cement.com/newsroom/annual-reports. You may access the IAR 2023 by scanning the following QR code with your mobile device. We welcome your feedback, which you can send to us through the link above.

Photo credits
Pages 6, 9, 12, 16, 30, 58: Getty images
Page 38: Shutterstock
Page 102: Lemanski Christine
Page 103; Natalia Tsoukala/Schema

Contents

2023 Highlights

Sales
€2,547.0m

EBITDA
€540.3m
(Earnings before interest, taxes, depreciation and amortization)

EPS
€3.60/share
(Earnings per share)

CapEx
€224.0m

Credit rating

S&P
BB
on a positive outlook

FITCH
BB+

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

Employees
5,751

New hires
1,176

Lost time injuries frequency rate (LTIFR)*
0.45
*Employees and contractors

Community Engagement Initiatives
265

Scope 1 net CO_2 (kg/t cementitious product)
607.7kg/t
-10% vs. 2020

Green products* as share of production
23.4%
*25% less specific CO_2 vs. OPC

Scope 1 net CO_2 intensity
3.84kg/€
-37% vs. 2020

CDP
DISCLOSURE INSIGHT ACTION
A LIST
2023
CLIMATE

Message from the Chairman of the BoD

We embark on 2024 with a sense of purpose and optimism. Our primary focus will be on implementing our strategy in a way that ensures long-term value creation for our shareholders and stakeholders.

Dimitri Papalexopoulos
Chairman of the BoD

Dear Shareholders and Stakeholders,
In the face of external challenges such as geopolitical tensions, persistently high inflation and volatile energy prices, 2023 proved to be a year of remarkable achievement for our organization. We not only weathered these challenges but also grew the top line and significantly increased profitability. Concurrently, we accelerated our decarbonization and digitalization efforts, strategically laying the foundations for future growth.

On the basis of our improved performance, the Board of Directors is recommending the distribution of a €0.85 per share dividend, compared to €0.60 last year.

During the year the Board worked closely with the new management team on a number of fronts. Among the highlights:

We conducted a comprehensive strategy review in May, culminating in the formulation of our Group's Green Growth Strategy through 2026. The Board approved the key directions aimed at realizing this vision. Our focus is on growth-oriented investments, marketing new, innovative green products and solutions for the benefit of our customers and the use of digital technologies to transform the way we do business.

Later in the year, a thorough review of our Company's Risk Management approach was completed to ensure alignment with the strategic directions outlined in the Green Growth Strategy and the Group's risk tolerance.

In the context of good corporate governance practice, a formal Board evaluation was concluded during the year, addressing, among others, the Board's performance, effectiveness and its interaction with executive management.

In 2023, we welcomed Paula Hadjisotiriou to the Board, bringing with her an excellent understanding of finance, market dynamics, and strategic foresight. The Board continues to review its composition and the skills necessary to ensure a diverse set of expertise and perspectives.

While cognisant of the uncertainties and challenges around us, we embark on 2024 with a sense of purpose and optimism. Our primary focus will be on implementing our strategy in a way that ensures long-term value creation for our shareholders and stakeholders.

Dimitri Papalexopoulos
Chairman of the BoD

Interview with the Chairman of the Group Executive Committee

Our focused investments in attractive markets, the acceleration of new green products' time to market, and the expanded use of digital and innovative technologies are the main pillars of our strategy and key to our strong 2023 performance.

Marcel Cobuz
Chairman of the Group Executive Committee

Can you give us a bird's eye view of TITAN's performance in 2023?
2023 was another year of "all hands on deck", during which we showed our agility in creating value for all stakeholders, maintaining an upward and forward momentum and outperforming the market with robust pricing and costs performance. Group Sales increased by 11.6% to €2,547.0 million and EBITDA recorded an over-proportional growth by 63.1% to €540.3 million. We continued to invest in the business, with CapEx amounting to €224 million, focusing on aggregates, ready-mix concrete, energy, digitalization, and logistics. Return on Average Capital Employed (ROACE) reached 16.9%, a true measure of long-term value creation.

Non-organic growth was also pursued, through acquisitions and partnerships in new pozzolana businesses in Greece and Türkiye, alongside investments in aggregates and GreenTech startups.

What makes us even prouder is that TITAN Group became family to more than 1,000 new recruits. Moreover, our best-in-class safety performance and leadership in terms of ESG improved last year. We reduced our direct CO_2 emissions by 10% versus 2020. Top ESG rating providers recognized our accomplishments: Among others, in 2023 MSCI rated us "AA" for the third consecutive year and CDP recognized our climate leadership with a top "A" score.

What were the main factors contributing to the company's performance?
First, our biggest power is our people, whose passion, drive, and dedication are a true inspiration. I am very thankful for everyone's contribution in keeping our operational sites efficient and safe and in serving loyal partners and customers in 25 markets.

Secondly, the quality of TITAN's portfolio in markets that continued growing played a significant role in our strong performance, despite global headwinds created by high inflation and volatility in energy markets. We provided materials and solutions to numerous landmark projects and public infrastructure works in the US and in Greece.

Our participation in such projects is complemented by significant investments upgrading our sales coverage, quality of services and route to market. Our upgraded terminals in Tampa, Florida, and Norfolk, Virginia, allow us to grow our logistics capabilities and serve our customers more efficiently.

Finally, our new Green Growth Strategy is giving us new impetus and focus for the mid-term. It is based on three pillars: focused investments in attractive markets, an accelerated time-to-market of new green products and solutions, and the use of digital and innovative technologies to further modernize our operations, supply chain, and customer experience. In 2023 we reconfirmed our strong local, performance-driven operating model, powering a fast-paced strategy execution while focusing on top- and bottom-line performance with a lean Corporate adding value to transformational technologies.

How does our new strategy underpin our decarbonization objectives and how are we progressing against these?

With over 100 decarbonization initiatives in the pipeline, we are on the first line of investments towards net zero, active on all fronts: low-carbon fuels, low-carbon products, and increasing use of renewables.

The latest testament to this strategy is the upgrade of our flagship plant in Kamari, Greece, which will allow us to further reduce CO_2 emissions by 150,000 tonnes annually and enhance the plant's ability to use alternative fuels.

Our global offering of green cementitious products is constantly growing and accounted for 23.4% of our 2023 production volumes. Our recent partnerships with pozzolana deposits businesses will allow us to offer our customers in existing and new markets a broader range of innovative, low-carbon solutions.

In 2023, we also entered a long-term power purchase agreement, ensuring that 90% of our future electricity supply in Greece will be from renewable energy sources.

Last but not least, in line with our commitment to net zero by 2050, this year our teams launched the development of "IFESTOS", our pioneering Carbon Capture project in Greece, which represents the largest initiative of its kind in Europe and is partly financed by the EU Innovation Fund. Able to capture 20% of the Group's CO_2 emissions, IFESTOS also supports Greece's green transition efforts.

What about digitalization and broader innovation? How are you planning to maintain our leading position in these fields?

Innovation is increasingly important for TITAN, and 2023 marked an acceleration, as we set our Corporate Ventures strategy in motion and our first investments in coastal protection solutions, new-generation cementitious materials, and energy storage are already a reality. As I am convinced that everyone can innovate, we also launched our internal "Ideation Challenge", an initiative that our people enthusiastically embraced, submitting over 220 ideas. Moving forward, our innovation efforts will continue to focus on sustainable and circular solutions, material innovations, and novel construction methods. The establishment of two Innovation Hubs in Greece and the US will promote joint value-creation processes and enhance our outside-in perspective, through partnerships with customers, scientists, and the start-up ecosystem.

On the digital front, we continue leveraging the power of big data and AI, we optimize production lines in real time, and predict equipment failures, while piloting solutions that automate the extraction and processing of raw materials and predict the quality of cement before its use. Our goal is a fully digitalized, customer-oriented, and flexible operating model by 2026, and the digitalization of our supply chain and customer logistics in the US, which is nearly completed, brings us closer to its accomplishment.

TITAN is undergoing a transformation. Is this affecting the very core of our cultural fabric and, if so, how?

Our culture is strong, but, as the world around us is changing, we too are evolving. With the input of many people and teams across the Group we looked at our purpose and values. Our new purpose statement, "Making the world around us a safe, sustainable, and enjoyable place to live" captures who we are in the world today: We are makers and changemakers. We have an international footprint and great ambitions, but remain humble. We are committed to responsible business practices, safety and sustainability, but also to future generations and enhancing their quality of life.

Our new purpose is interwoven with our values, which were revitalized to represent how we behave in a warmer, more energetic and in tune with the times way: We care – about our people, customers, partners, communities, the planet. We dare – we are determined, see challenges as opportunities, and embrace change. We build to last – we keep an eye to the future and create a lasting impact. And we walk the talk – we keep our promises and do our best to accomplish our goals.

As of 2024, this evolution will also be reflected in our redesigned logo and brands, which will still manifest our history but in a more modern and dynamic way. Our new purpose, revitalized values, and redesigned logo form and reflect our identity, which stems from the lived experience of our people, TITAN's most valuable asset.

Fostering our people's growth and nurturing their talent has always been and will always be a top priority at TITAN. In 2023 we introduced several new people initiatives around learning and empowered our leaders to strengthen their focus on people development. I personally have multiplied informal meetings with early career leaders from various functions across the Group. I can assure you, their passion and energy are a true source of inspiration for me! Their fresh ideas and different perspectives, along with the new talent that keeps coming in and the depth of knowledge of our existing workforce, will help TITAN stay young and push through the challenges and opportunities lying ahead.

Overview

An overview of our Group, our purpose and values, and our strategy. Our approach to value creation for our stakeholders, our materiality process and our partnerships for sustainable development.

The forces shaping our industry and the opportunities ahead

TITAN is a leading international business in the building and infrastructure materials industry. Our passionate teams are committed to providing innovative construction materials, solutions and the services needed for safe and sustainable homes, buildings and infrastructure that enable people to enjoy life.

The need for construction materials and solutions remains robust

With the increasing demand for housing and infrastructure driven by urbanization and population growth, our operational strengths enable us to offer innovative and sustainable solutions rapidly. We empower our customers to advance construction, meeting the challenges and opportunities of an ever-evolving world.

Customer expectations are driving product innovation

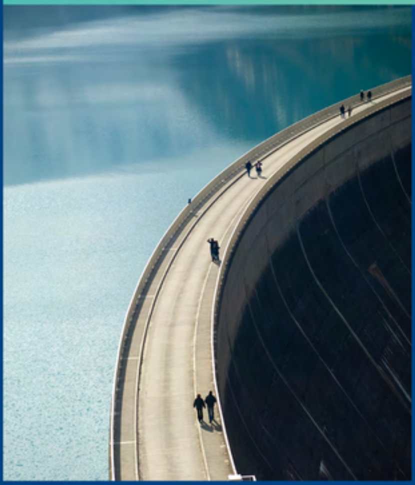
Our customer-centric innovation approach is propelling us into both familiar and uncharted territories within the construction industry. By engaging with customers right from the early design stages of their projects, we gain invaluable insights into their requirements. This knowledge empowers us to provide innovative, sustainable products, services, and cutting-edge artificial intelligence solutions, ensuring peak efficiency and an enhanced customer experience.

We are building our talent and our organization's capabilities to seize opportunities in a dynamic world. This involves empowering our teams across our markets to progress alongside TITAN within a safe, nurturing, inclusive, and equitable work environment.

With a rich history of over 120 years, our legacy is rooted in innovation and an unwavering commitment to responsible growth. We approach every challenge with an entrepreneurial spirit, focusing on three key areas: ensuring low-carbon operations and supply chains, digitalizing our organization for ultimate efficiency, and delivering cutting-edge solutions to meet our customers' needs.

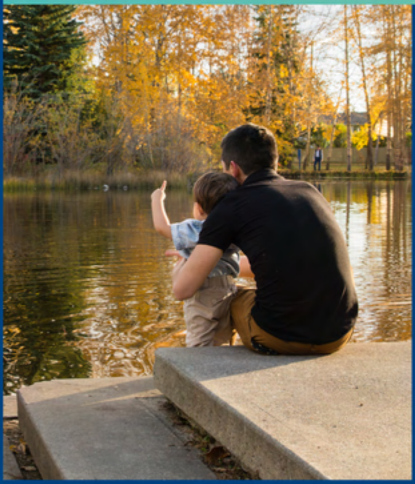
TITAN employs more than 5,700 people and is present in over 25 countries, through a network of more than 240 operational sites on four continents. It holds prominent positions in the USA, Greece, the Balkans, and the Eastern Mediterranean. The Group also has a joint venture in Brazil.

In an increasingly complex world, we are continuously adapting and evolving to meet the ever-changing needs of society. In collaboration with our stakeholders, we are committed to finding better ways to build and enhance the quality of life.



Climate change and resource scarcity call for transition to sustainable solutions

We are transforming our product range to address environmental challenges and help build safe, resilient, and more sustainable cities. Through our transition to more sustainable, low-carbon, and circular construction solutions, we assist our customers in achieving more sustainable building practices and fulfilling their environmental pledges. This approach allows us to meet our ambitious, science-based climate goals, aiming for a net-zero, nature-positive world in line with the 1.5°C scenario.



Companies must address ESG issues holistically across the value chain

We are approaching sustainability holistically both within our organization and beyond. While we are providing a more sustainable product portfolio with exceptional performance throughout the entire life cycle, from extraction to delivery to the customer, at the same time we are continuously improving our ESG performance in alignment with the United Nations Sustainable Development Goals (SDGs). Concurrently, we are encouraging our supply chain partners to adhere to our sustainability and ESG supplier criteria.

120+ years of sustainable growth

Guided by our entrepreneurial spirit and steadfast dedication to sustainable growth, we have expanded beyond our Greek origins in new geographies and new horizons. Our growth journey since 1902:

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

FOUNDATIONS 1902 - 1960

1976
Fourth cement plant in Kamari, near Athens

1968
Third cement plant in Drepano, Patras

1962
Second plant in Thessaloniki

GROWTH IN GREECE 1960 - 1990

1999
Beni Suef Egypt (50% joint venture)

2000
100% of Roanoke, Virginia, and Pennsuco, Florida, USA

2007
Greenfield investment, Antea plant, Albania

2008
50% in Adocim, Turkey (joint venture) &
100% of Beni Suef and APCC Egypt

2018
75% in Adocim, Türkiye

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

INTERNATIONAL EXPANSION 1990 - 2023

1992
60% in Roanoke Cement, Virginia, USA

1998
Cementarnica Usje, North Macedonia

2002
Kosjeric, Serbia & Alexandria PCC (APCC), Egypt (50% joint venture)

2003
Zlatna Panega, Bulgaria

2010
Sharr plant, Kosovo

2016
50% in Cimento Apodi, Brazil (joint venture)

2023
Increased terminals capacity in Tampa and Norfolk, USA

Aegean Perlites (joint venture)

Corporate Venture Capital fund (set up)

A purpose-driven company with a strong set of core values

At TITAN, we have always acted with purpose, to protect and improve life. To better reflect our evolution over the years, we have worked closely with our people across the Group, acknowledging this progress and articulating our purpose and values in a fresh, modern, and authentic manner that remains rooted in our core. At the same time, we have updated our logo and visual identity to align with this evolution.

The articulation of TITAN's purpose and the revitalization of its values was a collaborative journey, involving teams from various regions and different areas of the organization. A combination of workshops, surveys, and insightful interviews facilitated the gathering of collective wisdom and diverse perspectives.

Purpose and values

Our purpose which is to “make the world around us a safe, sustainable and enjoyable place to live” reflects our core values and aspirations, and embodies the broader, profound “why” behind our endeavors – to make the world a better place to live in.

TITAN’s purpose statement strikes the balance between humility and ambition, defining why the company exists, how it operates inclusively, and the innovative solutions it delivers to the world around us.

Our values “We care, We dare, We build to last, We walk the talk” reflect our daily behaviors and guide us in the pursuit of our purpose, while they also unify us, foster trust, and connect us with our team members, communities, partners, and customers. (Read more about our purpose, mission and values on page 12).

TITAN’s purpose and values are set to be influential catalysts for fostering commitment, building trust, enhancing our distinctiveness, and guiding the development of our Strategy 2026, which is centered on sustainable, green growth. (Find out more about our Strategy on page 16).

TITAN logo

Our evolved logo integrates the company’s history by staying close to the design of the previous one. It reflects the Group’s strategy that combines dynamism, innovation, and sustainable development. The new tagline “Building a better world together” is comprehensive and aligned with our revitalized purpose.

Our approach involved updating both the emblem and logo. With an emblem that is shaped like a globe, a reference to our planet, we emphasize both the Group’s international presence and TITAN’s concern for the planet. The color palette emphasizes our commitment to sustainable business practices and the future of construction materials and solutions.

Our purpose and values

OUR PURPOSE

Making the world around us a safe, sustainable and enjoyable place to live

TITAN's Purpose Statement underscores our capacity to contribute positively to society and improve individual lives, and it embodies the essence of our mission:

Our Mission
At TITAN, our mission is to provide innovative construction materials, solutions, and services needed for safe and sustainable homes, buildings and infrastructure that enable people to enjoy life.

We approach every challenge with an entrepreneurial spirit, focusing on three key areas: ensuring low-carbon operations and supply chains, digitalizing our organization for ultimate efficiency, and delivering cutting-edge solutions to meet our customers' needs.

Together with all our stakeholders, we are committed to finding better ways to build and to enhance the quality of life.

We act every day with integrity, empathy, and environmental accountability to shape a brighter future for all.

OUR VALUES

The four core values that serve as the bedrock of our culture are:

We care

For us, care isn't just a word; it's a responsibility that shapes how we engage with the world around us and the ethos that guides our every action.

We care about:
- Our people
- Our customers
- Our communities and the environment

We dare

Challenges and ambitious goals don't daunt us; they energize us.

We dare to:
- Do challenging work
- Be candid
- Innovate
- Learn

We build to last

We believe that true success is built on a foundation of enduring value.

Building to last comes with:
- A long-term, mid-term and short-term perspective
- Teamwork and collaboration
- Continuous improvement

We walk the talk

At the heart of everything we do lies a simple but powerful belief: actions speak louder than words.

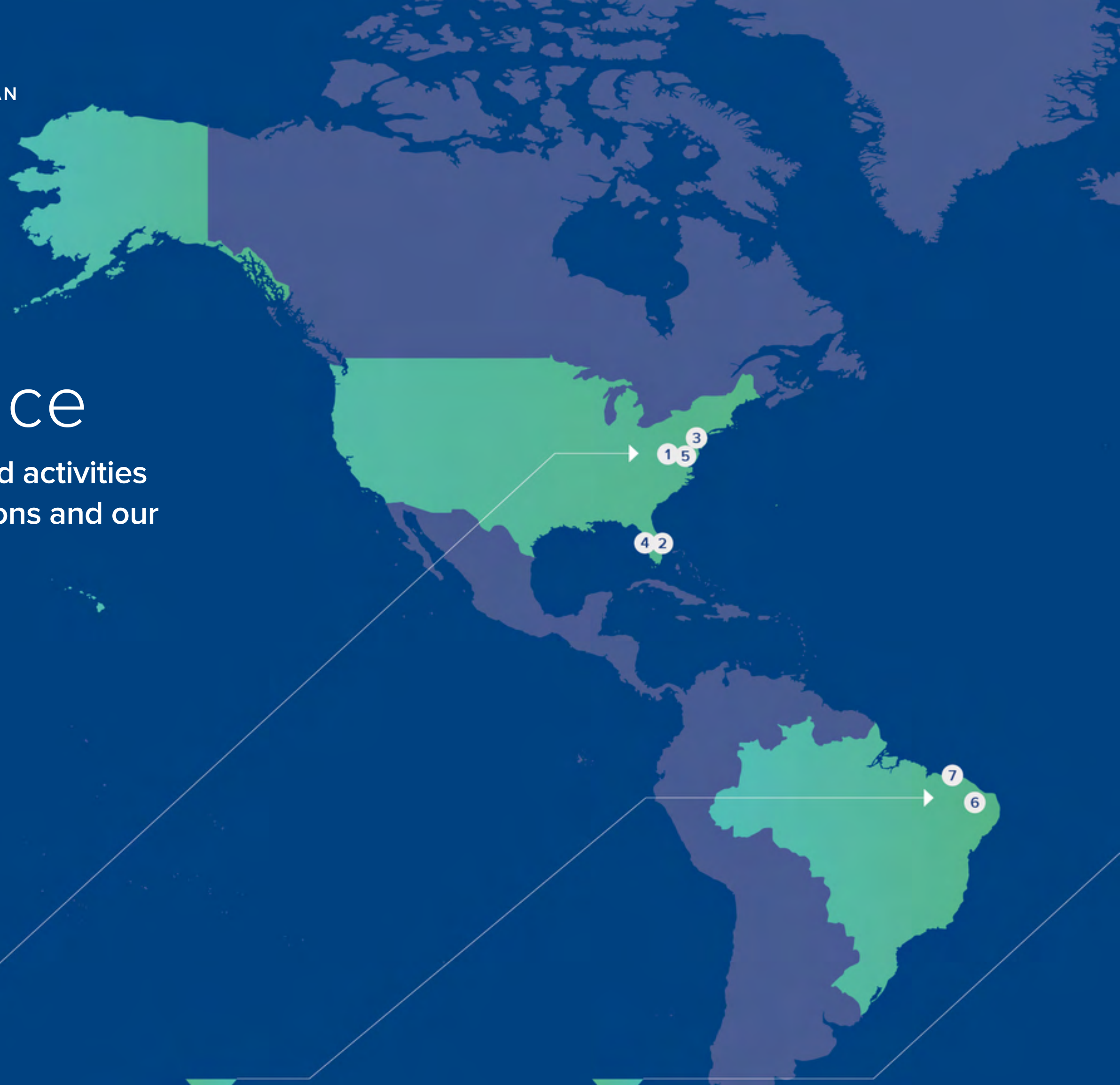
This value is underpinned by three elements:
- We deliver results
- We live our values
- We keep our promises

Thessaloniki Airport "Makedonia", Greece. © Fraport Greece & INTRAKAT SA / Nikos Danilidi

Tampa dome, USA

Global presence

Performance and activities across four regions and our joint ventures.



USA

INTEGRATED CEMENT PLANTS
1. Roanoke, Virginia
2. Pennsuco, Florida

TERMINALS
3. Essex Port Newark
4. Tampa Port Complex
5. Norfolk Chesapeake

2	integrated cement plants	8	quarries
82	ready-mix plants	3	import terminals
8	concrete block plants	4	fly-ash processing plants[1]

Principal products / activities

Sales
€1,476.9m

EBITDA
€295.9m

Assets
€1,347.5m

1. Includes one facility in Canada

BRAZIL (JOINT VENTURE)

INTEGRATED CEMENT PLANT
6. Quixere

GRINDING PLANT
7. Pecem

1	integrated cement plants	1	cement grinding plant
4	quarries	4	ready-mix plants

Principal products / activities

GREECE & WESTERN EUROPE

INTEGRATED CEMENT PLANTS
8. Thessaloniki
9. Kamari
10. Patras

GRINDING PLANT
11. Elefsina

TERMINALS
12. Marseille, France
13. Venice, Italy
14. Hull, UK

3	integrated cement plants			1	cement grinding plant
26	quarries[2]			31	ready-mix plants
3	import terminals	1	dry mortar plant	2	processed engineered fuel facilities

Principal products / activities

Sales
€407.8m

EBITDA
€64.7m

Assets
€935.8m

2. Includes Aegean Perlites S.A. in Greece

Principal products / activities key:

- Cement
- Ready-mix concrete
- Aggregtes
- Dry mortars
- Building blocks
- Fly ash
- Waste management and alternative fuels
- Cementitious manufacturing and technologies

SOUTHEASTERN EUROPE

INTEGRATED CEMENT PLANTS

15. Kosjerić, Serbia
16. Zlatna Panega, Bulgaria
17. Sharr, Kosovo
18. Usje, North Macedonia
19. Antea, Albania

5	integrated cement plants	21	quarries
5	ready-mix plants	1	processed engineered fuel facility

Principal products / activities

Sales	EBITDA
€422.4m	€146.6m

Assets

€526.7m

EASTERN MEDITERRANEAN

INTEGRATED CEMENT PLANTS

20. Tokat, Türkiye
21. Alexandria, Egypt
22. Beni Suef, Egypt

GRINDING PLANT

23. Marmara, Türkiye

TERMINAL

24. Samsun Port, Türkiye

3	integrated cement plants	1	cement grinding plant
14	quarries	6	ready-mix plants
1	import terminal	2	processed engineered fuel facilities

Principal products / activities

Sales	EBITDA
€239.9m	€33.2m

Assets

€401.4m

Our strategic focus: capturing Green Growth

Through our customer-focused growth strategy, we aim to become the leading provider of green building materials and solutions everywhere we operate, by delivering long-term value to our stakeholders and contributing to a safer, more sustainable, and enjoyable world.

Over its 120-year history, TITAN Group has built strong market positions, with integrated businesses that are supported by a strong network of trading flows and local assets that allow superior customer service. Amidst the global shift towards net-zero emissions, TITAN is poised to capitalize on unique regional trends across its markets. Leveraging its distinctive array of products and capabilities, TITAN is well-positioned to seize these emerging growth opportunities.

We expect healthy mid-term demand growth for cement, ready-mix concrete, and aggregates in most of our markets. In the US, this demand is mainly driven by healthy demographics, public funding for infrastructure, and the housing deficit. Recovery funds, combined with the drive for refurbishment, energy efficiency and major infrastructure projects, are the key growth factors in Greece, while urbanization and infrastructure rollout are driving demand in the Southeastern European markets. Besides the developed markets of the USA and Europe, infrastructure tailwinds, coupled with population growth and urbanization, are also present in our Eastern Mediterranean markets, driven by public funding and economic multipliers.

In addition, the increasing demand for low-carbon materials and digitally enabled solutions in developed markets offers significant growth opportunities. This trend is propelled by green public procurement policies and large clients who are proactively setting voluntary emission reduction goals and seeking eco-friendly and circular construction solutions. Europe presents considerable potential for investments in decarbonization, particularly within the framework of the EU's "Green Deal". Similarly, the United States offers significant mid-term opportunities through its sustainable growth initiatives, such as the Inflation Reduction Act (IRA).

Regarding our exposure to emerging markets, despite the presence of cyclical macroeconomic volatility, the prospects for long-term growth remain robust. This optimism is underpinned by favorable demographic trends and significant growth potential for building materials in these regions.

Against this backdrop, TITAN Group is determined to execute its growth-oriented strategy, which focuses on delivering operational excellence, decarbonizing its portfolio, and implementing pioneering digital technologies, while delivering superior customer experience to best meet its customers' evolving needs with unique building materials solutions.

OUR STRATEGY 2026 IS CENTERED ON FOUR KEY STRATEGIC PRIORITIES:

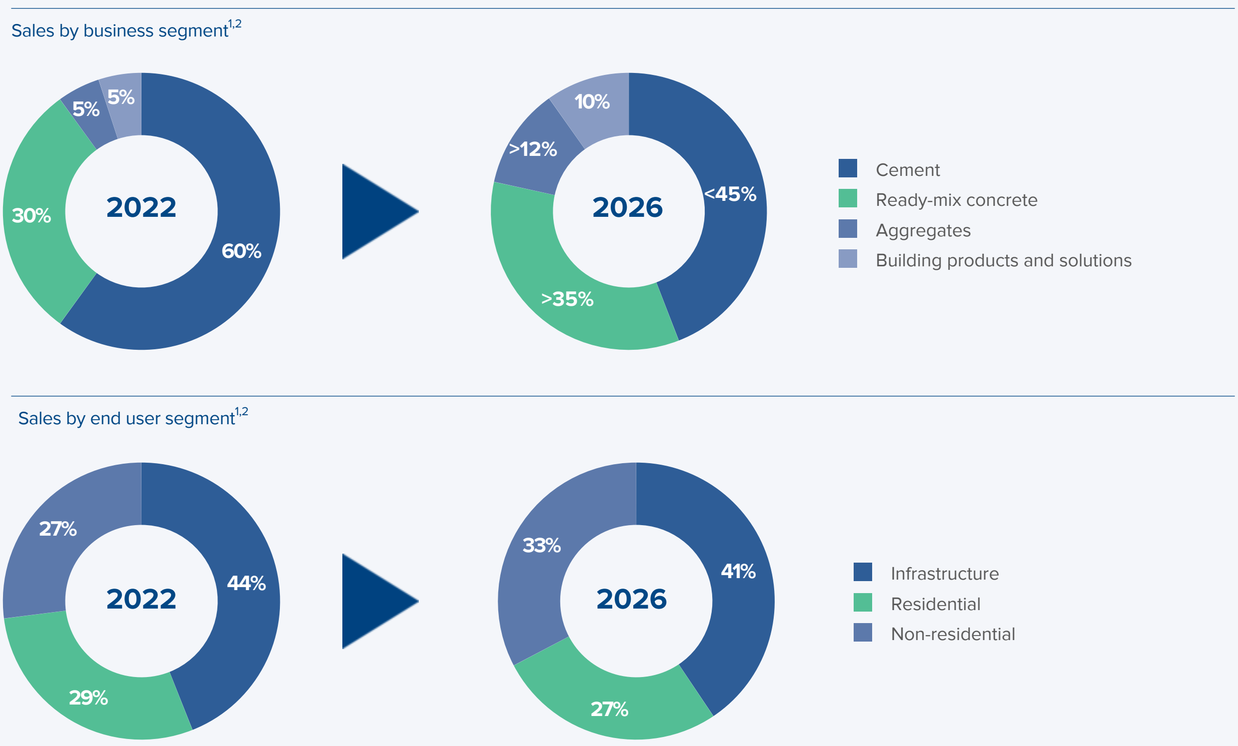
1. **Focusing on growing our attractive positions in the US and Europe**
2. **Accelerating new green products and solutions**
3. **Leverage the growth potential of digital and new technologies**
4. **Enable strategy execution through a local, performance-driven and talent-enabled operating model**

1

Growing our attractive positions in the USA and Europe

TITAN aims to capture green growth opportunities in existing markets, especially in the USA and Europe, where we have strong local positions. We plan to achieve this priority by investing in capacity expansion, end-to-end supply chain optimization and value chain integration that involves expanding our aggregates, ready-mix concrete and downstream building products businesses, both organically and via bolt-on acquisitions. The multi-product USA hub terminals in Norfolk and Tampa that are close to significant infrastructure projects, the investment in portable ready-mix concrete plants in the US to serve large but remote projects, and aggregate quarry acquisitions in Greece, are all examples of crucial investments that will help TITAN Group to harness the anticipated market growth. In addition, we are actively working to get closer to our customers, offering targeted solutions for each market segment. These include specialty concretes for high-rise buildings in Miami, and the integrated product offering (ready-mix concrete, recycled aggregates, specialty products) for large projects such as the The Ellinikon in Greece (a groundbreaking urban redevelopment initiative located on the historic grounds of the former Ellinikon International Airport in Athens).

TITAN's midterm goal is to increase the significance of aggregates and ready-mix in total sales, and have infrastructure-related sales representing over 40% of total revenue.



1. Company estimates for 3rd-party sales
2. Based on 2022 results

2

Accelerating new green products and solutions

TITAN Group aims to double its sales of low-carbon products by 2026. To achieve this, a significant part of our CapEx will be allocated to initiatives related to the decarbonization of clinker production and to the production of lower-carbon (green) cement. Additionally, significant investments will be made in the development of specialty concrete products and the sourcing and utilization of supplementary cementitious materials, furthering our dedication to sustainable practices.

TITAN has already secured access to significant reserves of pozzolan, a cementitious material that can replace a large part of clinker in cement. In addition, it is planning to build the largest carbon-capture project in Europe at its Kamari plant in Greece, following the granting of a subsidy from the European Union Innovation Fund. When this project is completed towards the end of the decade, it will supply our markets in Europe with more than three million tonnes of zero-carbon cement and will reduce the Group's carbon footprint by 20%.

3

Leverage the growth potential of digital and new technologies

TITAN has successfully applied digital and AI solutions to enhance operational performance in manufacturing and logistics (energy consumption, throughput, reliability, product quality, supply chain optimization) and improve customer experience. TITAN, having developed a deep expertise and strong capabilities in data-driven operations and AI, has a vision to digitalize all cement manufacturing operations and ready-mix concrete logistics by 2026. We are also developing new digital service models and have launched our first digital business, CemAI, which offers digital maintenance services. In addition to digital transformation, the Group is exploring several other new technologies to enhance its performance and customer experience, including blended cements with novel cementitious materials (e.g., calcined clays), 3D printing solutions and modular waste heat recovery systems to convert heat from the kiln into electricity and thereby reduce Scope 2 emissions by 20%. Moreover, TITAN has launched a dedicated Corporate Venture Capital unit to explore partnerships and invest in startups that develop promising technologies and solutions for the building materials industry of the future.

Tirana Garden Building, Albania

4

Enable strategy execution through a local, performance-driven and talent-enabled operating model

We are accelerating the execution of our strategy across the regions that we are active in based on a strong decentralized performance-driven operating model, with the support of a value-adding corporate center and strong capital allocation discipline, while continuing to build new capabilities and distinctive talent throughout the organization.

TITAN Group has committed to an ambitious set of financial and operational targets that will deliver superior returns to our shareholders.

TITAN aims to grow its sales to €3 billion, driven by both organic and bolt-on contributions. The Group expects over-proportional growth in EBITDA by more than 10% per year, while aiming to achieve a strong balance sheet with lower leverage, increased returns on capital and a progressive shareholder reward policy. At the same time, the Group will continue to focus on operational excellence, aiming to reduce CO_2 specific net emissions by 30% compared to 1990 level, double the amount of low-carbon products and fully digitize cement manufacturing and ready-mix concrete logistics.

2026 TARGETS

Sales	EBITDA growth (p.a.)	ROACE	EPS
€3bn	>10%	>12%	>€3/share

Leverage ratio	Green products portfolio	Specific net direct CO_2 emissions (per cementitious product)	Digitized cement manufacturing & ready-mix logistics
1.5x-2x	>40%	<550kg/t	100%

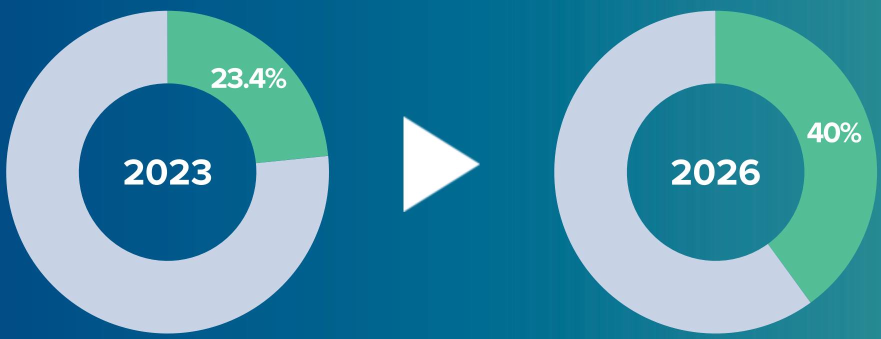
Focusing on the customer

We aim to achieve customer-centric growth while increasing the volume of green solutions in response to rising customer demand for environmentally friendly products. We provide building materials and innovative construction solutions necessary for a more sustainable, carbon-neutral world.

To accommodate these changes, we plan to increase the percentage of low-carbon cement products by 2026 from 23.4% to 40.0%.

SHIFTING TO A GREENER PRODUCT PORTFOLIO

Lower-carbon products at least 25% less than baseline OPC[1]



Lower-carbon products with at least 25% less CO_2 than OPC[1]

1. Baseline OPC clinker-to-cement ratio: 95% Clinker specific Scope 1 gross emissions: Avg. GNR figure based on 2020 data

August 2023

New cementitious offering to the market

Secured long-term pozzolan reserves, essential for the production of cementitious products and the decarbonization of our footprint.

AEGEAN PERLITES SA

July 2023

Preparing for future zero-carbon materials

Carbon Capture and Storage investment in Greece, 3 m tonnes of zero-carbon cement[2].

iFESTOS

Funded by the European Union
Emissions Trading System
Innovation Fund

ADDRESSING CUSTOMERS' CHANGING NEEDS

We proactively anticipate and address our customers' needs by offering innovative, resilient, and cost-efficient materials and solutions. Our goal is to minimize the carbon footprint associated with buildings and infrastructure across the entire construction value chain. As a preferred supplier, we are committed to providing a more environmentally friendly and diverse product portfolio, making lower-carbon cements available across our operations.

Concurrently, we are accelerating the deployment and adoption of cutting-edge digital technologies. Our aim is to become the preferred choice for our customers in every market segment that we serve, ensuring we stay at the forefront of quality, innovation and sustainability.

In the US, a thorough market analysis has led to the offering of new product lines, aligned with the modern needs of construction trends.

AN EXAMPLE FROM THE US MARKET

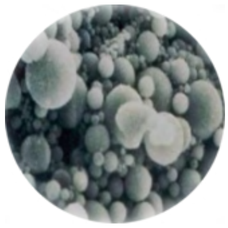
Delivering new high-performance concrete products, providing a total customer solution.

GREENCRETE

Lower-carbon concrete solution.
Up to 70% CO_2 reduction vs. standard concrete

EXTENDED JOINT SPACING

Designed for super flat flooring to enhance usage of robotics



ANTI-MICROBIAL

Prevents corrosion and bacterial build up in stormwater, drinking water and medical facilities

MARINE CONCRETE

Anti-washout and increased corrosion resistance for seawalls, offshore windfarms etc.

ULTRA-HIGH PERFORMANCE

Resilient urbanization needs >12,000 psi concrete for enhanced durability

FOCUSING ON CUSTOMER IN ACTION

We continuously enhance our portfolio to meet our customers' evolving requirements. This involves not just expanding our range of specialty products, but also developing integrated solutions tailored for large-scale projects, such as "The Ellinikon", a major urban redevelopment project on the site of the former Ellinikon International Airport in Athens, Greece. Furthermore, through investments to upgrade our logistics capabilities, we effectively address the complex and diverse needs of our customers.

Specialty offers for multi-family residential

- Commercial High-rise Buildings
- On the back of the Sunny Isle Project, TITAN Florida RMC secured the Waldorf Astoria foundations with Keller Group
- Specialty products with super high-performance concrete
- Delivered customizable solutions to meet challenging performance requirements

Infrastructure integrated offers

- Agreement with "Lamda Development" to install RMC plant at "The Ellinikon"
- State of the art plant, enabling the production of all types of concrete
- Supporting the customer with the entire range of specialty products required for the project
- Reduction of CO_2 from transportation, Reduced energy consumption, 100% water recycling

Upgrading our route to market

- Increasing Titan America terminals' capacity
- Load capacity increase for low carbon cementitious materials
- Support the increasing demand for sustainable solutions, while offering premium loading services to the market

FOCUSING ON DELIGHTING OUR CUSTOMERS WITH PRODUCTS AND SOLUTIONS

The following projects are some highlights from our intense approach to serve our customers and offer more than just a product.

We act every day with integrity, empathy, and environmental accountability to shape a brighter future for all.

Athens Metro Line 4, Greece

Currently one of the largest infrastructure projects in EU, awarded to INTERBETON capitalizing on its Metro Line 3 performance

- Large infrastructure project for the new Subway Line 4 with several subway stations in Athens. One of the largest infrastructure projects in Europe
- Elliniko Metro awarded the project to INTERBETON
- Challenging constant supply of high-quality concrete
- Combination of time framed services with many simultaneous distribution points

Athens International Airport

INTERBETON paving the way for high-performance concrete applications

- Infrastructure project for the New apron construction and new buildings for the airport's expansion
- Customer: INTRAKAT
- Antaeus – high performance Concrete
- Product tailor-made for fast concrete layering, strength, durability and rheological properties

El Dabaa Nuclear Power Plant, Egypt

The project is expected to boost the country's economy and industrial development

- Infrastructure : First Nuclear power plant (4.8GW) in El Dabaa, Matrouh Governorate, Egypt
- Owned and Operated by the Nuclear Power Plant Authority (NPPA) of the Arab Republic of Egypt
- Sulfate resistant and ordinary Portland cement
- Simultaneous delivery to three main construction companies & RMC at site, meeting the strict timeframe

I-40/I-77 Interchange, USA

A critical component of North Carolina's highway system awarded to Roanoke Cement

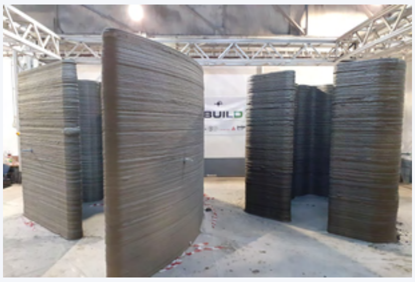
- Infrastructure: Streets & Highways - North Carolina's highway system
- Customer: Lane Construction, one of the largest contractors in the USA
- Low-carbon interstate concrete paving project
- Cement and RMC teams prescribed the first low-carbon concrete paving in the Eastern USA and are working to expand the decarbonized portfolio

Fostering innovation

Spanning many decades, TITAN's innovation journey is marked by pioneering advances in manufacturing. We remain committed to excellence and fostering innovation through collaborations with academia, startups, industries, and stakeholders, transforming how we build.

With a focus on sustainability and durability in construction, TITAN acknowledges the evolving challenges posed by technological advances and societal changes. We embrace innovation as the cornerstone for navigating these challenges, thereby catalyzing tangible benefits for the environment, customers, and stakeholders.

Innovating across three megatrends that are transforming how we build

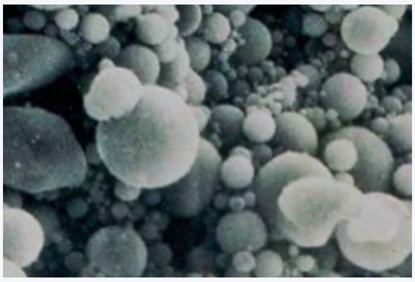


Novel construction methods and technologies

- Smart digital technologies (AI, IoT, Building Information Modeling)
- Prefabricated and modular components
- 3D printing

Sustainable and circular solutions

- Eco-friendly materials and energy-efficient technologies
- Renewable energy and energy storage solutions
- Carbon capture, green hydrogen



Nanotechnology and material innovations

- Advanced materials, offering improved performance, efficiency and durability
- Activated cementitious materials
- Conductive mortars
- Novel admixtures

Our Carbon Capture, Utilization, and Storage (CCUS) innovation journey

Our innovation journey reached a major milestone in 2023 when IFESTOS, a groundbreaking carbon capture project in Greece, was selected by the European Commission for grant agreement preparation in the context of the third call for large-scale projects under the EU Innovation Fund. Following our successful CCUS pilots in previous years, IFESTOS is the largest project of its kind in Europe, and will advance TITAN's decarbonization journey, expedite the sector's green transition, and substantially contribute to promoting carbon capture throughout the continent. IFESTOS involves the construction of a large-scale carbon capture facility at TITAN's flagship Kamari plant near Athens. This facility will enable the decarbonization of cement manufacturing and the delivery of innovative green building materials, the demand for which is increasing as a major lever in creating a sustainable, climate-friendly built environment. The project is intended to be part of an ecosystem of projects that will combine carbon capture points with transportation and storage infrastructure.

Green hydrogen

H2CEM is the only project for the cement sector that has been approved within the second Important Project of Common European Interest (IPCEI) "Hy2Use", following rigorous assessment by the European Commission, for activities related to research and innovation, first industrial deployment, and construction of relevant infrastructure in the hydrogen value chain. With the goal to enhance the substitution of fossil fuels with green hydrogen and other sustainably sourced fuels, H2CEM concerns the production of green hydrogen through electrolysis, powered by renewable energy sources, at TITAN cement plants in Greece. H2CEM includes a demonstration, on an industrial scale, of the use of hydrogen as the main fuel for the production of cement clinker.

Industrial production of novel, low-CO_2 products (calcined clays)

Calcined clays: Following a detailed mapping of the available resources in the vicinity of our operations, we proceeded with the successful thermal activation of locally available clay materials on an industrial scale in Patras plant, Greece, achieving product performance at par with conventional cement and up to 30% lower CO_2 emissions. With extensive testing for long-term concrete durability currently under way, we are prepared to offer novel cementitious materials as part of our sustainable low-carbon solutions.

3D printing

We printed the first concrete structure in Greece, using the first ever 3D concrete printer made entirely in Greece, at TITAN's Elefsina plant. Along with our partners in the research project 3BUILD, we successfully completed four years of laboratory and pilot-scale testing, to develop the prototype 3D printer and the innovative "printing ink", based on a highly optimized cement mix. At the same time, we proceeded with a full-scale printing demonstration in the USA, utilizing commercial printers and in-house printing solutions.

Nurturing an innovation culture within TITAN

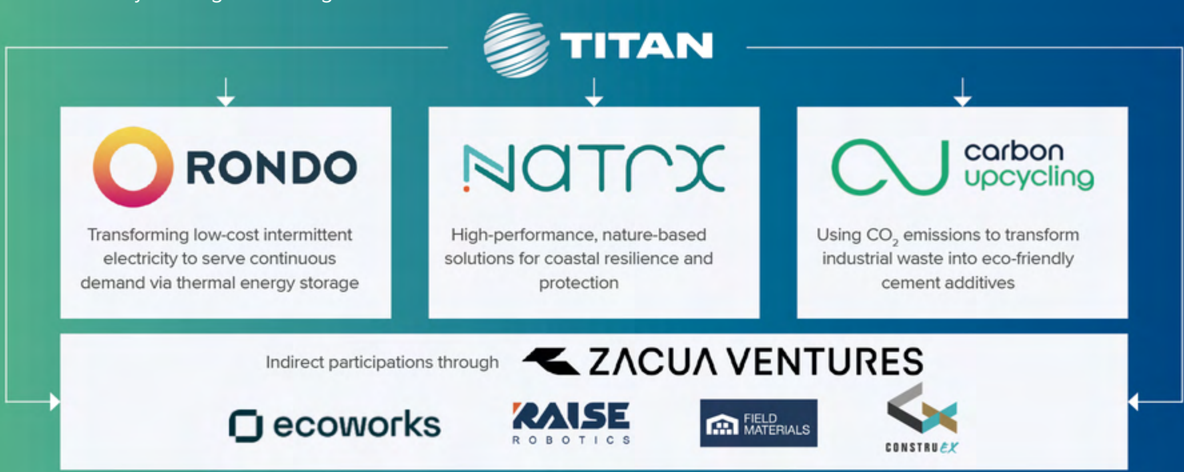
TITAN actively fosters an innovation culture within its operations, nurturing an environment that encourages creativity and collaboration to drive continuous advancements.

Ideation challenge

In 2023, we held our first ever internal ideation challenge, aimed at bringing forth new concepts to improve everyday life for our people and our customers. Motivated by the vision that "everyone can innovate" in TITAN, the competition generated 220 ideas from colleagues across the globe, covering all areas in which an organization can innovate, from products and services to brand awareness and customer experience, and from manufacturing and other core business processes to workplace environment and employee experience. The ideas submitted ranged from solutions that can further reinforce TITAN's position as an employer of choice and a preferred supplier, to next-generation safety solutions and new products that support the Group's environmental sustainability strategy and enrich its smart construction portfolio.

€40m venture capital initiative to invest in early-stage Contech and Greentech startups

With our Venture Capital initiative, launched in 2023, we aim to further foster innovation within the construction ecosystem, by investing up to €40 million in the medium term and forging partnerships that will give us early exposure to disruptive technologies and bolster our growth strategy. The initiative aligns with the Group's objectives to integrate innovative products, services and materials into our operations and solutions, seeking to drive growth and competitiveness while also accelerating our sustainability and digitalization goals.



Material issues for TITAN and its stakeholders

We adhere to the principles of double and dynamic materiality, integrating them into our business strategies to foster long-term sustainability. These approaches guide us in not only addressing the financial implications of our actions but also in understanding and responding to the environmental and societal impacts, ensuring a comprehensive and forward-thinking approach to sustainable development.

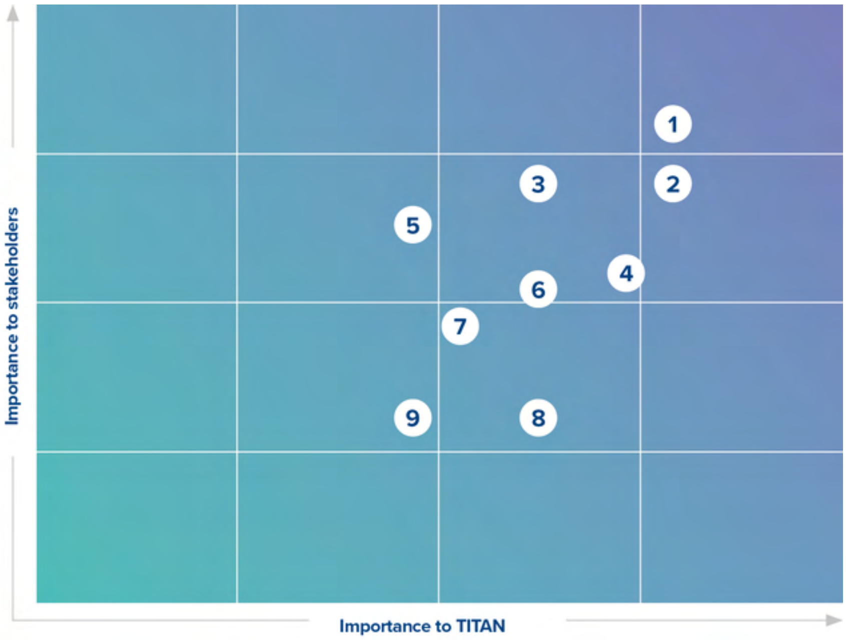
Stakeholder engagement
We regularly receive feedback from our stakeholders, by leveraging a wide range of communication channels. Our Guidance Framework for Stakeholder Engagement provides the guiding principles for all business units. We customize our approach according to the characteristics and needs of different groups of stakeholders.

Stakeholder group	Engagement approach
Customers	• Customer satisfaction surveys • Marketing and technical consultations • Complaints management
Local communities	• Community Engagement Plans • Open door policy and stakeholder forums, awareness meetings and campaigns • Volunteering and collaborative actions within communities • Environmental complaints management
Business partners and suppliers	• Group Policies and Code of Conduct for Procurement • Qualification based on ESG Criteria
Employees	• Training on Group Policies, continuous upskilling and reskilling • Employee performance evaluation and engagement surveys • Group intranet, communication days, webcasts • TITAN EthicsPoint platform for grievance management
NGOs	• Participation in global and local campaigns, stakeholder forums and conferences • Integrated Annual Report, corporate website, LinkedIn page
Contractors	• Qualification based on ESG criteria • Health and Safety and Environmental Management training
Civil Society and Youth	• Internship programs • Regeneration Academy for Digital Acceleration, “Business days” with universities to attract talent
Academia and Research	• Cooperation for research programs • Contribution to academic programs
Regulators, Authorities	• Exchange ideas and collaborative actions bilaterally or through associations • Integrated Annual Report, website, press releases
Associations	• Active participation, volunteering, collaboration, exchange of good practices, joint projects
Media	• Open communication, meetings, events and campaigns • Corporate website, LinkedIn page, press releases
Investing community (shareholders, investors, and financial analysts)	• Open communication, press releases, questionnaires and roadshows • Annual General Meeting of Shareholders, Investors’ Day • Integrated Annual Report, corporate website, quarterly webcasts, LinkedIn page
ESG Rating agencies	• Integrated Annual Report, corporate website • Feedback on a request basis and unsolicited assessments

Incorporating the principles of double materiality assessment

Mapping what is most material to our stakeholders and to the business is the key to effectively assessing the impact of possible risks, as well as opportunities, and to develop action plans that serve our strategic goals.

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 people
5. Diverse and inclusive workplace
6. Positive local social, economic and environmental impact
7. Resource efficiency, recycling, and recovery, contributing to the circular economy
8. Reliable and sustainable supply chain
9. Good governance, transparency and business ethics

Dynamic materiality

Our approach to dynamic materiality is driven by the need to listen to the changing expectations and emerging needs of our stakeholders over time. Also, we are mindful that what appears financially immaterial today can quickly prove to be business-critical tomorrow. We are enhancing our strategy based on the valuable insights gained from our stakeholders' feedback, which is the result of a comprehensive materiality validation project conducted in 2022. This project, implemented across all our countries of operation, has provided us with critical information to better align our objectives with stakeholder expectations and needs.

Materiality assessment cycle

Delivering value for all

To make the world around us a safe, sustainable and enjoyable place to live, we create and share value through the efficient utilization of our capital. We are focused on addressing global and local societal and environmental challenges, and contributing to the attainment of the UN SDGs 2030.

We draw on our capital		ESG highlights	
Financial capital	We use our economic resources efficiently to support our business growth and safeguard our international competitiveness.	Gross Value Added €839.8m	
Manufactured capital	We manufacture our products using the best available technologies, and we distribute them reliably to our customers through dedicated terminals.	Capital expenditures €224.0m	
Intellectual capital	We use our R&D capabilities, our core competencies, innovative ideas and collaborations with experts and academia, and our deep knowledge of the building materials industry to enhance our offerings and further improve our performance.	Investments in research and innovation €22.1m	
Human capital	We value our people's contribution and continuously support their professional development in an engaging, inclusive, and collaborative working environment.	Salaries, pensions and social benefits, including and beyond those provided by law €392.4m	Internships 361
Social & 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.	Total spend on donations and community engagement initiatives €2.6m	Local spend of TITAN 67.8%
Natural capital	We source materials responsibly, contributing to the circular economy, and we preserve natural resources and biodiversity in the areas where we operate and in our value chain.	Waste utilization 2.2m tonnes	Climate change mitigation investments €63.4m

Note: For more information on our Value creations indicators, see Table 2.5.9 of the ESG performance statements on page 164.

Partnerships for sustainable development

By actively engaging in global collaborative efforts and aligning with international organizations, TITAN Group is contributing to the development of a world that is both safer and more sustainable for future generations.

WE SUPPORT UN GLOBAL COMPACT	Since 2002, TITAN has been a participant in the UN Global Compact (UNGC). Through an online questionnaire, we consistently disclose our company's ongoing efforts to integrate the UNGC Ten Principles into our business strategy, culture, and daily operations.
SCIENCE BASED TARGETS	We were one of the first three cement companies in the world to have our greenhouse gas (GHG) emissions reduction targets approved by the Science Based Targets initiative (SBTi) as being in line with the 1.5°C pathway and among the first group of companies to receive approval for net-zero targets.
BUSINESS AMBITION FOR 1.5°C RACE TO ZERO	We joined the “Business Ambition for 1.5°C” commitment to keep global warming under 1.5°C and achieve net-zero emissions by 2050, and the United Nations Framework Convention on Climate Change (UNFCC) “Race to Zero” global campaign, which encourages more companies, governments and institutions to come together and act for a healthier planet with zero carbon emissions.
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.
Industrial Transition Accelerator (ITA)	We participate in the Industrial Transition Accelerator (ITA), an initiative launched during COP28, pledging to accelerate the decarbonization of heavy industries on a large scale.TITAN will collaborate with leading global players across various sectors to collectively reshape the industrial landscape, promote climate-related innovation, and expedite progress toward achieving net-zero emissions.
gcca	We are working with the Global Cement and Concrete Association (GCCA) and the GCCA Research Network Innovandi to implement the 2050 Roadmap to Net Zero. In 2023 we joined the new GCCA Nature Task Group, aligning with the latest trends and measures in the field of nature conservation.
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.
ecra	We participate in the European Cement Research Academy (ECRA) to support industry-oriented research activities, aimed at advancing innovation within the context of climate change mitigation and sustainable construction.
CSR EUROPE	We have been a CSR Europe member since 2004 and a founding member of national partner organizations. Through CSR Europe and its participation in EFRAG’s European Reporting Lab, in 2023, TITAN contributed to the development of the European Sustainability Reporting Standards.
In support of WOMEN'S EMPOWERMENT PRINCIPLES	In March 2023, we became a signatory of the United Nations Women’s Empowerment Principles (WEPs). Established by UN Women and the UN Global Compact, the principles will help enhance and expedite TITAN’s efforts for the advancement of gender equality and women’s empowerment in the workplace.

Performance highlights

An overview of our Group's overall performance in 2023, focusing on our financial and ESG pillars.

Financial performance

Record profitability led by strong sales growth

In 2023, TITAN Group achieved a strong financial performance across the board, by growing sales, boosting earnings, and strengthening the balance sheet position and liquidity. The Group posted a record EBITDA result with double-digit profitability growth in all regions of activity despite currency weakness in the Eastern Mediterranean markets. Supported by increased demand across its key markets, adapting pricing, counterbalancing persistent inflationary headwinds, along with better energy cost performance, the Group managed to restore profitability margins. Cash generation grew significantly, while the Group maintained high levels of CapEx during the year, in line with the mandates of its Green Growth Strategy 2026, prioritizing deployment of funds towards growth, decarbonization, digital transformation initiatives and improved logistics capabilities.

Group sales in 2023 totaled €2,547.0 million, a 11.6% increase compared to the previous year, while EBITDA grew by 63.1%, reaching €540.3 million. The Group's net profit after taxes and minority interests more than doubled, reaching €268.7 million from €109.7 million in 2022, despite FX losses – in Egypt and Türkiye – and higher taxes. Earnings per Share (EPS) grew at €3.6/share, versus €1.45/share in 2022. TITAN's return on average capital employed (ROACE) in 2023 also increased significantly to 16.9%, compared to 7.0% in 2022.

2023 performance highlights

2023 was another year of strong growth in all our regions, demonstrating significant profitability growth against the backdrop of a mixed global economic environment.

The US region, TITAN's biggest market, delivered milestone results. With the aid of government programs, public funds for infrastructure projects started to flow through into activity, strengthening Group's volumes. Demand for private nonresidential was also sustained, benefiting from the local economic trends in our main US states of activity – Florida and the Mid-Atlantic – thanks to increased internal migration and corporate relocations. A slowdown in demand for residential was mitigated by both population and employment growth. While the effect of persistently elevated costs during the year translated into increased labor, import, distribution and logistics expenses for the Group, our price increases and our substantial investments across critical areas targeting the digitalization of our operations, improved energy mix and productive capacity expansion, created efficiencies which have been reflected in our yearly improved performance. Overall, Titan America's sales in 2023 increased by 16.6% versus 2022, reaching ca. $1.6 billion. EBITDA increased by 67% during the year, reaching $319 million. In euro terms, sales increased by 13% to €1,477 million while EBITDA amounted to €296 million, up by 60.1%.

Greece's economy continued its upward trend in 2023, with many of the country's key macroeconomic indicators improving. This virtuous cycle supported TITAN's operations in the country, making for a strong performance year. The Greek region recorded the highest sales and volumes growth, with total domestic and export sales up by 22%, on the back of significant volume increases across all product lines. Domestic sales were driven by large and smaller infrastructure projects, by private real estate development projects such as "The Ellinikon", among others, and by hospitality-related construction thanks to the flourishing tourism sector. Housing activity is also rising, especially in the large cities. Sales to the Group's European terminals saw strong growth due to higher prices, ultimately increasing total sales in Greece and Western Europe by 22% to €407.8 million while EBITDA doubled to €64.7 million.

Southeast Europe experienced significant growth, with a consistently dynamic year-over-year performance, augmented volumes and margin restoration performance in all countries we operate in. Within a positive economic environment and due to strong market fundamentals, in 2023 sales increased by 9.5%, reaching €422.4 million. Resilient pricing coupled with cost optimizations contributed to EBITDA climbing to €146.6 million, up by 54.4% versus €95 million in the previous year. The effects of the Group's focused investments in the green energy transition, along with softer electricity prices, all contributed to the improved bottom line result.

In the Eastern Mediterranean, Egypt's and Türkiye's performance had diverging trajectories in 2023: Türkiye gained momentum, despite alarming inflation, as demand showed signs of recovery with the local real estate market seeing an uptick and with pricing absorbing constant inflation pressures, following a renewed need for extensive reconstruction in the aftermath of last year's tragic earthquake. Egypt, however, lost some ground, having been adversely affected by a stalemate in difficult macroeconomic conditions. Sales for the region fell by 6.1% to €239.9 million, mainly due to the weakening of the currencies, while EBITDA improved by 69.5% to €33.2 million, following resilient pricing and targeted cost improvement activities that included the accelerated utilization of alternative fuels.

Lastly, our Brazilian operations also ended the year with positive results despite high interest rates and restricted credit which weighs negatively on cement demand.

Sales volumes growth thanks to prolonged demand in main markets

Steadily increasing demand levels for the Group's leading products across all main markets resulted in higher volumes. TITAN's resilience has validated anew the Group's strategic geographic selections in positions that have exhibited strong market fundamentals and have performed well despite periodic patterns of cyclicality. In 2023, the Group's domestic cement sales posted growth, increasing by 2% to 17.5 million tonnes and total cement exports to third parties also slightly increasing, with exports being mainly directed to the Group's own terminals in the US and Europe. Ready-mix volumes were reinforced owing to expanded demand, leading to a 5% increase year over year bringing the Group's total ready-mix concrete volumes to 5.9 million m^3. Group aggregates sales also increased, growing by 4% to a total of 19.9 million tonnes in 2023, driven by substantial demand in Greece.

	2023	2022	+/-
Cement – domestic (million tonnes)*	17.5	17.2	+2%
Ready-mix concrete (million m^3)	5.9	5.6	+5%
Aggregates (million tonnes)	19.9	19.1	+4%

Includes Brazil; does not include associates.
*Sales in domestic markets incl. clinker and cementitious materials.

Investments and Operating Free Cash Flow

In 2023, the Group remained committed to its long-term investment strategy, having upheld high levels of CapEx, targeting future growth, directed to several projects across the Group's core markets mainly in the US and Europe. More than half of the annual total CapEx amount was apportioned to the US region as part of the Group's $300 million growth investment program for the period 2021–2023. The Group's total CapEx reached €224.0 million compared to €241.9 million in 2022. The 2023 capital allocation priorities were set in areas targeting sales growth, cost efficiencies, transition to lower emissions and carbon footprint reduction as well as logistics. Increased expenditures were also earmarked for the digital technology front, resulting in manufacturing production efficiencies, while production and storage capacity expansion investment projects improved the Group's logistics capabilities, debottlenecking operations.

The Group executed some landmark CapEx projects during the year, including the calciner in the Kamari cement plant in Athens, Greece, at a total cost of €26 million, contributing to increased alternative fuels utilization. In the US, the Group constructed two new domes at its key import terminals in Tampa (Florida) and Norfolk (Virginia), in a total investment of ca. $70 million and with a combined import storage capacity of more than 130,000 tonnes.

The Group also finalized two bolt-on investments as part of its Green Growth Strategy to expand its offerings of supplementary cementitious materials (SCMs). In early 2023, the Group took a participation in Aegean Perlites, on the Greek island of Yali, while at the end of the year the Group acquired the concession rights in Vezirhan Pozzolana Quarry, in the East Marmara region of Türkiye, bolstering its efforts to secure long-term pozzolana reserves for its own use and for trading purposes.

The Group's cash flow generation improved significantly during 2023 with the Operating Free Cash Flow (OFCF) standing at €292.5 million due to the robust EBITDA result of €540.3 million and following disciplined working capital management, despite high CapEx levels and higher tax payments owing to the Group's increased profits.

	2023	2022
EBITDA	€540m	€331m
Capital Expenditure	€224m	€242m
Working Capital Increase	€54m	€92m
Operating Free Cash Flow	€293m	€19m

Group leverage

The Group's net financial debt position improved, with net debt standing at €659.9 million at the end of 2023, a substantial decrease of €137.4 million from €797.3 million in the previous year. This deleveraging contributed to the sharp reduction of the Net Debt/EBITDA ratio to 1.2x (2022: 2.4x), a decade-record low.

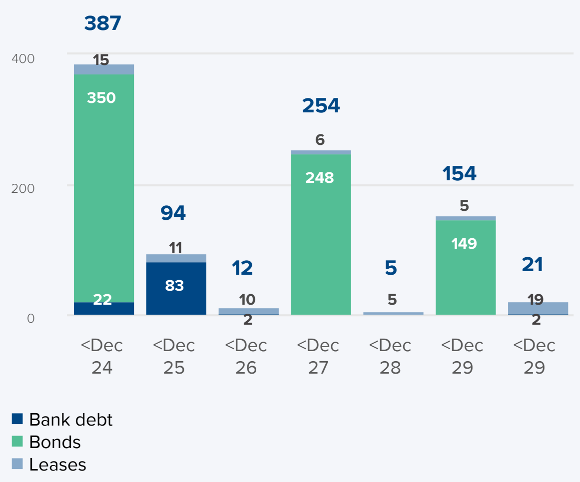
The Group's credit ratings also improved during the year, with S&P revising its rating for TCI in September to "BB with a positive outlook", versus a previous stable outlook. During the summer of 2023, Fitch initiated coverage, assigning a long-term issuer rating of "BB+" to TCI and the outstanding bonds of Titan Global Finance, a TCI subsidiary.

The Group's exposure to interest rate fluctuations remained low, with the Group's fixed-to-floating debt ratio at ca. 90%.

In December 2023, a new bond was issued through a private placement for a total amount of €150 million at a 4.25% coupon rate and a maturity of five-and-a-half years with the aim to extend the debt maturity profile and reduce financing costs.

	2023	2022
Net debt at year-end	€660m	€797m
Net Debt/EBITDA	1.2x	2.4x

Bond repayment and debt maturity profile (€m) as of 31 December 2023



Outstanding bonds

ISIN	Amount Outstanding	Coupon	Maturity
XS1716212243	€350,000,000	2.375%	16/11/2024
XS2199268470	€250,000,000	2.75%	09/07/2027
XS2731293168	€150,000,000	4.25%	13/06/2029

Proposed dividend distribution

The Board of Directors is proposing to the Annual General Assembly of Shareholders, scheduled to take place on 9 May 2024, a dividend of €0.85 per share, which represents an increase of 42% versus last year's distribution.

Equity market information

Actively engaging with the investment community by communicating TITAN Group's financial performance and transformative strategy

Listings and indices

Following 107 years of listing history at the Greek stock exchange and after the successful completion of a Voluntary Share Exchange Offer that formed Titan Cement International ("TCI"), TITAN's shares were listed on Euronext Brussels, in July 2019, along with a parallel listing on Euronext Paris and a secondary listing on the Athens Stock Exchange. As of 31/12/23, TCI's fully paid-in share capital amounted to €959,347,807.86 with 78,325,475 outstanding shares. TCI forms part of various indices such as the ATHEX Large Cap, ATHEX ESG, FTSE All-World, BEL All-Share, CAC All-Share and, as of March'24 FTSE Russell Large Cap.

Treasury shares

During 2023, the Group has further strengthened shareholder returns by launching two new share buy-back programs. In February 2023, the Group completed a program that had started in mid-2022 for a value of €10 million, while in March 2023 another €10 million program started which was completed in November 2023. Upon its completion, a new larger share buy-back program was launched, for a value of €20 million. Overall, during 2023, 891,849 shares were acquired for a total amount of €14.9 million and are held as treasury shares. On December 31, 2023, Titan Cement International owned 3,881,995 treasury shares, representing 4.96% of the total voting rights.

Share price evolution

2023 has been a landmark year for TITAN's stock, showcasing a full-year performance of +77%, while reaching its highest level since the Euronext listing - €21.85 - on 20/12/2023. TCI's closing share price at the last trading date of the year was €21.25 on Euronext and €21.45 on the Athens Exchange, a year-on-year notable hike of 77% and 78% respectively. The development of TCI's share price reflected the very strong results that the Group presented throughout the year, the positive market sentiment and the improved performance of the ATHEX stock exchange, posting gains of 39%. 2023 has been a year in which most of the equity indices across the globe had a positive performance; however, TCI significantly outperformed them; the S&P 500 rose by 24%; the STOXX Europe 600 Index by 13%, the BEL Midcap by 10% and the Europe 600 Basic Materials by 4%. The market capitalization of TCI at year-end 2023 stood at €1.7 billion.

Interaction with investors and analysts

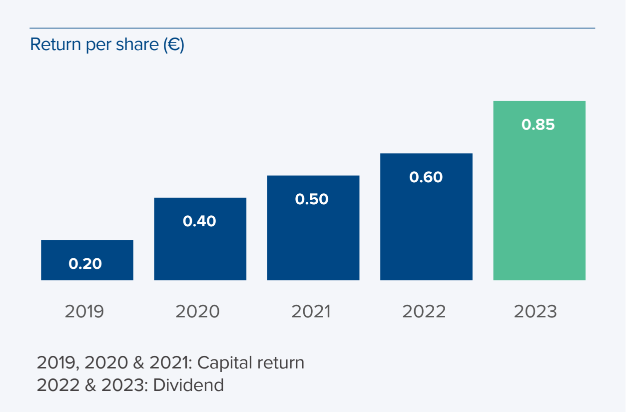
The Investor Relations team actively interacts with existing shareholders, including institutional and retail investors, while engaging in raising awareness for the Company among new potential investors. Targeted communication is fostered either in the form of direct contact or through participation in roadshows or conferences, facilitating discussion with interested parties. Beyond the quarterly engagement following results-related releases, regular updates are provided to investors outside results cycles. Due to the increasing importance of sustainability on investors' portfolio selection agendas, TCI takes careful consideration of those expectations and needs, while seeking ratification from independent ESG rating agencies. On 28/09/23, TITAN held an Investor Day in Athens, Greece, bringing together many representatives of the investor community. The event provided the opportunity for open dialogue with the Company's Management team while the Group presented its updated "Green Growth Strategic Directions 2026". The Group also announced its financial, sustainability and digitalization goals. TITAN also maintains regular contact with International and Greek analysts, providing timely information that helps analysts issue periodic reports within the year.

Shareholder structure

The Company's Shareholder Structure is available on page 81 of this report [9.3] and on the Company's website: https://ir.titan-cement.com/en/shareholder-center/shareholderstructure.

Returns to shareholders

Apart from the various share buyback programs, the Company enhances shareholder value by distributing profits, either in the form of dividends or in the form of capital returns. For 2023, the Board of Directors is proposing to the Annual General Assembly of Shareholders, scheduled to take place on 9 May 2024, a dividend distribution of €0.85 per share. This represents an increase of 42% versus last year's amount; distributions to shareholders have been constantly increasing during the last 5 years.



ESG performance recognized by world-leading rating agencies

We are committed to continuously improving our ESG performance while refining our objectives to better match the expectations of our stakeholders. As part of this commitment, we actively pursue and highly appreciate feedback from independent ESG rating agencies.

In February 2024, and for a second consecutive year, Titan Cement International S.A. received a top "A" score on climate action by the carbon disclosure non-profit organization CDP, in recognition of its leadership in corporate transparency and performance on climate change. TITAN is one of the 346 companies across all sectors that achieved this level in 2023, out of nearly 21,000 companies scored. Furthermore, TITAN Group achieved an "A-" score for water security and it is one of only three companies in its sector to attain top scores in both categories.

In August 2023, and for a third consecutive year, Titan Cement International S.A. received an MSCI ESG Rating of "AA", which acknowledged it a leader with one of the top scores in its peer group. MSCI ESG Research provides ESG Ratings on global public and some 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.

In December 2022, Titan Cement International S.A. received an improved ESG Risk Rating of 26.9 and was assessed by Sustainalytics to be at medium risk of experiencing material financial impacts from ESG factors. The score places us 16th out of 142 construction materials companies.

In December 2023, Titan Cement International S.A. scored 63/100 in the S&P Global Corporate Sustainability Assessment, a 4-point improvement from 2022, ranking in the top 10% of the construction materials industry. Notable sub-scores include 91 in climate strategy and 80 in sustainable construction.

Moody's Analytics

In December 2023, Titan Cement International S.A. received an increased overall ESG score of 64/100 by Moody's Analytics (56/100 in 2021), 18 points higher than the European Building Materials sector average. Also, Moody's Analytics evaluated the Group's strategy to manage risks and opportunities related to the transition to a low carbon economy, with an "advanced" energy transition score (68/100).

In July 2023, Titan Cement International S.A. was upgraded to "Prime" status in the ISS ESG Corporate Rating, positioned at the top 10% of the construction sector with a "C+" score.

In March 2024, TITAN Cement International S.A. received a 71/100 ESG score by LSEG data & analytics, ranked 17th out of 120 construction materials companies.

In December 2023, Titan Cement International S.A. earned the Silver Badge from EcoVadis, which places TITAN in the top 12% of companies rated in the Manufacture of cement, lime and plaster industry.

In December 2023, Titan Cement International S.A. achieved a remarkable 95% ESG Transparency Score, accredited by ATHEX ESG, solidifying its position among top performers.

In April 2023, Titan Cement International S.A. achieved platinum-level recognition for its exemplary transparency regarding ESG issues in the Forbes Transparency Index. This distinction was based on a survey conducted among the top 100 companies in Greece.

Making progress towards our ESG targets

In 2023 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	2023	2022	Progress vs. targets
Decarbonization and digitalization	**SBTi targets validation**	Validation according to the 1.5°C scenario	Validation according to the 1.5°C scenario	
	Net-zero (2050) Net-zero GHG emissions across the value chain[1]	Net-zero target validated by SBTi	Net-zero target validated by SBTi	
	Scope 1,2,3 GHG emissions (kg/t cementitious product)[2,3]	689.9	697.8	
	• 25.1% by 2030 vs. 2020 level[1] • 95.6% by 2050 vs. 2020 level[1]	-8.8%	-7.8%	
	Scope 1			
	Scope 1 gross GHG (kg/t cementitious product)	636.9	646.4	
	-22.8 % by 2030 (vs. 2020 level)[1]	-8.3%	-7.0%	
	Scope 1 net GHG (CO_2)	607.7	619.0	
	• 550kg/t cementitious product by 2026 (-18.1% vs. 2020 level) • 500kg/t cementitious product by 2030 (-25.6% vs. 2020 level)	-9.6%	-7.9%	
	Scope 1 net CO_2 intensity (kg/€)[10]	3.84	4.18	
	Scope 2 GHG (kg/t cementitious product)	49.0	47.0	
	Scope 2 GHG -58.1% by 2030 (vs. 2020 level)[1]	-16.0%	-19.4%	
	Scope 3 GHG (kg/t cementitious product)[4]	114.5	116.7	
	Scope 3 absolute GHG from the use of sold fossil fuels - 80.9% by 2030 (vs. 2020 level)[1]	-95.5%	-95.2%	
	Scope 3 other absolute GHG - 90% by 2050 (vs. 2020 level)[1]	+4.5%	+1.4%	
	Monitoring and independent verification of Scope 3 GHG	Independently verified	Independently verified	
	Annual investment in Research & Innovation to €20m	22.1	11.7	

Progress Key

Achieved · On track · In progress

1. SBTi-validated targets
2. The target boundary includes land-related emissions and removals from bioenergy
3. Scope 1: direct CO_2 emissions (gross); Scope 2: indirect CO_2 emissions from electricity; Scope 3: indirect CO_2 emissions (gross) of the supply chain, covering produced and purchased cement and clinker
4. Emissions related to six categories considered relevant to cement production activities according to GCCA guidance

	Targets 2025 and beyond		2023	2022	Progress vs. targets
Growth enabling work environment	Zero fatalities		0	1	Achieved
	LTIFR (employees) among the three best in peer group[5]		0.35	0.63	Achieved
	Well-being initiatives, addressing the physical, mental, social and financial dimensions of well-being for our employees		226	215	Achieved
	1/3 female participation in BoD		1/3	1/3	Achieved
	Promote equal opportunities and inclusion; increase by 20% female participation in senior roles, talent pools and new hires	% women in management	20.8 (+25.8% vs. 2020 level)	19.4 (17.7% vs. 2020 level)	Achieved
		% women in senior management	12.7 (-9.6% vs. 2020 level)	12.3 (-12.6% vs. 2020 level)	In progress
		% women in new hires	12.8 (-4.7% vs. 2020 level)	16.6 (23.8% vs. 2020 level)	In progress
	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		83,944 training hours	66,531 training hours	On track
Positive local impact	Sustain and further improve strong performance in cement production-related specific emissions	Dust (g/t clinker)	19.8	21.7	Achieved
		NOx (g/t clinker)	1,165	1,251	Achieved
		SOx (g/t clinker)	238.4	257.4	Achieved
	100% of sites[6] with quarry rehabilitation plans (%)		96	91	On track
	Rehabilitation of 25% of affected areas (%)		23.9	23.8	On track
	Quarry biodiversity management plans at 100% of our sites[6] in high biodiversity value areas (%)		83	83	On track
	100% of key operations covered with community engagement plans (CEP), aligned with material issues and UN SDGs 2030		265 initiatives	203 initiatives	Achieved
	2/3 of total spend directed to local suppliers and communities (%)		67.8	67.6	Achieved
Responsible sourcing	Water consumption of 280l/t cementitious product		222.7	240.4	Achieved
	70% of water demand covered by recycled water (%)		71.0	68.0	Achieved
	85% of production[7] covered by ISO 50001/energy audits (%)		86	86	Achieved
	50% of production[7] covered by "Zero Waste to Landfill" certification (%)		55	55	Achieved
	70% of key suppliers[8] meeting TITAN ESG supplier standards (%)		24.7	Code of Conduct for Procurement; ESG criteria for suppliers	On track

Progress Key

Achieved   On track   In progress

5. Peer group definition: Cemex, Holcim, Argos, HeidelbergCement, CRH, Cementir, Vicat, Buzzi. Comparison based on latest available information. LTIFR: Lost Time Injury Frequency Rate per million hours worked
6. Active wholly owned sites
7. Integrated clinker-cement plants
8. Key suppliers: critical suppliers according to GCCA Guidance for Sustainable Supply Chain management with a meaningful level of spend for TITAN as defined in the ESG Performance Statements Notes (page 151)
9. Our joint venture in Brazil is included in the target boundary for Scope 1, 2 and 3 CO_2 emissions
10. Both nominator and denominator of this metric are calculated in accordance to the financial statements

ESG commitments: Converting ambitions into performance outcomes

With concrete strides in each focus area, we are firmly on course to meet or even surpass all our ESG targets.

DECARBONIZATION

Strong track record
in CO_2 emissions reduction

A whole new level of ambition
with science-based targets for Scope 1, 2 & 3 emissions

SCIENCE BASED TARGETS

Commitment to net zero
Developing products and solutions for a carbon-neutral world

BUSINESS AMBITION FOR 1.5°C — OUR ONLY FUTURE

778 — 672 — 608 — 550 — 500 — NET-ZERO

Figures within the circles refer to Scope 1 net CO_2 emissions ($kgCO_2$/t cementitious product).

We set our 2030 CO_2 reduction targets in line with the 1.5°C scenario

1990-2020
-13.7%

Scope 1 (gross), 2 , 3 *
-25.1%
vs. 2020 level

Scope 1	Scope 2	Scope 3**
-22.8%	**-58.1%**	**-80.9%**
vs. 2020 level	vs. 2020 level	vs. 2020 level

Scope 1 (gross), 2, 3 *
-95.6%

Other absolute Scope 3 GHG emissions
-90%

1990 | 2020 | 2023 | 2026 | 2030 | 2050

* Scope 1: direct CO_2 emissions; Scope 2: indirect CO_2 emissions from electricity; Scope 3: indirect CO_2 emissions of the supply chain (purchased cement and clinker is considered until 2030)
** Absolute Scope 3 GHG emissions from the use of sold fossil fuels

DECARBONIZATION

Investing in green innovation

State-of-the-art pre-calciner technology at Kamari plant, Greece

Preparing for future zero-carbon materials

iFESTOS

Funded by the European Union
Emissions Trading System
Innovation Fund

The EU Innovation Fund has selected the TITAN Carbon Capture and Storage project in Greece, and will support the project with a grant of €234 million.

More than 1.9m tonnes CO_2 annual avoidance.

Investments in R&D

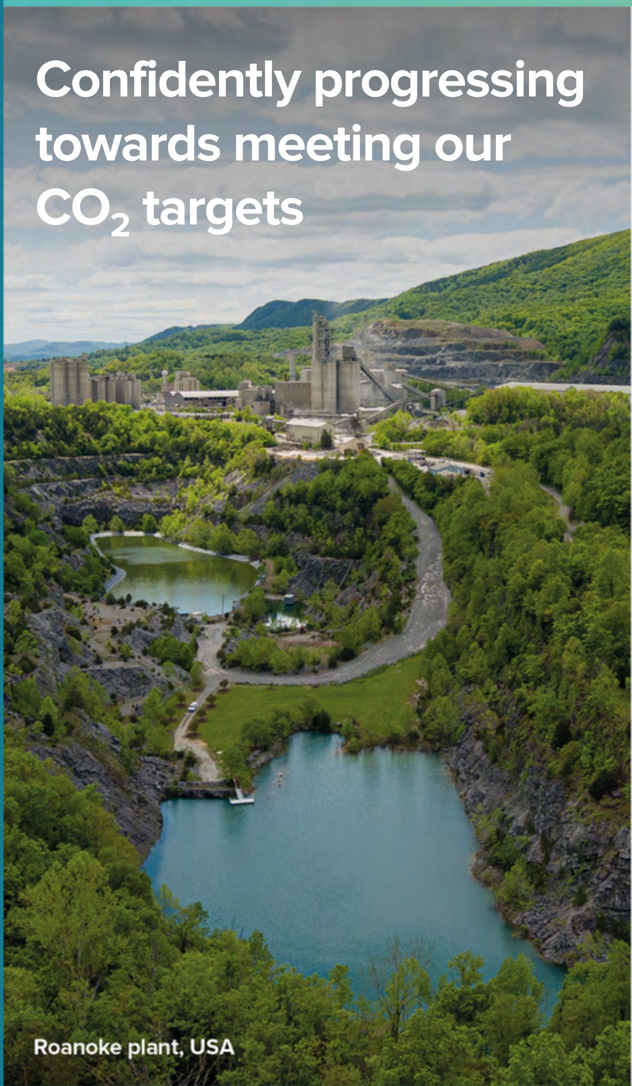
€22.1m

Initiatives to accelerate decarbonization

100+

Climate change mitigation investments

€63.4m



Confidently progressing towards meeting our CO_2 targets

Roanoke plant, USA

Specific CO_2 reduction by 10% vs 2020 level driven by:

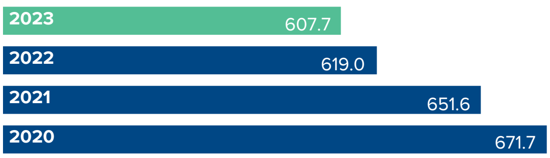
(record high) alternative fuels thermal substitution rate of

19.6%

(record low) clinker/cement ratio of

76.9%

Specific net CO_2 emissions (Scope 1)



Alternative fuels substitution rate (%)

Clinker to cement ratio (%)

DIGITALIZATION

Accelerating digital deployment and adoption of new technologies

TITAN Group Digital Center of Competence

End-to-end digitalized manufacturing

Driving efficiencies in flagship plants:
The first end-to-end digital cement plant: Pennsuco, five plants by end 2023

Pioneering "closed loop" AI optimizer in cement

Real-time optimizers (RTOs) implemented in nine units by the end of 2023; full implementation in all plants before 2026

Predictive and prescriptive maintenance

Only AI, end-to-end, failure prediction in cement supported by expert service centers

Cutting-edge digital supply chain and "Customer 4.0"

Customer digital channel (app)

Deployment rate in BUs	Sales through app
50%	>90% where applicable

Dynamic logistics

Cutting-edge AI & analytics for efficiency & customer experience

POSITIVE LOCAL IMPACT

Contributing to the prosperity of local communities

Visit to the Environmental Education Centre, Apodi, Brazil.

Protecting the environment

- Sustaining strong performance in air emissions and among the best in our peer group
- New bag filters in Usje cement plant in North Macedonia

Rehabilitated land
23.9%

Field work for biodiversity studies is currently in progress at the Drimos and Thisvi aggregate quarries in Greece

Engaging with our local stakeholders

Community initiatives	Beneficiaries	Local spend
265	330,824	67.8%

RESPONSIBLE SOURCING

Preserving natural resources

Titan America recognized at Portland Cement Association 2023 Energy and Environment Awards

Promoting circular economy

Concrete waste recycling	Construction and demolition waste utilized by TITAN	Alternative raw materials in cement production
87.5%	**171,200t**	**8.0%**

Reduction in water consumption vs 2022	The Group's total clinker production covered by ISO 50001 or energy audits	The Group's total clinker production covered by "zero waste"certification
3.7%	**85.7%**	**55.0%**

Empowering a sustainable supply chain

Qualification of suppliers in place based on ESG criteria, across all countries of operation

Key suppliers evaluated

24.7%

GROWTH ENABLING WORK ENVIRONMENT

Cultivating an inclusive culture with equal opportunities

Committed to a safe and healthy workplace

Lost Time Incident Frequency Rate (employees) among the best in our peer group

0.35

Promoting diversity, equity and inclusion

Increase of female participation in management roles (vs. 2020 level)

25.8%

Building talent and organization capabilities

Rising leaders

Commencement of a tailored blended learning experience, designed to empower new people managers.

Well-being initiatives

Titan Pulse

Launch of new well-being program in TITAN America with very positive impact on talent retention.

Sustainability governance

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

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

The Board oversees on a regular basis the main areas of risk to which the Group is exposed, including ESG risks. 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.

ExCo Sustainability Committee

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

In particular, its role is to:
- review the corporate materiality assessment
- oversee the implementation of sustainability strategy
- monitor performance vs. targets on a quarterly basis based on Group ESG Performance Department dashboard
- decide on corrective actions, and set appropriate targets dynamically.

Group ESG Performance Department

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

Conducting our business with respect, accountability and responsibility

We are strongly committed to conducting business with the highest standards of transparency, accountability and responsibility. Integrity and ethical business practices are embedded in TITAN culture and are reflected in the way that we operate in all parts of the world. Our Code of Conduct and Group Policies convey the principles, rules of conduct and standards in all strategic areas and provide guidelines to employees and external business collaborators to ensure compliance with the applicable internal and statutory rules.

Group Policies include, but are not limited to, Anti-Bribery and Corruption, Conflict of Interest, Competition Law, Sanctions, Occupational Health and Safety, Environmental and Climate Mitigation, Corporate Social Responsibility, Human Rights, Whistleblowing, Protection of Personal Data, Information Security, Diversity, Equity and Inclusion and Procurement, including a Group Code of Conduct for Procurement. We also launched the Respect in the Workplace Group Policy, a policy against harassment and any form of violence. All of our policies are available on the Group's corporate website (https://www.titan-cement.com/about-us/corporate-governance/group-policies/).

TITAN prides itself on its strong compliance culture. During 2023, special attention was placed on assurance activities and systems to ensure compliance with regulatory, sustainability and other integrity risks. Operated consistently, the Third-Party Due Diligence System enables the corporate analysis, assessment and enhanced screening of third parties as well as identification of red flags in relation to sanctions, and events on human rights, environmental and other integrity risks. In addition, the EthicsPoint platform, a uniform, anonymous and strictly confidential channel for reporting incidents of noncompliance, reiterates TITAN's openness and transparency, safeguarding good governance and integrity. The platform, to which all Group employees have access, ensures that incidents are reported, examined and resolved with a remedy plan when necessary. A six-member Supervisory Committee at Group level, which includes the Chairman of the Audit and Risk Committee, oversees the investigation and handling of reports, ensuring confidentiality and non-retaliation for whistleblowers. Awareness and training are key components of the Group Compliance Program.

Regulatory Compliance Training has been launched across the Group, with specialized training sessions addressed to a general audience and specific roles to manage relevant risks, and e-learning modules through our Learning Management System.

Compliance training hours	Current and potential partners screened through a Third-Party Due Diligence System	Cases reported through EthicsPoint
4,300	**200+**	**11**

Introducing ESG criteria in executive remuneration

While strengthening the oversight of the sustainability agenda at Board level, TITAN acknowledges that integrating environmental, social and governance (ESG) performance with executive compensation serves as a mechanism to ensure that executive management is accountable for achieving the Group's ESG targets.

Our company is committed to achieving a reduction in net direct CO_2 emissions to 500 kg per tonne of cementitious product by 2030. This target is in line with limiting global warming to below 1.5°C compared to pre-industrial levels and has been validated by the SBTi. To this effect, a three-year CO_2 target that is compatible with the path to 500 kg CO_2 per tonne of cementitious product is included in the performance objectives of the deferred compensation incentive for the executive members of the Board and the members of the Executive Committee. Furthermore, the decarbonization target is linked to the business unit managers' annual performance appraisal and reward system.

TITAN envisages a work environment that ensures the health and safety of all employees, contractors and cooperating third parties. To this end, 5% of the Short-Term Incentive Scheme (STIP) is linked to the Lost Time Injury Frequency Rate (LTIFR).

At the local level, TITAN has implemented a performance-oriented operating module that encompasses ESG performance targets.

Exceeding industry standards in compliance practices

TITAN's Group Anti-Fraud Compliance Program won the Silver prize in the category "Best AML/CFT Project including KYC and Anti-Fraud" at the first Compliance Awards in Greece.

Photo: Exceptional Recognition - Silver Award for TITAN Group Anti-Fraud Program at the first Compliance Awards in Greece.

Regional performance

USA

2023 HIGHLIGHTS

Sales **€1,476.9m** *2022: €1,306.3m*	Scope 1 net CO_2 (kg/t cementitious product): **569.2** *2022: 587.9*
EBITDA **€295.9m** *2022: €184.8m*	Alternative fuel substitution (% heat basis): **14.8** *2022: 11.4*
Assets **€1,347.5m** *2022: €1,347.1m*	Clinker to cement ratio (%): **80.1** *2022: 80.9*
Employees **3,040**	LTIFR (employees) **0.4** *2022: 0.7*

Operational units

2	integrated cement plants	**8**	quarries
82	ready-mix plants	**3**	import terminals
8	concrete block plants	**4**	fly-ash processing plants

Titan America achieved significant sales growth and enhanced profitability amidst continued inflation, higher interest rates and persistent monetary tightening.

Market overview

In 2023, the US economy continued its post-pandemic rebound, with real GDP growing by 2.5%. Job growth remained strong, keeping unemployment steady at 3.7%, while wages rose by ca. 4.1%. The Federal Reserve raised benchmark interest rates to 5.25%-5.50% to balance its goals of maximum employment and stable prices. By year-end, inflation slowed to 3.4%, down from its 2022 peak but still above the Fed's target. Consumer spending stayed robust, despite lasting inflation, supported by strong job growth and rising wages. Consumer confidence grew as inflation started easing, fueling positive economic momentum. Against global uncertainties and challenging monetary policy, the core markets we serve continued to outperform for another year the broader US economy, with low unemployment and state budget surpluses. The construction sector faced challenges such as rising costs, labor shortage and stringent lending conditions. Construction spending reached $2 trillion, rising by 7%. Non-residential and public spending increased by double digits, supported by government initiatives and legislations such as the Infrastructure Investment and Jobs Act (IIJA), while the residential segment faced difficulties due to higher mortgage rates and inflation. Overall, cement consumption in the US decreased by 2.2% to 109 million tonnes.

Regional performance

In 2023, Titan America achieved notable growth and profitability, outpacing the average market growth in the U.S. This success is attributed to the expansion of our markets, heightened activity from our customers, increased portfolio of significant value-adding projects and price appreciations effectively absorbing the effects of higher variable production, distribution and labor costs. The Group successfully pushed profitability to higher levels, capitalizing on sustained demand, a robust pricing cycle and significant operational leverage achieved by its extensive investments in supply chain and logistics as well as the operational efficiencies accrued by its pioneering digitalization investments in manufacturing. While inflation rates continued to exceed the Fed's target, a slowdown was observed compared to the high growth rates of the previous years. We effectively adapted to the economic challenges and implemented our strategic plan. We continue to position and capitalize on market growth opportunities, mainly driven by sector trends and by government initiatives such as the Infrastructure Investment and Jobs Act (IIJA) and the US Inflation Reduction Act (IRA). This year was also particularly significant for Titan America as we completed the expansion of the Tampa import terminal (Florida), which is now fully operational, and the expansion of the Norfolk (Virginia) terminal, with expected commissioning in the first quarter of 2024. Investments were also focused on additional logistics infrastructure, designed to improve efficiency and

Roanoke cement plant, USA

mitigate bottlenecks while augmenting our aggregate capacity and operational efficiency in Florida. In 2023, Titan America saw an increase in cement sales, while our aggregates and block operations encountered softer volumes. Ready-mix sales remained at high levels throughout the year and fly ash volumes experienced a rebound, driven by higher availability from host utility sites.

In Florida, housing demand and related nonresidential and infrastructure construction spending continued to benefit from positive migration trends supported by the relocation and expansion of companies in the state. Public construction received strong support from the Florida Department of Transportation DoT's substantial budget, along with additional investments from the Investment and Jobs Act (IIJA) and state budget surplus. In the Mid-Atlantic, high demand for construction projects in Virginia was driven by commercial projects whereas in the Carolinas increased demand was driven by infrastructure products, while there was a slowing in residential construction mainly due to high interest rates. In the New York/New Jersey metro area, cement consumption declined partially due to adverse weather conditions throughout the year, with heavy rain impacting construction activities.

Our sales for 2023 increased significantly by 16.6%, reaching $1.6 billion, while EBITDA for the year reached $319 million, marking a substantial increase of 67% compared to 2022. In euro terms, sales increased by 13% to €1,477 million and EBITDA reached €296 million compared to €185 million in 2022.

ESG performance

In 2023, we continued to focus on improving diversity, equity and inclusion, building employee engagement, developing capabilities and attracting and retaining the talent needed to execute our strategic priorities. We significantly increased under-represented talent in our management positions, boosting the hires of women and people from ethnic minorities into management roles by three times over 2022 levels. We achieved this by building strong partnerships with local colleges and not-for-profit professional bodies of under-represented talent. The improved retention rates in these diverse groups were helped largely by the launch of a new mentoring program that was designed and implemented by one of our Employee Resource Groups.

We continued to invest heavily in developing all levels of leadership through our flagship leadership development program (LEAD), which was launched in 2022. We now have 72 leaders currently working through the modular development program. In 2023, we also launched a new career and development planning program to help support career discussions and the identification of development needs to enable career progression. These capability development programs, along with our activities to create a positive employee experience – for example, the launch of Titan Pulse, our new well-being program – had a positive impact on talent retention.

The continuous improvements in Titan America's safety programs were again recognized in industry awards from the Portland Cement Association, National Ready Mixed Concrete Association, and the National Mining Association. Our incident rates continued to trend lower than 2022 and we remain among the very best performers in our industry.

With our new, high-capacity storage domes at both marine terminals, in addition to distribution network upgrades, we have doubled our ability to serve our market with lower-carbon products. We were the first cement producer to completely replace all Type I/II sales with our Portland-limestone Type IL cement, which has an embodied carbon reduction of 10%. Both cement plants now leverage end-to-end digitalization, with autonomous AI real-time optimizers and failure prediction algorithms resulting in higher reliability, higher product quality, and decreased energy consumption. All of our cement production again achieved ISO 50001 Standard for Energy Management, TRUE Zero Waste and Energy Star certifications.

Enabling a new standard for nature-based coastal resilience and restoration

Natrx, a North Carolina-based startup, develops innovative, nature-based technologies that fuse data, material science, and advanced manufacturing. This innovation employs custom-designed concrete modules called ExoForms to fortify shorelines while promoting marine habitat restoration. TITAN invested in Natrx in 2023 through our Corporate Venture Capital (CVC) fund, actively collaborating to enhance carbon reduction and circularity. Natrx's proven technology utilizes low-carbon cement from Titan America's Roanoke cement plant.

By utilizing satellite imagery and artificial intelligence, Natrx's data scientists and coastal engineers create a targeted plan for addressing identified erosion and resilience risks tailored to each shoreline. Their proprietary patented DryForming technology produces project-specific, modular concrete elements. These resilient and compact modules form "living shorelines" that integrate with nature and strengthen over time.

Regional performance

Greece & Western Europe

2023 HIGHLIGHTS

Sales
€407.8m
2022: €334.4m

Scope 1 net CO_2 (kg/t cementitious product):
598.2
2022: 604.8

EBITDA
€64.7m
2022: €31.8m

Alternative fuel substitution (% heat basis):
32.2
2022: 32.3

Assets
€935.8m
2022: €714.9m

Clinker to cement ratio (%):
77.8
2022: 79.4

Employees
1,324

LTIFR (employees)
0.0
2022: 0.0

Number of community engagement initiatives:
117
2022: 78

Operational units

3	integrated cement plants	26	quarries
31	ready-mix plants	3	import terminals
1	grinding plant	2	processed engineering fuel facilities
1	dry mortar plant		

Robust market growth, significant operational improvements and better energy cost performance led to a surge in profitability.

Market overview

Domestic market growth maintained the same strong growth pace witnessed in the last two years, with cement consumption levels reaching 3.7 million tonnes in 2023. This was primarily driven by robust growth in the bulk market, fueled by the resurgence of large infrastructure projects, numerous small and medium-sized peripheral, public and private projects, as well as high-end housing and land development projects. However, the bagged cement segment experienced slower growth, attributed to a further switch to bulk and to high interest rates, which slowed down the pace of growth in the renovation segment. Looking ahead, continuous growth is expected in the housing and tourism sector and in land development projects, such as "The Ellinikon", while mature large infrastructure projects in the pipeline are expected to continue contributing to growth.

Regional performance

Greece recorded further growth in performance compared to the previous year, with positive market trends and improved operational indicators across the board. Domestic market growth was evident in all segments, accompanied by increases in volumes and improved margins, including the concrete and aggregates sectors, bolstering positive bottom-line results. A series of operational efficiencies helped mitigate the volatility of energy and logistics costs, while price adjustments successfully offset cost surges from the previous year. In 2023 several growth initiatives were underway. Our state-of-the-art Ready-mix Concrete unit at "The Ellinikon", a flagship land development project, has commenced operations, expected to satisfy significant demand. Additionally, our participation in Aegean Perlites secures long-term pozzolan sourcing needs and expands our range of low-carbon cementitious products. Progress has also been made with new quarry commercial deals and the establishment of demolition waste and recycled aggregate units.

Cement exports remained strong for another year, with the US being Greece's biggest export market and our European terminals also delivering good results. Improved profitability was recorded thanks to higher global prices in seaborne-traded cement across all export markets from our Greek plants. Specific net CO_2 emissions dropped in 2023, while the pre-calciner at the Kamari plant, which has been operational since the second half of the year, will further increase the usage of alternative fuels to record levels and contribute to the decrease of CO_2 emissions. Sales for Greece and Western Europe in 2023 increased by 22% to €407.8 million, while EBITDA more than doubled to €64.7 million compared with €31.8 million in 2022.

Patras cement plant, Greece

ESG performance

In 2023, all occupational Health and Safety leading indicators remained on target. Our Greek operations recorded zero Loss Time Incidents (LTIs) among our own staff. However, three LTIs were recorded among contractors, including one related to off-site works. The combined LTI frequency rate for employees and contractors remained close to the all-time record low of last year. Major initiatives and actions included increasing the size of the team tasked with monitoring off-site works, preparing and rolling out a safety-in-maintenance training module for RMC and Aggregates staff, launching a Personal Protective Equipment (PPE) campaign, and partnering with the Manufacturing Digitization team for the development of several AI projects.

Our intensive decarbonization efforts were marked by three significant milestones: the pre-calciner unit in the Kamari plant was successfully completed and put into operation; the Group's groundbreaking carbon capture project in Kamari, IFESTOS, was selected by the EU Innovation Fund for grant agreement preparation; and finally, the new pozzolanic bagged cement (CEM IV/B(P-W) 32.5 R) with a reduced carbon footprint of up to 25% was launched in November.

TITAN's digital transformation continued at a high pace, yielding significant results in terms of increased productivity and reduced energy consumption. Cement Mill Real Time Optimization (RTO) projects have practically been completed in all integrated plants.

TITAN initiated a comprehensive program dedicated to Diversity, Equity & Inclusion (DE&I), fostering a more inclusive and equitable workplace environment, and enhanced its programs to attract younger and more diverse talent.

Among our many social initiatives in 2023, the one that stands out is the joint TITAN and Paul & Alexandra Canellopoulos Foundation €3 million contribution towards immediate and long-term actions for the rehabilitation effort of areas in Greece affected by wildfires and floods.

Cutting-edge pre-calciner technology slashes CO_2 emissions

A milestone in the Group's decarbonization journey is the €26 million investment in the pre-calciner unit at the Kamari plant. Completed in May 2023, the cutting-edge technology is anticipated to slash annual CO_2 emissions by 150,000 tonnes. The unit facilitates the increased use of alternative fuels, thus decreasing dependence on fossil fuels. The upgraded plant can now incorporate 180,000 tonnes of alternative fuels annually, achieving thermal substitution rates exceeding 70% for Rotary Kiln 1, all of which amounts to savings of 100,000 tonnes of fossil fuels annually. The investment embraces the principles of the circular economy while contributing to climate change mitigation.

Regional performance

Southeastern Europe

2023 HIGHLIGHTS

Sales **€422.4m** *2022: €385.9m*	Scope 1 net CO_2 (kg/t cementitious product): **624.0** *2022: 620.5*
EBITDA **€146.6m** *2022: €95.0m*	Alternative fuel substitution (% heat basis): **9.0** *2022: 9.5*
Assets **€526.7m** *2022: €489.5m*	Clinker to cement ratio (%): **72.0** *2022: 73.3*
Employees **1,098**	LTIFR (employees) **0.5** *2022: 0.1*
Number of community engagement initiatives: **94** *2022: 77*	

Operational units

5	integrated cement plants	21	quarries
5	ready-mix plants	1	processed engineering fuel facility

Improved performance on the back of solid markets' demand and pricing, combined with cost efficiencies achieved through a long-term program of capital investments.

Regional performance

Sales in the region grew by 9.5% to €422.4 million, driven by robust residential demand across most countries, while Serbia relied more on infrastructure projects. The increased sales also reflect the full-year impact of price adjustments in previous quarters. Operationally, several efficiencies and decarbonization projects were completed, focusing on improved reliability of the plants and increased usage of alternative fuels, alternative raw materials and renewable energy, altogether contributing to an increase of EBITDA by 54.4% to €146.6 million. Notably two plants using alternative fuels (Bulgaria and N. Macedonia) increased the substitution rates, while an additional plant (Kosovo) received the relevant permits to invest as well in this decarbonization effort. Furthermore, in line with the Group's strategy, all plants achieved a drop in the clinker-to-cement ratio as the region continued decreasing its carbon footprint.

Albania

In 2023, the Albanian economy grew by ca. 4%, fueled by household consumption and tourism. The construction sector showed robust growth, primarily driven by large residential and office construction projects. Despite operational challenges faced by other producers, TITAN maintained stable sales volumes at high levels. Following extensive maintenance, our plant reached record production levels. Additionally, we reached new records in the utilization of alternative raw materials, contributing to waste utilization and supporting the circular economy.

Bulgaria

Bulgaria's GDP growth slowed down to ca. 2%, with however, the construction market increasing at a higher pace, driven mainly by residential projects in Sofia and other major cities. TITAN sales grew along with the market, while our ready-mix operations, mainly in Sofia, also benefited from the increased local demand. The investment in a new alternative fuels feeding line was completed, allowing us to further reduce the carbon content of our cement products. A project for a 5MW renewable energy plant is also under implementation, supporting further our decarbonization strategy.

Kosovo

Kosovo's economy continued growing, this year at ca. 4%, with a significant rebound in the construction sector, particularly in the residential sector. Production performance hit a new record and our customers benefited from the first year of operation of a "one-stop shop", linking them to all plants of Titan in the broader

Antea cement plant, Albania

region, while we successfully finished the installation of digital real time optimizers in all of the production assets of the plant.

North Macedonia

North Macedonia's GDP grew modestly at ca 3%. The construction market declined due to the completion of older infrastructure projects and delays in new ones. In the residential sector, a delay in urban plans and corresponding permits has been observed. Titan's sales in the country reflected this trend. Our 3MW photovoltaic plant is now in full operation. While we increased the use of locally sourced alternative fuels, their availability remains at low levels compared to our plant's potential.

Serbia

In 2023, the Serbian economy continued growing at a GDP growth rate of ca 2%, a relatively lower pace than in 2022. The construction market performed better, driven by infrastructure projects across the country. TITAN sales remained at last year's high levels, having benefited from specific project positions in the previous year. TITAN completed a major shaft and tunnel project, which will provide more efficient access to its quarry as it continues to extend.

ESG performance

Albania's Antea cement plant set a pioneering example through ten diverse community projects and awareness campaigns, culminating in the establishment of Albania's first ESG Network and earning the prestigious SDG Business Pioneers Award in the International Enterprise Category from the Embassy of Sweden and the United Nations Development Program (UNDP). The plant maintained an exceptional health and safety record, with zero lost time incidents (LTIs) in the last two years. In North Macedonia, the Usje cement plant team concentrated its efforts on enhancing environmental impact by replacing the old clinker cooler filters with new bag filters, considered worldwide as a best available technology. The community engagement initiatives were focused on supporting youth and the reconstruction of three primary schools in neighboring municipalities. In Kosovo, efforts concentrated on securing certifications for new lower-carbon CEM II/C cement type.

Bulgaria stands out for its comprehensive decarbonization effort, achieving an annual average of 48.2% thermal substitution rate. The share of green products increased to 18.4%, representing a 45% annual increase, while the implementation of a 5 MWp photovoltaic power plant commenced. In parallel, safety measures were prioritized through the "Next Step Program", which involves implementing standardized safety procedures and safety awards and regular rescue drills. Notably, tailored safety training programs were developed for technical contractors, including evaluations of driving safety behavior and risk assessments for over 40 drivers and 1,000 km of key routes used by TITAN contractors and employees.

Serbia's endeavors focused on employee welfare by offering a medical plan. The business unit also recorded a remarkable safety performance, reaching 1,000 days without LTIs, while it implemented projects to optimize monitoring and water management in the plant. Notably, we supported local community decarbonization by transitioning three schools and medical centers from coal and fuel oil to gas.

Contributing to the education in our local communities

In Albania, Antea collaborated with nonprofit organizations, running educational initiatives for young students, from kindergarten to high school, reaching 300 children overall. Meanwhile, in Kosovo, Sharrcem celebrated inclusivity, health, and safety at its anniversary event, engaging children in activities promoting environmental awareness and a compassionate world, through ongoing engagement with several local schools and more than 470 children. In Serbia, Kosjeric supported a country-level science festival, offering local communities an opportunity to demonstrate their resilience, and underlined the importance of science and technology in everyday life, bringing together 56 scientific institutions and attracting 18,000 visitors from Southeastern Europe.

Regional performance

Eastern Mediterranean

2023 HIGHLIGHTS

Sales
€239.9m
2022: €255.6m

Scope 1 net CO_2 (kg/t cementitious product):
634.5
2022: 662.2m

EBITDA
€33.2m
2022: €19.6m

Alternative fuel substitution (% heat basis):
20.2
2022: 14.8

Assets
€401.4m
2022: €442.8m

Clinker to cement ratio (%):
79.3
2022: 81.7

Employees
791

LTIFR (employees)
0.7
2022: 0.7

Number of community engagement initiatives:
39
2022: 29

Operational units

3	integrated cement plants	14	quarries
6	ready-mix plants	1	import terminal
1	grinding plant	2	processed engineering fuel facilities

Sustained positive performance despite macroeconomic challenges with inflationary environments and currencies' devaluations.

Market overview

Egypt's macroeconomic difficulties persisted in 2023. Moreover, the country's economy continued to be negatively impacted by the consequences of the war in Ukraine, with added pressures from the war in Gaza. GDP growth reached 4% while the annual inflation rose to ca. 38%. No major progress had been achieved with the IMF in 2023, after the December 2022 agreement for a $3 billion financial support package committing to a broad range of monetary and fiscal reforms as well as a greater role for the private sector; the IMF loan wan renegotiated in March 2024 and increased to $8 billion. The country's reserves in foreign currency were not sufficient to cover debt obligations and costly food imports, resulting in a further ca. 50% devaluation of the Egyptian Pound in 2023 and a spike in interest rates. Cement demand declined by ca.7% after two years of consecutive growth; cement consumption in 2023 reached 47.5 million tonnes.

In Türkiye, the economic environment witnessed a radical change in the monetary and fiscal policy implemented by the government, aiming for the economy's return to a more sustainable path, though it is still not out of the woods. Although household finances came under pressure, the positive steps the authorities have taken to normalize macroeconomic policies had a positive impact on consumer demand. Additionally, the weaker lira increased the competitiveness of Turkish products, therefore boosting export activity. Tourism revenues continued to recover, while construction activity remained strong, especially in the areas close to the earthquake. The local currency further devaluated by ca. 40% and inflation reached 65%, while the economy is expected to have grown by 3.5% in 2023. Domestic cement demand at a national level is estimated to have increased by 19%, reaching 65 million tonnes, however still at lower levels than the peak of 72 million tonnes in 2017.

Regional performance

The Eastern Mediterranean region recorded sales of €239.9 million, a decrease of 6.1% from 2022, impacted by local currency loss of value in both countries. However, increased demand, export volumes, higher rates of use of alternative fuel and favorable pricing resulted in improved profitability margins, allowing for an EBITDA hike from €19.6 million in 2022 to €33.2 million in 2023.

Egypt

In Egypt, the cement market regulation agreement put in place by the government in July 2021 was extended for another year and continued to balance supply and demand, resulting in healthier price levels. Cement demand, having grown for two

Beni Suef cement plant, Egypt

consecutive years, mainly driven by state infrastructure projects and affordable housing, experienced a 7% decline in 2023, reaching 47.5 million tonnes, reflecting the prevailing economic conditions in the country. Our Egyptian operations were aligned with the market, showing a volume drop vs an increase in 2022. Titan Cement Egypt capitalized for the first time on its export opportunities, exporting significant volumes of clinker with a positive impact on its profitability. In addition, the elevated prices that continued to absorb the higher input costs improved the financial results compared to the previous year.

Türkiye

The performance of our Turkish operations in 2023 reflected the upward trend in the cement industry. Despite the absence of large-scale infrastructure projects in our local market, the completion of small/medium-sized private and public projects along with high demand from the earthquake areas contributed to increased consumption. Our operations benefited from the increased domestic demand, marking a double-digit increase in volumes, reversing the drop in 2022, while exports continued to support local activity for another year. Thanks to robust demand, prices increased significantly during the year, offsetting the elevated production costs, a direct effect of higher inflation and the devaluation of the Turkish Lira. Our local modern assets and the healthy balance sheet allowed us to withstand macroeconomic headwinds and meet the growing market demand. Overall, the company's performance marked a considerable improvement, boosting its financial results to a higher level compared to 2022.

ESG performance

Both our Egypt and Türkiye plants exemplify a unified pursuit of excellence in quality, health and safety, and environment, through ISO certifications, robust protocols, and impactful community engagement initiatives.

Titan Cement Egypt has made significant strides in its Health and Safety performance, implementing proactive measures to reduce incidents among contractors and employees. The environmental progress is apparent through the record-high alternative fuels utilization in Alexandria and projects to optimize water consumption and waste water management. Additional efforts toward decarbonization are underway, with a shift towards greener products. Community engagement remained pivotal. The Alexandria plant responded to its community needs, upgrading a local medical center on the basis of proposals that emerged from a 2022 socioeconomic study.

Meanwhile, in Türkiye, Adocim's robust social initiatives encompassed employee support projects, educational scholarships and contributions to disaster relief, showcasing a commitment to societal welfare. Our safety initiatives have placed a strategic emphasis on the continuous enhancement of working conditions, with a particular focus on risk control.

Immediate support to earthquake victims

In February, two powerful earthquakes struck Türkiye, impacting 11 cities. The devastation resulted in a staggering death toll of more than 50,000 people, with over 100,000 individuals sustaining injuries, while extensive damage was inflicted on buildings and crucial infrastructure. Responding swiftly, Adocim dispatched 11 trucks carrying essential supplies, including 1,289 liters of diesel oil, 15 heating stoves, two power generators, and 28,000 units of basic food and baby supplies. Adocim erected a tent city to house around 700 people and offered immediate aid to the Greek search and rescue team. In addition, they organized an iftar meal for 2,000 people in Adiyaman and focused on supporting physical and mental well-being in the affected region.

Quixere cement plant. Brazil

Regional performance

Joint venture in Brazil

High interest rates, lower disposable income and delays in the public housing program affected the cement market

Market overview

Following the strong recovery of cement demand between 2018-2021 (+23%), in 2023 domestic cement demand saw a mild contraction for a second consecutive year, retracting by 1.4% compared to the previous year, reaching 62 million tonnes. Interest rates remained high, impacting real estate financing, thereby negatively affecting housing starts and production costs. Furthermore, the government's affordable housing program lagged, with launches beginning only after the second half of the year.

Regional performance

Cement consumption in the northeast, Apodi's natural market, slightly increased by 0.4% compared to the previous year. Apodi continues its focus on pricing and special products, further penetrating the bulk segment by serving the pre-cast industry, the growing regional wind park sector, the expansion of the Sao Francisco canal water belt and dam and high-rise construction. In 2023, Apodi posted increased sales of €128 million versus €116 million in 2022, while EBITDA reached €24 million versus €21 million in 2022.

ESG performance

Apodi experienced a remarkable year with significant investments aimed at promoting innovation. Key initiatives included enhancing the Technological Center, which features a state-of-the-art research and development infrastructure. Additionally, through the Apodi Expert Program, we focused on developing products, services, and solutions that prioritize reducing the carbon footprint, improving production efficiency, and advancing the circular economy.

We initiated the first phase of a significant project approved by the Financier of Studies and Projects (FINEP), encompassing four major industry initiatives. These initiatives are focused on: 1) enhancing sustainability, performance, and innovation in water usage and reuse; 2) developing a hydrogen production system; 3) utilizing tailings effectively; and 4) advancing the Industry 4.0 Project.

The company further advanced its management maturation process with the introduction of the Sustainability Track. This initiative successfully engaged all senior management and 75% of middle management in meeting sustainability goals. Additionally, the launch of our Volunteer Program made a significant impact, benefiting over 800 individuals, including community members and NGOs near our cement and concrete operations. This program involved 75 volunteers dedicating an average of eight hours each annually across 25 structured projects.

Introducing young minds to the world of robotics

In Brazil, the Industrial Social Service (SESI), which is linked to the Federation of Industries of the State of Ceará, has formed a partnership with manufacturing industries to provide robotics kits for schools, closing an educational gap. Cimento Apodi commissioned SESI to train 22 elementary teachers, who teach 260 students between six and 14 years old, as well as two Apodi employees. The company also provided the school with a robotics kit. Thanks to the project, the school now has trained teachers and robotics equipment to teach children how to be innovative and use technology in everyday life.

Other business activities

ST Equipment & Technology (STET)

During 2023, we entered a cementitious materials venture in Greece, successfully concluded the inaugural year of our first digital service business, CemAI, and made significant advances in our GAEA, Ecorecovery and ST Equipment and Technology businesses.

Aegean Perlites

AEGEAN PERLITES SA

With the aim to enhance the Group's global offering of green, low-carbon cementitious products, in February 2023 TITAN took a participation in Aegean Perlites, partnering with its majority shareholder family, thereby securing the long-term pozzolan sourcing needs of the Group. Aegean Perlites, founded in 1994, operates perlite and pozzolan quarries on the Greek island of Yali, which has substantial high-quality reserves, including access to port-loading facilities for seaborne distribution worldwide. The company serves the construction, agriculture and fertilizer industries. Through this participation, TITAN is gaining direct access to a key raw material which will allow the enlargement of the Group's offering of low-carbon cementitious products.

GAEA

GAEA
GREEN ALTERNATIVE ENERGY ASSETS

Green Alternative Energy Assets (GAEA) is a company that provides services in waste utilization and alternative fuels production. Established in 2011 in Bulgaria, GAEA is recognized as a reliable solutions provider in the Bulgarian waste market. During its 12 years of operation, GAEA has provided solutions to a wide range of manufacturing and recycling industries in Bulgaria, actively contributing to the circular economy. GAEA has also expanded its operations in Egypt since 2016, providing solutions for municipal solid waste to the municipalities of Alexandria and Beni Suef and producing refuse-derived fuel (RDF) to supply the Group's cement plants, thus reducing the Group's carbon footprint.

Ecorecovery

ecorecovery
waste management services

Ecorecovery S.A. is a Greek company specialized in the production of high-quality Solid Recovered Fuel (SRF) through the processing of non-dangerous wastes that cannot be further recycled. Since 2015, Ecorecovery has established itself as a reliable partner in the waste management sector in Greece, providing valuable solutions in the utilization of waste. The company's facilities are able to process a variety of commercial and industrial waste streams and residues of material recycling facilities, thus diverting a significant amount of waste from landfill. Following a highly standardized production and quality assurance process, the processed wastes are transformed into a high value-adding secondary fuel for the cement industry that contributes to decreasing its carbon footprint.

Other business activities

STET

Separation Technologies LLC
A Titan America Business

ST Equipment & Technology LLC (STET), a wholly-owned subsidiary of the TITAN Group based in Boston, USA, is a designer, manufacturer and marketer of proprietary separation equipment. STET's patented technology is ideally suited to the processing of dry powders and the recycling of waste streams in an innovative, sustainable and cost-effective manner, contributing to the circular economy and climate change mitigation. Applications of STET's processing technology include the recycling of coal combustion fly ash, the water-free processing of minerals, and the upgrading of plant-derived proteins for animal feed and human food applications. With STET, producers of high-fiber proteins such as sunflower meal, canola meal and distillers' grain can generate protein concentrate ingredients with environmentally benign fractionation technology. In 2023, STET continued the development of its plant protein processing capabilities to meet the growing global need for high-quality plant protein sources. Active projects undergoing pilot optimization trials include protein enrichment of multiple oil seed meals to produce higher-value feed ingredients in both North America and Europe. In addition to food and feed applications, STET continued to pursue new long-term opportunities to recycle coal combustion fly ash harvested from historic landfills and impoundments to generate low-carbon supplementary cementitious products. The STET separator remains the only commercially proven, non-thermal solution for removing unburned coal char from fly ash, resulting in a highly sustainable building material product. In 2023, STET also continued project development in key high-volume minerals, including the deployment of STET's containerized mobile separator unit at multiple customer sites for industrial pilot trials of phosphate rock and potash, two major fertilizer minerals that are critical inputs to the global agricultural sector.

CemAI

cem AI Cement Intelligence

CemAI, Inc. (CemAI), an affiliate company providing a next-generation predictive maintenance solution based on Artificial Intelligence for the cement industry, has expanded its global footprint through installations at all TITAN Group integrated cement plants and through third-party customers. CemAI is now continuously monitoring over 18 installations worldwide. Leveraging the unique manufacturing and maintenance experience plus the digital expertise of TITAN, the solution is helping cement companies recognize improved reliability and energy efficiency, lower maintenance costs and reduced downtime. It leverages machine-learning technology that processes in real time the operating data of entire cement plants, generating alerts that are analyzed by a team of experts with years of experience in cement operations, working in close collaboration with the plant's operational teams, to resolve issues before they affect operations. CemAI works through remote monitoring centers that collect and analyze the data stream from plant sensors, 24/7.

Outlook 2024

The resilience of the global economy throughout 2023 saw inflation falling slower than expected amidst restrictive monetary policies. While the likelihood of a hard landing has lessened, tight monetary conditions may continue due to persistent inflation.

In the US, the construction market is expected to grow thanks to the combination of increased infrastructure and commercial activity. The momentum is driven by the surge in large-scale and infrastructure projects, effectively outweighing declines in the interest rate-sensitive categories of residential and light nonresidential. However, any such market softening should not last long, countered by buoyant demand in the regions we operate. Notwithstanding the challenges of labor shortages and the persistent struggle to recruit skilled employees, the pricing outlook for both cement and aggregates remains notably positive; tight supply in the face of strong demand fortifies this outlook. The strength of the US economy, coupled with healthy state financials, population growth, housing pent-up demand and an expected infrastructure funding boost, should all weigh positively on demand for our products in the coming years. Notably, the strengthening of our operations and our market-enhanced presence with the addition of two new domes in our Florida and Virginia terminals positions us for continued success in the country.

Construction activity in Greece should continue to expand in 2024, supported by the implementation of the European Recovery and Resilience Plan (RRP) and a resilient economy. As the implementation of the RRP shifts towards investments, it is set to sustain growth in capital spending. The construction sector should continue to grow as many large infrastructure projects are well on the way, such as a highway in southwestern Greece, the new airport and a highway connecting east to west in Crete, the flyover in Thessaloniki, as well as numerous other infrastructure and land development projects across the mainland. The Group will continue to develop its capacity to efficiently service this growing market's needs, expanding its product offering and further capitalizing on its more than 150 million tonnes of recently acquired reserves of aggregates, pozzolana and perlite. Moreover, the expansion of our Ready-Mix distribution network should further enhance profitability, in this high-growth market supported by residential, commercial and tourism-related projects.

The markets in Southeastern Europe have exhibited resilience despite political uncertainty and global geopolitical tensions. Growth is set to accelerate moderately ahead, with inflation expected to soften, while wage growth and remittances bolster disposable incomes, coupled with substantial stimuli supporting major public infrastructure projects. EU accession negotiations may accelerate structural reforms that bolster fiscal sustainability. A slowdown in the region's EU trading partners could, however, dampen sentiment, moderate consumption and real growth. Amidst this environment, the Group is investing in further solidifying its profitability in the region through efficiency investments in its North Macedonia and Kosovo plants, by increasing alternative fuels and materials use in Bulgaria and in Albania, by developing new port storage to better serve the Montenegro market and by increasing new mobile equipment capacity in Bulgaria and North Macedonia.

Both Egypt and Türkiye face challenging times ahead. In Türkiye, the central bank has signaled its mandate to cool inflation with a return to more orthodox policies. This is balanced by the country's economic strengths, such as a relatively high GDP per capita, a dynamic and entrepreneurial private sector, and a more diversified economy. The Group will continue its energy efficiency investments while advancing its blended cement sales with the introduction of new products. In Egypt, in March 2024, an Abu Dhabi investment vehicle, launched a $35 billion investment in a new mega real estate development project west of Alexandria, with a large part of the funds already injected. In parallel, the IMF bailout loan was increased to $8 billion, while the central bank increased interest rates and allowed the Egyptian pound to devalue and float, with the exchange rate initially settling at EGP 49/$1 (up from the previous rate of EGP 31/$1). These developments have created new conditions for the Egyptian economy as the country's default risk is practically no longer a concern. The market will now operate freely and international trade has been unblocked, clearly setting a more optimistic outlook for the Egyptian market.

In 2024, the Group will continue to pursue its Strategic 2026 priorities to capture growth based on its performance-driven local operating model and supported by fast-paced execution. Our 2024 outlook is positive, thanks to improved volumes and pricing in our main markets in the US and Europe, which represent more than 90% of Group sales, as well as to the completed growth-oriented projects that should further improve our margin performance. Our focus is on delivering cutting-edge solutions to meet our customers' evolving needs, ensuring low-carbon operations, digitalizing our organization for greater efficiency, and delivering long-term sustainable value to all our stakeholders.

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

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

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

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

1.2 Deviations from the CG Code

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

1.2.1 Non-executive members of the Board of Directors do not receive part of their remuneration in the form of Company shares. Share-based remuneration is granted only to the Non-Executive Chair of the Board of Directors as per the revised Remuneration Policy implemented in 2023. This partial deviation from Provision 7.6 of the CG Code is explained by the fact that the interests of the non-executive members of the Board of Directors are currently considered to be aligned with the creation of long-term value for the Company, even in the absence of any portion of their remuneration being granted in the form of shares. However, the Company is considering a further alignment with Provision 7.6 of the CG Code, in line with the prior adaptation made for the Non-Executive Chair.

1.2.2 Until the end of 2023, no provisions were in place enabling the Company to recover variable remuneration paid, or withhold the payment of variable remuneration. However, the revised Remuneration Policy, endorsed by the Board of Directors on 20 March 2024 and subject to the approval of the Annual General Meeting of Shareholders of 2024, does incorporate relevant provisions.

1.3 Governance Structure

The Company has adopted a one-tier governance structure consisting of the Board of Directors, vested with the authority to carry out all actions that are necessary or beneficial to achieve the Company's purpose, excluding those explicitly granted to the General Meeting of Shareholders by law.

At least once every five years, the Board of Directors shall reassess whether the chosen governance structure is still appropriate and, if not, it shall submit a proposal for a new governance structure to the General Meeting of Shareholders. In November 2023, the Board of Directors assessed the one-tier governance structure and concluded that the chosen governance structure remains appropriate.

2. Board of Directors

2.1 2023 Highlights

2.1.1 Board of Directors Highlights

- Appointment of Dimitrios Papalexopoulos as Non-Executive Chair of the Board of Directors as of 1 January 2023, succeeding Efstratios-Georgios Arapoglou.
- Appointment of Marcel-Constantin Cobuz as executive member of the Board of Directors as of 1 January 2023. The appointment was confirmed by the Annual General Meeting of Shareholders held on 11 May 2023.
- Appointment of Paula Hadjisotiriou as independent non-executive member of the Board of Directors as of 1 June 2023 to replace Mona Zulficar for the remainder of her mandate, subject to confirmation by the General Meeting of Shareholders.

2.1.2 Board Committees Highlights

- Establishment of a new Strategy Committee at Board level, chaired by Alexandra Papalexopoulou and approval of its terms of reference.
- Change in the composition of the Nomination Committee, chaired by Lyn-Mary Grobler.
- Change in the composition of the Remuneration Committee, chaired by Andreas Artemis.

2.1.3 Group Executive Committee Highlights

Change in the composition of the Group Executive Committee, chaired by Marcel-Constantin Cobuz, with the appointment of Samir Cairae and Alexandra Eleftheriou replacing departing members, and the appointment of Jean-Philippe Bénard assuming the newly created role of the Head of Supply Chain and Energy Development.

2.2 Role and Powers of the Board of Directors

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

The 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 role, the duties and the powers of the Board of Directors are outlined 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/).

2.3 Directors' resumes

Dimitrios Papalexopoulos

Non-Executive Chair

Dimitrios Papalexopoulos has been the Chair of the Board of Directors of TITAN Cement International, since 1 January 2023. He started his career as a business consultant for McKinsey & Company Inc. in the USA and Germany.

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

He is chair of the board of the Hellenic Federation of Enterprises (SEV), vice-chair of the European Round Table for Industry (ERT) and chairs the ERT's energy transition and climate change committee. He is a member of the board of the Foundation for Economic and Industrial Research (IOBE), the Hellenic Foundation for European and Foreign Policy (ELIAMEP) and of Endeavor Greece.

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

Kyriacos Riris

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

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

He completed his professional exams with the Association of Certified Chartered Accountants (ACCA) in the UK in 1975, becoming a fellow of the Association of Certified Accountants in 1985. Since 1976 he has worked mostly in Greece. He was a member of the executive committee of PwC Greece and became a partner in 1984. His responsibilities have included that of managing partner of the audit and the advisory/consulting departments, and later deputy territory senior partner.

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

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

Michael Colakides

Managing Director – Group CFO

Michael Colakides started his career at Citibank Greece, where he worked for 14 years, and over time he held the positions of head of FIG and head of corporate finance and local corporate banking (1979–1993). In 1993, he was appointed executive vice chairman of the National Bank of Greece responsible for the corporate and retail banking business, the domestic and international branch network, and was chair/member of senior committees.

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

From 2000 to 2007, he served as vice-chair and managing director of Piraeus Bank S.A., overseeing the domestic wholesale and retail banking business, as well as the group's international network and activities. In 2007, he joined EFG Eurobank Ergasias S.A., assuming the position of deputy CEO–group risk executive dfficer (2007–2013), overseeing the risk management functions of the group in Greece and abroad. In January 2014, he returned to TITAN Group, assuming the position of Group CFO and Executive Member of the BoD. In July 2019, he was also appointed to the position of Managing Director of TITAN Cement International S.A. As of November 2021, he is the non-executive chair of Alpha Bank Cyprus.

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

Marcel-Constantin Cobuz

Executive Director
Chair of the Group Executive Committee
Member of the Strategy Committee

Marcel Constantin Cobuz has been Chair of the Group Executive Committee of TITAN Group since 15 October 2022. He has more than 20 years of experience in international leadership, innovation and transformation roles.

He started his career in the field of investment banking and as an entrepreneur in Romania. In 2000, he joined Lafarge, a major multinational company in building materials, where he served in various leadership roles in Europe, Asia, Middle East and Africa. His last role was CEO Europe for LafargeHolcim.

During his career he has also served on boards of different businesses, and not-for-profit education organizations.

He studied Law and Economics in Bucharest, completed the Harvard Business School Advanced Management Program and attended executive programs at INSEAD, IMD and Singularity Group.

William-John Antholis

Independent Director
Member of the Nomination Committee

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

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

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

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

Leonidas Canellopoulos

Executive Director
Member of the Strategy Committee

Leonidas Canellopoulos is the Chief Sustainability and Innovation 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 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.

Andreas Artemis

Independent Director
Chair of the Remuneration Committee

Andreas Artemis has been an executive member of the board of Commercial General Insurance Group since 1985 and chair since 2002.

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

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

Haralambos David

Independent Director
Member of the Remuneration Committee

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

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

Today he is the chair of Frigoglass S.A. and is on the boards of A.G. Leventis (Nigeria) PLC, the Nigerian Bottling Company Ltd, Beta Glass (Nigeria) PLC, Frigoglass Industries (Nigeria) Ltd, Pikwik (Nigeria) Ltd (a joint venture with Pick n Pay, South Africa) and Aristeus FInancial Services Ltd. He is director of the board of the Anastasios G. Leventis Foundation, Cyprus, chair of the A.G. Leventis Foundation's Olympic Preparation Scholarship Committee and board member of Cyprus Seeds for Technological Innovation.

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

He has been honored with the rank of Taxiarches of the Greek Orthodox Patriarchate of Alexandria and with the Chieftaincy of Sulkin Keffi in Nigeria.

A collector of contemporary African and African diaspora art, he is a member of the TATE Modern's African acquisitions committee as well as a member of the global council of the Studio Museum in Harlem.

Lyn-Mary Grobler

Independent Director
Chair of the Nomination Committee

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

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

She is also vice-chairperson of the Bank of Cyprus.

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

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

Natalia Nikolaidi

Independent Director
Member of the Audit and Risk Committee

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

She worked in Credit Suisse for 24 years, where she served as global general counsel for the investment banking and capital markets division. Prior to that she was the head, risks and controls, for CS's investment banking division. Her work in private practice in New York law firms from 1991 to 1996 focused on corporate finance.

She currently holds the following non-executive positions: non-executive director of Aegean Airlines S.A., where she chairs the remuneration and nominations committee and the sustainability committee; non-executive director of Mytilineos S.A., where she serves on the sustainability committee; and non-executive director of SMCP S.A., a French-listed company where she is a member of the audit committee.

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

Paula Hadjisotiriou

Independent Director

Paula Hadjisotiriou has extensive and wide-ranging banking and managerial experience in Europe, with special expertise in finance, strategy, governance, remuneration and corporate transactions.

Following qualification as a chartered accountant in London and working with PwC, she joined the Latsis Group in Greece as deputy group internal auditor and then embarked on a long banking career from 1990 to 2015 with Eurobank Ergasias (group CFO, head of strategy and governance and company secretary) and National Bank of Greece (group CFO and deputy group CEO also responsible for treasury and operations). Since then, she has been advisor to the group CEO of EFG International in Zurich, served as an independent non-executive member on the board, member of the audit, risk and technology committees and chair of the risk committee of the Bank of Cyprus from 2018 to 2023, and currently also serves as a non-executive member on the board and member of the nominations committee of EFG Private Bank in London and as an independent non-executive member of the board, member of the risk committee and chair of the audit and remuneration committees of Credit Suisse (Europe) in Madrid.

She holds a Foundation Diploma from the North London Polytechnic and has been a member of the Institute of Chartered Accountants in England and Wales since 1981.

Ioannis Paniaras

Executive Director

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

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

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

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

Since 2022, he has served on the board of Quest Holdings S.A. as an independent non-executive director and chair of its board sustainability committee.

Alexandra Papalexopoulou

Executive Director
Chair of the Strategy Committee
Member of the Nomination Committee

Alexandra Papalexopoulou is an Executive Member of the Board of Directors of TITAN Cement International S.A. and Chair of the Board Strategy Committee.

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 early 1990s.

Joining TITAN Group in 1992, she started out in international trading and business development, then headed Strategic Planning, before becoming Deputy Chair of the Group Executive Committee.

Currently, she is an independent, non-executive director of Aegean Airlines S.A. and of Coca-Cola HBC, a FTSE 100 company. She is also a member of the board and treasurer of the Paul and Alexandra Canellopoulos Foundation and serves on the board of trustees of INSEAD.

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

Dimitris Tsitsiragos

Independent Director
Member of the Audit and Risk Committee
Member of the Strategy Committee

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

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

From 2018 to 2022, he served as senior advisor, emerging markets at the Pacific Investment Management Company (PIMCO). He currently sits on the board of Alpha Bank (Greece) as an independent director.

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

Theodora Taoushani

Independent Director
Member of the Remuneration Committee

Theodora Taoushani is an advocate, member of the Cyprus Bar Association and a partner in Lellos P. Demetriades Law Office LLC. She specializes in matters of corporate/commercial law, corporate finance and insurance law.

She started her career in Greece in the insurance industry and on her return to Cyprus she was employed by the Laiki Group from 1987 to 2007, serving in various positions in Laiki Insurance (now CNP) and then as head of the group's legal services department with responsibility for and supervision of the group's legal function. Since 2014 she has served as executive director in the board of Lellos P. Demetriades Law Office. She also holds the following non-executive directorships: TDE (Overseas) Ltd (appointed in 2016), Yellow Dot Ltd (appointed in 2016) and Interchange Group (appointed in 2014).

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

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

Vassilios (Bill) Zarkalis

Executive Director

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

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

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

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

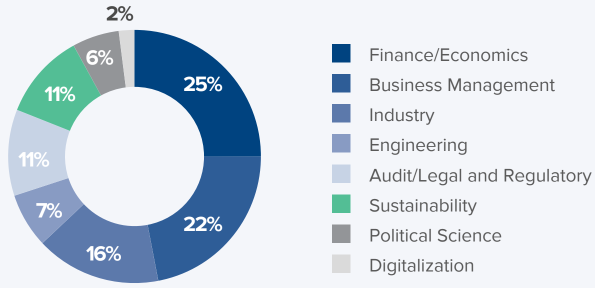
2.4 Appointment and Replacement of the Members of the Board of Directors

Pursuant to Article 17 of the Company's Articles of Association, the Company is managed by a Board of Directors consisting of a minimum of three directors appointed by the General Meeting of Shareholders. 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 General Meeting of Shareholders.

Should any of the director's mandates become vacant, for whatever reason, the remaining directors may temporarily fill such a vacancy, subject to confirmation of such appointment by the next General Meeting of Shareholders. If there is no confirmation, the mandate of the appointed director shall expire immediately after the General Meeting of Shareholders, without prejudice to the validity of the composition of the Board of Directors until that date.

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

Board expertise



2.5 Composition of the Board of Directors

As at 31 December 2023, the Board of Directors was composed of sixteen directors:

- The majority of directors, namely ten out of sixteen, including the Chair, are non-executive directors.
- Nine out of the sixteen directors, namely William-John Antholis, Andreas Artemis, Haralambos David, Lyn-Mary Grobler, Paula Hadjisotiriou, Natalia Nikolaidi, Kyriakos Riris, Theodora Taoushani and Dimitris Tsitsiragos, met on their appointment the independence criteria of Article 7:87 of the Belgian Code on Companies and Associations (the "BCCA") and those of Provision 3.5 of the CG Code.
- Six out of the sixteen directors, namely Leonidas Canellopoulos, Marcel-Constantin Cobuz, Michael Colakides, Ioannis Paniaras, Alexandra Papalexopoulou and Vassilios (Bill) Zarkalis, are executive directors.
- Five out of the sixteen directors are women.
- The directors represent five different nationalities (American, British, Cypriot, French and Greek).

Composition of the Board of Directors as at 31 December 2023

Name	Position	Start date of first mandate	Start date of current mandate	End date of current mandate
Dimitrios Papalexopoulos	Chair, Non-Executive Director	July 2019	May 2022	May 2025
Kyriacos Riris	Vice-Chair, Independent Non-Executive Director	October 2018	May 2022	May 2025
Michael Colakides	Managing Director	July 2019	May 2022	May 2025
Marcel-Constantin Cobuz	Executive Director	January 2023	January 2023	May 2025
William-John Antholis	Independent Non-Executive Director	July 2019	May 2022	May 2025
Andreas Artemis	Independent Non-Executive Director	July 2019	May 2022	May 2025
Leonidas Canellopoulos	Executive Director	July 2019	May 2022	May 2025
Haralambos David	Independent Non-Executive Director	July 2019	May 2022	May 2025
Lyn-Mary Grobler	Independent Non-Executive Director	December 2021	May 2022	May 2025
Paula Hadjisotiriou[1]	Independent Non-Executive Director	June 2023	June 2023	May 2025
Natalia Nikolaidi	Independent Non-Executive Director	May 2022	May 2022	May 2025
Ioannis Paniaras	Executive Director	May 2021	May 2022	May 2025
Alexandra Papalexopoulou	Executive Director	July 2019	May 2022	May 2025
Theodora Taoushani	Independent Non-Executive Director	May 2022	May 2022	May 2025
Dimitris Tsitsiragos	Independent Non-Executive Director	March 2020	May 2022	May 2025
Vassilios (Bill) Zarkalis	Executive Director	July 2019	May 2022	May 2025

1. Paula Hadjisotiriou was appointed as an independent non-executive member of the Board of Directors as of 1 June 2023 to replace Mona Zulficar for the remainder of her mandate, subject to confirmation by the General Meeting of Shareholders.

Nationalities represented on the Board (American, British, Cypriot, French, Greek)

5

Women on the Board

5

Independent Directors

9/16

2.6 Functioning of the Board of Directors

During 2023, the Board of Directors held eight meetings: on 17 January, 21 March, 30 March, 10 May, 8 June, 26 July, 8 November and 1 December 2023.

Pursuant to provisions 3.11 of the CG Code and 3.1.2 of Appendix 1 of the CG Charter, the non-executive members of the Board of Directors held a meeting on 8 November 2023, in the absence of the Managing Director and the other executive directors, achieving an attendance rate of 100%.

In 2023, the members of the Board of Directors achieved an average attendance rate of 97% for all of Board meetings, while the Committee meetings achieved an attendance rate of 100%.

The individual attendance rates of the members of the Board of Directors for its meetings and for the meetings of the Board Committees held in 2023, are included in the table below:

Directors' individual attendance

Director	Board of Directors meetings	Individual attendance rate in Board meetings (%)	Non-Executive Directors meetings	Audit and Risk Committee meetings	Remuneration Committee meetings	Nomination Committee meetings	Strategy Committee meetings	Individual attendance rate in Committee meetings (%)
Dimitrios Paplexopoulos	8/8	100 %	1/1					
Kyriacos Riris	8/8	100 %	1/1	6/6				100 %
Michael Colakides	8/8	100 %						
Marcel-Constantin Cobuz	8/8	100 %					2/2	100 %
William-John Antholis	8/8	100 %	1/1			4/4		100 %
Andreas Artemis	8/8	100 %	1/1		2/2			100 %
Leonidas Canellopoulos	8/8	100 %					2/2	100%
Haralambos David	8/8	100%	1/1		2/2			100 %
Lyn-Mary Grobler	8/8	100 %	1/1			4/4		100 %
Paula Hadjisotiriou[1]	3/4	75 %	1/1					
Natalia Nikolaidi	8/8	100 %	1/1	6/6				100 %
Ioannis Paniaras	8/8	100 %						
Alexandra Papalexopoulou	8/8	100 %				4/4	2/2	100%
Theodora Taoushani	8/8	100 %	1/1		2/2			100 %
Dimitris Tsitsiragos	8/8	100 %	1/1	6/6			2/2	100 %
Vassilios (Bill) Zarkalis	8/8	100 %						
Mona Zulficar[2]	3/4	75 %						

1. Paula Hadjisotiriou was appointed as an independent member of the Board of Directors effective as of 1 June 2023.
2. Mona Zulficar served as a member of the Board of Directors until 1 June 2023 and as Chair of the Remuneration Committee until 31 January 2023.

Board attendance

97%

Discussions and decisions

In 2023, the meetings of the Board of Directors were mainly focused on, but were not limited to:

- Financial Performance, including the approval of the annual budget, the alignment of financial goals with the strategic objectives, the monitoring of budget execution and financial performance against targets, and the review and approval of financial statements.
- Strategic Planning, including the approval of the Strategic Directions 2026 for Green Growth, the exploration of new initiatives to drive innovation, the redefinition of the Group's purpose, the revitalization of the Group's values, and the alignment of strategic goals with the evolving needs and ambitions of the Group.
- Operational Updates, including updates on major projects, milestones achieved, and challenges to day-to-day operations, discussion on infrastructure improvements and investments to enhance operational efficiency and customer experience.
- ESG Performance, including the quarterly review of CO_2 emissions within the framework of the SBTi targeting 1.5°C, quarterly updates on key sustainability and green innovation initiatives, ESG ratings and discussions on the Carbon Capture and Storage Project (IFESTOS).
- Internal Control and Risk Management, including the monitoring of the framework of internal control and risk management and the review of the strategies and actions implemented to mitigate identified risks.
- People Agenda, including discussions on leadership development initiatives, succession planning and talent management.

2.7 Evaluation of the Board of Directors

In accordance with its terms of reference outlined in Appendix 1 of the CG Charter, the Board of Directors conducts, at least every three years, an assessment of its performance, its interaction with the executive management, as well as its size, composition and functioning and that of its Committees. The evaluation is carried out through a formal process, which may or may not involve external facilitation.

In October 2023, the Board of Directors carried out a formal Board evaluation without external facilitation. The members of the Board of Directors received a questionnaire, in the form of a survey link, ensuring the anonymity of each participant. The evaluation focused primarily on the performance, composition, preparation and functioning of the Board of Directors and its Committees, and the interaction between the Board of Directors and the executive management of the Company.

The results of the Board's evaluation were presented and discussed at the meeting of the Board of Directors held on 8 November 2023. The results revealed a comprehensive consensus regarding the successful implementation of sound practices concerning crucial governance objectives. No concerns were raised regarding the performance, preparation and functioning of the Board of Directors.

With regard to the appointment of the former Chair of the Group Executive Committee as the Non-Executive Chair of the Board of Directors, an assessment was conducted to determine the required level of autonomy for the new Chair of the Group Executive Committee. The assessment indicated that the required autonomy for the new Chair of the Group Executive Committee is adequately established. This affirmation is based on the fact that the Chair of the Board of Directors has the option to participate in the meetings of the Group Executive Committee, but is not involved in the decision-making process. Moreover, the new Chair of the Group Executive Committee possesses a highly credible professional background, ensuring that the required autonomy remains unimpeded. Additionally, the independent members of the Board of Directors, during their annual meeting on 8 November 2023, assessed the interaction between the Non-Executive Chair of the Board of Directors and the Chair of the Group Executive Committee during 2023, and concluded that the transition did not impede the autonomy of the new Chair of the Group Executive Committee.

2.8 Code of Conduct

The Company has drawn up a Code of Conduct setting out the anticipated standards for responsible and ethical behavior among the members of the Board of Directors, as outlined in Appendix 1 of the CG Charter.

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

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

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

2.9 Transactions Policy – Conflicts of Interest

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

During 2023, the following decisions were taken, without the presence of one or more Executive Members of the Board:

2.9.1 Resolution of the meeting of the Board of Directors held on 21 March 2023: Reporting of the Remuneration Committee

"The Executive Directors, namely Marcel Cobuz, Michael Colakides, Leonidas Canellopoulos, Yanni Paniaras, Alexandra Papalexopoulou and Bill Zarkalis, declared that they have a possible conflict of interest, pursuant to article 7:96 of the Belgian Code on Companies and Associations, regarding the items to be discussed and withdrew from the meeting. The conflict of interest is related to the fact that the Executive Directors are potential beneficiaries of the bonus pay-outs, the Deferred Compensation Plan, the salary increases and the LTIP awards. The non-executive Chair of the Board, Mr. Dimitri Papalexopoulos, also declared that he has a possible conflict of interest due to his position as Executive Director until 31 December 2022, position that makes him a potential beneficiary of the bonus pay-out and the Deferred Compensation Plan and withdrew from the meeting. [...]

The Chair of the Remuneration Committee, Mr. Andreas Artemis, took the floor informing the present members of the Board of Directors about the deliberations of the meeting of the Remuneration Committee held on 8 March 2023.

The present members of the Board, following a thorough discussion on the recommendations of the Remuneration Committee, which promote the Company's interests and align the interests of the executive management with the interests of the shareholders, decided, unanimously and by separate votes, the following:
[...]
4. To approve the annualized salaries for 2023, bonus pay-out for 2022 and LTIP awards for 2023 for Executive members of the Board, members of the Management Committee and of the Group Executive Committee, as well as for the Group Internal Audit, Risk & Compliance Director, noting that the total value of the above amounts to €13.0m (rounded) and are granted subject to the achievement of personal and collective targets provided in the Remuneration Policy.

5. To approve the 2022 Remuneration Report as per the file presented to the Board and submit it to the Annual Shareholders' Meeting for approval.

6. To approve the revised 2023 Remuneration Policy, as per the file presented to the Board, including among others the introduction of share-based remuneration for the non-executive Chair of the Board and revised remuneration for the Chair of the Audit and Risk Committee, effective as of 01.01.2023 and to submit it to the Annual Shareholders' Meeting for approval. It was noted that the revised Remuneration Policy, to the extent referred to the fees of the members of Remuneration Committee, was presented to the Board without recommendation [...]."

2.10 Dealing Code

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

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

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

3. Board Committees

3.1 Introduction

The Board of Directors has established the following Committees:

- Audit and Risk Committee
- Nomination Committee
- Remuneration Committee
- Strategy Committee

The terms of reference of the Board Committees defining the rules governing their composition, tasks and method of functioning are laid down in Appendices 3-6 of the CG Charter, available on the Company's website (https://www.titan-cement.com/wp-content/uploads/2023/02/TCI_CorporateGovernanceCharter_01.02.2023.pdf).

The Board of Directors regularly reviews the composition of its Committees to ensure alignment with legal requirements, the evolving needs of the Company and market expectations.

3.2 Audit and Risk Committee

3.2.1 Composition

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

With a career spanning some 40 years, the Chair of the Audit and Risk Committee brings extensive experience in auditing and accountancy, while the other members of the Audit and Risk Committee, as a result of their education and professional background, collectively contribute their expertise related to the activities of the Company.

3.2.2 Role

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

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

3.2.3 Activities in 2023

In 2023, the Audit and Risk Committee held six meetings: on 16 January, 20 March, 29 March, 9 May, 25 July and 7 November.

The members of the Audit and Risk Committee achieved an attendance rate of 100% for all meetings.

In 2023, the discussions and decisions of the Audit and Risk Committee were mainly focused on:

- the review of the Company's annual and half-yearly consolidated and stand-alone financial statements and quarterly results;
- the review of draft press releases for publication, and of the annual report and the half-yearly report;
- the implementation of the Internal Audit Plan and the monitoring of the internal audit organization, resources and competences;
- the review and monitoring of the Audit Plan presented by the External Auditor;
- the review of the report of the External Auditor on the annual consolidated and stand-alone financial statements and the discussion on their findings;
- the review and approval of non-audit services;
- the review of the Group Risk Management, including climate- and ESG- related risks, as well as cybersecurity risks;
- the monitoring of implementation of the Group Compliance and Anti-Fraud Program.

3.2.4 External Auditor

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

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

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

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

The yearly 2023 audit fees for the statutory accounts of the Company were set at €157,500 (plus VAT and out-of-pocket expenses) (€125,756 in 2022).

The audit fees for the Group and statutory audit of the Company's subsidiaries and affiliates in 2023 amount to €1,700,755 (€1,509,208 in 2022).

Non-audit fees (for the Company, subsidiaries and affiliates) paid or accrued in 2023 amount to €475,628 (€502,521 in 2022) and include:
- Audit-related fees (assurance services for the Company, its subsidiaries and affiliates) €27,200 (€243,122 in 2022);
- Tax advisory, other advisory and compliance services €448,428 (€259,399 in 2022).

3.3 Remuneration Committee
3.3.1 Composition
Chair: Andreas Artemis, independent director
Members: Haralambos David, independent director
Theodora Taoushani, independent director

3.3.2 Role
The Remuneration Committee has the duties set out in Article 7:100 of the BCCA, including the preparation and assessment of proposals for the Board with regard to:
- the Company's remuneration policy and the remuneration of directors, members of the Company's Management Committee and members of the Group Executive Committee, as well as arrangements concerning early termination;
- the annual review of the executive management's performance; and
- the realization of the Company's strategy against performance measures and targets.

3.3.3 Activities in 2023
In 2023, the Remuneration Committee held two meetings: on 8 and 28 March.

The members of the Remuneration Committee achieved an attendance rate of 100% for all meetings.

In 2023, the discussions and decisions of the Remuneration Committee were mainly focused on:
- the variable remuneration payouts for 2022;
- the salary increases for 2023, the bonus payout for 2022 and LTIP awards for 2023 for the executive members of the Board, the members of the Management Committee, the members of the Group Executive Committee and the Group Internal Audit, Risk and Compliance Director;
- the Remuneration Report for the year 2022;
- the review of the Remuneration Policy;
- the review of the targets set for the Short-Term Incentive Plan and the Deferred Compensation Plan; and
- the review of the remuneration packages of new members of the Group Executive Committee.

3.4 Nomination Committee
3.4.1 Composition
Chair: Lyn-Mary Grobler, independent director
Members: William-John Antholis, independent director
Alexandra Papalexopoulou, executive director

3.4.2 Role
The role of the Nomination Committee is to make recommendations to the Board with regard to the appointment of new members of the Board of Directors, the Managing Director, members of the Management Committee and the Group Executive Committee, as well as their orderly succession.
The main duties of the Nomination Committee include:
- the nomination of candidates for any vacant directorships, for approval by the Board of Directors;
- the preparation of proposals for re-appointments;
- the periodical assessment of the size and composition of the Board and making recommendations for any changes; and
- ensuring that sufficient and regular attention is paid to the succession of executives, talent development and promotion of diversity in leadership positions.

3.4.3 Activities in 2023
In 2023, the Nomination Committee held four meetings: on 14 March, 28 March, 9 May and 27 October.

The members of the Nomination Committee achieved an attendance rate of 100% for all meetings.

In 2023, the discussions and decisions of the Nomination Committee were mainly focused on:
- the composition of the Group Executive Committee;
- the assessment of the candidacy of Paula Hadjisotiriou to replace Mona Zulficar on the Board of Directors;
- the assessment of the emergency and regular succession in the Group Executive Committee and other key roles within the Corporate Functions;
- the assessment of the emergency and regular succession in the Board of Directors; and
- the review of applicable policies for participation in other boards.

3.5 Strategy Committee
3.5.1 Composition
Chair: Alexandra Papalexopoulou, executive director
Members: Leonidas Canellopoulos, executive director
Marcel-Constantin Cobuz, executive director
Dimitris Tsitsiragos, independent director

3.5.2 Role
The role of the Strategy Committee, notwithstanding the legal powers of the Board of Directors, assists the Board of Directors in reviewing and monitoring the Group's strategy agenda and growth plan. Additionally, the Strategy Committee supports the Board of Directors in the assessment of ad hoc key strategic decisions. Strategy formulation remains in all instances with the Board of Directors.
The main duties of the Strategy Committee include:
- to review industry and market developments and governmental or legislative developments against the objectives of the Group strategy and to recommend corrective actions if required;
- to support the Board of Directors in reviewing the annual strategic plan submitted by management and to monitor its alignment with the agreed strategy;
- to provide guidance to management in the preparation of the strategy elated files for review by the Board of Directors;
- to review ad hoc strategic transactions or initiatives proposed by the Board of Directors, the Managing Director, or the Group Executive Committee; and
- to monitor the progress of strategic projects and initiatives and of the business plan of the Company in line with the Company's strategic objectives.

3.5.3 Activities in 2023
In 2023, the Strategy Committee held two meetings: on 24 April and 18 October.
The members of the Strategy Committee achieved an attendance rate of 100% for all meetings.
In 2023, the discussions and decisions of the Strategy Committee were mainly focused on:
- the updating and monitoring of TITAN's Group Strategy 2026 and its key directions, focused on Building for Green Growth;
- the overview of the Group's overarching targets to 2026 and the financial trajectory;

- the assessment of key projects and priority growth projects;
- risk review, in the framework of the strategy implementation, including risk management and governance.

4. Other Committees

4.1 Introduction

The Board of Directors has also established the following Committees with the participation of executive members of the Board of Directors and members of the senior management of the Company and the Group:

- Management Committee
- Group Executive Committee

The terms of reference of the Management Committee and the Group Executive Committee defining the rules governing their composition, tasks and method of functioning are laid down in Appendices 7 and 8 of the CG Charter, available on the Company's website (www.titan-cement.com/wp-content/uploads/2023/02TCI_CorporateGovernanceCharter_01.02.2023.pdf).

4.2 Management Committee

Chair: Michael Colakides, Managing Director and Group CFO

Members: Grigoris Dikaios, Company CFO
Christos Panagopoulos, Regional Director East Med

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

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

4.3 Group Executive Committee

Chair: Marcel-Constantin Cobuz

Members: Jean Philippe Benard, Head of Supply Chain and Energy Development
Samir Cairae, Chief Technology Officer
Leonidas Canellopoulos, Group Chief Sustainability and Innovation Officer
Michael Colakides, Managing Director of the Company and Group CFO
Alexandra Eleftheriou, Chief People Officer
Antonios Kyrkos, Group Transformation and Strategic Planning Director
Ioannis Paniaras, Group Executive Director Europe
Christos Panagopoulos, Regional Director Eastern Mediterranean
Alexandra Papalexopoulou, Chair of the Board Strategy Committee
Vassilios (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 Group operations, the cooperation and coordination between the Company's subsidiaries and the monitoring of the Group management performance, while ensuring the implementation of decisions and related accountability.

The Group Executive Committee meets whenever a meeting is required for its proper functioning. During the meetings of the Group Executive Committee held in 2023, a variety of coordination topics were covered, including strategy, quarterly results, Group budget, Health & Safety reviews, sustainability issues, HR issues, procurement, progress of key projects (decarbonization, digitalization), trading activities, diversification, risk, etc.

The Group Executive Committee members with Dimitri Papalexopoulos, Chair of the BoD. From the left: Ioannis Paniaras, Jean-Philippe Benard, Alexandra Eleftheriou, Christos Panagopoulos, Antonios Kyrkos, Alexandra Papalexopoulou, Marcel Cobuz, Bill Zarkalis, Dimitri Papalexopoulos, Michael Colakides, Leonidas Canellopoulos, Samir Cairae

5. Diversity and Inclusion in the Board of Directors

In TITAN Group, we believe that diversity, equity and inclusion are core to our culture, strategy and everyday working practices. 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.

Within our Group we embrace diversity in various dimensions, including gender, age, ethnicity and race, disability, national origin, sexual orientation, culture, education and professional background. To this end, a Group Diversity, Equity and Inclusion (DE&I) Policy was launched in 2022, setting out the principles, definitions, scope and approach to diversity and inclusion. By promoting diversity throughout the organizational hierarchy we aim to build an inclusive ecosystem where a variety of perspectives and talents come together to achieve collective success.

In this framework, the Board of Directors of the Company is dedicated to fostering diversity both within its composition and across its Committees, recognizing that diversity contributes to effective decision-making and enhances the ability to adapt to the evolving business landscape and better serve the needs of our stakeholders. Our commitment to diversity is also embedded in the terms of reference of the Board of Directors as outlined in Appendix 1 of the CG Charter.

Currently, the representation of women on the Board of Directors aligns with the one-third gender diversity requirements provided by Belgian law. Moreover, the Board of Directors has reinforced its commitment to gender diversity by appointing two women as Chairs of the Nomination Committee and the Strategy Committee.

Diversity at Board level has also been promoted through a balanced mixture of academic and professional skills, encompassing expertise in banking and insurance, audit, finance, legal and corporate matters, cement sector, sustainability, information technology, engineering, public policy and political history and various industry-specific domains.

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

The Group DE&I Council actively sponsors diversity, equity and inclusion at Board and management level and across the Group. Holding the responsibility for TITAN Group's DE&I strategy, global initiatives, internal and external communication, and evaluation of progress, the Council reports to the Board of Directors of the Company through its Chair.

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

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

The assurance mechanism regarding the integrity of the Group's financial statements consists of a combination of embedded risk management processes, applied financial control activities, the utilization of the relevant information technology and the preparation, communication and monitoring of the financial information.

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

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

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

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

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

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

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

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 19 executives duly trained and having the appropriate experience to carry out their work. Two new hires were added in 2023.

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

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

During the year, the Audit and Risk Committee received in total 39 internal audit reports. Likewise, the Audit and Risk Committee received all progress reports referring to the most important audit findings in 2023.

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

Following the relevant recommendation of the Audit and Risk Committee, the Board of Directors approved the Internal Audit Plan for 2024 and specified the functions and areas on which the internal audit should primarily focus.

8. Remuneration report 2023

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 Year in overview

In 2023, TITAN Group achieved a strong financial performance across the board, by growing sales, boosting earnings results and strengthening balance sheet position and liquidity. Leading indicators mirrored accordingly sales growth, record profitability, reduced debt leverage and very strong cash generation. The Group posted a record EBITDA result with double-digit profitability growth in all regions of activity despite currency weakness in the Eastern Mediterranean markets. Supported by increased volumes demand across all its product range, pricing strategies, which helped to counterbalance persistent inflationary headwinds, along with better energy cost performance, the Group managed to expand margins. Further information one can see in the Chapter Financial Performance on page 32.

8.2 Remuneration of the Board of Directors

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

According to the 2023 Remuneration Policy:

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

8.2.1 Board of Directors' individual remuneration

The remuneration of the members of the Board of Directors approved by the Annual General Meeting of Shareholders of 11 May 2023, effective from 1 January 2023, has as follows:

Chair's fee	€850,000 gross per annum received in part as fixed fee and in part as share-based compensation
Independent Directors	€50,000 gross per annum and per each independent director
Executive Directors	€30,000 gross per annum and per each executive director

Likewise, the remuneration of the members of the Board Committees approved by the Annual General Meeting of Shareholders of 11 May 2023, effective from 1 January 2023, has as follows:

Audit and Risk Committee:
- Chair €30,000 gross per annum
- Members €15,000 gross per annum (and per member)

Nomination Committee:
- Chair €15,000 gross per annum
- Members €10,000 gross per annum (and per member)

Remuneration Committee:
- Chair €15,000 gross per annum
- Members €10,000 gross per annum (and per member)

Strategy Committee:
- Chair €20,000 gross per annum
- Members €15,000 gross per annum (and per member)

Fees to the Members of the Board of Directors as on 31 December 2023 and last year's total amounts

	2023				
	Board fees	Committee fees	Allowance	2023 Total fees gross amount	2022 Total fees gross amount
Dimitrios Papalexopoulos	€850,000*	n/a	n/a	€850,000	€30,000
William-John Antholis[1]	€50,000	€10,000	€10,000	€70,000	€63,000
Andreas Artemis[2]	€50,000	€14,514	n/a	€64,514	€60,000
Leonidas Canellopoulos	€30,000	n/a	n/a	€30,000	€30,000
Marcel-Constantin Cobuz	€30,000	n/a	n/a	€30,000	n/a
Michael Colakides	€45,408	n/a	n/a	€45,408	€45,102
Haralambos David	€50,000	€10,000	n/a	€60,000	€60,512
Lyn-Mary Grobler[3]	€50,000	€14,514	€10,000	€74,514	€70,000
Paula Hadjisotiriou[4]	€29,315	n/a	n/a	€29,315	n/a
Natalia Nicolaidi	€50,000	€15,000	n/a	€65,000	€41,671
Ioannis Paniaras	€30,000	n/a	n/a	€30,000	€30,000
Alexandra Papalexopoulou	€30,000	n/a	n/a	€30,000	€30,000
Kyriakos Riris	€50,000	€30,000	n/a	€80,000	€70,000
Theodora Taoushani[5]	€50,000	€10,000	n/a	€60,000	€38,466
Dimitris Tsitsiragos[6]	€50,000	€28,664	€10,000	€88,664	€75,000
Vassilios (Bill) Zarkalis	€30,000	n/a	n/a	€30,000	€30,000
Mona Zulficar[7]	€20,685	€1,274	n/a	€21,959	€62,000

* Received in part as fixed fee and in part as share-based compensation

1. William-John Antholis was member of the Remuneration Committee until 31 January 2023 and as of 1 February 2023 he was appointed as member of the Nomination Committee. As of 1 January 2023, the fees for the membership in both Committees have been aligned.
2. Andreas Artemis was member of the Nomination Committee until 31 January 2023 and as of 1 February 2023 he was appointed as Chair of the Remuneration Committee. Therefore, for 31 days of service the Nomination Committee fees are calculated based on the annual gross fees of €10,000 and the remaining days of service as Remuneration Committee Chair are calculated based on the annual gross fees of €15,000.
3. Lyn-Mary Grobler was appointed as Chair of the Nomination Committee as of 1 February 2023. Therefore, for 31 days of service the Nomination Committee fees are calculated based on the annual gross fees of €10,000 and the remaining days of service are calculated based on the annual gross fees of €15,000.
4. Paula Hadjisotiriou was appointed as independent director as of 1 June 2023 to replace Mona Zulficar.
5. Theodora Taoushani was member of the Nomination Committee until 31 January 2023 and as of 1 February 2023 she was appointed as member of the Remuneration Committee. As of 1 January 2023, the fees for the membership in both Committees have been aligned.
6. Dimitris Tsitsiragos was appointed also as member of the Strategy Committee as of 1 February 2023 with annual gross fees of an amount of €15,000. Therefore, the fees for the membership in Strategy Committee are calculated based on the actual days of service (1 Feb - 31 Dec 2023).
7. Mona Zulficar was Chair of the Remuneration Committee until 31 January 2023 and member of the Board of Directors until 31 May 2023.

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

8.3.1 Remuneration Philosophy and Policy

The 2023 Remuneration Policy ensures that the Company is remunerating on the basis of its short and long-term business plan, so as to continue creating value for customers, shareholders, employees, societies and economies.

The 2023 Remuneration Policy was approved by the Annual General Meeting of Shareholders held on 11 May 2023 and is aligned with the implementation of the European Shareholder Rights Directive II ("SRD II").

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

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

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

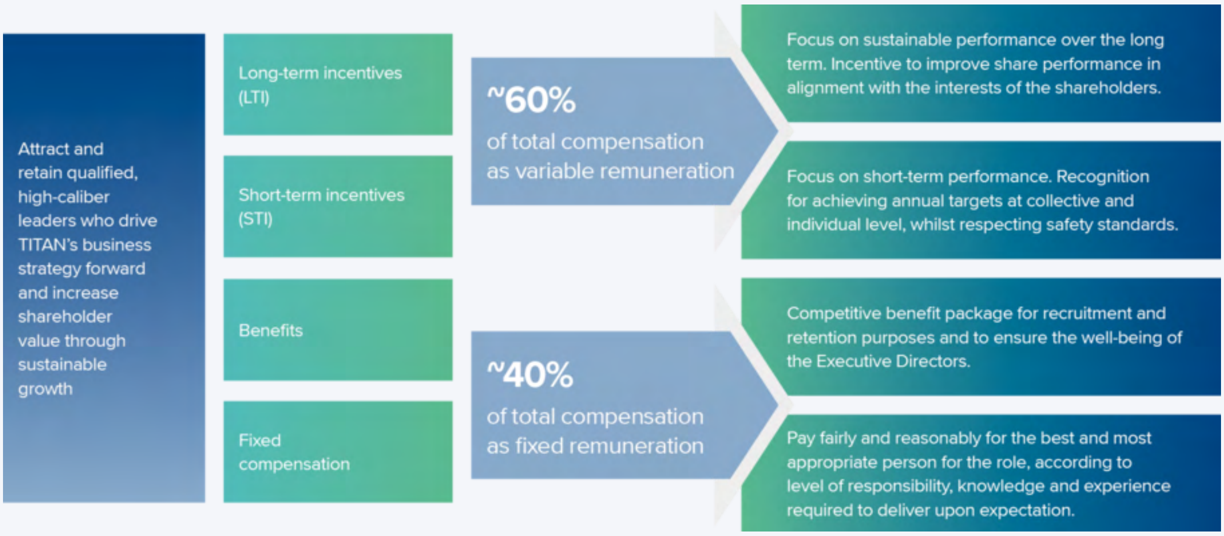
The level of remuneration for the Managing Director, the Executive Directors of the Board and the members of the Management Committee is set by the Board of Directors, following relevant recommendation of the Remuneration Committee and in line with the applicable Remuneration Policy.

The Remuneration Committee regularly reviews the Remuneration Policy, in order to ensure continuous alignment with its principles, as well as market trends and best practices. Following a recommendation of the Remuneration Committee, the Board of Directors authorized on 20 March 2024 certain revisions to the current Remuneration Policy, which will be presented to the Annual General Meeting of Shareholders of 2024 for approval. On an annual basis, the Remuneration Committee recommends the levels of the annual remuneration of the Executive Directors and the members of the Management Committee, as well as of other Group executives on the basis of their performance and responsibilities.

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

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

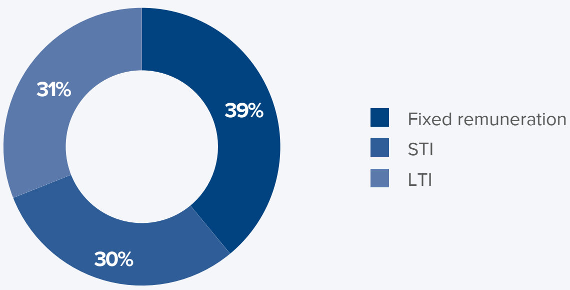
In summary key principles of the Remuneration Policy are as follows:



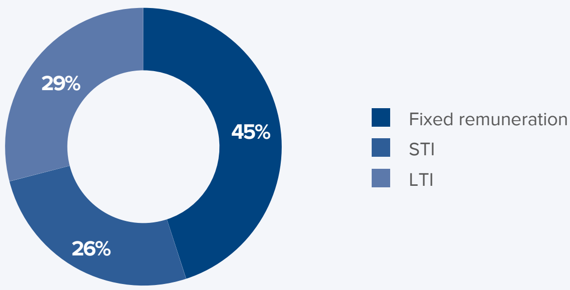
8.3.2 Remuneration opportunities and pay mix of Executive Directors of the Board and Members of the Management Committee in 2023

The charts below show the pay mix (on target) of Total Direct Compensation package of the Executive Directors of the Board and the Members of the Management Committee in 2023.

Board Executive Directors (aggregate)



Management Committee (aggregate)



Total direct remuneration: incentives on target (full year)

Name Position	Fixed remuneration[1] (on a full year basis)	Variable remuneration Value measurement	STI target	LTI target	Total direct remuneration pay mix
Michael Colakides Managing Director & Group CFO, Board Executive Director	€554,763	Amount	€393,593	€500,000	Fixed 38%
		% of ABS	85%	108%	Variable 62%
Marcel-Constantin Cobuz Chair of Group Executive Committee, Board Executive Director	€838,500	Amount	€735,000	€785,000	Fixed 36%
		% of ABS	100%	107%	Variable 64%
Alexandra Papalexopoulou Board Executive Director	€470,000	Amount	€190,000	€231,000	Fixed 53%
		% of ABS	47.5%	58%	Variable 47%
Leonidas Canellopoulos Board Executive Director	€300,193	Amount	€147,378	€160,000	Fixed 49%
		% of ABS	60%	65%	Variable 51%
Ioannis Paniaras Board Executive Director	€470,000	Amount	€340,000	€400,000	Fixed 39%
		% of ABS	85%	100%	Variable 61%
Vassilios (Bill) Zarkalis Board Executive Director	$967,439	Amount	$877,313	$775,000	Fixed 37%
		% of ABS	100%	88%	Variable 63%
Christos Panagopoulos Management Committee member	€309,309	Amount	€168,714	€170,000	Fixed 48%
		% of ABS	60%	60%	Variable 52%
Grigorios Dikaios Management Committee member	€220,710	Amount	€71,225	€35,000	Fixed 68%
		% of ABS	35%	17%	Variable 32%

1. Fixed remuneration includes base salary, board fees and pension contributions.

8.3.3 Fixed Remuneration and Benefits

Fixed pay

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

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

Retirement allowance and other benefits

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

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

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

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

8.3.4 Variable pay (Short-Term, Long-Term)

Short-term and Long-term variable pay are treated in accordance with the rules of the relevant plans analyzed below. No specific clauses and/or arrangements in relation to change in control are applicable. No variable remuneration claw back mechanisms were used during FY2023.

Short-term variable pay

2023 performance criteria and outcomes/ Short-Term Incentive (STI)

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

In 2023, the target opportunity provided by the STIP was up to 100% of the Annual Base Salary (ABS), and used three performance criteria:

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

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

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

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

In case of over-achievement, the collective part of STIP is capped at 130% of target, the individual part at 150% and safety part at 100%.

Group financial and safety performance 2023

	Threshold 50% payout	Target 100% payout	Stretch 130% payout	Actual adjusted*
Group EBITDA	286.4m €	381.9m €	439.2m €	544.4m €

	Threshold 50% payout	Target 100% payout	Stretch 130% payout	Actual adjusted*
Group ROACE	7.2%	10.88%	12.50%	17.64%

	Threshold 0% payout	Target 100% payout	Actual
LTIFR	2.0	1.0	0.45

* Actual Group EBITDA (540.3m€) and ROACE (17.52%) adjusted related to Egypt Voluntary Early Leave Plan (of 87mEGP) that was not budgeted. The payout figure, which was already 130%, was not affected by this adjustment.

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 is 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 makes the necessary proposal to the Board of Directors for decision taking.

In 2023, TITAN Group achieved a record EBITDA result which resulted in 130% payout in the respective part of variable pay. Group ROACE was also above target, resulting in 130% payout in the respective part of variable pay.

Furthermore, in 2023, at Group level the performance achieved against the set target linked to safety (Lost Time Injuries Frequency rate Index (LTIFR)) was above target, which resulted in 100% payout in the respective part of variable pay.

The Remuneration Committee considered the overall performance and concluded to award the variable pay for 2023 according to the achieved results.

Long-Term variable pay (Long-Term incentives - LTI)

Long-term incentive grants were awarded according to the 2023 Remuneration Policy.

The number of LTI grants vested in 2023 to the Executive Directors of the Board and the members of the Management Committee are disclosed in the table 8.6 below.

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

Long-Term Incentive Plan (LTIP)

The Long-Term Incentive Plan (LTIP) was first applied in 2020. The LTIP award can be defined up to 150% of Annual Base Salary for the Executive Directors of the Board and the members of the Management Committee.

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

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

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

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

The vesting period for 50% of the LTIP awards granted in 2020 was completed in March 2023. The Board of Directors decided the release of the vested number of shares to the plan participants, provided they were still employed (or retired) with the Group.

Deferred Compensation Plan (DCP)

The Deferred Compensation Plan (DCP) was launched in 2021 with the aim to further align Senior Executives' long-term interests with those of shareholders. The DCP substitutes 20% of the total LTI award for the eligible Executive Directors of the Board and Management Committee members and the award granted can be defined up to 30% of Annual Base Salary.

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

DCP awards vest three years from the date of grant, as long as certain, preset performance criteria are met. The number of vesting awards ranges from 0% if the threshold target is not met, to 40% if the threshold is achieved, to 100% for target performance, to a maximum of 160% in case of over-achievement.

Performance Criteria:

- 50% linked to Sustainability KPI: 3-year CO_2 target supporting the decarbonization priority of the Group; reduction of net direct CO_2 emissions/ton of cementitious material (50%). Target is set for calendar year preceding the vesting date by the Board of Directors before each grant.
- 50% linked Total Shareholder Return (TSR) performance vs a Peer Group Index (50%). TSR is defined as the percentage change (%) from (a) the average Company's share price in the month of March of the grant year (starting price) to (b) the average share price in the month of March of the vesting year, increased by the sum of dividends per share or by any other distribution made to shareholders (e.g. distribution of free shares, return of capital etc.) during the same period (ending price).

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

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

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

2017 Stock Options Plan

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

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

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

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

a. by 50%, based on the average 3-year Return on Average Capital Employed (ROACE) compared to the target of each 3-year period; and
b. by 50%, based on the overall performance of the Company's TSR compared to the average overall performance of a predefined international cement peer group:

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

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

2017 Stock option plan

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

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

8.4 Total Remuneration of the Executive Directors of the Board and the members of the Management Committee for 2023 (Fixed, STI, Benefits)

The remuneration of the Executive Directors of the Board and the members of the Management Committee was approved by the Board of Directors following relevant recommendation of the Remuneration Committee, is in full compliance with the 2023 Remuneration Policy, and has as follows:

	Fixed remuneration		Variable pay[1]		Benefits				
Name, Position	Annual Base Salary	Board fees	Short-term incentive (based on 2023 results paid in 2024)	**Total fixed and variable remuneration**	Pension contribution[2]	Allowances + Other Benefits[3]	**Total remuneration**	**Proportion of fixed- and short-term variable remuneration[4]**	
Michael Colakides Managing Director	€458,325	€45,408	€486,087	€989,820	€45,833	€10,510	€1,046,162	fixed	54%
								variable	46%
Marcel-Constantin Cobuz Chair of Group Executive Committee, Board Executive Director	€730,781	€30,000	€926,100	€1,686,881	€72,750	€156,780	€1,916,411	fixed	52%
								variable	48%
Alexandra Papalexopoulou Board Executive Director	€403,671	€30,000	€234,650	€668,321	€40,189	€28,358	€736,867	fixed	68%
								variable	32%
Leonidas Canellopoulos Board Executive Director	€241,941	€30,000	€182,012	€453,953	€24,085	€19,250	€497,287	fixed	63%
								variable	37%
Ioannis Paniaras Board Executive Director	€397,071	€30,000	€360,400	€787,471	€39,529	€21,449	€848,449	fixed	58%
								variable	42%
Vassilios (Bill) Zarkalis* Board Executive Director	$870,925	€30,000	$1,083,481	$1,987,556	$56,976	$49,133	$2,093,665	fixed	48%
								variable	52%
Christos Panagopoulos Management Committee	€289,435	-	€191,121	€480,556	€27,944	€97,189	€605,689	fixed	68%
								variable	32%
Grigorios Dikaios Management Committee	€201,713	€5,000	€79,772	€286,485	€12,103	€22,186	€320,774	fixed	75%
								variable	25%

1. As of 2022, the Remuneration Report does not include the value of Long-Term Incentives that vested during the year as, given that Stock Options do not represent a value until exercised and Fund Units until cashed-out respectively; these are presented as number of vested units under the section "Stock Options/Fund Units/LTIP Units balance in 2023".
2. Defined contribution.
3. Includes benefits and allowances (such as travel, housing, international assignment related allowance), life insurance, medical plan, and company car.
4. The proportion of Long-term variable remuneration is not depicted in the table, since it is expressed as number of vested Stock Options, Fund Units and LTIP Units under the section "Stock Options/Fund Units/LTIP Units balance in 2023".

8.5 Long-term variable pay – awards granted in 2023

		LTIP		DCP
Name		Number of shares[1]	Number of Fund units[2]	Number of shares[2]
Michael Colakides*	Managing Director and Group CFO	-	47,696	6,993
Marcel-Constantin Cobuz	Chair of Group Executive Committee	43,916	-	10,979
Alexandra Papalexopoulou	Board Executive Director	12,924	-	3,231
Leonidas Canellopoulos	Board Executive Director	8,952	-	2,238
Ioannis Paniaras	Board Executive Director	22,378	-	5,594
Vassilios (Bill) Zarkalis	Board Executive Director	40,016	-	10,004
Grigorios Dikaios*	Management Committee Member, Company CFO	-	4,173	-
Christos Panagopoulos*	Management Committee Member	-	16,217	2,378

* Management Committee members' 2023 LTI amount received as units of Fund which invest mainly in TCI shares.
1. Conditionally granted shares.
2. Fund invests in TCI shares.

8.6 Stock Options/ Fund Units/ LTIP Units balance in 2023

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

			Stock options				Fund units	LTIP
Name	Balance on 31.12.2022	Vested in 2023	Expired in 2023	Exercised in 2023	Non vested	Balance on 31.12.2023	Vested in 2023	Vested in 2023
Michael Colakides	23,392	-	-	8,242	-	15,150	-	-
Marcel-Constantin Cobuz	-	-	-	-	-	-	-	-
Alexandra Papalexopoulou	28,328	-	-	28,328*	-	-	-	20,635
Leonidas Canellopoulos	2,292	-	-	2,292*	-	-	-	2,670
Ioannis Paniaras	15,868	-	-	3,750	-	12,118	-	14,565
Vassilios (Bill) Zarkalis	14,276	-	-	14,276	-	-	-	26,215
Grigorios Dikaios	1,083	-	-	1,083	-	-	-	-
Christos Panagopoulos	9,105	-	-	2,251	-	6,854	-	-
Total	**94,344**	**-**	**-**	**60,222**	**-**	**34,122**	**-**	**64,085**

* Through cash settlement.

8.7 Comparative information on the evolution of remuneration and Company performance

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

Remuneration in €	2023	2022	2021	2020	2019
Remuneration of the Board Executive Directors	6,939,896[7]	5,251,168	4,358,643[5]	3,700,632[3]	3,552,426[1]
Remuneration of the Managing Director, Michael Colakides	1,046,162	969,116	909,647	934,173	859,568
Remuneration of the Management Committee Members	926,463	896,401	859,554[6]	1,301,285[4]	1,344,712[2]
Ratio between the highest remuneration of management members and the lowest remuneration (in FTE) of the company's employees	30x	41x	40x	40x	37x
Annual change in average remuneration[8]	13%	4%	4%	3%[9]	

1. Dimitrios Papalexopoulos, Alexandra Papalexopoulou, Leonidas Canellopoulos, Takis-Panagiotis Canellopoulos, Vassilios (Bill) Zarkalis.
2. Grigorios Dikaios, Konstantinos Derdemezis, Christos Panagopoulos.
3. Dimitrios Papalexopoulos, Alexandra Papalexopoulou, Leonidas Canellopoulos, Takis-Panagiotis Canellopoulos (1 Jan - 31 Mar), Vassilios (Bill) Zarkalis.
4. Grigorios Dikaios, Konstantinos Derdemezis (1 Jan - 31 Oct), Christos Panagopoulos.
5. Dimitrios Papalexopoulos, Alexandra Papalexopoulou, Leonidas Canellopoulos, Ioannis Paniaras (May-Dec), Vassilios (Bill) Zarkalis.
6. Grigorios Dikaios, Christos Panagopoulos.
7. Marcel-Constantin Cobuz, Alexandra Papalexopoulou, Leonidas Canellopoulos, Ioannis Paniaras, Vassilios (Bill) Zarkalis.
8. Expressed in FTE of the Company's employees other than: the Directors, the members of the Management Committee, other directors and the persons in charge of the daily management.
9. or 85% including new recruitments added to the Company's headcount in 2020.

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

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

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

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

Following the guidance issued by the Belgian Corporate Governance Commission with regard to remuneration disclosure as published in November 2020, the ratio between the highest remuneration among the management members of the Company and the lowest remuneration (in FTE) of the Company's employees is 30 times in 2023.

8.8 Executive Directors' contracts

The employment contracts of the Managing Director of the Company, as well as of the other Executive Directors of the Board 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 of the Board and the members of the Management Committee, at the initiative of the Company, severance termination payment, as provided in the 2023 Remuneration Policy, cannot exceed 18 months' remuneration.

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

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

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

9. Capital, Shares and Shareholders

9.1 Share Capital

On 31 December 2023, the share capital of the Company amounted to €959,347,807.86 and was represented by 78,325,475 shares, without nominal value, with voting rights, each representing an equal share of the capital.

9.2 Shares – Restrictions on voting rights – Special control rights

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

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

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

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

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

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

9.3 Shareholder Structure – Notification of major holdings

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

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

Based on the transparency notifications made by the Company's shareholders on 25 May 2022, 21 December 2023 and 22 January 2024, the reported shareholdings in the Company are the following:

- E.D.Y.V.E.M. Public Company Ltd, Andreas Canellopoulos, Leonidas Canellopoulos, Nellos-Panagiotis Canellopoulos, Pavlos Canellopoulos, Trust Neptune, Alexandra Papalexopoulou, Dimitrios Papalexopoulos, Eleni Papalexopoulou, Alpha Trust, Delta Trust, Lamda Trust and Paul and Alexandra Canellopoulos Foundation, who act in concert, hold 38,565,904 shares, corresponding to 49.24% of the Company's voting rights;
- FMR LLC, Fidelity Institutional Asset Management Trust Company, FIAM LLC and Fidelity Management & Research Company LLC hold 7,827,422 shares, corresponding to 9.99% of the Company's voting rights;
- Titan Cement International S.A. and Titan Cement Company S.A. hold 3,919,536 shares, corresponding to 5% of the Company's voting rights.

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

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

Following the transparency notification received on 21 December 2023, the Company has been informed that E.D.Y.V.E.M. Public Company Ltd, Andreas Canellopoulos, Leonidas Canellopoulos, Nellos-Panagiotis Canellopoulos, Pavlos Canellopoulos, Trust Neptune, Alexandra Papalexopoulou, Dimitrios Papalexopoulos, Eleni Papalexopoulou, Alpha Trust, Delta Trust, Lamda Trust and Paul and Alexandra Canellopoulos holding in total 38,565,904 shares, which correspond to 49.24% of the Company's voting rights, are acting in concert.

9.5 Powers of the Board of Directors to issue and buy back shares and increase the share capital

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

9.5.2 Pursuant to Article 6 of the Company's Articles of Association and the relevant resolution of the Extraordinary Shareholders' Meeting of 9 May 2022, the Board of Directors is authorized to increase the share capital of the Company in any and all forms, including but not limited to a capital increase accompanied by the restriction or withdrawal of the preferential subscription right, after receipt by the Company of a notification by the Financial Services and Markets Authority (FSMA – Autorité des Services et Marchés Financiers/Autoriteit voor Financiële Diensten en Markten) of a takeover bid for the Company's shares. This capital increase must comply with the additional terms and conditions laid down in the BCCA. This authorization is valid for a period of three years as of 9 May 2022 and may be renewed for a further period of three years. The amount of this increase will be deducted from the remaining part of the authorized capital specified in the above paragraph 9.5.1.

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

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

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

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

9.6 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.

10. Amendment of the Company's Articles of Association

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

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

11. Important agreements which may be impacted in the event of change of control of the Company following a public tender offer

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

In 2023, the Company had in place the following important financial agreements, which include a change of control clause:

1. a Multicurrency Revolving Facility Agreement of €208,000,000, entered into among the Group's subsidiary TITAN Global Finance PLC and a syndicate of lending banks, with the Company and TITAN Cement Company S.A. as Guarantors;
2. a €19,737,920 bond loan, dated 2 November 2022, between TITAN Cement Company S.A. as issuer, Alpha Bank as Bondholder Agent and Paying Agent and the Company as guarantor;
3. a USD 40,000,000 facility agreement, dated 15 December 2021, as amended, between TITAN America LLC as borrower, HSBC Bank USA as Lender and the Company as guarantor;
4. a USD 45,000,000 facility agreement, dated 1 July 2014, as amended, between TITAN America LLC as borrower, Wells Fargo Bank as Lender and the Company as guarantor;
5. a USD 60,000,000 facility agreement, dated 8 July 2020, as amended, between TITAN America LLC as borrower, Citibank N.A. as Lender and the Company as guarantor;
6. €350,000,000 2.375 per cent Guaranteed Notes due 2024, issued by TITAN Global Finance PLC and guaranteed by Titan Cement Company S.A. and the Company;
7. €250,000,000 2.750 per cent Guaranteed Notes due 2027 issued by TITAN Global Finance PLC and guaranteed by TITAN Cement Company S.A. and the Company;
8. €150,000,000 4.250 per cent Guaranteed Notes due 2027 issued by TITAN Global Finance PLC and guaranteed by the Company; and
9. a €120,000,000 bond loan, dated 27 July 2022, between TITAN Cement Company S.A. as issuer and Piraeus Bank as Bondholder Agent and Paying Agent.

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

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

13. Investors' Information

13.1 Interactions with institutional and individual investors

The Company has a long history of actively interacting with both institutional and retail investors. The Investor Relations team, together with the Managing Director and CFO and other senior Group executives, regularly meets with institutional investors and participates in investor roadshows and industry conferences organized in various countries. During those meetings, TITAN representatives provide updates and information on TITAN's business performance, strategic goals, focus areas, outlook and progress against financial and non-financial (i.e. ESG targets, digitalization, innovation,etc.) targets while responding to investors questions and areas of concern.

In 2023, investor conferences and roadshows returned primarily to their previous physical format, after the surge of virtual meetings in 2020, 2021 and 2022, due to COVID-19 restrictions. In 2023, the Company took part – for another year – in various meetings in different locations across Europe. Looking forward, the tendency is to have a mix of physical and virtual investor roadshows and conferences, with the majority however being the physical ones. The Company also meets and updates institutional investors on business topics on an ad hoc basis as per investors' requests. The Investor Relations team regularly updates all relevant information on the Investor Relations section of the Company's website, including but not limited to corporate presentations and press releases providing timely, clear, detailed, transparent and comprehensive information to all shareholders.

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

13.2 Shareholder Information and Services

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

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

13.3 Investor Relations Department

The Investor Relations Department is responsible for monitoring the Company's relations with its shareholders and investors, and for communicating with the investor community on an equal footing, in a transparent and timely manner, with regard to the Company's performance. The aim is to sustain old long-term relationships and generate new ones across the investment community while retaining the high level of trust that investors enjoy with the Group.

Investor Relations Group e-mail: ir@titan-cement.com
Investor Relations Director: Spyros Kamizoulis
e-mail: s.kamizoulis@titancement.com

13.4 Shareholder Services Department

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

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

13.5 Share Facts

13.5.1 Share Basic Data

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

13.5.2 Tickers

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

Risk management

Group risk strategy

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

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

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

Risk management process

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

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

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

a. Probability: scale from one (rare) to five (almost certain)
b. Impact: scale from one (incidental) to five (extreme)
c. Preparedness: scale from one (low) to five (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 (through the Audit and Risk Committee) validates the relevant risk assessment and monitors TITAN's risk management and internal control systems, reviewing their effectiveness (covering all material controls, including financial, operational, organizational and compliance controls). To that end, in November 2023 the Audit and Risk Committee and the Board held a meeting specifically dedicated to reviewing the Group's risk assessment and respective mitigation plans against the key business risks.

During the year, a specific assessment of the Group's climate change-related risks and opportunities was conducted. This exercise covered physical risks such as temperature, flooding and water stress, as well as transition risks such as carbon pricing, reputational damage and litigation. To that effect, TITAN Group's ESG function initially engaged with climate risk experts to analyze the risks stemming from climate change, as well as opportunities from the transition to a low-carbon economy, in alignment with the TCFD framework, as can be seen in the specific Climate-Related Financial Disclosures (TCFD) section on page 113. The results indicated that the Group's climate-related risks are in the same scale of magnitude as those of its sectoral peers. In addition, opportunities related to climate change were also analyzed and quantified. For example, product portfolio, adaptation and resource efficiency and alternative energy sourcing opportunities were assessed.

Risk management, governance, and controls

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

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

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

According to this framework, strategic and financial risks are managed mainly by the Group Executive Committee, Group Finance and the CapEx Committee. The management of most operational and sustainability risks is to a large extent embedded in the daily operation and processes of the local business units. A number of risks, including legal and compliance risks, as well as operational and sustainability risks, including environmental risks, risks regarding energy and fuel prices, safety at work, labor issues, are managed both at Group level by the Group Executive Committee and the competent Group functions (Internal Audit, Risk and Compliance, Group Legal, Group Procurement, Group Innovation and Technology, Group ESG Performance, Group IT, Group Communication, Group HR) and also at the local business unit level (Legal, Procurement, Environment, Sustainability, HR Units). This approach ensures that line management owns all the operational and sustainability risks that occur at the level of individual businesses and ensures that a strong risk culture is embedded in all relevant decision-making. At the same time, all risks of higher magnitude that are relevant at Group level are managed centrally, where risk data points from multiple sources across the organization are aggregated, insights are integrated and mitigating action plans are crafted that can be shared among all appropriate organizational levels.

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

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

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

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

TITAN's principal risks

Strategic risks

Climate change

As the evidence of the effects attributed to climate change become more apparent, there is increased regulatory activity aiming to reduce greenhouse gas (GHG) emissions, especially CO_2. The production of cement is characterized by high CO_2 intensity and is therefore directly impacted by such regulatory changes, including the revision of the EU Emissions Trading Scheme (ETS), the Carbon Border Adjustment Mechanism (CBAM) regulation and national climate laws. Within TITAN's geographical footprint, legally binding climate change regulations are implemented in the EU (Greece and Bulgaria) through the EU Emissions Trading System (ETS), and in Egypt through a CO_2 emissions cap. Gross Scope 1 emissions of our operations in these countries represent approximately 50% of our total Group Scope 1 emissions. Particularly in EU markets, the potential increase of production costs, as free CO_2 allowances will gradually be phased out starting from 2026, may lead to loss of sales to imports from non-CO_2 constrained markets (a risk known as "carbon leakage"). Similarly, exports from markets with CO_2 taxation in place could be structurally disadvantaged versus exports from non-CO_2 constrained markets. CBAM can play an important role in creating a global level playing field avoiding carbon leakage from the EU subject to a solution for the exports. Even if imports to Europe are subject to CO_2 cost through CBAM, exports and therefore competitiveness of EU plants will be negatively affected if no solution is found to maintain competitiveness post-2025.

The Group closely monitors relevant regulatory developments and takes proactive measures to mitigate potential negative consequences. A scenario-modelling approach has been adopted for the examination of possible outcomes and for the identification of appropriate roadmaps of mitigating actions to safeguard the Group's business resilience. Such measures include the reduction of the amount of clinker used in the production of cement, the use of alternative fuels (AF) with a lower CO_2 footprint, energy efficiency measures, the development of new lower-carbon products and continuous innovation across the value chain.

Moreover, the climate agenda may promote the use of concrete and cement substitutes for construction as being less carbon-intensive, a fact that could negatively affect demand for the Group's core products. In addition, the CO_2 footprint may pose a risk regarding future funding opportunities and create a reputational risk for our Group and the whole sector, which could also lead to shifts in customer preferences. However, at the same time, opportunities arise from the development and sale of new low-carbon products and solutions. Differentiating our product offering with low-carbon products that add value to the customer is a major pillar of our decarbonization roadmap. Green products represent 23.4% of our portfolio of cement and cementitious products. The Group has committed to doubling low-carbon cement volumes by 2026 and achieving a reduction in emissions/tonne cementitious material of more than 18% to achieve 550 $kgCO_2/t$ cementitious products, offering its customers the products and services that will shape the sustainable world of tomorrow.

TITAN is also investing in R&D with regards to the development of low-carbon products (cement and concrete), either based on the application of existing technology (e.g. low-carbon clinker), or on new technologies (e.g. new binders, calcined clays, recarbonated materials, new types of concrete). The Group is also active in advocating for the adoption of new building codes and building material standards to promote green products.

The Group's alternative fuel (AF) thermal substitution rate increased to 19.6% in 2023, an increase of ca. 2.1 percentage points since the previous year. Dried sewage sludge, refinery sludge, tires, solid recovered fuel (SRF)/refuse-derived fuel (RDF) and agricultural waste were used to substitute conventional solid fuels in several of the Group's plants. The increase has been the result of (a) successful permitting, (b) sourcing efforts for new alternative fuels in the local and international markets and (c) investments across several TITAN cement plants in AF processing facilities and the plants' feeding, storage and combustion infrastructure as one can see in the section "Alternative fuels (co-processing)" on page 95.

Market conditions and cyclicality

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

Moreover, the building materials industry is dependent on the level of activity in the construction sector, which tends to be cyclical and dependent on various factors, including, but not limited to, the level of infrastructure spending, the demand for private and commercial real estate, mortgage lending, local economic activity, inflation and interest rates. The Group's business, operational results or financial condition could be adversely affected by a continued deterioration of the global economic outlook or cyclical weakness in the construction industry on a global scale or in a significant market in which it operates. To mitigate such risks, the Group, apart from its geographical diversification, has established robust annual budgeting, strategic and risk review processes.

Political and economic uncertainty

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

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

Global systemic disruption

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

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

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

Talent Management

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

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

TITAN is actively pursuing a rich agenda of actions to develop its talent management, including the updating and diffusion of its relevant HR policies (such as its human rights, diversity, equity and inclusion, and our respect in the workplace policy) and people development processes.

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

Financial risks

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

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

Currency volatility

Group exposure in foreign currency derives from existing or expected cash flows and from acquisitions and/or investments denominated in currencies other than the euro. The Group's net foreign currency transaction risk mainly arises from USD, EGP, RSD, LEK, GBP, BRL and TRY. Natural hedges (equity invested in long-term fixed assets and borrowings in the same currency as the activities that are being financed), currency swaps and forward foreign currency contracts are used to manage currency exposures.

Interest rate risks

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

As at 31 December 2023, the Group's ratio of fixed to floating interest rates stood at 90%/10% (31 December 2022: 87%/13%), which takes into account outstanding interest rate swaps.

Liquidity and leverage risks

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

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

Counterparty risks

Counterparty risk relates to the inability of one or more of the Group's counterparties, mainly financial institutions and customers, to meet their obligations towards the Group. Financial institutions' inability to meet their obligations towards the Group deriving from placements, investments and derivatives is mitigated by preset limits on the degree of exposure to each individual financial institution as well as by utilizing the collateral mechanism of credit support agreements (ISDA CSA Agreement). As at 31 December 2023, the majority of Group liquidity was held with investment-grade financial institutions with pre-agreed credit support agreements.

The Group is also exposed to risks relating to customer receivables. Customer receivables primarily derive from a large, widespread customer base. The financial status of customers is constantly monitored at business unit level and, where it is deemed necessary, additional security is requested to cover credit exposure. As at 31 December 2023, all outstanding doubtful receivables were adequately covered by relevant provisions.

Operational risks: Environmental, Social and Governance (ESG)

Health and safety

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

Environmental risks

The Group's operations are subject to extensive environmental and safety laws and regulations in the USA, the EU and elsewhere, as interpreted by the relevant authorized agencies and the courts. These may impose increasingly stringent obligations and restrictions regarding, among other things, land use, remediation, air emissions, waste and water, biodiversity, and occupational and community health and safety. The costs of complying with these laws and regulations are likely to increase over time. With a view to continuously managing the environmental impact of its operations, TITAN applies management systems to monitor and report the environmental impact in all its plants. The Group's Environment Policy and ESG 2025 targets provide targets for the reduction of air emissions, the protection of biodiversity, water and waste management, quarry rehabilitation, energy efficiency and community engagement.

Regulatory compliance risk

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

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

Exposure to the risk of corruption is also systematically monitored at local and Group levels. Following the publication of the 2023 Transparency International Corruption Perception Index (see supplement Table "Transparency International – Corruption Perception Index" in the section "ESG Performance Statements") on page 165, the perception of corruption has a negative trend in 40% and a positive trend in 50% of the countries where TITAN currently operates, while USA remained in the same ranking.

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

It is our commitment to promote the UNGC Ten Principles and, specifically, to prevent, avoid and mitigate possible risks of possible impacts on Human Rights, and including Labor Rights. The new Corporate and Sustainability Due Diligence Directive (CS3D) is expected to be enforced in 2025 and requires the assessment of such risks, and the process in place for Due Diligence, building on policies, processes and management systems for preventing, avoiding, mitigating such risks and ensuring remediation plans where necessary. TITAN already developed a two-year horizon roadmap to mitigate the risk of compliance with the new directive.

Governance, transparency and ethics

As a publicly listed company, Titan Cement International (TCI) is required to comply with strict governance and reporting obligations. Any performance or nonfinancial commitment failure could result in a reduction of the share price, reduced earnings and potential reputational damage. ESG disclosure in particular might pose a risk for future sustainability-linked funding. To mitigate such risks the Group ensures compliance with the Belgian Corporate Governance Code, the Non-Financial Reporting Directive 2014/95/EU, the European Taxonomy Regulation (EU) 2020/852, the International Financial Reporting Standards (IFRS) and the International Integrated Reporting Council (IIRC) principles for integrated reporting. Moreover, reporting frameworks followed include the UN Sustainable Development Goals 2030, the UN Global Compact Communication on Progress Guidelines, the Charter and Guidelines of the Global Cement and Concrete Association (GCCA), the Sustainability Accounting Standards Board (SASB) Standards and the Carbon Disclosure Project (CDP) questionnaires for climate change and water security while ensuring alignment with GRI standard. In 2021, the Group also started reporting according to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). The separate and consolidated financial statements of the IAR, as well as the ESG performance and statements, are audited by independent verifiers.

Other operational risks

Energy volatility

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

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

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

Physical impacts from climate change and extreme natural disasters

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

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

Cybersecurity risks

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

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

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

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

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

Supply chain disruption

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

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

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

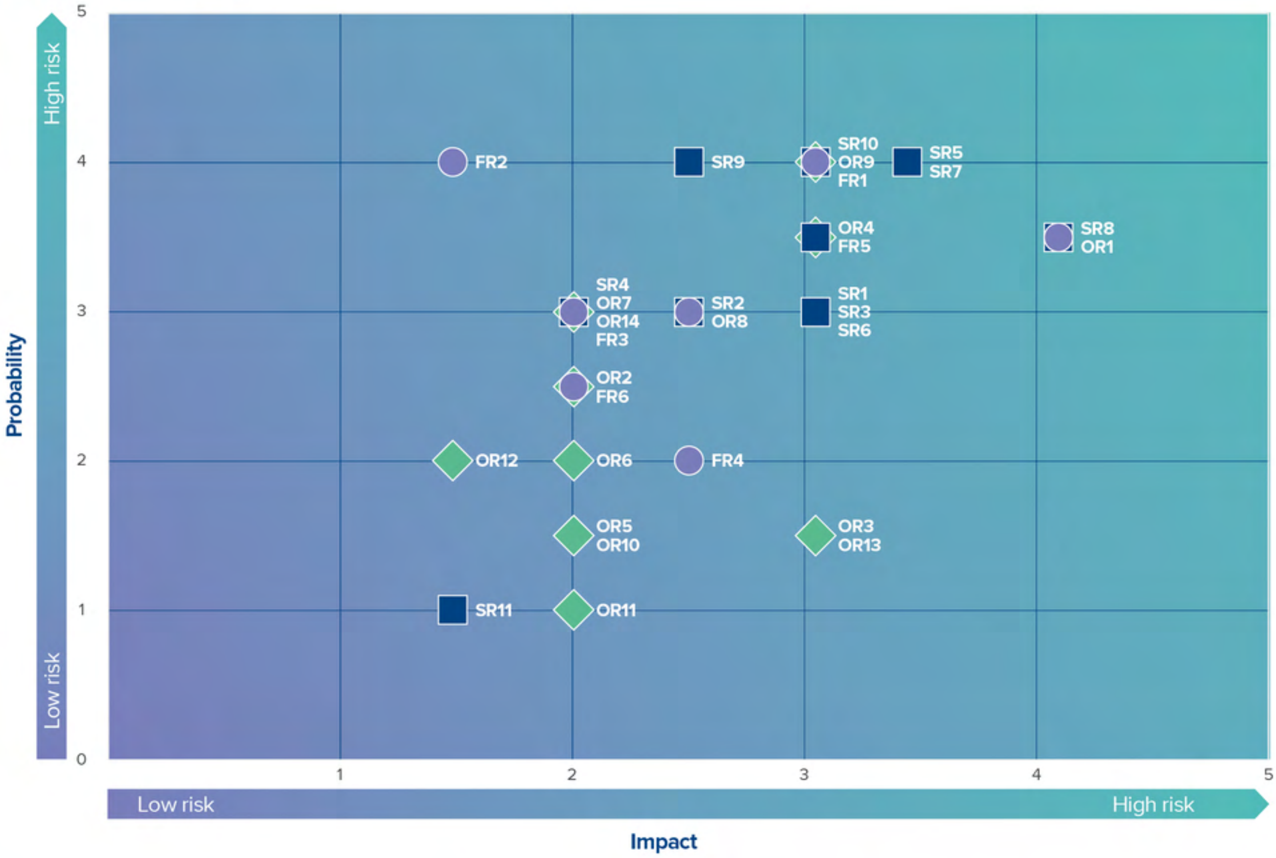
TITAN's risk management framework is presented below:

	Risk management		
	Centrally-led	**Hybrid**	**BU-led**
Risks covered	**Most strategic risks, e.g.:** • Geopolitical and global disruptions • M&A and divestments • Climate change mitigation & adaptation, incl. carbon pricing • Talent management	**Legal**	**Operational risks, e.g.:** • Product quality • Raw material access
	Financial risks, e.g.: • Currency volatility • Interest rates • Liquidity • Counterparty	**Operational risks, e.g.:** • Energy volatility • Cybersecurity • Health and safety • Environmental • Other ESG	**Some Strategic risks, e.g.:** • Market conditions and cyclicality
Risk management approach	**Led by Group functions and governance:** • Executive Committee and annual planning process • CapEx Committee • Group Finance • Other Group functions (e.g., Procurement, IT, HR, ESG) • Group HR processes	• Higher central oversight vs. BU-led risks • Executive Committee • BU and Group functions management	• Embedded in business and annual planning processes • Led by BU management, as part of day-to-day operations
Internal Audit, Risk and Compliance Unit and Audit and Risk Committee			

In 2023, the Group re-evaluated climate-related risks and opportunities according to the TCFD framework, as shown on page 91. The exercise covered physical risks such as extreme temperatures, flooding and water stress, as well as transition risks and opportunities such as carbon pricing, alternative energy sourcing and product portfolio adaptation.

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

Risk evaluation heatmap



Strategic risks

1. Talent Management
2. License to Operate
3. M&A & Divestments
4. Technology Innovation & Digitalization
5. Product Substitution & Adaptation
6. Global Systemic Disruption
7. Geopolitical
8. Market Conditions & Cyclicality
9. Carbon Pricing & Regulation
10. Resource Efficiency and Circularity
11. Human rights (compliance with CS3D)

Operational risks

1. Energy Volatility
2. Supply Chain Disruption
3. Raw Material Access
4. Cybersecurity
5. Product Quality
6. Critical Equipment Failure
7. Project Execution (CapEx)
8. Physical Impacts from Climate Change & Extreme Natural Events
9. Health & Safety
10. Litigation
11. Governance, Transparency & Ethics
12. Corruption/Fraud
13. Regulatory Compliance
14. Environmental Risks

Financial risks

1. Currency Volatility
2. Asset Impairment
3. Taxation
4. Liquidity
5. Interest Rates
6. Counterparty

Climate-related financial disclosures (TCFD)

The cement sector plays a dual role in the transition to carbon neutrality, not only in providing the resilient infrastructure necessary to adapt to a changing climate and extreme weather events, but also in mitigating climate change through the decarbonization of its value chain.

TITAN Group has engaged with experts on climate change risks assessment, according to TCFD recommendations, identifying the physical and transitional risks stemming from climate change, as well as the opportunities from the transition to a low-carbon economy based on the different IPCC scenarios. This is a process incorporated in the Group's overall risk management assessment. The following table provides all necessary links to the TITAN Integrated Annual Report and our 2023 submission to the CDP. More information on the methodology used and the risks and opportunities can be found on page 113 of the Report (ESG Performance Review).

Governance	Strategy	Risk management	Metrics and targets
Board's oversight of climate-related risks and opportunities	**Climate-related risks and opportunities identified**	**Processes for identifying and assessing climate-related risks**	**Metrics used**
IAR 2023, p. 42, 59, 85, 113 CDP C1. Governance	IAR 2023, p. 16, 84 CDP C2. Risks and opportunities	IAR 2023, p. 84, 85, 113 CDP C1. Governance C2. Risks and opportunities	IAR 2023, p. 36, 84, 85, 94, 113, 126, 145 CDP C1. Governance C4. Targets and performance C9. Additional metrics C11. Carbon pricing
Management's role	**Impact on the organization's businesses, strategy, and financial planning**	**Processes for managing climate-related risks**	**Scope 1, 2 and 3 GHG and related risks**
IAR 2023, p. 42, 59, 85, 113 CDP C1. Governance	IAR 2023, p. 16, 84 CDP C2.Risks and opportunities C3. Business strategy C4. Targets and performance C9. Additional metrics C12. Engagement	IAR 2023, p. 84, 85, 113 CDP C1. Governance C2. Risks and opportunities C3. Business strategy C9. Additional metrics C11. Carbon pricing C12. Engagement	IAR 2023, p. 94, 113, 126, 145 CDP C6. Emissions data C7.Emissions breakdown C8. Energy C9. Additional metrics
	Resilience of the organization's strategy to different scenarios	**Integration into overall risk management**	**Targets and performance against targets**
	IAR 2023, p. 16, 84 CDP C2. Risks and opportunities	IAR 2023, p. 84, 85, 113 CDP C1. Governance C2. Risks and opportunities	IAR 2023, p. 36 CDP C1. Governance C4. Targets and performance

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

ESG performance review

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

TITAN employees, Kamari plant, Greece

ESG performance overview

TITAN Group's ambitious Environmental, Social and Governance (ESG) targets for 2025 and beyond underscore its enduring commitment to sustainability and value creation for all. They focus on four pillars – decarbonization and digitalization, a growth-enabling work environment, positive local impact and responsible sourcing – all of which are underpinned by good governance, transparency and business ethics.

Focus area: Decarbonization and digitalization

We are committed to collective endeavors focusing on delivery and action towards climate change mitigation and adaptation. TITAN Group is committed to the COP21 Paris Agreement goal to keep the increase in global average temperature to 1.5°C above pre-industrial levels and to the European Green Deal vision of carbon neutrality by 2050. We endorse the Global Cement and Concrete Association (GCCA) 2050 Climate Ambition towards carbon neutrality, joining forces with the world's leading cement and concrete manufacturers.

TITAN Group was among the first three cement companies worldwide to have its CO_2 emissions reduction targets validated by the SBTi as consistent with the reductions required to keep global warming to 1.5°C. Our target setting through SBTi is based on a decarbonization trajectory aligned with the 1.5°C trajectory. Our decarbonization strategy includes a comprehensive set of levers to reduce emissions from cement production by accelerating the use of alternative fuels, substituting clinker with cementitious materials with lower-carbon intensity, increasing energy efficiency, and optimizing the raw materials mix. Furthermore, we are deploying carbon capture, utilization, and storage (CCUS) technologies.

TITAN Group participates in the "Business Ambition for 1.5°C" global campaign led by SBTi, joining a number of leading companies worldwide that are committed to keeping global warming to 1.5°C and reaching net-zero emissions by 2050. By signing the "Business Ambition for 1.5°C", TITAN Group also joined the United Nations Framework Convention on Climate Change (UNFCCC) "Race to Zero" global campaign, which encourages more companies, governments, and financial and educational institutions to come together and act for a healthier planet with zero carbon emissions. Decarbonization provides opportunities for innovation and growth, as it requires a profound reshaping of the energy and construction materials sectors.

Furthermore, in a strategic move towards fostering a more sustainable and resilient future, TITAN joined the Industrial Transition Accelerator (ITA), an initiative launched during COP28, pledging to accelerate the decarbonization of heavy industries on a large scale. TITAN will collaborate with leading global players across various sectors to collectively reshape the industrial landscape, promote climate-related innovation, and expedite progress toward achieving net-zero emissions.

In recognition of its leadership in corporate transparency and performance on climate change, for the second consecutive year, TITAN has earned a place on the globally recognized "A" List of the carbon disclosure non-profit organization CDP.

2030 decarbonization roadmap

In 2023 TITAN Group continued with the implementation of the internally developed, detailed Scope 1 decarbonization roadmap that covers the period until 2030. Participation in the follow-up process was universal and cross-departmental: Senior as well as middle management from the commercial as well as technical departments from all business units were involved. Our roadmap, covers all traditional levers, such as:

- Reducing clinker content in the final product;
- Increasing the thermal substitution rate of fossil fuels with alternative fuels;
- Process optimization by reducing specific heat consumption.

The designed roadmap confirms the Group's ability to reach our targets: A detailed list of over 100 actions and projects had been compiled, all of which provide significant cost savings as well as business growth opportunities in addition to their decarbonization potential. A total CapEx between €100- €150 million was identified, to be distributed throughout the ten-year-period to the end of 2030.

In the first half of 2023, the Kamari cement plant in Greece successfully completed a €26 million investment by installing a state-of-the-art precalciner unit. Additionally, a new alternative fuel feeding line was inaugurated in Zlatna Panega, Bulgaria, with a €4.7 million investment to enhance the handling of diverse fuel streams. Ongoing investments of approximately €20 million are enhancing the storage, handling, and feeding infrastructure at the Beni Suef (Egypt), Sharrcem (Kosovo), Usje (North Macedonia), and Thessaloniki (Greece) plants.

Alternative fuels increased from 17.5% in 2022 to 19.6% in 2023 – a significant increase of Thermal Substitution Rate (TSR) by 2.1 percentage points – with additional projects and on-site improvements already in development as per schedule and coming out of the pipeline by the end of 2024.

In the US, two new domes were constructed at the Group's key import terminals in Tampa (Florida) and Norfolk (Virginia) for a total investment of ca. $70 million with a combined import storage capacity of more than 130,000 metric tonnes of cementitious materials. The Group also finalized two bolt-on investments as part of its Green Growth Strategy to expand its offerings of supplementary cementitious materials (SCMs). At the beginning of 2023, the Group took a participation in "Aegean Perlites", on the Greek island of Yali, while at the end of the year the Group acquired the concession rights in Vezirhan Pozzolana Quarry, in the East Marmara region of Türkiye, bolstering its efforts to secure long-term pozzolana reserves for its own use and for trading purposes.

The roadmap also includes commercial initiatives and the clinker-to-cement ratio fell from 78.4% in 2022 to 76.9% in 2023, a significant annual drop of 1.5 percentage points.

The cumulative effect of all actions was a net Scope 1 CO_2 emission reduction from 619 $kgCO_2$/t cementitious product in 2022) to 607.7 $kgCO_2$/t cementitious product in 2023, an annual drop of 1.8%.

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

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

TITAN Group was one of three pioneering cement companies globally to undergo official validation of its CO_2 emissions reduction targets by the SBTi, aligning itself with the necessary reductions to limit global warming to 1.5°C in accordance with the goals of the Paris Agreement. Through these newly established science-based targets, both for the near and long term, the Group aims to comprehensively address not only its direct (Scope 1) emissions and indirect emissions from purchased electricity (Scope 2) but also other indirect emissions within its supply chain (Scope 3). Leveraging the guidance and resources provided by SBTi, our target setting is based on a decarbonization trajectory aligned with the IEA (International Energy Agency) net-zero scenario.

Overall net-zero target

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

2030 near-term targets validated by SBTi

TITAN is committed to:

- Reducing gross Scope 1, 2 and 3 GHG emissions, covering produced and purchased cement and clinker by 25.1% per tonne of cementitious product sold by 2030 from a 2020 base year
- Reducing gross Scope 1 GHG emissions by 22.8% per tonne of cementitious product by 2030 from a 2020 base year
- Reducing Scope 2 GHG emissions by 58.1% per tonne of cementitious product from a 2020 base year
- Reducing absolute Scope 3 GHG emissions from the use of sold fossil fuels by 80.9% by 2030 from a 2020 base year.

2050 long-term validated targets

TITAN is committed to:

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

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

Climate change mitigation indicators*

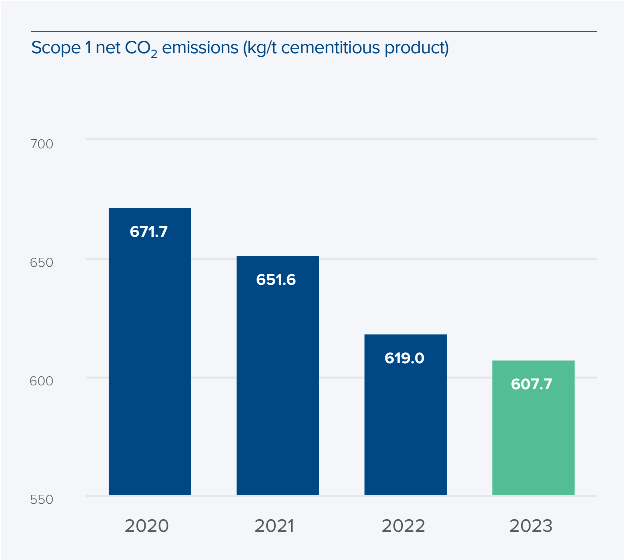
	2023	2022
Group level (cement operations)		
Specific net Scope 1 CO_2 emissions ($kgCO_2$/t cementitious product)	**607.7**	619.0
Alternative fuel thermal substitution rate (%)	**19.6**	17.5
Clinker-to-cement ratio (%)	**76.9**	78.4
Specific heat consumption (kcal/kg clinker)	**858**	848
Specific electrical energy consumption (kWh/t cement)	**111.4**	109.7

*including our joint venture in Brazil

Scope 1		Scope 2	Scope 3
52.0%	27.7%	6.1%	14.2%
Process emissions	Fuels combustion	Electricity	Supply chain

TITAN's Scope 1 CO_2 emissions performance

Expanding on the progress made in direct CO_2 reduction, in 2023 TITAN Group saw a notable improvement in its specific net emissions (607.7 kg CO_2 per tonne of cementitious product), resulting in a 21.9% reduction compared to 1990 levels.



Alternative fuels (co-processing)

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

TITAN continues to pursue opportunities to increase and optimize the use of low-carbon fuels in the cement production process, with a steadfast commitment to reduce the environmental footprint of the Group's plants. During 2023, TITAN Group accelerated its actions, initiatives and investments across many business units towards increasing the cement plants' thermal substitution rate (TSR) and contributed to various local/national waste management efforts.

The Group's alternative fuels TSR reached 19.6% in 2023 vs. 17.5% in 2022, an increase of ca. 12%. This has been the result of (a) continuous sourcing efforts for new alternative fuels in the local/international markets and (b) the completion of investments across several TITAN Group integrated cement plants in alternative fuel-processing facilities or in the plants' feeding and combustion infrastructure.

More specifically, the new state-of-the-art precalciner unit at the Kamari integrated cement plant, Greece, was completed in the first half of 2023. This €26 million investment allowed the plant to sustainably exceed 50% TSR.

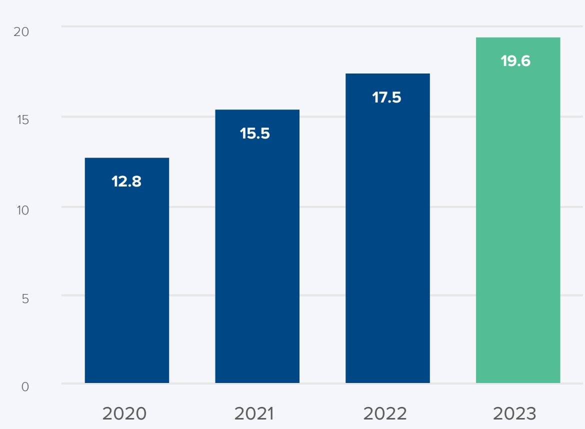
Precalciner unit at Kamari cement plant, Greece.

In addition, a new alternative fuel feeding line was inaugurated in Zlatna Panega (Bulgaria), following an investment of €4.7 million to significantly improve the handling of diverse fuel streams, enabling sustainable TSR levels of up to 70%.

Furthermore, TSR was considerably increased in all our facilities across the Group, mainly in the Pennsuco (USA), Alexandria (Egypt), Thessaloniki (Greece) and Tokat (Türkiye) plants, at levels consistently exceeding 25%.

In full alignment with its sustainability ambitions and commitment to participate actively in the circular economy, TITAN Group also plans to diversify into the waste management sector. A first step is the participation in the public tender process for the PPPs of the Mechanical and Biological Waste Treatment (MBT) plants in Greece, in a joint venture with TERNA Energy. In September 2021, the joint venture submitted letters of interest to participate in the tender process for the MBTs of the Central Circular Economy Park in Attica and the Circular Economy Park of Piraeus, as well as the MBT of the western sector of the region of central Macedonia. In 2022 the joint venture participated in the competitive dialogue procedure for all three projects and is currently developing the envelope for the final application to the state, a process that continued throughout 2023. The operation of MBT plants can maximize recycling and material recovery, minimize landfill and secure the availability of high-quality alternative fuels.

Alternative fuels (% thermal substitution rate)



Green products

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

"In partnership with our customers, we are committed to finding better methods to improve the quality of life through our products and their usage, thereby reducing the construction industry's carbon footprint. This endeavor is a collective game where the entire building ecosystem must unite in the pursuit of smarter construction practices for a more sustainable way of living."

Thierry Braunecker Becker
Group Head of Commercial Transformation

As presented in the ESG performance statements, Table 2.1.1, green (lower-carbon) products represent 23.4% of our portfolio of cement and cementitious products.

The Group has further reduced the carbon footprint of its products by enhancing its offering of lower-carbon cements. In 2023, we further reduced our clinker-to-cement ratio by 1.5 percentage points (76.9% vs. 78.4% in 2022).

Titan America successfully launched, through its Pennsuco plant, the ternary blended cement Type IT, which has a reduced carbon footprint by approximately 30% compared to Ordinary Portland Cement, to support its customers with high-performance green products while contributing to mitigating climate change.

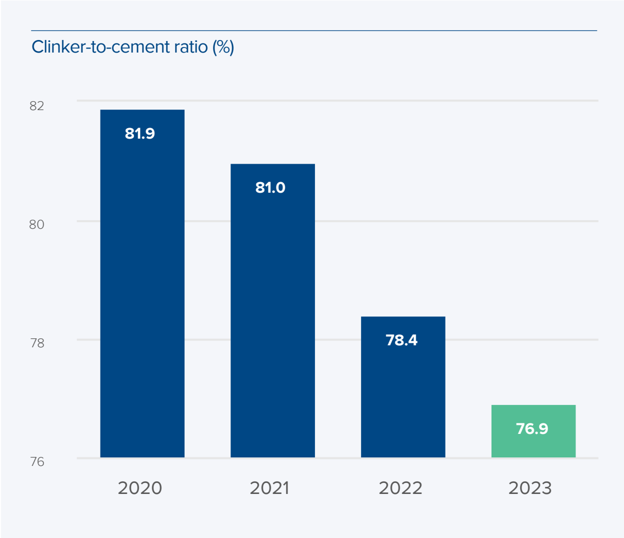
In Greece, the Kamari, Thessaloniki and Patras plants launched the pozzolanic cement CEM IV/B(P-W) 32.5R with a reduced carbon footprint to gradually replace the existing Portland-composite cement CEM II/B-M(W-P-LL) 32.5N in the bagged market. The Patras plant further expanded its export product portfolio, including Type IL, in response to US market needs for sustainable construction. Furthermore, the Kamari plant introduced for the first time in the Greek cement market two new blast furnace slag cements, CEM III/B 32.5N-SR and CEM III/B 42.5N-SR, while the Patras plant launched the hydraulic road binder HRB E4. As regards the white cement market, the Elefsina and Thessaloniki plants launched CEM II/B-LL 42.5N to replace the CEM II/A-LL 42.5N white cement product.

New lower-carbon cements were also launched in high volumes in Serbia, Bulgaria, North Macedonia and Egypt. More precisely, the Kosjeric cement plant in Serbia launched a new low-carbon composite cement, CEM II/C-M(V-L) 42.5N, for the Serbian bagged cement market. It includes ca. 9% less embodied CO_2 compared to the CEM II/B-M(V-L) 42.5N, which is also produced by the plant. Zlatna Panega cement plant in Bulgaria proceeded with the launch of three new cement types with a lower-carbon footprint. CEM II/B-LL 32.5R was fully replaced by CEM II/C-M(V-LL) 32.5N. Zlatna Panega is the second Group cement plant to obtain certification under the new standard designation of EN 197-5 for a specific cement type, an important step towards carbon neutrality in individual concrete construction, masonry and final construction works. Furthermore, Zlatna Panega launched CEM II/B-LL 42.5N and CEM II/B-LL 42.5R to partially replace CEM II/A-LL 42.5N, which has a higher carbon footprint. Usje cement plant in North Macedonia fully replaced CEM II/A-V 42.5R with CEM II/B-V 42.5R, which achieves lower CO_2 emissions through an increased use of high-quality fly ash.

TITAN Egypt replaced the CEM I 42.5N-SR5 that was offered in the Egyptian bagged cement market through the Alexandria cement plant with the new sustainable, sulfate-resisting pozzolanic cement CEM IV/A(P) 42.5N-SR, from the Beni Suef cement plant. Furthermore, the Alexandria plant, following the Beni Suef plant's portfolio changes during 2022, entered the masonry cement market for finishing applications for the first time. It successfully launched the new, low-carbon, masonry cement products 12.5X and 22.5X in the Egyptian bagged mortar cement market.

Low carbon bagged cement.

Overall, in 2023 the reduction of clinker used over the total cementitious products led to a reduction of the gross footprint by 6.5kg CO_2/t cementitious.



Thermal energy efficiency

In 2023, TITAN Group maintained its commitment to monitoring and improving energy efficiency. The Group's thermal energy consumption performance is sustained through regular equipment inspections, maintenance practices, strategic fuel selection, and the application of mineralizers and process optimization. Continuing the systematic use of process diagnostic tools, TITAN Group has identified and addressed air-in leakage, optimizing thermal efficiency. Recognizing the inherent connection between energy management, resource efficiency, and the sector's decarbonization roadmap, the Company continues to invest in energy efficiency.

Building on the success of using hydrogen to improve consumption efficiency in the Zlatna Panega plant in 2022, TITAN Group extended the use of hydrogen to three more kiln lines, at the Antea, Kamari and Quixere integrated cement plants in 2023. Promising results include improved burning conditions, increased utilization of alternative fuels, and a reduction in NOx (nitrogen oxides) emissions, thus highlighting the Company's ongoing commitment to sustainable and environmentally friendly practices.

Scope 2 CO_2 emissions performance

In 2023, Scope 2 indirect emissions were slightly increased compared to 2022, coming to 49.0 kgCO_2 per tonne of cementitious product.

In recent years, our concerted efforts to lower electrical consumption included the installation of advanced equipment such as low-energy vertical roller mills, roller presses, dynamic separators, and inverter-equipped motors. In addition, the replacement of electrostatic precipitators (ESP) with more energy-efficient bag filters also contributed significantly to our efforts. Other measures include process optimization and the use of expert systems to optimize control as well as the use of data analytics and modeling. Specific electrical energy consumption witnessed a decline in 2023, reaching 111.4 kWh per tonne of cement, compared to 109.7 kWh per tonne in 2022.

To meet our ambitious 2030 target, we explored various opportunities to reduce Scope 2 emissions in Greece and the Southeastern Europe region. Initiatives included the implementing waste-heat recovery (WHR) systems, establishing or acquiring renewable assets, and securing green power purchase agreements (PPAs) to mitigate electricity consumption price risks.

Following the installation and operation of the first solar plant within the TITAN Group at Usje cement plant in North Macedonia in 2022, TITAN Group is exploring opportunities to develop similar projects in other operational facilities.

Solar photovoltaic plant at Usje cement plant, North Macedonia.

In 2023, the Group signed a ten-year Power Purchase Agreement (PPA) for the purchase of electricity in Greece, as well as a supplementary agreement for the guarantees of the origin (GoOs) of the electricity purchased. The agreement enables the Group to gradually cover its Greek operations with carbon-free electricity by 2025, resulting in an annual reduction of ca. 250,000 tonnes of CO_2. With this agreement, the Group is taking another big step towards achieving its goal of carbon neutrality.

Scope 3 CO_2 emissions performance

Scope 3 emissions constitute 14.2% of our total greenhouse gas (GHG) emissions, equating to 114.5kg of CO_2 per tonne of cementitious product. The primary contributor to these emissions are fuel-related activities, representing more than 45.6% of the total Scope 3 emissions at Group level. Downstream transportation and distribution rank as the second most significant factor, contributing approximately 22.4% to the total, while purchased goods and services hold the third spot, accounting for about 22.3%.

Our Scope 3 CO_2 targets, endorsed by the SBTi, encompass:
- specific Scope 3 emissions related to purchased cement and clinker (part of Category 1); and
- absolute Scope 3 emissions linked to the sales of fossil fuels (part of Category 11), namely the sales of ground solid fuel, a minor activity in a limited number of countries.

Specific operating conditions of each facility influence Scope 3 indirect emissions from the supply chain, including raw material and fuel sourcing, product mix, market fragmentation, and transportation logistics (e.g., trucks, trains, vessels). TITAN Group is currently exploring diverse strategies to minimize supply chain environmental impact. These strategies involve optimizing the sourcing of raw materials and fuels, with a specific focus on utilizing locally available resources.

The Group is also focusing on collaborations that improve the precision of our methodology, one of which involved a proof of concept project to develop customized, commercially available applications to calculate our Scope 3 CO_2 emissions. In addition, the Group is proactively encouraging its suppliers to adopt net-zero practices, and has implemented Environmental, Social, and Governance (ESG) criteria to assess the sustainability practices of its key suppliers.

The Group is consistently enhancing its approach to Scope 3 reporting. We are actively identifying gaps, exploring alternative methods to enhance accuracy using market-based emission factors, and collaborating with all business units to establish the requisite management systems.

Our Scope 3 emissions assessment covers 14 integrated and three grinding cement plants.

Case study

The initiative taken by TITAN Greece to replace conventional cars with electric vehicles (EVs) and hybrid cars represents a pivotal step towards achieving a more sustainable and environmentally friendly transportation system. This program aims to reduce the carbon footprint associated with traditional combustion engine vehicles. The transition to electric and hybrid vehicles also mitigates air pollution at local level. The effort to replace conventional cars with EVs and hybrids underscores the Group's commitment to a more sustainable and environmentally responsible mode of transportation. Currently, more than 40.0% of the leased car fleet has been replaced with EVs and hybrids reducing overall CO_2 emissions by more than 50.0% compared to a similar number of conventional vehicles as a baseline.

Carbon capture technologies

On 1 December 2023, TITAN Group signed a Grant Agreement with the European Climate, Infrastructure and Environment Executive Agency (CINEA) for IFESTOS, its pioneering carbon capture project in Greece. The agreement was signed in the context of the EU Innovation Fund's third call for large-scale projects. The fund, one of the world's largest funding programs for innovative low-carbon technologies, will support TITAN's project with a grant of €234 million. IFESTOS represents the largest initiative of its kind in Europe, marking an important leap forward in TITAN's ambitious decarbonization journey. This project is poised to accelerate the green transformation of the Greek building materials industry and play a pivotal role in promoting carbon capture technology across the continent.

iFESTOS
Funded by the European Union
Emissions Trading System
Innovation Fund

More specifically, IFESTOS, an integral component of TITAN's decarbonization roadmap towards net zero by 2050, involves the construction of an innovative, industrial-scale carbon-capture facility at TITAN's flagship Kamari integrated cement plant near Athens, Greece. Subject to permitting and regulation, this facility will capture 1.9 million tonnes of CO_2 per year, significantly contributing to Greece's net-zero roadmap. At the same time, the project will enable the Group to produce approximately three million tonnes per year of zero-carbon cement to cater to the growing needs for green construction in the Athens metropolitan area and beyond.

IFESTOS will form a substantial part of a broader ecosystem that combines carbon capture with CO_2 transportation and storage infrastructure. TITAN Group has already signed memorandums of understanding with potential technology and value chain partners and, following the Grant Agreement conclusion with the EU Innovation Fund, is steadily advancing across all fronts to mature and implement the project.

"IFESTOS is a cornerstone of our accelerated decarbonization roadmap to net-zero. In line with EU climate policy, together with our technology partners, we are pioneering an innovative carbon capture project, the largest in Europe."

Aris Tsikouras
Group Decarbonization Strategy Director and IFESTOS Project Leader

Use of internal carbon pricing in strategic planning

The use of market-based carbon mechanisms can incentivize decarbonization at the lowest cost. An appropriate carbon price, as well as long-term predictability, allows companies to make the investments needed to reduce their CO_2 emissions. They direct financial resources wherever it is most economical to reduce emissions.

An internal price is a tool for the evaluation of the different scenarios and identification of low-carbon opportunities. Carbon pricing is a key factor in promoting low-carbon investments in alternative fuels, energy-efficient technologies and new products, but also in innovative technologies like Carbon Capture and Storage. Therefore, TITAN is using internal carbon pricing in its strategic planning. We stress test using various forecasts for CO_2 prices (€60–110/EUA until 2030) in the EU, and use lower prices outside the EU. This approach allows us to assess the risks and opportunities arising from the GHG regulatory environment and the transition to net zero.

Furthermore, in accordance with its CapEx policy, TITAN utilizes carbon pricing to make informed decisions about investments in relation to climate change. The company evaluates each CapEx project based on its contribution towards the Company's decarbonization goals and assesses the risk of its financial returns being impacted by increasing CO_2 prices. By doing so, TITAN is ensuring that its investments align with its commitment to a sustainable future.

Material issue: Innovation with emphasis on digitalization and decarbonization

Innovation with emphasis on decarbonization

In 2023, TITAN accelerated its innovation journey, exploring new possibilities within the building materials industry, in line with its strategy.

Specifically, in 2023 we launched our venture capital initiative, aimed at fostering innovation within the construction ecosystem, by investing up to $40 million in the medium term and forging partnerships that will give us early exposure to disruptive technologies and bolster our growth strategy. To this end, we have invested in Zacua Ventures, an early-stage global venture fund focused on sustainable construction and the built environment. In addition, we have expanded our existing investment in Rondo Energy, a US-based pioneer in zero-carbon industrial heat solutions. In collaboration with other global leaders, TITAN's contribution has empowered Rondo Energy to secure an impressive $60 million in funding. This infusion of capital is primed to speed up the rollout of Rondo Heat Batteries worldwide and transform the global energy storage market. In addition to its financial support, TITAN has solidified its involvement by joining Rondo's Strategic Investor Advisory Board (SIAB).

TITAN also invested in Carbon Upcycling's patented technology that injects and permanently stores captured CO_2 into industrial byproducts and minerals, transforming them into high-performance cementitious materials for cement and concrete. TITAN's investment and partnership with Carbon Upcycling aligns with the Group's focus on accelerating the delivery of innovative, decarbonization solutions across the construction industry and implementing circular, zero-waste sustainability practices in the markets we serve.

Moreover, TITAN invested in Natrx, a company that delivers high-performance, nature-based solutions for coastal resilience and protection. The company's ExoForms technology provides a more effective and environmentally friendly alternative to traditional heavy rock breakwaters. By investing in companies like Natrx, Titan is able to contribute to the protection of coastal areas and mitigate the impact of climate change in these communities while also promoting sustainable, circular solutions.

As regards our innovation culture, we held an Innovation Boot Camp with Plug and Play, a global innovation network of startups, world-leading corporations, venture capital firms, universities, and governments. involving TITAN people from various business units and functions, who generously contributed their talent and passion. Packed with insightful discussions, dynamic brainstorming sessions, and hands-on activities that pushed the boundaries of our thinking, the two events generated numerous new concepts and provided inspiration for the way forward.

In the same spirit, we held our first ever internal ideation challenge, aimed at bringing forth new concepts to improve everyday life for our people and our customers. Motivated by the vision that "everyone can innovate" in TITAN, the competition gathered 220 ideas from colleagues across the globe, covering all areas in which an organization can innovate, ranging from products and services to brand awareness and customer experience, from manufacturing and other core business processes to workplace environment and employee experience. The amazing variability of the proposals gathered was also reflected in the ones that made it to the final phase and were presented before an audience of TITAN's Group Management Summit. These ranged from solutions that could further reinforce TITAN's position as an employer of choice and a preferred supplier, to next-generation safety solutions and new products that could underpin the Group's environmental sustainability strategy and enrich its smart construction portfolio. The winning idea of the competition, entitled "mAltr-eye", aims to take novel smart digital solutions for cement manufacturing to the next level. The team behind the concept envisages a future in which next-generation drones will be used for technical audits and measurements, supporting our people in making inspections of industrial equipment safer, faster, and more efficient. Furthermore, "mAltr-eye" can be coupled with the state-of-the-art digital tools already deployed at TITAN plants, to offer unprecedented insights into manufacturing and maintenance procedures.

All finalists in the competition were awarded funding to develop their proof of concept, with deployment beginning in 2024.

TITAN continues to make progress on Research and Development (R&D) for Carbon Capture, Utilization and Storage (CCUS), through international collaborations. Through our participation in the HERCCULES CCUS research project, we aim to demonstrate, along with our partners, the feasibility of the entire CCUS value chain in Southern Europe, paving the way for larger-scale applications in the region. TITAN Group will deploy novel, hybrid carbon-capture technologies to capture CO_2 and convert part of it into sustainable, low-carbon construction materials. In a similar manner, we are participating in the SOMMER research project with leading chemical industry partners to demonstrate a novel carbon-neutral pathway to produce feedstock for fuels and chemical industries with the use of solar energy and captured CO_2. SOMMER follows similar endeavors by TITAN and its partners in the past, the CARBOGREEN project among them, which in 2023 demonstrated the conversion of industrially captured CO_2 into valuable nanomaterials (see photo).

TITAN and Orcan Energy joined forces for clean energy innovation.

Furthermore, we joined forces with Orcan Energy AG for clean energy innovation towards net zero in cement. Together, we will exploit the benefits and explore the scale-up potential of a new modular technology pioneered by Orcan Energy that holds the potential to convert large waste heat volumes into clean and affordable energy.

Digitalization

Digitalization is a key strategic objective for TITAN, as Industry 4.0 presents a significant opportunity for the company. The use of big data, analytics, and artificial intelligence has the potential to transform the cement industry, unlocking significant value and changing the landscape. TITAN is a pioneer in this digital transformation, particularly in cement manufacturing. By investing in the digitalization of its operations, TITAN aims to compete successfully in the new operating model that technology is creating for the industry.

TITAN established its Group Digital Center of Competence in 2020 to further strengthen the Group's capabilities to develop and implement new digital solutions, with an emphasis on the manufacturing, supply chain, and customer domains. In 2023, TITAN also established a Digital Center of Excellence based in the USA, to focus on the digitalization of its US operations. In the manufacturing domain, the Group Digital Center of Competence continued the rollout of existing Artificial Intelligence-based Real-Time Optimizer solutions for its cement manufacturing lines and developed new ones. These Real-Time Optimizers, sourced from both external partners and developed in-house, allow for increased output per production equipment and reduced energy consumption. As of 2023, TITAN has installed Real-Time Optimizers in plants in the USA, Greece, Brazil, Southeastern Europe, and Eastern Mediterranean, as part of the Group's target to digitize 100% of its cement manufacturing by 2026.

In addition, TITAN is continuing the roll-out of a machine learning-based failure prediction system tailored to the operating environment of cement plants, thus increasing their reliability and reducing the cost of unplanned maintenance. As of the end of 2023, this system has been installed in all cement plants of the Group with very fast paybacks.

CemAI, the spin-off digital company established by TITAN in 2022 that offers machine learning-based failure prediction as a service to other cement manufacturers, continued growing its customer base in 2023.

More information about CemAI is available under the "Other business activities" section on page 53.

As part of its continuous development of new digital solutions, TITAN piloted a new AI-based digital solution for cement quality prediction in its USA plants in 2023. Finally, TITAN has fully incorporated advanced digital solutions based on Building Information Modeling (BIM) technology in its major internal infrastructure deployments (including plant upgrades, logistics terminals, etc.).

In the integrated supply chain domain, TITAN's Group Digital Center of Competence continued to expand its expertise in developing Advanced Analytics and AI-based tools. In addition to its proprietary tools for forecasting sales demand, distribution network optimization, and cement spare parts inventory optimization, TITAN developed and piloted an AI-enabled Dynamic Logistics solution for its concrete operations in selected areas in the USA. This new tool improves the efficiency of the supply chain and offers a better customer experience. It is part of TITAN's target to digitize 100% of its concrete logistics by 2026. In line with this target, TITAN is continuing to invest in telematics solutions for its outbound truck fleet in business units in the USA, Greece, and Southeastern Europe.

In the customer experience domain, TITAN is working on improving and digitalizing the way the Group interacts with its customers, to both improve customer experience and create a more efficient commercial operating model. In 2023, TITAN launched an SMS push notification feature for concrete orders in selected operations in the USA, enhancing the customer experience by providing increased transparency of order status. By the end of 2023, TITAN had deployed digital customer applications in about 50% of its business units, mainly in the USA, Southeastern Europe, and some import businesses in Europe, with a target to have 100% of its customers covered by digital channels by 2026.

"In TITAN, we have embraced artificial intelligence in our digital transformation journey. Starting with our pioneering AI-based solutions in cement manufacturing and maintenance operations, we are now making significant strides in the deployment of AI-enabled solutions in our supply chain as well, with the development of our Dynamic Logistics solution for concrete operations."

Panagiotis Margaris
Group Supply Chain Digitization Director & PMO

TITAN is supporting its digital transformation journey through internal and external capability building efforts, such as the Digital Academy established in Greece and partnerships with not-for-profit organizations. TITAN is also building an ecosystem of partners, including start-ups, academic institutions, equipment and systems manufacturers, and specialized advisers.

Resilience of IT infrastructure and cyberattacks

To address cybersecurity risk, TITAN has implemented an Information Security Management Framework, which includes Group Information Security policies, procedures and guidelines following the ISO 27001 standard. TITAN has invested in an ongoing cybersecurity awareness program carried out annually for all TITAN employees to alert them about proper cyber hygiene and the possible security risks associated with their actions and to help them identify the cyberattacks they may encounter in daily operations.

Furthermore, TITAN has a comprehensive security program and has implemented and maintains security systems including redundant critical IT systems, security information and event management (SIEM), web filtering, next generation firewalls, intrusion protection, multifactor authentication, email protection and Endpoint Detection and Response (EDR).

Security indicators (KPIs) are used to measure and improve its information security status. In 2023, 1,150 of employees were trained in cybersecurity subjects under the Group learning programs.

The Cybersecurity Strategy and Strategic Plan is managed by a cybersecurity organization with appointed information security managers and a direct link to top management boards, where the execution progress status is regularly reported.

Additionally the IT Operations processes are regularly audited by Internal Audit.

The main cybersecurity actions that took place in 2023 include Group projects and operations carried out in all TITAN business units, including:

- Vulnerability management
- Internal penetration tests
- Implementation of new security controls (Mobile device management, MDM)
- Phishing simulation exercises
- Security awareness training
- Improvement of security measurements

TITAN is constantly reducing vulnerabilities and promoting secure infrastructure design by enhancing existing proactive prevention capabilities and building new ones for rapid detection and response. In 2023, 178 information security incidents occurred mainly in three forms: malware, phishing and password spraying attacks. All the aforementioned incidents have been resolved and there were no serious incidents related to information security or the protection of personal information.

Control room at Pennsuco cement plant, USA.

Focus area: Growth-enabling work environment

We are always working to make health and safety conditions better at work for our employees, contractors, and visitors. We achieved TITAN's lowest Lost Time Injury Frequency Rate (LTIFR), providing a safe and healthy work environment for our people to develop. In 2023, we renewed our commitment to Diversity Equity and Inclusion, and we proudly signed the United Nations Women's Empowerment Principles (WEPs) which reinforce TITAN's pledge to promote gender equality and women's empowerment in the workplace.

"Revitalizing our longstanding values has been a delicate yet invigorating journey. It was about much more than evolving; it was about building on both our heritage and vision to foster lasting impact. And, having stemmed from the collective wisdom of our people, it has become a meaningful chapter and a driver of our journey."

Alexandra Eleftheriou
Chief People Officer

Material issue: Safe and healthy working environment

TITAN's commitment to Health and Safety permeates the entire organization, from the Board and the Group Executive Committee to the employees working in the field. Our goal is to continuously improve health and safety conditions at work for our own personnel, contractors, and visitors.

The improvement of safety behavior and the mitigation of risk is pursued through Health and Safety certification, site auditing, incident investigation and the sharing of lessons learned.

Health and Safety

In 2023 there were no fatalities.
Our approach has delivered significant improvements:

- Own employees' LTIFR declined from 0.63 (2022) to 0.35 (2023) and the composite (own and contractors') LTIFR from 0.96 to 0.45 over the same period.
- Contractors' LTIFR declined steadily from 1.43 (2022) to 0.58 (2023).
- These LTIFRs are the lowest since data recording begun.

To further enhance and streamline the Health and Safety efforts across the Group, Safety Days were introduced in 2023 as part of the annual management cycle. It provides a forum where business units and regions can present to the Executive Committee the Health and Safety challenges they face, the results of their action plans and their targets for the coming year.

Contractor management

Despite the marked improvement in contractors' LTIFR, the effort to align contractor operations to TITAN standards continues unabated. In several markets, the high turnover of contractor employees has caused significant fluctuations in important skills, such as safe work planning and execution. The effect is notable, especially in big projects.

To raise and streamline contractor performance, in 2023 TITAN introduced a new Group Guideline for Contractor Management. It governs all phases of contractor operations, from preselection to end-of-job or end-of-year assessment. Implementation will begin in 2024.

Mitigation of climate change consequences

Climate change may cause significant upsets in the geographical areas where we operate as demonstrated in the dedicated TCFD section of this Management Report. Our priority is to protect people and installations from wildfires and floods. To that end, in 2023 we began to assess the wildfire exposure of selected installations and the findings are being used to strengthen their defenses. The assessment of flood exposure will begin in 2024.

Certification

In Europe, Egypt and Türkiye, 100% of the cement plants and more than 86% of the combined ready-mix concrete and aggregates are ISO 45001-certified. In the USA all TITAN activities comply with the requirements of the relevant OHS bodies.

Audits

Audits of cement plants and other operational sites are annually conducted by Group HSE. In 2023, 11 out of the 14 cement plants, as well as selected other operational sites, were audited by Group HSE. Emphasis was given to liquid fuels installations, and to protection from wildfires.

TITAN's regional and business unit Health and Safety organizations, as well as national Health and Safety organizations and external bodies, also conduct audits. In total more than 4,750 audits were conducted, of which more than 3,100 were held in the cement plants. Overall, there was an increase in audits of 40% over 2022.

Training

In 2023, the average Health and Safety training hours per own employee were 13.2.

First aid-training was offered in all regions and rescue training in Southeast Europe and Türkiye. In the USA, emphasis was placed on safe driving and process safety. In Greece, NEBOSH Certification training was offered to all new Health and Safety engineers and operations engineers from the plants and Group Engineering and Technology. Training in healthy habits was introduced in Serbia.

Group HSE Training in the safe design and operation of liquid fuels installations was offered in the US, Greece and North Macedonia. Other business units will follow in 2024.

First aid drill at Roanoke cement plant,USA.

Well-being initiatives

As expressed in one of our four core values at TITAN, our people are the beating heart of our organization and we deeply, genuinely care about them. In this context, prioritizing employees' well-being, through innovative programs, has been a long-standing commitment that we continuously uphold. Since its launch in 2020, our Health and Well-being framework enables us to implement a comprehensive, holistic approach throughout the Group, steering initiatives linked to the physical, mental, financial, and social dimensions of health and well-being.

In 2023, at a Group level, we continued to offer the TITAN Employee Assistance Program (EAP) consulting support service to all our employees and their families. Additionally, we used the occasion of World Mental Health Day, on 10 October, to emphasize the significance of prioritizing our mental well-being and remind our people of the services and wealth of resources available at their disposal, including videos, recommended readings and a self-assessment questionnaire.

TITAN's running team participated in the 40th Athens Marathon, the Authentic, in Greece, in support of the non-profit organization Desmos.

At a local level, TITAN America completely redesigned its well-being program. The refreshed program, called Titan Pulse, moved from in-person well-being coaching to a digitalized experience –while also providing in-person well-being coaching opportunities – aiming to drive greater engagement in well-being across TITAN America, including frontline employees.

As every year, all of our business units ran a great number of programs covering all dimensions of our well-being framework, reaching 226 initiatives.

TITAN PULSE
Live Well | Work Well

Additionally, in adherence to our Hybrid Work Global Principles, our Business Units have established local practices for remote work with the intention to encourage flexibility and support employees' work-life integration. These practices are tailored to accommodate local needs, employee expectations, market practices, and applicable legislation.

Material issue: Diverse and inclusive workplace

At TITAN, it is our steadfast commitment to cultivate an inclusive and bias-free culture where the power of "we" thrives and all people are treated fairly with equal opportunities for growth.

We already met our 2025 ESG target to achieve at least 1/3 representation of women on the Board of Directors in 2022. We are on course to meet the second target related to increasing the participation of women in senior roles, talent pools and new hires by 20%. The share of women in management increased to 20.8% in 2023, from 16.5% in a 2020 base year, while the share of women in talent pool increased to 24.0% vs 13.0% in 2020.

In March 2023, reaffirming our commitment to Diversity Equity and Inclusion, we proudly became signatories of the United Nations Women's Empowerment Principles (WEPs) which strengthen TITAN's dedication to advancing gender equality and women's empowerment in the workplace.

In 2023, we organized an inclusive leadership workshop to enrich discussions on how our Group's senior leaders can actively encourage all TITAN colleagues to feel valued and included. Walking the talk on this important topic, members of the Group Executive Committee actively participated in the workshop, assessing the inclusivity of their leadership styles and measuring their effectiveness in addressing specific diversity and inclusion challenges.

Diversity Equity and Inclusion workshops and events focusing on tackling unconscious biases and building an inclusive workplace also took place locally, in Albania, Bulgaria, Egypt, Greece, Kosovo and Serbia.

In addition, in Greece, in the context of supporting women's empowerment, we endorsed the establishment of two employee-led Lean In circles, in the Head Office and the Kamar plant.

The Gender Equality Project that started in Türkiye in 2022, in collaboration with the Industrial Development Bank of Türkiye and supported by the expertise of Escarus, aiming to create a roadmap that fosters inclusivity, diversity and equal opportunities, was successfully completed in 2023, with Adocim being awarded the Gender Equality Program Certificate, showcasing its commitment to promoting and advancing gender equality.

Usje in North Macedonia participated in the fundraising Giving Circle project organized by Konekt and USAID North Macedonia. The initiative aims to enhance the quality of life for persons with disabilities. Usje's support was provided to an association for people with cerebral palsy and other disabilities, enabling training for employability.

Fundraising giving circle initiative, at Usje cement plant, North Macedonia.

Employment by ethnicity in the USA, where employee race data is recorded, has broadly remained stable. TITAN America launched its fourth and fifth Employee Resource Groups (ERG) focusing on Asian heritage and military veterans, while the sixth ERG on Hispanic heritage is being prepared for launch in early 2024. In addition, the mentorship program that was first initiated in Titan America in 2022 by one of the Employee Resource Groups and this was designed to improve business acumen among Black and African American employees, was enhanced in 2023 to include more employees from underrepresented groups.

Titan America's Equity Employee Resource Group launched a statewide membership drive within the Florida BU with Site Leaders.

Aiming to introduce a new listening "mechanism" focusing on young talent, a series of informal virtual gatherings between the Chair of the Group Executive Committee and early career leaders from various departments across the Group was initiated in 2023. The gatherings provide a safe space where the young talented employees can share thoughts and perspectives in the form of a friendly dialogue.

In alignment with our Group Diversity, Equity, and Inclusion Policy, we are implementing "reasonable adjustments" to facilitate an inclusive environment and help ensure that people with different needs can carry out their role or apply for a position in TITAN. These may include modifications to spaces and equipment and the workplace environment, adjustments to job content, and more, that enable employees with disabilities, who are pregnant, have care responsibilities or changing health conditions that require adjustments to do their job.

Material issue: Continuous development of our people

Upskilling and reskilling opportunities

At TITAN, our unwavering dedication is to foster an environment where employees not only enhance their expertise but also acquire future-focused skills, actively contributing to TITAN's growth. In 2023, we fortified this commitment by prioritizing health and safety, technical excellence, and management and leadership development initiatives that were focused on building a workforce that is equipped to lead, collaborate, and drive TITAN forward. Our efforts resulted in a vibrant learning ecosystem that offers diverse opportunities for learning and development, culminating in 144,866 total learning hours – an increase of 16.4% since 2022. As regards health and safety, decarbonization and digitalization specifically, which are considered areas of sustainable growth, we are working, according to the Group's target for 2025, to ensure that all employees are provided with access to upskilling and reskilling opportunities. In the total hours of training for these areas, TITAN reached a considerable improvement of 26.17% compared to 2022.

As part of our ongoing commitment to employee development, we have consistently invested in a digital learning content platform, empowering our workforce to independently acquire technical, digital, and business skills at their own pace. This commitment is integral to our broader goal of providing a spectrum of opportunities for individuals to embark on their journey toward fulfilling their career aspirations – from tailored programs addressing specific needs to broader initiatives inspiring professional growth.

Health and Safety

Prioritizing the welfare of our employees stands as a paramount focus within TITAN, with health and safety assuming a central role in our learning initiatives. During 2023, our emphasis on delivering comprehensive health and safety learning opportunities to TITAN employees was notably significant, resulting in 74,776 hours of dedicated learning. Initiatives such as the "Health and Wednesdays", where individuals dedicate one Wednesday a month to participate in health and safety training, and the NEBOSH Certification for engineers exemplify our commitment. By prioritizing continuous health and safety learning, we not only guarantee the well-being of our workforce but also fortify a safety culture that reverberates across all levels of the organization.

Technical excellence

We solidified our dedication to technical excellence through impactful learning initiatives, notably exemplified by the TITAN Cement Academy in Greece. This initiative represents a pivotal stride in our commitment to technical training, making crucial technical competencies accessible to over 220 employees. Additionally, we made strategic investments in immersive learning simulations tailored for new cement professionals, offering a hands-on learning experience in a secure environment. This program also extended to seasoned operators, providing a platform to experiment with new ideas and procedures offline. The comprehensive learning experience spanned the entire cement production line, from the raw mill to the cement mill, ensuring a well-rounded and enriching educational journey.

Management and leadership development

In 2023, we proudly introduced "Rising Leaders", a tailored blended learning experience, designed to empower new people managers with the essential skills to guide and lead their teams effectively. The program incorporated various learning components, including the renowned Harvard ManageMentor e-learning, self-led action learning within small groups, and engaging instructor-led workshops. Over the course of six months, individuals from seven diverse countries – Albania, Bulgaria, Kosovo, North Macedonia, Serbia, Greece, and Türkiye – actively participated in the program. The success of "Rising Leaders" extended beyond equipping new managers with the skills to lead the TITAN way; it also fostered connectedness and synergies among different functions and geographies. As part of our ongoing commitment to inclusive and future-focused leadership, TITAN business units have continued their leadership development journey – launching new waves of Leadership Academies in Albania and Kosovo, training North Macedonia leaders in people engagement and in strengthening the organizational culture, and successfully initiating another LEAD (Leadership Excellence Acceleration and Development) program at TITAN America.

The LEAD Development program launched mid-2023 and was specifically designed to accelerate growth potential and equip leaders with the right tools to further invest in preparing for the future and build a robust individual development plan that will lead to the next stage of their career journey. With the Group Executive Committee sponsoring the program, selected executives in Europe had the chance to live this experience and embark on a journey with specific milestones.

"Rising Leaders" development program.

Employee engagement and human resources management system

In 2023 we intensified our efforts to capitalize 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 is 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.

We held an annual Performance Management cycle for our white-collar employees, who represent 42.3% of our total workforce, with a completion rate more than 90% in 2023. The remaining share of the white-collar workforce consisted of new hires who were not eligible for the yearly Performance Management cycle. Our priority is to develop all of our workforce and we care equally for blue-collar employees, who do not have an official profile on our HR Management System. For this reason most business units use local performance review forms to provide feedback and set goals for future performance.

Based on the Group-wide Employee Engagement Survey that we ran in 2022, our engagement score reached 70% and our enablement score 65%. Our people identified several strengths, including their pride in being part of the TITAN family, the opportunities for challenging and interesting work, and the freedom to be themselves without concerns about acceptance. They also identified certain areas for improvement, such as the speed and level of decision-making and collaboration among departments. During 2023, several actions were put in place to help address these areas. Indicatively, frequent Top Management Webcasts, shared with all employees, were organized, enabling enhanced alignment and communication on key strategic issues and allowing for quicker decision-making. The leadership programs for senior and middle management that were introduced in 2023 supported, among others, enhanced collaboration, delegation and decision-making skills. Furthermore, our revitalized Group values – which are the result of a collaborative journey that engaged teams across diverse regions and hierarchical levels – place great emphasis on collaboration, trust, and people empowerment. To ensure that we continuously listen to the voice of our people, our next engagement survey is scheduled for the first half of 2024.

Collective bargaining agreements

TITAN Group recognizes the significance of freedom of association and collective bargaining in fostering a collaborative and constructive workplace. Collective agreements are negotiated – at company or sectoral level – between the company's management and representatives of labor unions to address a spectrum of working conditions crucial to the remuneration, well-being, and often productivity of the workforce. From competitive wage and comprehensive benefits to working hours, occupational health and safety, and professional development opportunities, the collective agreements in place strive to strike a balance that meets the needs of both employees and the company.

The right for freedom of association is well-established in all countries that TITAN Group operates, beyond TITAN's Human Rights Policy; though, the impact of country-level unionization traditions is often reflected on company-level collective bargaining. In countries where unions have a long-established tradition, collective bargaining tends to be more mature at Company level. In the ever-evolving landscape of the cement industry, TITAN's collective agreements reflect a commitment to adaptability and sustainability.

The Group's approach to collective agreements goes beyond the transactional nature of employer-employee relations. It reflects a strategic commitment to employee engagement and satisfaction, recognizing that an engaged workforce is instrumental in achieving growth and operational excellence. By establishing clear terms and conditions of employment, TITAN aims to foster a sense of mutual understanding, contributing to a constructive organizational culture that aligns with the Company's long-term vision and values.

In essence, collective bargaining within the Group exemplifies a proactive and forward-thinking approach to industrial relations, addressing not only the immediate needs of the workforce but also positioning the company as a responsible and sustainable player in the global cement industry.

People analytics

Our most valuable asset and the key to our success are our people. It is therefore vital to know and measure how business outcomes are influenced by our HR practices and how these can be employed to both improve business results and foster a culture of learning, inclusivity and transparency. People analytics offers us powerful tools to achieve it.

In this respect, we continuously progress by investing in our Group Human Resources Management System (GHRMS) and elevating the quality of available data across our operations. Today our GHRMS can provide us with a comprehensive view of our workforce and covers key HR processes like performance management, learning and development, reward management, and employee engagement.

One key milestone in our people analytics journey was achieved in 2023 with the launch of a dashboard, called People Stories, in our GHRMS portal, specifically addressed to people managers, where they can see real-time, interactive information and analysis on their team, including (but not limited to) demographics, performance, compensation, and career development. By better understanding their people, their teams' dynamics, performance and DE&I objectives, people managers take stronger ownership of their teams' results and are enabled to make data-driven decisions.

In accordance with our Remuneration Policy, which aims at ensuring that TITAN is remunerating on the basis of the company's short and long-term business plan, a Long-Term Incentive Plan (LTIP) is provided as an incentive to employees to focus on delivering sustainable performance for the company over the long term, in alignment with the interests of its shareholders.

Participants in the plan are Group Executives, Senior Leaders and, selectively, employees who stand out on a continuous basis for their outstanding performance and high potential for development. LTIP awards are granted to participants in the form of a conditional grant of company shares. It is in the interest of each participant to increase the share price as the benefit is directly linked to the performance of the Company share from the time of award until the time of vesting. After vesting, participants maintain a vested interest in the increase of share price since they are encouraged to retain a stake in Company shares as per the retention rules applied in the plan.

Focus area: Positive local impact

One of our ESG targets and a field where TITAN has experience is to enable our people and our operations across the globe to contribute to the welfare of our local communities. In all our plants, we improved our environmental performance and implemented a targeted program of community actions that responded to local needs.

Material issue: Environmental positive impact

Over the years, TITAN Group has devoted large amounts of people and investments in best available techniques (BAT), reaching and sustaining a strong environmental performance that meets existing and potential new regulatory requirements, as well as our own targets, which are often more demanding, placing us among the top performers in our sector. The Group implements environmental management systems across its operations, realizing solutions that best fit local needs as well as international commitments. The majority of the Group cement plants have been certified according to ISO 14001. Biodiversity studies in two more quarries are in progress and we are on track to meet our target by 2025.

Air emissions

In the past, TITAN Group has executed investments aimed at installing new or upgrading de-dusting equipment in the major stacks. Electrostatic precipitators have been systematically replaced, either by bag house filters or innovative hybrid filters that combine both technologies.

Presently, our focus is directed one step further, at mitigating fugitive dust emissions. To address this, we have implemented comprehensive measures, including enclosing conveyors and elevators within closed systems, minimizing air leakages and spillage points, and ensuring the proper maintenance of installations through vacuum cleaning. Additionally, we have enclosed storage areas, leveraging natural wind barriers, incorporated water spray systems, implemented road wetting and housekeeping practices, and paved areas where feasible. Systematic monitoring of fugitive dust emissions not only lessens the impact on nearby areas but also prioritizes the health and well-being of our employees.

The Group remains committed to the optimal maintenance of machinery and equipment and strictly adheres to stringent regulations governing the transport of materials within its plants and beyond. As part of our broader environmental stewardship, monitoring and reporting air emissions play a pivotal role in mitigating our impact.

In accordance with legal and sectoral requirements, TITAN diligently monitors and reports various emissions, including dust, NOx (nitrogen oxides), SOx (sulfur oxides), TOC (Total Organic Carbon), HCl (Hydrogen Chloride), HF (Hydrogen Fluoride), and NH_3 (Ammonia), primarily through continuous emissions monitoring systems, while Hg (Mercury) and PCDD/Fs (Dioxins/ Furans) are also continuously monitored where needed. Trace elements are spot-measured by accredited independent laboratories.

Group performance of the most significant air emissions is presented in the following table:

Specific air emissions (Group level-cement operations)

	2023	2022
Dust emissions (g/t clinker)	**19.8**	21.7
NOx emissions (g/t clinker)	**1,165**	1,251
SOx emissions (g/t clinker)	**238.4**	257.4

Furthermore, air emission dispersion studies are being conducted in collaboration with local experts to ensure that our plant operations have no adverse effects on the quality of air in adjacent areas.

Rehabiliation and biodiversity

The restoration of affected land area and the protection of biodiversity constitute commitments in our ustainability strategy, aiming at the preservation of the natural capital as well as the prosperity of local communities in the areas we operate. To mitigate our impact to ecosystems and biodiversity, we have developed and implemented TITAN Group standard practices for quarry rehabilitation and biodiversity management at sites of high biodiversity value, in line with the respective GCCA guidelines. The aim is to meet the needs and expectations of local stakeholders while contributing towards the global goals for nature positive. TITAN's commitment to biodiversity and sustainable land stewardship is part of its Environmental Policy and is aligned with the relevant ESG Targets for 2025.

The key principles of the quarry rehabilitation plans, according to TITAN Group standards and in line with the GCCA Guidelines, include the progressive rehabilitation throughout the mine life of the quarry, as well as the post-closure land use, which should be based on a clear set of objectives and measurable targets, reflecting legislative requirements and stakeholders expectations, and encompassing the local social, economic and environmental considerations for the future use of the site.

One of our success stories for the closure and decommissioning of quarry sites is the marl quarry at the Sharrcem plant in Kosovo, where part of the depleted closed pit was restored, landscaped, and returned to local owners for resettlement with new housing. Today, approximately 60 new residents live in the 12 dwellings that were built in this area and which have been supplied with all required infrastructure (roads, fencing, electrical and water supply networks etc.) by Sharrcem.

In 2023, TITAN Group continued its efforts to further communicate its biodiversity strategy, actions and best practices with relevant stakeholders, internally and externally. In this respect, the Group Corporate Center organized specific workshops and participated in relevant training programs and public discussions.

Furthermore, and with regard to our ongoing partnerships with international organizations, associations and global collaborations, in 2023 we joined and actively participated in the GCCA's new Nature Task Group, which was established to ensure that GCCA members stay ahead of the curve and align with the latest trends and measures in the field of nature conservation. The group will work on various crucial areas, such as the Task Force on Nature-related Financial Disclosures (TNFD) and the Science Based Targets Network for Nature (SBTN), and will assess the need for updating the respective guidelines in light of those developments.

Local impact indicators

	2023	2022
Active quarry sites with high biodiversity value (number)	**12**	12
Active quarry sites in high biodiversity value areas with biodiversity management plans (%)	**83**	83
Active quarry sites with quarry rehabilitation plans (%)	**96**	91
Affected quarry land areas that have been rehabilitated (%)	**24**	24

In 2023, Usje cement plant in North Macedonia completed the rehabilitation plans at two of its quarries that have recently been opened, leading to the respective increase of the percentage of active quarry sites with quarry rehabilitation plans at Group level to 96%. The rehabilitation plans for the remaining two sites are scheduled for completion in 2024, to meet the respective target by 2025.

In 2023 the share of rehabilitated land was maintained at the level of 24% and very close to the 2025 target of 25%.

The sites of high biodiversity value are determined through risk assessment at corporate level, every five years, with the use of available tools such as the Integrated Biodiversity Assessment Tool (IBAT). According to past and more recent biodiversity risk assessments, 12 sites of high biodiversity value have been identified in our global operations. The percentage of active quarry sites with biodiversity management plans (BMPs) remained constant in 2023. However, TITAN's Aggregates Division in Greece progressed with fieldwork activities at both Drimos and Thisvi quarries, which, were the latest sites recognized as being in proximity to or part of areas of high biodiversity value, according to the 2020 biodiversity risk assessment with IBAT. These activities fall under the framework of the biodiversity baseline study, which together with the respective BMP will be completed in 2024.

This year, we further expanded our biodiversity initiatives by exploring the interactive effects of pollinators on quarry rehabilitation and biodiversity enhancement. Reversing the decline of pollinators is a key focus area of the 2030 Biodiversity Roadmap for our sector. In this respect, in 2024 we are planning to execute pilot programs with pollinators in two of our sites that will include monitoring and assessment of biodiversity in the surrounding area and of the pollinator population itself, as well as internal training and public engagement events for raising awareness in this very important aspect for nature.

Roanoke's onsite Wildlife Habitat Council-certified trout pond, USA.

Noise reduction

TITAN systematically addresses ambient noise reduction through a comprehensive program that involves periodic measurements to monitor and control noise levels. The primary objective is to minimize disturbances to neighboring communities and surrounding areas. This proactive approach includes the development of well-defined action plans and programs that incorporate best available techniques such as enclosing noisy equipment, placing outlet silencers on exhaust stacks, using natural barriers (trees and bushes, and acoustic panels), which all serve to minimize the propagation of noise beyond plant boundaries.

Audits

TITAN conducts regular internal environmental audits to evaluate the impact of its operations on the environment. The aim is to identify areas for improvement, ensuring compliance with regulations, and our ESG targets. Table 2.5.6 in the ESG performance statements offers insights into the aspects covered during these audits. In addition, Group facilities are subject to annual external certification audits. Regulatory compliance is further assured through audits conducted by competent authorities during permitting approval processes, and periodically according to the local legislation. In 2023, 59 scheduled internal environmental audits, carried out by expert teams at both the Group and regional level, contributed to maintaining a strong performance and improving environmental management practices. At the same time, 131 audits were conducted by independent third parties.

In 2023, TITAN underwent a GCCA Board compliance audit, supervised by an external auditor, and was found to be fully compliant with the GCCA charter principles.

IAR 2023-assurance audits at Thessaloniki cement plant Greece.

Material issue: Social positive impact

In 2023 we continued efforts to engage with our stakeholders in all geographical areas of operations and to contribute to the sustainability of communities. Our target is to have Community Engagement Plans (CEPs) aligned with material issues for stakeholders and UN SDGs 2030 at 100% of our key operations by 2025, while leveraging opportunities for promoting open dialogue and collaborative actions with our stakeholders. TITAN is implementing a targeted program of initiatives in each country, in line with the Group Framework Guidance for CEPs, and tailored to local needs.

In total, 265 initiatives were implemented in 2023 at all key operations across all countries, with the engagement of at least 6,537 participants, of which 1,853 TITAN employees as volunteers. Over 330,000 people in local communities and broader society where we operate were direct and indirect beneficiaries, while the total spending for initiatives exceeded €2.6 million.

We assessed all initiatives for alignment with material issues important for both our stakeholders and our business activities as well as for the engagement level with local communities. Our approach follows the principles of the SASB Materiality Map. We identified the areas of social and human capital.

Most initiatives focused primarily on promoting voluntarism (19%), supporting social cohesion and mitigation of inequalities (16%), enhancing education of people in the communities (15%), and contributing to local cultural heritage and recreational or well-being activities (13%), as well as providing materials for infrastructure (11%). TITAN contributed through internships, traineeships, and apprenticeships, offered to local students. We also supported our communities at times of crisis, and provided opportunities for employment by creating new jobs and increasing local employment.

Winners of robot design national contest visit the Thessaloniki cement plant, Greece.

A highlight were Adocim's efforts to contribute to the humanitarian relief of impacted populations after the devastating earthquakes in Türkiye, while in Brazil and Southeastern Europe, we intensified our efforts to support education initiatives in collaboration with stakeholders in local communities. In Greece we fostered inclusion by empowering people from communities with disabilities to pursue opportunities or higher education, leveraging the advances of digital technology. In Egypt we responded to the health needs of our local community in Alexandria, through the upgrade of Wady El Kamar medical center. In Greece and Albania, the issue of bullying among youngsters and on the internet was addressed by separate initiatives in collaboration with local municipalities and schools. In 2023, out of 361 interns (36.8% female) at the Group level, 28 were hired.

In 2023, TITAN significantly contributed to blood donation initiatives, with over 642 employees and contractors from various business units across our operational geographies volunteering in blood donation programs. Additionally, in Greece, we expanded our active pool of potential bone marrow donors to 680, culminating in a total of five successful donorships to date.

Community Engagement Plans (CEPs)

	2023	2022
Number of initiatives and actions under CEPs	**265**	203
Participants (TITAN employees, business partners, NGOs, local authorities and people from communities)	**6,537**	5,911
TITAN volunteer-employees among participants	**1,853**	1,923
Beneficiaries from communities	**330,824**	858,642
Social investment (in cash and in kind) for community initiatives	**€2.6**	€1.7

Material issue: Economic positive impact

TITAN is proud of the positive economic impact of its operations on local suppliers and communities and is continuously seeking to maintain and further increase its local spend, ensuring that at least 2/3 of the total spend is directed to local suppliers and communities, as per TITAN's 2025 ESG targets.

The necessity to create value for our stakeholders has led us to adopt a more focused approach towards our spending on local suppliers. We prioritize engaging with and supporting local communities by giving preference to agreements with suppliers from these areas. This strategy ensures a continued contribution to shared economic value, emphasizing the procurement of materials and services that can be sourced locally. This enables TITAN's business units to mitigate the risks of global supply chain disruptions while contributing to the sustainability of local communities, and lowering CO_2 Scope 3 emissions from transportation.

Overall local spend remained stable in 2023, reaching an average of 67.8% at Group level.

Focus area: Responsible sourcing

TITAN Group strives for responsible sourcing and aims to contribute to the circular economy by using resources efficiently, recycling, and recovering. Through its Integrated Water Management System (IWMS), TITAN tracks and improves water consumption, and adopts recycling and responsible water usage practices to lower environmental impact. At the same time, TITAN focuses on energy efficiency, and commits to having a significant part of its clinker production certified under ISO 50001 or through energy audits. The Group's proactive approach to sustainable waste practices is demonstrated by achieving zero-waste certification at several cement plants, which greatly reduces dependence on landfills. The extensive use of concrete returns and construction and demolition waste in cement and concrete production shows the Group's commitment to sustainable material use and waste reduction.

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

Water management

As a precious natural resource, water is a significant material issue both for our business and our key stakeholders. Water is essential for our operations, for the manufacturing process and also for non-process purposes in our facilities, like water use for dust suppression, irrigation, etc., whereas it is also the basic component in concrete, the final product in our ready-mix operations.

Therefore, sustainable water stewardship inside and outside the premises of our sites is a material aspect of our environmental performance and strategy, under the focus area of Responsible Sourcing. Our management approach and policy endorse our commitment to conserve the quantity and sustain the quality of water resources in all our facilities and the neighboring areas, aiming at reducing the withdrawal and consumption of freshwater and minimizing our impact downstream, by establishing water recycling and promoting responsible and efficient practices for water usage and discharge.

We have been developing and operating an Integrated Water Management System (IWMS) at all our operations for many years, to monitor and optimize water consumption and to disclose water data in a consistent way, according to international practices and cement sector guidelines. TITAN's initiatives and investments in relevant facilities and systems over the past two decades have resulted in a substantial improvement in water management.

As part of our efforts for the sustainable management of water resources, risk analysis is performed on a regular basis, with the use of widely accepted tools and methodologies, to identify facilities operating in areas with water scarcity and other risks related to climate change. Therefore, in 2023 we completed an updated water risk assessment for all our Group sites with the use of Aqueduct, a tool developed by the World Resources Institute (WRI). A total of 159 sites were assessed and results showed that 60% of the Group's cement and cement grinding plant sites, 86% of quarries for aggregates and industrial minerals, and 66% of ready-mix concrete sites operate in water-stressed areas. Furthermore, we have performed a specific scenario-modelling assessment of the Group's climate-related risks and opportunities, in line with the implementation of the Task Force on Climate-Related Financial Disclosures (TCFD) framework. This assessment indicated that water stress poses the third-highest physical risk (after coastal flooding and drought) for cement manufacturing facilities throughout TITAN's global operations. We use the results of these assessments, along with the evaluation of local conditions at 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 is given to cement plant sites, since cement production activities use the greatest quantities of water compared to the rest of the Group's activities. The Group cement plant sites in water-stressed areas are presented in the notes of Table 2.4 of the ESG Statements. This objective also involves collaboration with key stakeholders and local communities, to raise awareness and enhance collective action for the sustainable use of natural water resources, on the local level and through a broader water basin approach.

In 2023, we enhanced our efforts to further communicate our water strategy and management system with our relevant internal stakeholders. In this respect, the Group Corporate Center organized specific workshops, which achieved two-way interaction: the top-down communication of the corporate approach to sustainable water management and the bottom-up presentation of best practices on water management applied in the different business units.

All our efforts in water management are also reflected and acknowledged by the "A-" score achieved in the water security questionnaire of the Carbon Disclosure Project (CDP) in 2023. TITAN is one of only three companies in its sector to attain top scores in both climate change and water security categories.

Access to safe water, sanitation and hygiene is a human right according to the UN SDG 6. In 2023, we performed an initial evaluation of our integrated and grinding cement facilities based on selected criteria outlined in the self-assessment tool provided by the WASH4Work initiative. According to this assessment, all reviewed facilities provided access to Water, Sanitation and Hygiene (WASH) at an appropriate level of standards for all our employees and contractors.

In 2023, the Group's total water withdrawal, discharge and consumption levels fell by 7.8.%, 9.2% and 3.7% respectively, which is mainly due to more efficient water use in some cement plants and aggregates sites. Water consumption at the Group's cement and grinding plants and their attached quarries further decreased by 7.4% to reach 222.7 l/t cementitious product, a reduction that remains well above the target set for 2025. The use of recycled water as a share of overall water consumption increased to 71.0%, approaching the 70% target set for 2025.

Water management

Group level (all operations)	2023	2022
Total water withdrawal (million m^3)	**39.0**	42.3
Total water discharge (million m^3)	**28.5**	31.4
Total water consumption (million m^3)	**10.5**	10.9
Group level (cement operations)		
Specific water consumption (l/t cementitious product)	**222.7**	240.4
Percentage of water recycled over water demand (%)	**71.0**	68.0

Water effluents

TITAN Group's continuous target is to sustain the quality of water resources in all our facilities and neighboring areas, by establishing responsible and efficient practices for water usage and discharges. Water management systems ensure that discharged water, both in quality and quantity, meets or exceeds local standards and regulations. By applying appropriate treatment processes, we aim to mitigate and minimize any potential impacts on water ecosystems and human health. The treatment methods include primary treatment with sedimentation tanks and also specific facilities for treating sewage water according to regulatory requirements. The treated water is recycled and re-used in our facilities. Under the framework of our IWMS, all sites monitor on a regular basis the quantity and quality, including oil and fats, nitrates and phosphates, of treated water that is finally discharged to natural recipients. In all cases, our water effluents were below local limits.

Energy efficiency management

Improving energy efficiency is essential for tackling climate change and conserving resources, enhancing energy security, and reducing reliance on imported fossil fuels, while optimizing the cost of production. This commitment is a top priority for TITAN Group since cement is an energy-intensive sector.
The Group pledged to certify 85% of its clinker production under ISO 50001 or through energy audits, as part of its 2025 ESG targets. In alignment with the industry's decarbonization roadmap, the Group invests in low-energy demand equipment and initiatives promoting energy efficiency. Notable achievements include reducing electrical consumption through advanced equipment installation and maintaining commendable performance in thermal energy consumption through regular inspections, maintenance, and the adoption of new energy-efficient equipment. The Group began implementing energy efficiency management systems in 2016, and in 2023, 85.7% of its clinker production was covered by ISO 50001 or energy audits, surpassing the 85% target set for 2025.

In Greece, a state-of-the-art supervised machine learning tool has been implemented to forecast and optimize electrical energy usage in the cement mills at the Kamari and Thessaloniki cement plants. This sophisticated tool empowers the production teams to thoroughly assess and analyze the specific energy consumption, ultimately optimizing the production process, enhancing energy efficiency and the development of new products.

Titan America's Roanoke cement plant, along with its sister plant Pennsuco, have earned the US Environmental Protection Agency's (EPA) Energy Star certification. Energy Star signifies that these cement plants perform in the top 25% nationwide for energy efficiency and meet strict energy efficiency performance levels set by the EPA. Both plants have earned the Energy Star for more than 15 years in a row, respectively, reflecting a legacy of continued energy savings.

Waste management

In alignment with the global shift towards a circular economy, TITAN Group has made significant strides in diverting waste from landfill. Notably, in 2023, six Group integrated cement plants achieved zero-waste certification, with five of these plants attaining the prestigious Platinum rating by successfully diverting nearly 100% of plant waste from landfills.

This accomplishment has propelled the Group's clinker production covered by the "Zero Waste to Landfill" certification to 55.0% of its total clinker production, surpassing the 2025 target of 50%. The waste generated as part of the Group's daily operations undergoes collection, storage, and disposal through authorized contractors, emphasizing reuse, recycling, or recovery to reduce reliance on landfills. Overall 82.8% of our waste is recycled, another 4.1% is reused while a 0.6% is recovered.

Despite hazardous waste constituting a minimal fraction (0.1%) of the total disposed waste, its proper management adheres to local regulations at all our facilities across various activities and business units. Consequently, in 2023, the percentage of total waste diverted from landfills increased to 87.5%, compared to 84.8% in 2022.

Leading by example, our plants have raised awareness in the neighboring communities by participating in relevant collaborative efforts like the "Nothing to Waste" initiative in Thessaloniki, Greece, a pilot application of the circular economy and efficient waste management program where 24 businesses and 500 households of their employees deliver measurable results to enhance the recycling performance of the municipality.

Circular economy: Concrete returns, construction and demolition waste recycling

We are committed to the circular economy, taking actions to reduce, reuse, recycle or recover materials and energy in order to preserve natural resources, mitigate CO_2 emissions and divert waste from landfill. In 2023, we promoted circular economy programs and practices across all our activities.

The Group continued its efforts to increase the use of alternative raw materials in clinker, cement and concrete production, designing and developing new low-carbon cement products to address the current and future needs of its customers. The use of alternative raw materials in the production of clinker and cement increased in 2023 (8.0% of total consumption vs. 7.7% in 2022).

Remaining aligned with the growing need to contribute towards saving natural, non-renewable resources, our cement and concrete activities utilize concrete returns and construction and demolition (C&D) waste in the production of cement and concrete, sending a clear message that buildings and concrete are fully recyclable.

The steadfast commitment to sustainability is evident in the consistent increase in the diversion of returned concrete from landfills, with figures standing at over 85% for the past five years and reaching an impressive 87.5% in 2023. Concrete returns were utilized both at cement and concrete production as alternative raw materials.

Our operations in Greece utilized over 170,000 tonnes of concrete returns, concrete production waste and construction and demolition waste from small and large projects of the public and private sector in cement production, achieving a 30% increase compared to 2022.

Titan America accepts customers' unused concrete, which is typically returned to the ready-mix plant, where it is recycled at a 100% rate. After the material hardens and a sufficient quantity is stockpiled, material is crushed to the size of aggregates and reused to replace raw materials, reducing landfill of waste at the same time.

Also, our operations in Bulgaria and North Macedonia recycle internally or externally practically 100% of their concrete returns.

Material issue: Reliable and sustainable supply chain

In 2023 TITAN continued its Group Procurement Transformation Program to further improve the efficient sourcing of global categories of materials while focusing extensively on its ESG Supplier Program. Supplier landscape optimization, building and maintaining long-term supplier relationships and a holistic review of supplier performance, including TITAN ESG Standards, are key elements for enabling "total cost" optimization, transparency of value creation and propagation of ESG practices in the supply chain. The Group has been closely working in accordance with its Sustainable Supply Chain Roadmap, with specific milestones and deadlines to ensure that the responsible sourcing targets (as part of TITAN's ESG targets) are achieved in a timely manner:

"We will ensure that 70% of our key suppliers meet TITAN ESG supplier standards by 2025."

Our Group Procurement Policy is the cornerstone that sets forth the fundamental principles, incorporating upgraded procurement practices that enhance the Group's commitment to being a socially responsible, ethical and environmentally sensitive business organization. Our Group Code of Conduct for Procurement further enhances TITAN's ESG commitments towards its supply chain partners. The two documents, developed in adherence to the Ten Principles of the UN Global Compact, constitute the basis for TITAN's ESG standards for the qualification of our key suppliers, already in place since 2022. TITAN defines key suppliers as critical suppliers according to the GCCA Guidance for Sustainable Supply Chain Management, and with a meaningful level of spend (i.e., 80%) for the level of the Group and for each business unit. In 2023 most key suppliers for global categories of procurement and separate business units `across all countries of operations were introduced to the qualification process using specific criteria under TITAN's ESG standards, aiming to ensure a responsible and sustainable supply chain. For this purpose, TITAN enhanced its cooperation with Avetta, a leading provider of supply chain risk management (SCRM) software, and incorporated TITAN's ESG criteria into the qualification process for key suppliers. The areas of: (a) Compliance with laws, regulations and social customs, (b) Respect for human rights, labor rights and promotion of high health and safety standards, (c) Robust environmental management policies and procedures, (d) Robust anti-corruption management policies and procedures, and (e) Transparency, comprise the pillars of our criteria for ESG qualification of suppliers.

Out of TITAN's 425 key suppliers, 51.3% have entered the qualification process and 24.7% were assessed in 2023 as either adhering to the ESG standards or having an improvement plan in place. 13 key suppliers have committed to science based targets. All procurement leaders have been introduced to TITAN's ESG standards and trained in the application of ESG criteria. More than 15.5% of key suppliers have incorporated TITAN's ESG criteria into their contractual obligations, specifically in new contracts and contract renewals in 2023.

The Third-Party Due Diligence System, a highly automated structured set of activities and control mechanisms, is consistently utilized to identify and assess characteristics in the structure of third parties who perform services for or on behalf of the Group, as well as other red flags and negative events related to bribery and corruption, anti-money laundering and other ESG and integrity risks.

In Egypt we offered key suppliers a training session program on the UN Global Compact (UNGC) Academy platform, certified also for attendance, while in Greece we coordinated with the local CSR network (CSR Hellas) to provide opportunities for advanced training to a focus group of key suppliers, raising awareness on the upcoming EU regulations and their future requirements for due diligence in their value chain. Furthermore, in collaboration with the CDP, we completed the "mapping" of Group key suppliers for their preparedness level. In 2023 85% of our Group key suppliers reported publicly on their emission reduction initiatives and 39% responded to CDP for the climate change questionnaire. As regards the CDP water questionnaire, 24% of Group key suppliers responded and 81% made their reporting on water-related targets public.

Good governance, transparency and business ethics

Through sound corporate governance, we aim to ensure that every management decision is aligned with our purpose and our core values, takes due account of our sustainability considerations and serves the best interest of our stakeholders. Our ESG targets for 2025 and beyond, which are in direct alignment with our commitment to the UN Sustainable Development Goals (UN SDGs) and the UN Global Compact (UNGC), are underpinned by strong governance, transparency and business ethics. 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 that is prevalent across the Group. The Board oversees on a regular basis the main areas of risk to which the Group is exposed, including ESG risks. It 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 and Group Executive Committee.

Compliance program and policies

TITAN's solid commitment to do business ethically and lawfully, in accordance with our purpose, values and ethical standards, is reflected and reinforced through a strong compliance culture across the Group. This culture of integrity, transparency and accountability is a key driver of our performance and operational excellence. Our disciplined approach and consistent efforts to ensure compliance are enabled through the Group Compliance Program, a dynamic, risk-based program incorporating compliance assurance systems, awareness and training activities, continuous monitoring and oversight.

Our Code of Conduct and Group Policies convey the rules, standards, principles and necessary guidelines to employees and business partners. All employees have unrestricted access to Group Policies in all local languages on the Intranet. The polices are also available on our website (www.titancement.com/about-us/corporate-governance/group-policies).

Group Policies cover all strategic compliance areas such as Anti-Bribery and Corruption, Conflict of Interest, Sanctions, Protection of Personal Data, Competition Law, Environmental and Climate Change, Human Rights, and Health and Safety. The set of Group Policies is enriched by the new Respect in the Workplace Policy and updated versions of the Environmental and Climate Change Policies.

During 2023, we continued our systematic efforts to ensure compliance with global sanctions prohibitions. The Third-Party Due Diligence System has been further upgraded to an end-to-end transactional Due Diligence System, addressing the risks across all aspects of a transaction. It is supported by a fully automated, world-class, data-driven engine. It enables the corporate analysis, assessment and enhanced screening of third parties as well as identification of red flags in relation to sanctions, sustainability and other integrity risks.

As awareness and training are considered imperative, the regulatory compliance training activities continued with e-learnings and specialized training sessions delivered to various business units for subjects including Sanctions, Anti-Bribery and Corruption, Due Diligence, and Anti-Fraud. In total, we conducted compliance training for 1,188 employees, accumulating nearly 3,900 hours. Additionally, our regulatory compliance training program engaged 325 managers and key personnel across three regions, totaling 957 hours.

Regulatory compliance training session for Global Sanctions and Anti-Bribery and Corruption in TITAN Egypt, Cairo, March 2023.

Whistleblowing: Grievance management

Respecting and supporting the human rights of our employees, business partners and people in our communities is a key subject area under the TITAN Group Compliance Program, which provides a well-structured framework to address relevant activities in a disciplined and comprehensive way across the Group's operations.

A culture of openness and accountability is essential to safeguard the appropriate conduct within the Group. This culture is supported by a comprehensive grievance and whistleblowing mechanism, aligned with stakeholder engagement and business integrity principles, which allows concerns to be raised and addressed in a responsible, effective and confidential manner, without any fear of retaliation.

Our Group Whistleblowing Policy, introduced in 2020, encourages employees to report in good faith a work-related concern regarding any reasonably suspected violations of TITAN Group's Code of Conduct and internal policies, acts that adversely impact the reputation of the Group, and unethical or other misconduct, including fraud or abuse. Integrated in the same framework, the Group EthicsPoint reporting platform provides a uniform, anonymous and strictly confidential channel for whistleblowing to TITAN employees, through a globally available digital tool. In addition, within the same context, any other external interested party in Greece and Bulgaria also has the possibility to submit, in good faith, a report related to possible breaches of national or EU law.

EthicsPoint is hosted and operated by an independent external service provider to ensure the confidential collection, at any time, of reported incidents. Guidance and relevant information is freely accessible on the Intranet and local websites. All reports are promptly and thoroughly investigated based on the principles of impartiality, fairness and confidentiality towards all parties involved, Any kind of retaliation or detrimental treatment against a whistleblower is not tolerated.

This approach is backed up by technical and organizational measures, in a process monitored closely and overseen by the Group Audit and Risk Committee.

Anti-bribery and corruption

Addressing effectively governance and ethics considerations and deterring bribery and corruption risks are considered fundamental to the implementation of our sustainability strategy, in accordance with the principles of UN Global Compact and SDG 16, and the achievement of our 2025 ESG targets.

TITAN's zero-tolerance stance against bribery and corruption across the Group is confirmed through a consistent management approach and a strong governance structure prescribed in the Group Corporate Governance Charter, in conformance with the Belgian Corporate Governance Code 2020. It is supported by a comprehensive framework of tools, controls and deterrence mechanisms, overseen by the Board Audit and Risk Committee. The Group Compliance and Anti-Fraud Department, part of Group Internal Audit, Risk and Compliance, maintains the overall responsibility for monitoring strategic compliance risks and coordinating relevant controlling activities, in cooperation with management and the Legal Department.

The TITAN Group Code of Conduct and Anti-Bribery and Corruption Policy set forth the principles, rules and responsibilities, and provide specific guidance for the preventive and detective procedures in place to mitigate the relevant risks.

Group Management Summit 2023.

Business fraud risks are effectively mitigated through the TITAN Group Anti-Fraud Program, a modular and comprehensive system incorporating dynamic elements, risk assessment, proactive activities and ongoing monitoring. The program, which is outlined in the Anti-Fraud Program Framework and is easily accessible to TITAN employees, covers a wide spectrum of possible fraud schemes related to Corruption, Asset Misappropriation and Financial Statements. Deployed throughout the Group, it aims to provide a protection shield for assets and resources, corporate reputation and credibility, cultural strengths and operational efficiency. The emphasis is placed on fraud prevention, mainly through the Fraud Risk Assessment projects in high-risk areas, as well as the early detection of any possible indications or instances of occupational fraud, through the EthicsPoint reporting platform and anti-fraud analytics.

In 2023, 11 cases in total were reported through the EthicsPoint platform, six of which have been thoroughly examined by the responsible committees, no substantiated cases were reported related to business integrity (such as Anti-bribery and Corruption), while action plans for remediation have been set for all substantiated cases. Detailed information is provided in Table 2.5.1 "Governance Core Indicators".

In 2023, there were no cases of significant fines related to noncompliance of TITAN operations with environmental laws, or for matters of business ethics such as Anti-bribery and Corruption, or Human Rights; however a fine related to late payments of employment taxes was paid by TITAN America - see details in Table "2.5.5 Political contributions and fines and other non-monetary sanctions" in the section "ESG Performance Statements".

Respect in the Workplace Group Policy

In the framework of enriching our sustainability-related policies and as part of our commitment to creating an inclusive, bias-free culture and work environment, we created the Respect in the Workplace Group Policy, which underscores our commitment to respecting, protecting, and advancing human rights while maintaining a zero-tolerance stance against harassment and any form of violence at work.

Also, it promotes awareness and provides the principles and mechanisms for properly recognizing, addressing, and combating harassment and any form of violence so as to foster a healthy and respectful working environment.

Corporate Sustainability Due Diligence Directive Roadmap

The Corporate Sustainability Due Diligence Directive (CS3D) is expected to become mandatory within two years following its anticipated publication in 2024. Its aim is to foster sustainable and responsible corporate behavior and anchor environmental and human rights considerations in companies' operations and corporate governance. For this purpose, the CS3D establishes a corporate due diligence duty for identifying, bringing to an end, preventing, mitigating and accounting for negative human rights and environmental impacts in the operations of companies and their subsidiaries and their chains of activities. TITAN follows the principles of the GCCA Guide to Environmental and Social Impact Assessment, according to requirements of the GCCA Sustainability Charter. TITAN intensified its efforts to prepare for the Directive with a contribution of experts from different Group corporate functions under a specific roadmap for 2023-2024. The work was based on the assessment of CS3D requirements, global standards, and reference documents of best practice for due diligence. The first wave of the roadmap initiated focused action plans, assessing TITAN Group's preparedness for policies, framework guidance documents, and management systems in countries of operation. Our revised Environmental and Climate Change Policies and the new Respect in the Workplace Group Policy are good examples. Additional developments in 2023 included a new methodology for Human Rights risk assessment at Group level.

Human rights due diligence

In 2023, TITAN stepped up its efforts to uphold the human rights of all people, especially those who may be affected by its operations, following the UN Guiding Principles for Business and Human Rights (UNGPs), which are part of the Group Human Rights Policy. Another action was the development of a methodology for human rights risk assessment, based on the UN Guiding Principles and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. This methodology is meant to complement relevant Group Policies and the Code of Conduct, and to play a key role for our human rights due diligence, in line with upcoming regulatory requirements in the EU such as the CS3D. TITAN's approach for human rights assessment at the local level for each business unit follows the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. To prepare for the next steps, TITAN carried out a study of human rights risk assessment at the country level for all its areas of operations, in collaboration with a team of experts from the CSR Europe Network. We focused our study on respect for the dignity of the person, respect for civil rights, freedom to participate in the political process, corruption and lack of transparency in government, governmental attitude towards international and nongovernmental investigation of alleged human rights violations, discrimination and societal abuses, and worker rights. According to the preliminary results, only two countries out of the ten we operate in were identified as high-risk areas. The TITAN systems in place mitigate the risks. The study used the input from several global reports for human rights incidents and followed the approach of the US Department of State on Human Rights Practices and will serve as the foundation for future risk assessments.

In 2023 TITAN promoted a Group approach to community engagement, through a further harmonization of efforts across operations and the implementation of TITAN's Framework Guidance for stakeholder engagement. The framework aims to provide an effective and practical set of guidelines for business units on using their channels of communication with stakeholders, focusing on recommended practices for essential stakeholder engagement. The Guidance was prepared in collaboration with management and experts at each business unit. Priority was given on complaints for environmental and human rights issues (incidents or allegations) collected by various channels of communication and brought to the management's attention for possible remediation plans.

Climate Change Risks: TCFD Framework

The Group has engaged with climate change risk experts to assess the physical risks stemming from climate change, at both group and country level, according to the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, which was initiated in 2017 by the G20's Financial Sustainability Board (FSB) and issued recommendations urging both financial institutions and non-financial companies to disclose information concerning climate-related risks and opportunities. Acknowledged globally as authoritative guidance for reporting financially significant climate-related information, the TCFD recommendations have received the endorsement of the European Commission, which advocates for their implementation alongside the TCFD Construction and Building Materials Preparer Forum Report.

Construction and building materials are vulnerable to climate-related transition and physical risks. Transition risks, such as the introduction of carbon pricing policies, have the potential to increase operational costs throughout the value chain. Physical risks, such as extreme weather events, could disrupt supply chains, halt operations and damage valuable assets.

The BoD has the overall responsibility for setting the Company's sustainability strategy and taking policy decisions, having placed climate change at the forefront of its sustainability agenda. Under the supervision of TITAN's main governance body for climate-related issues (ExCo Sustainability) and in collaboration with recognized climate risk experts, the Group has worked on identifying, assessing and managing the risks from climate change, along with capitalizing on opportunities from the transition to a low-carbon economy, in alignment with the TCFD Framework as illustrated on page 91.

In 2023, the assessment of the Group's climate change-related risks and opportunities was updated through an exercise that covered physical risks such as temperature, flooding and water stress, as well as transition risks such as carbon pricing, reputational damage and litigation. TITAN's Group ESG function initially engaged with climate risk experts to analyze the risks stemming from climate change, as well as opportunities from the transition to a low-carbon economy.

The main elements of the approach include:

- evaluating the exposure and vulnerability of assets to climate-related hazards
- assessing financial risks induced on assets by the hazards and their relevant vulnerability
- measuring the impact of each hazard on assets using specific metrics.

The methodology, based on catastrophe risk models, is propelled 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. Furthermore, opportunities linked to climate change are subjected to analysis and quantification.

The analysis was expanded to encompass four climate change scenarios based on the Representative Concentration Pathways (RCPs) from the International Panel on Climate Change (IPCC), specifically RCP8.5, RCP6.0, RCP4.5, and RCP2.6. The "high emissions" scenario, RCP8.5, is tied to an anticipated increase in the global mean surface temperature in 2100 in the range of 4.2 to 5.4°C, a consequence of insufficient global efforts to limit greenhouse gas (GHG) emissions.. RCP6.0 is associated with an anticipated increase in the global mean surface temperature in 2100 in the range of around 2.0°C due to lower GHG, while RCP4.5 is tied to an expected increase in the global mean surface temperature in 2100 in the range of around 3.0°C as a result of GHG aligning with current pledges on reducing emissions. Lastly, RCP2.6, the "low emissions" scenario, is linked to an anticipated increase in the global mean surface temperature in 2100 in the range of 0.9 to 2.3°C.

The climate-related scenario assessment encompasses TITAN's cement manufacturing facilities globally, encompassing 13 facilities across nine countries in Greece, Southeast Europe, Egypt, Türkiye, and the USA. The primary physical risks identified to date for the Group include coastal flooding, drought, water stress, and extreme temperatures, with coastal flooding representing the highest physical risk and drought posing the second-highest. The financial impact from these physical risks is outlined in Chapter C2 of the CDP questionnaire.

With regards to the mitigation of the effects of possible physical impacts on the Group's assets from extreme natural events caused by climate change, the company is implementing a set of proactive protective measures for its assets and is continuously developing updated emergency plans. The Group also follows appropriate design standards, ensures adequate insurance policies against physical damage or temporary loss of business as well as guarantees the ready availability of sufficient liquidity to absorb any potential impacts.

Within TITAN's geographical footprint, legally binding climate change regulations are predominantly implemented in the EU (ETS) and in Egypt (CO_2 emissions cap), where the gross Scope 1 emissions of the Group's operations constitute 49.2% of the total TITAN Group Scope 1 gross emissions.

Under the current phase of the EU ETS, TITAN's financial exposure to the ETS has been minimized, as the Group has a surplus of EU Allowances (EUAs) based on its existing operating model. The Group's plants in Greece and Bulgaria, where the EU ETS is in force, entered Phase IV (2021–2030) with a surplus of allowances, which should last for at least five years, provided that there is no significant change in the EU ETS rules.

The criticality of CO_2 rights pricing for the Group may arise if the regulatory framework changes in a manner that results in a shortfall. TITAN Egypt is closely monitoring the fuel-related emissions restrictions imposed by the Egyptian government, taking proactive measures to minimize emissions and avert any adverse economic impact.

Particularly in EU markets, the potential increase of production costs due to the gradual phasing out of free CO_2 allowances from 2026 may lead to loss of sales to imports from non-CO_2 constrained markets (a risk known as "carbon leakage"). Similarly, exports from markets with CO_2 taxation in place could be structurally disadvantaged versus exports from non-CO_2 constrained markets. CBAM (Carbon Border Adjustment Mechanism) can play an important role in creating a global level playing field, avoiding carbon leakage from the EU subject to a solution for exports. Even if imports to Europe are subject to CO_2 costs through CBAM, exports and therefore the competitiveness of EU plants will be negatively affected if no solution is found to maintain competitiveness post-2025.

In addition, opportunities related to climate change were also analyzed and quantified. For example, product portfolio, adaptation and resource efficiency and alternative energy sourcing opportunities were identified.

ESG criteria in Remuneration Policy

TITAN recognizes that linking ESG performance to executive pay can help hold executive management to account for the delivery of the Group's ESG targets, while strengthening the oversight of the sustainability agenda at Board level. As per the Group's remuneration policy, a three-year target that is compatible with the path to reduce our net CO_2 emissions to 500 kg per tonne of cementitious product by 2030, approved by SBTi under the 1.5°C pathway, is included in the performance objectives of the deferred compensation plan (DCP) for executive members of the Board and the members of the Executive Committee. (more information is available in the Remuneration Report, p. 72)

The reduction of net direct CO_2 emissions per tonne of cementitious product is linked also to the business unit managers' annual performance appraisal and reward system (salary/bonus). In addition, 5% of the Short-Term Incentive Scheme (STIP) of executives is linked to the Lost Time Injury Frequency Rate (LTIFR) and 5% of the annual performance bonus of all employees that receive performance appraisals is linked to LTIFR performance.

At the local level, TITAN has implemented a performance-oriented operating module that encompasses ESG performance targets.

EU Taxonomy Regulation

The Regulation requirements in 2023 were the same as in the previous year and specific to climate change mitigation and adaptation, adhering to the Commission Delegated Regulation EU 2021/2178 of 6 July 2021 (EU 2021/2139), as amended by the Delegated Regulation (EU) 2023/2486 of 27 June 2023, as regards specific public disclosures for the above-mentioned economic activities.

About the scope of economic activities which were eligible for assessment in 2023 according to the Taxonomy Regulation, we covered the manufacture of cement clinker, cement or alternative binder (code 3.7 "Manufacture of cement" according to the Taxonomy Regulation), and the production and sale of fly ash (code 5.9 "Material recovery from non-hazardous waste" respectively).

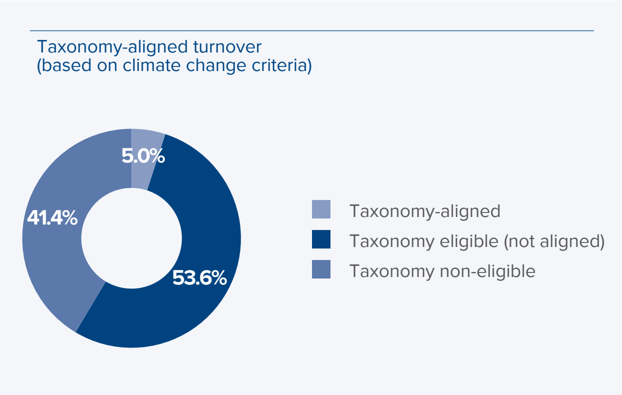
In compliance with Article 8 of the Taxonomy Regulation, we disclose that, based on the Group consolidated data, €1,489.3 million, or 58.6% of the Group turnover in 2023, was generated from the Taxonomy-eligible economic activities, while the total respective CapEx corresponded to €140.4 million (62.7% of total CapEx) and the total operating expenditures corresponded to €95.6 million (56.7% of total OpEx).

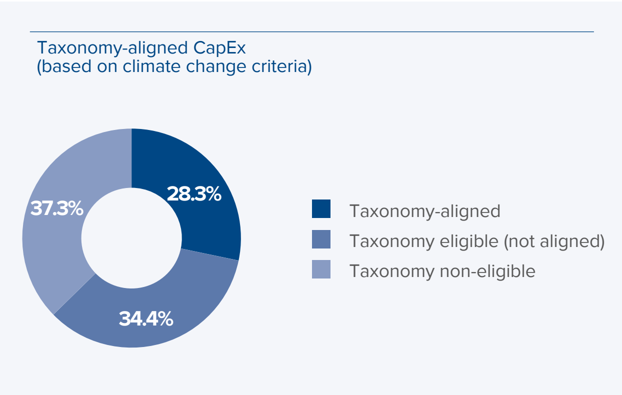
We explicitly state and according to the Regulation that TITAN has no activities in the fossil gas-sector or the nuclear energy-sector.

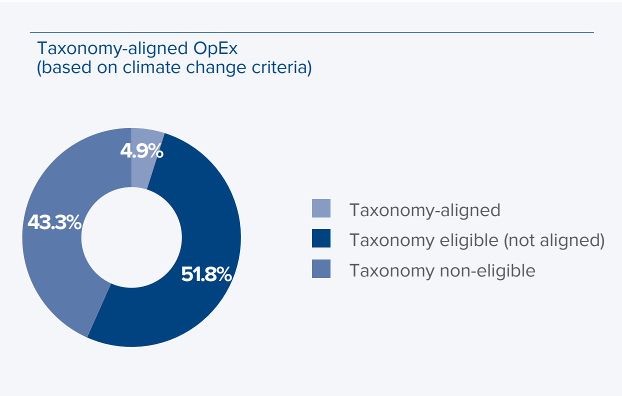
In its reporting on Taxonomy-aligned figures related to the above KPIs, TITAN conducted the review and assessment of expenditures on all products and project activities which were related to the eligible economic activities in 2023. The assessment methodology adhered to the technical criteria for the substantial contribution to the environmental objectives which are determined by the Regulation for the climate change mitigation, explicitly for meeting the threshold values for specific CO_2 emissions.

The assessment also ensured that the economic activity meets the requirements for the "Do no significant harm" principle (DNSH), as referred to in Article 3 (b) and (d) and Article 17, and the "Minimum safeguards", referred to in Article 18 of the Taxonomy Regulation. Specifically regarding the assessment of "Do no significant harm" (DNSH), according to the technical criteria under the Regulation Annexes I and II, TITAN complies with all applicable EU regulations and adopts the requirements of the Industrial Emissions Directive specifications and BAT emission limits through the environmental permitting process of cement plants (Directive 2010/75/EU). As in the previous year, we also leveraged our thorough assessment at Group level, made periodically and with granularity per country, for the protection of biodiversity and sustainable land stewardship and water, as fundamental elements of our sustainability strategy. In order to mitigate the impacts of raw material extraction on biodiversity and ecosystems, the Group has developed standard practices for quarry rehabilitation and biodiversity management at sites of high biodiversity value, in line with the respective GCCA Guidelines. The same holds for water, where we run a periodic assessment in areas where we operate for water risk levels and prioritize our investments and operating plans accordingly, while aligning with GCCA Guidelines for measuring and reporting our performance on water efficiency.

More references are provided in the Table 2.5.2 “Taxonomy KPIs 2023” of the ESG Performance Statements.







We have set relevant targets for the areas of environmental performance for biodiversity and water under our 2025 ESG targets, underscoring our commitment to contribute to the prosperity of our local communities and achieve a positive local impact where possible. In terms of the circular economy, our economic activity actively contributes to the shift from fossil fuels to alternative fuels in the EU and internationally, as well as to the substitution of raw materials with alternative ones, reducing the use of raw materials. TITAN’s decarbonization strategy, which addresses the co-processing of alternative fuels, is a crucial “lever” and aligns with our circular economy model to promote waste reduction, reuse, recycling and recovery of materials and energy use as a key priority. Cement plants use alternative fuels in full compliance with the EU 2010/75/EC Industrial Emissions Directive, ensuring the protection of human health and the environment. Each plant operates with a permit granted by the authorities. Co-processing helps us achieve our mitigation and circular economy goals by reducing direct CO_2 emissions from cement clinker manufacturing, replacing fossil fuels, recycling minerals, and avoiding landfill or incineration. The scope of our DNSH assessment covered, as in the previous year, the subject area of air pollution, in particular due to the co-processing of alternative fuels (such as RDF, biomass, tires etc.).

For all the above, we provide an assessment of our performance and key priorities in Table 2.5.2 “Taxonomy KPIs 2023” of the ESG performance statements. Furthermore, TITAN has set ambitious goals for energy efficiency management and waste management until 2025.

Regarding “Minimum safeguards”, TITAN ensures the alignment of its economic activity with the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the Declaration of the International Labor Organization on Fundamental Principles and Rights at Work and the International Bill of Human Rights, by adhering to the implementation of Group Policies for Human Rights, Corporate Social Responsibility, Code of Conduct, Diversity, Equity and Inclusion, Whistleblowing, and EthicsPoint for receiving and assessing employees’ complaints, etc. (See also Table 2.5.3 “ESG Policies” in the ESG performance Statements.)

The turnover for Taxonomy-aligned products based on climate change mitigation criteria reached 5.0% of the total turnover of the Group in 2023, whereas the proportion of capital expenditures (CapEx) and operating expenditures (OpEx) reached 28.3% and 4.9%, respectively. For the calculation of KPIs for Taxonomy-aligned turnover and CapEx we used as denominators the total figures on Group level for Turnover and CapEx which are disclosed in the “Financial Statements”, in more specific under the sections “Financial performance overview”, “Consolidated Income Statement” and “Consolidated Cash Flow Statement/Cash flows from investing activities”, also under the “Note 3. Operating segment information”.

CSRD implementation

In adherence with our steadfast commitment to sustainability and responsible corporate practices, we are actively engaged in the implementation of the Corporate Sustainability Reporting Directive (CSRD) and adherence with the European Sustainability Reporting Standards (ESRS). We actively participate in ongoing discussions with a member of the Project Task Force on “Reporting of non-financial risks and opportunities and linkage to the business model” facilitated by the EFRAG European Corporate Reporting Lab. Our engagement extends through collaborations with CSR Europe and Business Europe.

We have undertaken a comprehensive review and analysis of the CSRD requirements to ensure a robust and compliant approach to sustainability reporting. Our initial steps involve a meticulous assessment of our existing reporting frameworks to identify areas for gradual alignment with CSRD standards. Embracing the principle of double materiality, we have already taken initial strides towards addressing climate change risks and opportunities by integrating recommendations outlined by the Task Force on Climate-related Financial Disclosures (TCFD). To effectively capture and manage data pertinent to ESG factors, we are implementing advanced data collection and document management systems. We are gradually building on our existing data collection systems to gather all the data points required by the ESRS while ensuring accuracy, reliability, and consistency to facilitate transparent and comprehensive reporting. Furthermore, we are integrating these systems within our operational procedures to enable seamless monitoring, accuracy and reporting.

By fostering a culture of continuous improvement and investing in capacity-building initiatives, we aim not only to comply with CSRD requirements but also to leverage sustainability reporting as a strategic tool for responsible corporate governance and transparent stakeholder communication. We are preparing to conduct a new double materiality assessment according to the new ESRS in the coming year, as outlined in the relevant chapter “Material issues for TITAN and its stakeholders”.

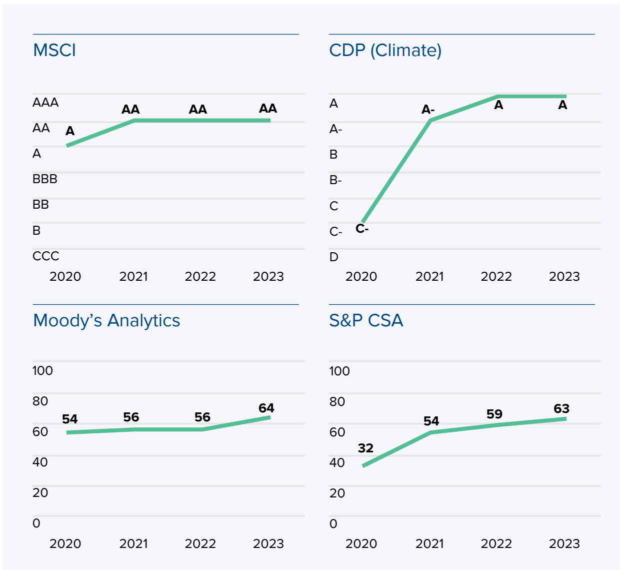
Building on our long-term commitment to transparency with our stakeholders, TITAN has received an independent review of its sustainability performance uninterruptedly since 2006. Each assurance cycle includes site visits at both a representative sample of TITAN’s operations and at the Group’s corporate center, with the participation of both plant and Group subject-matter experts and management teams. The assurance of the 2023 Integrated Annual Report (IAR) included two plant audits – of the Thessaloniki plant in Greece and the Roanoke plant in the USA – and the Group’s corporate center audit, with the participation of more than 50 employees throughout the Group.

IAR 2023-assurance audits at Roanoke cement plant, USA.

Independent assessment of ESG performance

TITAN actively collaborates with ESG rating agencies, committed to continuously improving our sustainability performance and further aligning our targets with the expectations of our stakeholders. In 2023, we received several improved ratings, as shown in the relevant graphs below . Notably, we achieved “Prime” status in ISS ESG Corporate Rating for the first time, securing a top 10% position in the construction sector. For the third consecutive year, we received an “AA” MSCI ESG Rating.

TITAN earned a Silver Badge from EcoVadis, placing in the top 15% and scoring 80/100 in environmental efforts. Moody’s Analytics awarded TITAN an overall ESG score of 64/100, 18 points higher than the sector average, with an “advanced” energy transition score of 68/100. In the S&P Global Corporate Sustainability Assessment, TITAN scored 63/100, ranking in the top 10% of the construction materials industry, with notable sub-scores of 91 in climate strategy and 80 in sustainable construction.



In Greece, a 95% ESG Transparency Score from ATHEX ESG, and platinum-level recognition in the Forbes Transparency Index came as a recognition of the Group’s dedication to transparency. For the second consecutive year, TITAN has earned a place on the globally recognized “A” List of the carbon disclosure non-profit organization CDP, in recognition of its leadership in corporate transparency and performance on climate change. Furthermore, the company has achieved an “A-” score for water security management. TITAN is one of only three companies in its sector to attain top scores in both categories.

More information on the Group’s ESG performance assessment by ESG Rating agencies is available on the corporate website (https://www.titan-cement.com/sustainability/esg-ratings/).

Product responsibility

Creating superior value for customers and exceeding their expectations is a priority for TITAN Group. Through a systematic approach, TITAN initiated several product and service level enhancements, aiming to play a pivotal role among key stakeholders, including ready-mix plants, architects, structural engineers, and general contractors. Within this framework, TITAN not only meets but exceeds legislative and normative requirements for its products by providing comprehensive safety and technical information.

Safety Data Sheets (SDS) of our products comply with the European Regulation on Chemicals (REACH) and Classification Labelling Packaging (CLP) Regulation requirements in providing health, safety and environmental information. In particular for bagged cement, information for safe use is printed on the bag, while for bulk cement customers, all relevant information is provided with the delivery document. For cements traded in the EU and UK, the relevant cement product SDS are registered with the competent authority in each country. All of our products in the EU markets are CE marked, indicating that they have been assessed and deemed to meet EU safety, health and environmental protection requirements.

Third party-verified EPDs (Environmental Product Declarations) for cement and key concrete and dry mortar products have been published and updated as needed since 2021, marking our product and process excellence and supplying customers with the information they need for sustainable construction. We provide the information our customers need to move towards sustainable construction and more specifically for many building certification systems, like LEED and BREEAM.

Xirorema quarry, The first aggregates quarry to obtain an Environmental Product Declaration (EPD) for aggregates in Greece and Europe.

In Greece, TITAN updated several EPDs and published eight new ones for concrete and cement, including for the ASTM Type IL of the Patras plant for the North American market and for CEM IV/B (P-W) 32.5 R, the cement type with the lowest embedded carbon emissions in the domestic market. Moreover, following last year's publication of the limestone aggregates EPD of our Xirorema quarry, which was the first aggregates quarry with an EPD in Europe, our Thisvi, Tanagra, Drymos and Tagarades quarries also published third party-verified EPDs. In the US, TITAN published EPDs for ASTM type I/II, ASTM Type IL, ASTM Type III and masonry cements. Adocim in Türkiye published EPDs for CEM I 52.5N and CEM I 42.5R cement types.

To communicate the importance of decarbonization and provide guidance to customers in selecting green building materials, TITAN Greece used the Vesta green rating scheme for cement and concrete, a third party-verified private labeling system that classifies products according to their embodied carbon versus their technical characteristics.

Furthermore, TITAN offered in-house expertise to customers, assisting them in the development of Life Cycle Assessment and third-party EPDs for their products. Currently, most of our top ten bulk cement customers in Greece, have published EPDs with TITAN's assistance or are in the process of getting certified.

Customer satisfaction

TITAN Greece obtains a holistic view of our customers' satisfaction by conducting regular area-focused surveys as described in our Quality Management Systems and ad hoc surveys on a thematic basis.

In 2023, TITAN Greece performed several campaigns for creating awareness for sustainable bagged products, with the assistance of external service providers. The campaigns targeted end users and civil engineers, both influencing the choice of high performance, differentiated product offerings by TITAN. The awareness campaigns reflected an excellent market perception for TITAN's bagged products, especially the recently launched Expert line, a family of five innovative bagged cements that embody the principles of the circular economy, feature a reduced carbon footprint, and support the concept of building better with less. In general, the TITAN brand enjoys high recognition for value, technical characteristics, ease of use, aesthetics and durability. All these surveys are designed to evaluate our performance in areas such as perceived quality, product range, addressing special needs, pricing, delivery times, comparison with competition, etc. The results of the surveys are assessed using both a quantitative and a qualitative approach by our sales, marketing and quality teams.

In Titan America, customer surveys take place typically every two years, facilitated by an independent third party. The surveys report a Net Promoter Score (NPS), which indicates how likely a customer is to recommend TITAN to someone else. The surveys cover all aspects, including service, quality, delivery, support and billing. All survey responses are carefully reviewed and used to make continuous improvements.

In France, Intertitan's customer satisfaction survey 2023 delivered outstanding findings about our presence and activity in France and in comparison to our major competitors. We also use web-based databases to keep track of complaints, defective materials and any other customer recommendations. This information is reviewed regularly by management to address any concerns and corrective actions if necessary. Moreover, in all regions, our customers actively participate in the validation process of our material issues, providing their valuable feedback and insights.

Transparency

For over three decades, TITAN has consistently reported its financial and sustainability performance, underscoring an unwavering commitment to transparency and the steadfast goal of keeping stakeholders well-informed and engaged. Our reporting spans all issues deemed material to stakeholders, aligning with key sustainability indicators and adhering to internationally recognized reporting standards. Simultaneously, the Group standardizes, and supports its business units in the publication of annual sustainability reports (or integrated reports), thereby fortifying transparency and engagement at the local level. In 2023, seven business units published annual sustainability or integrated reports.

Furthermore, in numerous regions where the Group operates, air emission data is accessible through public platforms. Notably, our cement plants in Greece, North Macedonia, and Serbia play a pivotal role in facilitating such initiatives. Similarly, our cement plants in Egypt and Türkiye provide access to similar platforms for local authorities. Additionally, we have established an awareness-raising platform in Greece specifically focused on co-processing in the cement industry, ensuring accessibility for our stakeholders.

Moreover, Titan Cement International S.A., being an EU-based company, is duly registered in the EU Transparency Registry (TR ID number: 447669443576-63). This registration underscores our commitment to ensuring and promoting transparent and ethical interest representation. The transparency register serves as a comprehensive database listing organizations actively involved in influencing the policy implementation process of EU institutions. This inclusion in the register allows for public scrutiny, providing citizens and other interest groups with the opportunity to track lobbying activities.

Tax governance

At TITAN we believe that corporate tax transparency and responsible tax behavior are key pillars of good governance that are essential for us to achieve our sustainable development goals, to build social trust and address our growing expectations. In line with the developments at the Organization for Economic Co-operation and Development (OECD) and the EU level as well as national tax laws, we are working on improving our tax control framework and we are embracing public reporting regulatory requirements. We are strongly committed to integrity and compliance that respects not only the wording of the law but also the spirit of its underlying principles.

All Group entities comply with the tax legislation in force in the countries in which the Group operates. Tax compliance and, through it, minimization of tax risks is a key driver in our regular business operations, as well as in significant transactions and potential investments, thus professional advice is sought from suitable external advisors for defining our tax position. We promote an open and transparent relationship with the tax authorities, providing complete and timely feedback to all requests received. TITAN Group pays tax on profits according to where value is created within the normal course of its business activities.

TITAN Group uses business structures that are driven by commercial considerations and does not seek to apply abusive tax schemes. We ensure adhering to the arm's length principle in all intragroup transactions, in line with OECD guidelines and local tax laws, by proactively setting prices in an arm's length, timely, transparent, and organized way. Our transfer pricing files are prepared by external tax advisors in cooperation with the group tax and local tax departments. They consist of a master file containing standard information relevant to all entities of the Group and local files relating to transactions carried out by the local taxpayers and are submitted (are available for review) to the relevant tax authorities.

The Country-by-Country Report (CBCR) is prepared and submitted to the parent company's tax authorities (Cyprus) in a timely manner and is aligned with the OECD guidance. We provide a list of all entities of TITAN Group, with ownership information and a brief description of the type and geographic scope of activities (Note 16.Principal subsidiaries, associates and joint ventures). We do not use secrecy jurisdiction or so-called "tax havens" to avoid taxes. Entities which are domiciled in low-rate jurisdictions exist for substantive and commercial reasons. We apply for tax incentives offered by government authorities to support investment, environmental performance, employment and economic development and we seek to ensure that our claims are consistent with statutory and regulatory frameworks. The Group's Effective Tax Rate (ETR) in 2023 was 19.7%. This is our worldwide corporate tax charge shown as a percentage of the worldwide Group profit before tax (Note 8-Income tax expense, provides a tax reconciliation on a Group basis).

Political involvement and lobbying activities

For all reporting purposes and starting with internal due diligence, TITAN maintains all the necessary details and context for the monetary contributions in each geography, while all internal records are safeguarded by our Legal Department for confidentiality matters. The respective disclosures are part of the ESG Performance Statements (see, specifically, "Table 2.5.5 Political contributions and fines and other non-monetary sanctions").

Since 2022, Titan America has implemented an internal Guidance for engaging in proactive outreach programs to develop long-term relationships with both regulators and elected officials and for behaving as a responsible corporate citizen and good neighbor in the communities near our operations in the USA. All political involvement is compliant with the applicable campaign financing laws in the country, while the process of review for the implementation of the Guidance is run annually by Titan America's top management.

ESG performance statements

TITAN's approach for ESG performance reporting in the IAR

TITAN's approach to ESG performance reporting is consistent with the regulatory requirements of the EU Taxonomy Regulation specifically for the "alignment" of business economic activities and products. The Regulation requirements were specific to climate change mitigation and adaptation in 2023, while we included in the scope of taxonomy-eligible economic activities, and the assessment for taxonomy-aligned as defined according to the Regulation criteria, the manufacture of cement clinker, cement or alternative binder (code 3.7 "Manufacture of cement" according to the Taxonomy Regulation), and the production and sale of fly ash (code 5.9 "Material recovery from non-hazardous waste" respectively). Our alignment with the Regulation was further enhanced by using the recommendations of the FSMA, following the latest published Commission Notice C/2023/305, for refining the disclosures for the KPIs of Turnover, CapEx and OpEx.

Among voluntary commitments for our reporting approach were: The IIRC principles, UNGC Communication on Progress (CoP), the GCCA Charter and Guidelines, and TCFD recommendations. We also provide the connection of our ESG Performance Statements with the SASB. Last, in 2023, our approach was further expanded for providing the connection of ESG performance indicators with metrics in reference to the GRI Standards for the period 1 January 2023 to 31 December 2023.

Changes in the structure and content of the 2023 Integrated Annual Report (IAR) ESG Statements

We introduced new KPIs and other disclosures under each focus area:

- Decarbonization and Digitalization: Scope 1 and 2 gross CO_2 emissions, encompassing all activities within our operations. Additionally, we've introduced the measurement of Scope 1 net CO_2 emissions intensity per revenue (see Table 2.1).
- Growth-enabling work environment: employee voluntary and involuntary turnover, gender pay gap and the share of employees covered by collective bargaining agreements stipulating provisions for working conditions. Additionally, we've implemented comprehensive training hours categorization and introduced DE&I as a subject matter (see Table 2.2).
- Positive local impact: our focus extends to a broader range of environmental protection expenditures and investments including environmental CapEx and environmental OpEx. Training man-hours on environmental issues employees and contractors respectively have been also included in Table 2.3.
- Responsible sourcing: we have expanded our indicators to include water withdrawal in water-stressed areas and hazardous waste management breakdowns by destination and usage. Furthermore, we're now monitoring the adherence of key suppliers to our ESG standards, the number of suppliers with science based targets, suppliers' training hours for TITAN ESG standards, the number of cases on product recalls, and customer satisfaction surveys coverage (see Table 2.4).
- Good governance, transparency, and business ethics: lobbying expenditures and the number of BoD meetings in which Sustainability was included. Additionally, we monitor incidents of corruption and bribery, the number of confirmed information security incidents and anti-bribery and corruption training (see Table 2.5.1).

Baseline years for KPIs

For monitoring progress on ESG 2025 targets the baseline year, if relevant, is 2020. For CO_2 emissions, all SBTi emissions-related targets refer to 2020 as the baseline year.

Consolidation of data for KPIs

The consolidation of ESG performance indicators (KPIs) was made with 100% contribution for all subsidiaries except Adocim-Tokat operations, for which and in specific for material issues "Future-ready business model in a carbon neutral world", "Environmental positive impact" and "Resource efficiency and recycling and recovery, contributing to circular economy", the consolidation of figures for KPIs followed the contribution of 75% according to the property share of the Parent company.

With regards to "Good governance, transparency, and business ethics" the consolidation of data related to "Compliance and business ethics" followed the above, while the data and information related to "Board structure" and "Board effectiveness" are specific for TITAN Group BoD.

Indicators denoted as "(incl. Brazil)" incorporate the performance of our joint venture (JV) in Brazil (Apodi) together with the performance of all TITAN subsidiaries, while indicators not marked as such exclude Brazil's performance. The consolidation of figures of KPIs for Brazil followed the same as above for Adocim, but with 50% contribution in accordance to the property share of the Parent company. No data of other JVs except Apodi were consolidated in the indicators, because of non-significant contribution.

The use of "average yearly" exchange rates for all TITAN subsidiaries' currencies in 2023 was in accordance with TITAN's accounting policy for the foreign currency translation, in specifically for the income and expenses for statements of profit or loss and comprehensive income.

Assurance: Specific KPIs falling under the scope of DNV assurance are marked with "R" if there is reasonable assurance and with "L" if there is limited assurance, in column "Assurance" of the tables reported in section "2. ESG Key Performance Indicators" of the "ESG Performance Statements" chapter of the Report. See also the table "2.5.2 Taxonomy notes" for the specific KPIs covered by Assurance.

Guidelines for KPIs and other disclosures

Table 2.5.8 "Sector and Other Standards for the Non-financial disclosures in 2023" provides detailed references for guidance documents for the sector (GCCA) and other global institutions (UNCTAD and UNGC) which are incorporated in the reporting approach of TITAN. Connections of KPIs are provided as part of the ESG performance statements for all focus areas: Decarbonization and Digitalization (see Table 2.1), Growth-enabling work environment (Table 2.2), Positive local impact focus area (Table 2.3), Responsible sourcing (Table 2.4), and Good governance, transparency, and business ethics (Tables 2.5.1 and 2.5.9).

Contents

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 well-being**	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 well-being**	**Competitiveness and business model resilience**	**Health, safety and well-being for our employees**
4	Diverse and inclusive workplace	**Good governance, transparency, and business ethics**	**Climate change mitigation and adaptation**	**Good governance, transparency, and business ethics**	**Future-ready business model in a carbon-neutral world**
5	Positive local social, economic and environmental impact	Supporting our local communities well-being	**Quality and sustainability of products**	Positive impact for our communities	**Good governance, transparency and ethics**
6	Innovation with emphasis on digital and decarbonization	**Environmental management**	**Efficient use of energy and natural resources (water, raw materials, and fuels)**	**Employee engagement and development**	**Resource efficiency, recycling and recovery, contributing to a circular economy**
7	Continuous development of our people	**Responsible, reliable, and sustainable supply chain**	**Good governance, transparency and business ethics**		**Innovation with emphasis on digital and de-carbonization**
8	Reliable and sustainable supply chain	Stakeholder relations and engagement	Sustainability of communities		**Employee engagement and continuous development**
9	Resource efficiency, recycling and recovery, contibuting to circular economy	**Climate change and energy**	**Responsible and reliable supply chain**		**Reliable and sustainable supply chain**
10		**Business model innovation**	**Biodiversity conservation**		**Diverse and inclusive workplace**
11					

Additional issues material to stakeholders based on the last materiality validation in 2022

		Albania	Bulgaria	Egypt	Greece
1		n/a	•Visual impacts •Data Security •Business Model Resilience •Customer Welfare	•Management of the legal & regulatory environment •Continuous development of our people	•Competitive Behavior •Access and Affordability •Selling Practices and Product Labeling
	Level of Material Issues:	**Global Material Issues** **Sectoral Material Issues** Local Material Issues			

Tables

Kosovo	North Macedonia	Serbia	Türkiye	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 well-being**	**Protect our people and promote health and safety**
Environmental performance	**Safe and healthy working environment for our employees and business partners**	**Safe and healthy working environment**	Marketing and customer satisfaction (quality, product innovation, and safety)	Optimize and develop access to raw materials, including cement
Engaging and contributing to our local communities	Building trust of our customers and improving their satisfaction	**Employment and employees well-being**	**Environmental management**	**Attract, develop and maintain talent in an open, inclusive and diverse culture**
Good governance, transparency, and business ethics	**Good governance and business ethics**	Economic performance and market presence	**Good governance, compliance and business ethics**	**Mitigate climate change impacts and optimize energy use**
Employee engagement and development	Continue engaging and contributing to sustainability of communities	Product quality and safety	**Employee engagement, collaboration and people development**	**Innovation and quick adaptation**
Climate change and energy efficiency	**Decarbonization energy efficiency, and business model resilience**	Stakeholder engagement and welfare of communities	**Climate change and energy**	**Actively manage biodiversity and ecosystems (including water)**
Diverse and inclusive workplace	**Employee engagement, development and well-being**	**Climate change and energy**	**Efficient use of resources and contribution to a circular economy**	Community relations and engagement; license to operate
Responsible, reliable, and sustainable supply chain	**Maintaining a sustainable and reliable supply chain**	**Good governance, transparency, and business ethics**	Sustainable growth and resilient infrastructure	**Sustainability of concrete/ sustainability of our products**
		Responsible and sustainable supply chain	**Responsible supply chain management**	Incoming regulation; increasing regulation complexity
		Responsible use of resources and contribution to a circular economy, biodiversity, and forestry	Social license to operatate and contribution to local communities' sustainability	Communication (internal and external)
			Digitalization	Brand reputation and exposure through social media

Kosovo	North Macedonia	Serbia	Türkiye	USA
•Customer Welfare •Customer Privacy •Data Security •Access & Affordability •Product Design & Lifecycle Management	•Product Design & Lifecycle Management	•Access & Affordability •Competitive Behavior •Data Security	•Visual impacts •Impacts of Climate Change •Access & Affordability •Diversity and inclusion	•Circular economy •Sustainable supply chain •Environmental management •Data security •Competitive behavior •Digitalization

Notes

The first column of Table 1 provides the order of prioritization of the material issues for TITAN Group, and each business unit, according to the outcomes of the materiality assessment of the last cycle in 2020 and 2021, respectively. Through the validation of the materiality assessment, a process which was implemented in all business units in 2022, additional issues were identified and assessed, considered important also for TITAN's approach in 2023 with respect to our stakeholders and communities.[1]

About definitions
The boundaries of reporting for every material issue are defined by the principles of "strategic focus and future orientation", "connectivity of information", "stakeholder relationships", "materiality", "conciseness", "reliability and completeness", and "consistency and comparability", aligned with the guidance of the International Reporting Framework.[2]

Strategic focus and future orientation
TITAN's integrated annual report provides insight into the organization's strategy, and how it relates to its ability to create value in the short, medium and long term and to its use of and effects on the capitals (Financial, Manufacturing, Intellectual, Human, Social and Relationship and Natural capital). The report highlights significant risks, opportunities and dependencies flowing from the organization's market position and business model.

Connectivity of information
We aim to address the connection between financial and non-financial information in the report, in order to present a holistic picture of the combination, interrelatedness and dependencies between the factors that affect the organization's ability to create value over time. The report provides connectivity of information throughout management reporting, analysis, and decision-making.

Stakeholder relationships
TITAN provides insights into the nature and quality of the organization's relationships with its key stakeholders, including how and to what extent the organization understands, takes into account and responds to their legitimate needs and interests. The report presents the approach for stakeholder engagement, which ensures their feedback and provides useful insights about matters that are important to them, including economic, environmental, and social issues that also affect the ability of the organization to create value.

Materiality
A matter is material if it is of such relevance and importance that it could substantively influence the assessments of providers of financial capital about the organization's ability to create value over the short, medium, and long term. In determining whether a matter is material, TITAN's senior management and those charged with governance consider whether the matter substantively affects, or has the potential to substantively affect, the organization's strategy, its business model, or one or more of the capitals it uses or affects.

Conciseness
TITAN's report includes sufficient context to understand the organization's strategy, governance, performance, and prospects without being burdened with less relevant information that is redundant in nature. Disclosures about material matters include concise information supports the above. We also seek a balance in our report between conciseness and other guiding principles of the International Reporting Framework[2], in particular completeness and comparability.

Reliability and completeness
The report includes all matters related to our material issues and provides both positive and negative information with respect to TITAN's performance across all focus areas of our materiality framework, in a balanced way and without material error. The reliability of TITAN's disclosures is enhanced by mechanisms of robust internal control and reporting systems, stakeholder engagement, internal audits and implementation of internal processes and standard operating practices, and the independent (external) assurance verification by third-party auditors. With regard to completeness, TITAN ensures that all material information has been identified with consideration given to the materiality of our sector, which was integrally part of the assessment in the last materiality cycle (2020).

Consistency and comparability
We ensure consistency of the reported disclosures by safeguarding that TITAN's reporting policies are followed consistently from one reporting period to the next unless a change is needed in order to improve the quality of information. This includes reporting the same key performance indicators assuming they continue to be material across reporting periods. When making significant changes, we promptly explain the reason and describe (and quantify if practicable and material) their effect. Regarding comparability, the information in TITAN's report is presented in a way that enables comparison with other organizations in the same sector, following the agreed common framework of guidelines for sustainability performance in the areas of health and safety and environment, providing information according to standardized performance KPIs with common definitions across all companies in the sector and using benchmark data, such as industry or regional benchmarks.

1. With reference the area of Human Rights: TITAN does not operate in or near areas of conflict, according to data of the Uppsala Conflict Data Program (UCDP, www.uu.se/. In 2022 TITAN implemented a project for validating the existing materiality matrix on the level of each business unit (see section "Focusing on material issues"), which enabled the engagement of TITAN's management in each country, and the due diligence at business level with respect to human rights and indigenous peoples' rights and possible related conflicts. No matters of conflicts with respect to the above emerged or are expected. No new information on the subject matter was noted in the press/media in any of the countries of our operations. No incidents were recorded in 2023 concerning site shutdowns or project delays due to non-technical factors, such as those resulting from pending regulatory permits or other political delays related to community concerns, community or stakeholder resistance or protest, and armed conflict.
2. Source: The latest version (2021) of the "International Framework" published by Integrated Reporting, part of the IFRS Foundation (previously Integrated Reporting Council or IIRC). Further information about Integrated Reporting can be found at https://integratedreporting.ifrs.org/.
3. 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	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
2.1.1 Material Issue: Future-ready business model in a carbon-neutral world															SDG 9.4
All activities															
1.01	Scope 1 gross CO_2 emissions[1,2]	million t	10.1	9.9	-	-	-					305-1			94
1.02	Scope 2 gross CO_2 emissions[1,2]	million t	0.8	0.8	-	-	-					305-2			
Cement and cementitious production activities															
1.03	Scope 1 gross CO_2 emissions[3]	million t	10.0	9.8	10.5	9.9	10.3	●	●	●	●	305-1		L	95
1.04	**Scope 1 gross CO_2 emissions (incl. Brazil)**	**million t**	**10.5**	**10.2**	**11.0**	**10.4**	**10.7**	●	●	●	●			L	
1.05	Greece	million t	2.6	2.5	2.9	2.5	3.0	●	●	●	●				
1.06	USA (incl. Brazil)	million t	2.5	2.6	2.7	2.7	2.6	●	●	●	●				
1.07	Southeastern Europe	million t	2.5	2.4	2.6	2.5	2.5	●	●	●	●				
1.08	Eastern Mediterranean	million t	2.9	2.7	2.8	2.8	2.6	●	●	●	●				
1.09	Scope 1 specific gross CO_2 emissions	kg/t cementitious product	638.3	648.2	681.9	697.9	701.1	●	●		●	305-4		R	
1.10	Scope 1 specific gross CO_2 emissions (incl. Brazil)	kg/t cementitious product	636.9	646.4	678.3	694.7	698.3	●	●		●			R	
1.11	Scope 1 gross CO_2 emissions coverage rate	% clinker production	100.0	100.0	100.0	100.0	100.0					305-1		L	
1.12	Scope 1 gross CO_2 emissions covered under limiting regulations	%	51.4	51.1	51.2	49.8	55.1		●	●					
1.13	Scope 1 gross CO_2 emissions covered under limiting regulations (incl. Brazil)	%	49.2	48.9	48.9	47.7	53.0		●	●					
1.14	Scope 1 net CO_2 emissions	million t	9.6	9.3	10.1	9.6	10.0	●	●	●	●			L	
1.15	**Scope 1 net CO_2 emissions (incl. Brazil)**	**million t**	**10.0**	**9.8**	**10.5**	**10.1**	**10.4**	●	●	●	●			L	
1.16	Greece	million t	2.4	2.3	2.7	2.3	2.8	●	●	●	●				
1.17	USA (incl. Brazil)	million t	2.4	2.5	2.7	2.6	2.6	●	●	●	●				
1.18	Southeastern Europe	million t	2.5	2.4	2.5	2.4	2.5	●	●	●	●				
1.19	Eastern Mediterranean	million t	2.7	2.6	2.7	2.7	2.5	●	●	●	●				
1.20	Scope 1 specific net CO_2 emissions	kg/t cementitious product	608.1	619.8	654.2	674.0	676.6	●	●		●	305-4		R	
1.21	Scope 1 specific net CO_2 emissions (incl. Brazil)	kg/t cementitious product	607.7	619.0	651.6	671.7	674.5	●	●		●			R	
1.22	Scope 1 net CO_2 emissions intensity[1]	kg/€	3.84	4.18	6.00	6.12	6.26					305-1			

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
1.23	Scope 1 net CO_2 emissions coverage rate	% clinker production	100.0	100.0	100.0	100.0	100.0					305-1			95
1.24	Avoided Scope 1 net CO_2 emissions (cumulative since 1990)[4]	million t	36.3	33.6	31.2	29.3	27.8		●	●	●				
1.25	Scope 2 CO_2 emissions[5,6]	million t	0.8	0.7	0.8	0.9	0.9	●	●	●	●			L	97
1.26	**Scope 2 CO_2 emissions (incl. Brazil)[5,6]**	**million t**	**0.8**	**0.7**	**0.8**	**0.9**	**0.9**	●	●	●	●	305-2		L	
1.27	Greece[5,6]	million t	0.3	0.2	0.2	0.3	0.3	●	●	●	●				
1.28	USA (incl. Brazil)[5,6]	million t	0.1	0.1	0.1	0.1	0.1	●	●	●	●				
1.29	Southeastern Europe[5,6]	million t	0.2	0.2	0.2	0.3	0.3	●	●	●	●				
1.30	Eastern Mediterranean[5,6]	million t	0.2	0.2	0.2	0.2	0.2	●	●	●	●				
1.31	Scope 2 specific CO_2 emissions[5,6]	kg/t cementitious product	51.1	48.7	51.5	61.0	62.2	●	●		●	305-4		R	
1.32	Scope 2 specific CO_2 emissions (incl. Brazil)[5,6]	kg/t cementitious product	49.0	47.0	49.3	58.3	59.9	●	●		●			R	
1.33	Scope 2 CO_2 emissions coverage rate	% clinker production	100.0	100.0	100.0	100.0	100.0					305-2			
1.34	**Scope 3 CO_2 emissions[2,7,12,16]**	**kt**	**1,789.7**	**1,744.5**	**1,564.1**	**1,669.7**	**-**	●			●	**305-3**			**98**
1.35	Category 1 - Purchased goods and services[2,13,16]	kt	409.7	385.4	385.9	425.8	-	●			●			L	
1.36	Category 3 - Fuel and energy related activities[2,16]	kt	816.4	829.8	710.0	714.9	-	●			●			L	
1.37	Category 4 - Upstream transportation and distribution[2,16]	kt	168.1	141.1	127.4	152.1	-	●			●			L	
1.38	Category 6 - Business travels[2,16]	kt	0.7	0.4	0.2	0.1	-	●			●			L	
1.39	Category 7 - Employee commuting[2,16]	kt	5.5	5.8	5.0	3.7	-	●			●			L	
1.40	Category 9 - Downstream transportation and distribution[2,16]	kt	389.3	382.0	335.6	373.2	-	●			●			L	
1.41	**Scope 3 CO_2 emissions (incl. Brazil)[2,12,16]**	kt	**1,871.4**	**1,827.4**	**1,647.1**	**1,754.6**	**-**	●			●			L	
1.42	**Scope 3 CO_2 emissions per region[12,16]**														
1.43	Greece[2,16]	kt	498.5	508.6	423.5	400.9	-	●			●				
1.44	USA (incl. Brazil)[2,16]	kt	425.6	334.2	311.8	338.9	-	●			●				
1.45	Southeastern Europe[2,16]	kt	409	444	408	410	-	●			●				
1.46	Eastern Mediterranean[2,16,]	kt	538.3	540.8	503.6	605.0	-	●			●				
1.47	Scope 3 specific CO_2 emissions[2,12,16]	kg/t cementitious product	114.5	116.7	102.8	117.9	-	●			●	305-4		L	
1.48	Scope 3 specific CO_2 emissions (incl. Brazil)[2,12,16]	kg/t cementitious product	114.5	116.7	102.8	117.9	-	●			●			L	
1.49	Scope 3 CO_2 emissions coverage rate[2,16]	% clinker production	100.0	100.0	100.0	100.0	-					305-3			
1.50	Scope 3 specific CO_2 emissions covering purchased cement and clinker (incl. Brazil)[2]	kg/t cementitious product	942.6	942.6	924.3	925.0	-					305-4		R	

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
1.51	Scope 3 absolute CO_2 emissions of sold fossil fuels (incl. Brazil)[2]	t	3,826	4,107	24,648	85,488	-					305-3			
1.52	Scope 3 absolute CO_2 emissions of sold fossil fuels (incl. Brazil) - reduction vs. 2020[2]	%	-95.5	-95.2	-71.2	0.0	-					305-5		R	98
1.53	Scope 1, 2 and 3 specific CO_2 emissions covering produced and purchased cement and clinker (incl. Brazil, near term)[2,17]	kg/t cementitious product	689.9	697.8	731.1	756.6	-					305-4		R	36
1.54	Scope 1, 2 and 3 specific CO_2 emissions covering produced and purchased cement and clinker (incl. Brazil, long term)[2,17]	kg/t cementitious product	689.9	697.8	731.1	756.6	-							R	
1.55	Conventional fossil fuels substitution rate[14]	% Heat	80.3	82.5	84.5	86.9	86.5	●	●	●	●	302-3			95
1.56	Alternative fuel substitution rate[14]	% Heat	19.7	17.5	15.5	13.1	13.5	●	●	●	●				
1.57	Biomass in fuel mix[8,14,15]	% Heat	7.9	6.1	4.8	3.8	4.3	●	●	●	●				
1.58	Conventional fossil fuels substitution rate (incl. Brazil)[14]	% Heat	80.4	82.5	84.5	87.2	86.6	●	●	●	●				
1.59	Alternative fuel substitution rate (incl. Brazil)[14]	% Heat	19.6	17.5	15.5	12.8	13.4	●	●	●	●			L	
1.60	Biomass in fuel mix (incl. Brazil)[8,14,15]	% Heat	8.1	6.5	5.0	3.8	4.4	●	●	●	●			L	
1.61	Fuel mix, energy consumption for clinker and cement production[14]	% Heat	100.0	100.0	100.0	100.0	100.0		●		●				
1.62	**Conventional fossil fuels[14]**	% Heat	80.3	82.5	84.5	86.9	86.5		●		●				
1.63	Coal, anthracite, and waste coal[14]	% Heat	26.6	28.8	44.7	33.0	42.8		●		●				
1.64	Petroleum coke[14]	% Heat	37.5	37.9	28.5	44.8	38.5		●		●				
1.65	Lignite[14]	% Heat	1.4	1.5	1.2	1.7	1.6		●		●				
1.66	Other solid fossil fuel[14]	% Heat	1.5	1.1	1.9	1.8	1.4		●		●				
1.67	Natural gas[14]	% Heat	11.6	11.8	7.4	5.0	1.0		●		●				
1.68	Heavy fuel (ultra)[14]	% Heat	1.0	0.9	0.3	0.3	0.6		●		●				
1.69	Diesel oil[14]	% Heat	0.6	0.5	0.4	0.4	0.6		●		●				
1.70	Gasoline, LPG (Liquified petroleum gas or liquid propane gas)[14]	% Heat	0.1	0.1	0.1	0.0	0.1		●		●				
1.71	**Alternative fossil and mixed fuels[14]**	% Heat	18.7	17.2	15.5	13.0	13.1	●	●	●	●				
1.72	Tyres[14]	% Heat	5.0	4.1	2.9	3.0	3.1	●	●	●	●				
1.73	RDF[14]	% Heat	6.2	6.2	5.6	3.6	3.9	●	●	●	●				
1.74	Impregnated saw dust[14]	% Heat	0.7	0.7	0.7	0.8	0.7	●	●	●	●				
1.75	Mixed industrial waste[14]	% Heat	1.8	1.9	1.5	1.2	1.4	●	●	●	●				
1.76	Other fossil based and mixed wastes (solid)[14]	% Heat	5.0	4.4	4.7	4.4	4.0	●	●	●	●				

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
1.77	**Biomass fuels**[14]	% Heat	1.0	0.3	0.1	0.1	0.4	●	●	●	●				
1.78	Dried sewage sludge[14]	% Heat	0.0	0.2	0.0	0.0	0.0	●	●	●	●				

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
1.79	Wood, non-impregnated saw dust[14]	% Heat	0.0	0.0	0.0	0.0	0.3	●	●	●	●	302-3			95
1.8	Agricultural, organic, diaper waste, charcoal[14]	% Heat	0.1	0.1	0.0	0.0	0.0	●	●	●	●				
1.81	Other[14]	% Heat	0.9	0.0	0.0	0.0	0.0	●	●	●	●				
1.82	**Alternative fuels consumption (total)**	**t**	**431,077**	**349,514**	**335,700**	**234,451**	**269,665**	●	●	●	●	302			
1.83	Alternative fuels consumption (total) (incl. Brazil)	t	446,615	368,179	350,807	240,346	278,384	●	●	●	●				
1.84	Clinker to cement ratio	%	77.3	78.8	81.7	82.4	82.9	●	●		●				
1.85	**Clinker to cement ratio (incl. Brazil)**	**%**	**76.9**	**78.4**	**81.0**	**81.9**	**82.4**	●	●		●				
1.86	Moderate carbon products[2,9]	% cement production	78.6	72.2	45.4	41.3	-				●				
1.87	Green (lower-carbon) products[2,10]	% cement production	23.4	19.5	16.2	14.3	-			●					96

2.1.2 Material Issue: Innovation with emphasis on digitalization and decarbonization

SDG 13.2

All activities

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
1.88	Annual investment in Research and Innovation[11]	million €	22.1	11.7	10.7	10.5	7.9		●	●		201-2		R	99

2.1 Notes

Notes for specific KPIs

1. New indicator. More details may be found in the section “TITAN’s approach for ESG Performance reporting”.
2. Relevant information is not available for the specific years denoted “-”.
3. Direct CO_2 emissions related to the operation of TITAN’s clinker, cement, and cementitious production facilities.
4. Avoided CO_2 emissions is the total accumulated quantity for the period between the specific year and the base year, which in the case of CO_2 emissions is 1990 in accordance with the Kyoto Protocol. The base year performance for specific net Scope 1 CO_2 emissions was 778 kg/t cementitious product, adjusted for the equity of year 2023.
5. Indirect CO_2 emissions related to emissions released for the production of the electrical energy consumed at TITAN’s clinker, cement and cementitious production facilities. They are calculated using location-based emission factors that are available through public data sources. Currently, supplier-based emissions factors are available only for our cement operations in Greece corresponding to 162,883t of Scope 2 emissions.
6. The 2020 figures have been adjusted using updated information received since the publication of the IAR 2020.
7. Indirect CO_2 emissions related to the emissions of the supply chain.
8. % of energy originated from biomass over the total thermal energy consumption.
9. Moderate carbon products refer to produced cement types with a carbon footprint that is at least 10.0% lower than that of a typical OPC type as well as any cementitious product sold to be used as cement or concrete additive.
10. Green (lower-carbon) products refer to produced cement types with a carbon footprint that is at least 25.0% lower than that of a typical OPC type as well as any cementitious product sold to be used as cement or concrete additive.
11. For the definition, see Table 2.5.9 “Value Creation Indicators”.
12. Scope 3 analysis covers 6 (out of 15) categories, namely purchased goods and services (Category 1), fuel and energy-related activities (Category 3), upstream transportation and distribution (Category 4), business travel (Category 6), employee commuting (Category 7) and downstream transportation and distribution (Category 9), that are considered relevant to cement activities according to the GCCA analysis. Each one of the above categories cover emissions related to the:
   - Cat. 1 production of raw materials, own and purchased, packaging material like paper bags, foils, pallets, grinding aids and other additives, etc.
   - Cat. 3 production and transportation of fuels and electrical energy, including losses in transmission
   - Cat. 4 transportation of materials accounted in Category 1
   - Cat. 6 business-related travel by our employees
   - Cat. 7 commuting of our employees
   - Cat. 9 transportation of all sold products sold that are transported under our responsibility.

   For emissions related to production, the average-data method is used to calculate the corresponding emissions by multiplying the amount/quantity of materials/fuels and energy with a relevant emission factor. For emissions related to transportation, the distance-based method is used to calculate the corresponding emissions by multiplying the amount/quantity of materials/fuels, distance with a relevant emission factor. In most cases, emission factors are taken from the Ecoinvent database while that related to electrical energy production and transmission are taken from public sources,
13. Scope 3 Category 1 emissions do not include emissions related to services like data services, professional services, maintenance services, catering services, security services, cleaning services, etc., as there are not considered to contribute significantly to the overall Scope 3 emissions while reliable relevant information is not readily available.
14. Calculated based on the both kiln and non-kiln fuels.
15. Total biomass content of fuel mix including pure biomass and biomass portion of mixed alternative fuels.
16. ST operations are excluded from Scope 3 CO_2 emissions calculations.
17. The denominator for this calculation is the sum of cementitious products produced and clinker/cement purchased.

Reference to GRI Standards

GRI 201-2 Direct economic value generated and distributed; GRI 302 Energy 2016; GRI 302-3 Energy intensity; GRI 305-1 Direct (Scope 1) GHG emissions; GRI 305-2 Energy indirect (Scope 2) GHG emissions; GRI 305-3 Other indirect (Scope 3) GHG emissions; GRI 305-4 GHG emissions intensity.

Reference to SASB Standards

– EM-CM-110a.1 under the topic “Greenhouse Gas Emissions” for gross global Scope 1 emissions, percentage covered under emissions-limiting regulations.
– EM-CM-110a.2 under the topic “Greenhouse Gas Emissions” for the discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets: The connection with the ESG performance review is provided by the disclosures under the section “Understanding TITAN”, specifically “Making progress towards our ESG Targets”, and “Climate-related financial disclosures (TCFD)”.
– EM-CM-130a.1 under the topic “Energy Management” for total energy consumed, percentage grid electricity, percentage alternative, and percentage renewable.

2.2 Focus area: Growth-enabling work environment

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
2.2.1 Material issue: Safe and healthy working environment												SDG 3.1, 3.6, 3.8, 4.3, 8.6, 8.1, 8.8, 10.3			
All activities															
2.01	Employee fatalities	#	0	0	0	1	0	●	●	●		403-9		R	101
2.02	Employee fatality rate	#/10^4 persons	0.0	0.0	0.0	1.9	0.0	●	●	●				L	
2.03	Contractor fatalities	#	0	1	0	2	0	●	●	●				R	
2.04	Third-party fatalities	#	0	0	0	0	0	●	●	●				R	
2.05	Employee Lost Time Injuries (LTIs)	#	4	7	10	6	16	●	●	●				L	
2.06	Employee Lost Time Injuries Frequency Rate (LTIFR)	#/10^6 h	0.35	0.63	0.91	0.57	1.44	●	●	●				R	
2.07	Employee lost working days[4]	d	285	762	417	256	637	●	●						
2.08	Employee Lost Time Injuries Severity Rate[4]	d/10^6 h	24.7	68.5	38.1	24.1	57.4	●	●	●				L	
2.09	Contractor Lost Time Injuries (LTIs)	#	5	11	11	10	10	●	●	●				L	
2.10	Contractor Lost Time Injuries Frequency Rate (LTIFR)	#/10^6 h	0.58	1.43	1.55	1.46	1.35	●	●	●				L	
2.11	Near misses	#	3,974	3,603	3,746	3,467	3,746		●						
2.12	Training man-hours on health and safety / employee[5]	h/person	13.2	11.2	9.5	6.9	14.1		●	●		403-5			102
2.13	Training man-hours on health and safety / contractor[5]	h/person	14.9	12.7	10.8	10.4	12.3		●	●					
2.14	Expenditures for Health and Safety[2]	million €	5.9	5.4	6.5	8.5	-		●	●		201-2			
2.15	Share of countries where employees are covered by social protection[1,2]	%	100.0	-	-	-	-		●			401			
2.16	Well-being initiatives for employees[12]	#	226	215	118	43	0		●			403-6		L	102
2.17	Well-being initiatives for employees (incl. Brazil)[2,12]	#	268	226	129	0	0		●						
Cement production activities															
2.18	Employee fatalities	#	0	0	0	0	0	●	●	●		403-9		L	101
2.19	Employee fatality rate	#/10^4 persons	0.0	0.0	0.0	0.0	0.0	●	●	●				L	
2.20	Contractor fatalities	#	0	1	0	2	0	●	●	●				L	
2.21	Third-party fatalities	#	0	0	0	0	0	●	●	●				L	
2.22	Employee Lost Time Injuries (LTIs)	#	2	3	7	2	10	●	●	●				L	
2.23	Employee Lost Time Injuries Frequency Rate (LTIFR)	#/10^6 h	0.30	0.46	1.11	0.33	1.59	●	●	●				L	
2.24	Employee lost working days	d	103	43	283	176	440	●	●					L	
2.25	Employee Lost Time Injuries Severity Rate	d/10^6 h	15.4	6.7	44.9	29.2	69,9	●	●	●				L	
2.26	Contractor Lost Time Injuries (LTIs)	#	3	8	8	8	8	●	●	●				L	

Code	ESG Performance Indicators	Unit					GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
	2023 Performance by region		**Greece and Western Europe**	**USA**	**SEE**	**EM**								
2.27	Employee fatalities	#	0	0	0	0	●	●	●		403-9			101
2.28	Employee fatality rate	#/10^4 persons	0	0	0	0	●	●	●					
2.29	Contractor fatalities	#	0	0	0	0	●	●	●					
2.30	Third-party fatalities	#	0	0	0	0	●	●	●					
2.31	Employee Lost Time Injuries (LTIs)	#	0	2	1	1	●	●	●					
2.32	Employee Lost Time Injuries Frequency Rate (LTIFR)	#/10^6 h	0.00	0.36	0.49	0.65	●	●	●					
2.33	Employee lost working days	d	0	182	91	12	●	●						
2.34	Employee Lost Time Injuries Severity Rate	d/10^6 h	0.0	32.8	45.0	7.8	●	●	●					
2.35	Contractor Lost Time Injuries (LTIs)	#	3	0	1	1	●	●	●					
2.36	Contractor Lost Time Injuries Frequency Rate (LTIFR)	#/10^6 h	1.17	0.00	0.56	0.29	●	●	●					
2.37	Training man-hours on health and safety / employee[5]	h/person	9.8	9.6	20.4	20.4		●	●		403-5			102
2.38	Training man-hours on health and safety / contractor[5]	h/person	9.8	3.0	23.6	17.0		●	●					
	2023 Performance by activity		**Cement**	**Aggregates**	**Ready-Mix**	**Other**								
2.39	Employee fatalities	#	0	0	0	0	●	●	●		403-9			101
2.40	Employee fatality rate	#/10^4 persons	0.0	0.0	0.0	0.0	●	●	●					
2.41	Contractor fatalities	#	0	0	0	0	●	●	●					
2.42	Third-party fatalities	#	0	0	0	0	●	●	●					
2.43	Employee Lost Time Injuries (LTIs)	#	2	0	2	0	●	●	●					
2.44	Employee Lost Time Injuries Frequency Rate (LTIFR)	#/10^6 h	0.30	0.00	0.61	0.00	●	●	●					
2.45	Employee lost working days	d	103	0.0	124.0	0.0	●	●						
2.46	Employee Lost Time Injuries Severity Rate	d/10^6 h	15.4	0.0	55.1	0.0	●	●	●					
2.47	Contractor Lost Time Injuries (LTIs)	#	3	0	2	0	●	●	●					
2.48	Contractor Lost Time Injuries Frequency Rate (LTIFR)	#/10^6 h	0.00	0.00	1.51	0.00	●	●	●					
2.49	Training man-hours on health and safety / employee[5]	h/person	14.2	8.5	12.8	5.4		●	●		403-5			102
2.50	Training man-hours on health and safety / contractor[5]	h/person	17.1	7.1	7.9	6.4		●	●					

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
2.2.2	Material issue: Diverse and inclusive workplace											SDG 5.4, 8.5, 8.6, 8.8, 10.3			
2.51	Average employment, Group[6]	#	5,652	5,411	5,352	5,363	5,382		●			2-7b			102
2.52	Average employment, Group (incl. Brazil)[2]	#	6,146	5,880	5,823	5,834	-								
2.53	Number of employees by year end, Group	#	5,751	5,486	5,358	5,359	5,400		●						
2.54	Number of employees by year end, Group (incl. Brazil)	#	6,253	5,964	5,827	5,838	5,891		●						
	Number of employees / region														
2.55	Greece	#	1,324	1,257	1,208	1,175	1,172		●						102
2.56	USA (including Brazil)	#	3,040	2,852	2,747	2,786	2,798		●						
2.57	Southeastern Europe	#	1,098	1,107	113	1,132	1,157		●						
2.58	Eastern Mediterranean	#	791	748	742	745	764		●						
2.59	**Employee turnover / gender, Group avg.**	%	**16.0**	**16.6**	**10.6**	**11.3**	**12.3**		●						
2.60	Females	%	16.3	16.5	9.1	10.4	11.1		●			401-1			102
2.61	Males	%	15.9	16.6	10.9	11.5	12.5		●						
	Employee turnover / age, Group														
2.62	Under 30	%	31.3	35.5	31.8	26.8	28.60		●			401-1			102
2.63	Between 30-50	%	15.8	16.7	10.8	9.9	10.7		●						
2.64	Over 50[2]	%	12.8	12.7	6.8	10.7	11.6		●						
2.65	Employee voluntary turnover, Group[1,2,7]	%	9.0	10.5	-	-	-		●						
2.66	Employee involuntary turnover, Group[1,2,7]	%	3.2	3.7	-	-	-		●						
2.67	Employees left, Group[7]	#	918	909	569	606	666		●			401-1			102
	Employees left / age, Group														
2.68	Under 30	#	163	161	121	97	111		●			401-1			102
2.69	Between 30-50	#	446	453	293	277	309		●						
2.70	Over 50	#	309	295	155	234	246		●						
	Employees left / gender														
2.71	Females	#	130	128	65	69	73		●			401-1			102
2.72	Males	#	788	781	504	539	593		●						
2.73	Employee new hires, Group avg.[7]	%	20.4	20.5	15.5	10.7	14.2		●						
2.74	Employee new hires, Group avg. (incl. Brazil)[2]	%	20.2	20.2	-	-	-		●						
2.75	Employee new hires, Group[7]	#	1,176	1,123	829	575	769		●						

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
2.2.2	Material issue: Diverse and inclusive workplace											SDG 5.4, 8.5, 8.6, 8.8, 10.3			
	Employee new hires / gender[7]														
2.76	Females	#	150	186	143	77	119		●			401-1		R	102
2.77	Males	#	1,026	937	686	498	650		●						

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
	New hires / age, Group[7]														
2.78	Under 30	#	317	324	241	140	204		●			401-1			102
2.79	Between 30-50	#	648	583	415	330	417		●						
2.80	Over 50	#	211	216	173	105	148		●						
	Employment / type, Group[7]														
2.81	Full time	#	5,621	5,385	5,247	5,311	5,297		●			2-7f			102
2.82	Part Time	#	29	24	30	48	42		●						
2.83	Temporary	#	101	77	81	80	61		●						
	Employment / type, Group (incl. Brazil)														
2.84	Full time[2]	#	6,121	5,863	-	-	-		●			2-7f			102
2.85	Part Time[2]	#	29	24	-	-	-		●						
2.86	Temporary[2]	#	103	77	-	-	-		●						
	Employment / category[7]														
2.87	Senior managers	#	126	114	116	121	114		●			2-7			102
2.88	Managers	#	674	669	657	649	641		●						
2.89	Administration/technical	#	1,631	1,572	1,514	1,459	1,460		●						
2.90	Semi-skilled/unskilled	#	3,320	3,131	3,071	3,130	3,185		●						
	Employment / category (incl. Brazil)														
2.91	Senior managers[2]	#	151	138	-	-	-		●			2-7			102
2.92	Managers[2]	#	723	716	-	-	-		●						
2.93	Administration/technical[2]	#	1,883	1813	-	-	-		●						
2.94	Semi-skilled/unskilled[2]	#	3,496	3,297	-	-	-		●						
	Employment / age, Group	#													
2.95	Under 30	#	521	453	380	362	388		●			2-7			102
2.96	Between 30-50	#	2,824	2,716	2,708	2,806	2,894		●						
2.97	Over 50	#	2,406	2,317	2,270	2,191	2,118		●						
	Employment / age, Group (incl. Brazil)														
2.98	Under 30[2]	#	647	560	-	-	-		●			2-7			102
2.99	Between 30-50[2]	#	3,149	3,040	-	-	-		●						
2.100	Over 50[2]	#	2,457	2,364	-	-	-		●						
	Employment / gender[7]														
2.101	Females	#	800	775	716	663	657		●			2-7			102
2.102	Males	#	4,951	4,711	4,642	4,696	4,743		●						

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
	Employment / gender (incl. Brazil)														
2.103	Females[2]	#	898	869	-	-	-					2-7			102
2.104	Males[2]	#	5,355	5,095	-	-	-								
2.105	Share of women in employment, Group avg.[7]	%	13.9	14.1	13.4	12.4	12.2		●			405-1			
2.106	Share of women in management, Group avg.[7]	%	20.8	19.4	17.6	16.5	15.5		●	●				R	
2.107	Share of women in management, Group avg. (incl. Brazil)[2]	%	20.3	19.4	-	-	-								
2.108	Share of women in Senior Management, Group avg.[7]	%	12.7	12.3	14.7	14.1	14.9		●	●				R	
2.109	Number of employees with disabilities, Group[2]	#	63	63	-	-	-		●						
2.110	Number of parental leaves, Group[2]	#	77	58	-	-	-		●						
2.111	Gender pay gap, Group[1,2,8]	%	-7.5	-	-	-	-		●	●		405-2			
2.112	Share of employees covered by collective bargaining agreements stipulating provisions for working conditions, Group[1,2]	%	34.8	-	-	-	-		●	●		2-30			104
	2.2.3 Material issue: Continuous development of our people							**SDG 4.3, 4.4, 5.1, 5.5, 8.5, 10.2, 10.3, 16.5**							
2.113	Training investment / (trained) employee, Group avg.[3,7]	€	164	168	205	105	202		●	●		404-1			103
2.114	Training investment, Group[3]	€	868,090	814,226	962,196	485,331	900,495		●	●					
	Training investment / gender, Group[7]														
2.115	Females	€	105,119	225,001	239,806	112,819	209,268		●	●		404-1			103
2.116	Males	€	762,971	589,225	72,239	372,512	691,659		●	●					
2.117	Trained employees, Group total[7]	#	5,283	4,860	4,693	4,606	4,465		●						
2.118	Share of trained employees, Group avg.[7]	%	91.9	88.6	87.6	86.0	82.7		●						
2.119	Share of trained employees, Group avg. (incl. Brazil)[2]	%	91.0	87.3	-	-	-		●						
2.120	Share of trained female employees (in total female employees). Group avg.[7]	%	95.3	91.2	96.8	93.2	95.1		●						
2.121	Share of trained female employees (in total female employees), Group avg. (incl. Brazil)[2]	%	94.9	86.9	-	-	-		●						
	Trained employees / category, Group[7]														
2.122	Senior Managers	#	118	107	113	106	133		●			404-1			103
2.123	Managers	#	668	646	689	651	538		●						
2.124	Administration/technical	#	1,578	1,525	1,520	1,408	1,824		●						
2.125	Semi-skilled/Unskilled	#	2,917	2,582	2,371	2,441	1,970		●						
	Trained employees / age group, Group														
2.126	Under 30	#	475	413	357	318	461		●			404-1			103
2.127	Between 30-50	#	2,616	2,604	2,603	2,631	2,644		●						

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
2.128	Over 50	#	2,190	1,843	1,733	1,657	1,360		●			404-1			103
2.129	**Training hours / category, Group[1,2]**	h													
2.130	Senior Managers[1,2]	h	1,972	-	-	-	-		●	●		404-1			
2.131	Managers[1,2]	h	23,735	-	-	-	-		●	●					
2.132	Administration/technical[1,2]	h	51,032	-	-	-	-		●	●					
2.133	Semi-skilled/unskilled[1,2]	h	68,171	-	-	-	-		●	●					
2.134	**Training hours, Group[9]**	**h**	**144,866**	**124,504**	**109,364**	**79,350**	**137,272**		●	●				R	
2.135	Average training hours / employee (over the total number of direct employees), and breakdown per gender, Group[4]	h/person	25.2	22.7	20.4	14.8	25.4		●	●		404-1			
2.136	Average female	h/person	28.6	27.9	25.7	18.1	35.3								
2.137	Average male	h/person	24.6	21.8	19.6	14.4	24.1								
	Training hours / subject, Group[9]														
2.138	Company onboarding	#	3,865	2,343	2,651	9,420	6,414					404-1			103
2.139	Compliance	#	4,300	4,774	8,974	6,359	1,191			●					
2.140	Sustainability	#	730	423	554	525	970			●				L	
2.141	Decarbonization[2,10]	#	427	848	-	-	-								
2.142	Digital & IT	#	8,742	5,069	9,718	2,767	11,767.3							R	
2.143	Environment	#	3,076	2,150	3,186	2,115	3,722							R	
2.144	Foreign languages	#	3,657	3988	3,692	2,837	3,113								
2.145	Functional competence	#	4,026	8176	7,856	4,994	3,512								
2.146	Generic competence	#	6,911	9041	4,711	2,947	6,302								
2.147	Diversity Equity & Inclusion[1,2,11]	#	671	-	-	-	-								
2.148	Health and Safety	#	74,776	60614	50,992	36,912	76,372							R	103
2.149	Managerial skills	#	12,265	9605	4,243	3,615	10,297								
2.150	Other	#	1,286	9364	1,738	3,620	1,276								
2.151	Security	#	814	975	136	586	407								
2.152	Technical know-how	#	20,006	7,136	10,916	11,132	11,931								
2.153	Share of employees who received training for DE&I, Group[1,2]	%	7.4	-	-	-	-								105
2.154	Share of employees with performance evaluation, Group avg.	%	57.3	58.3	60.7	58.7	58.8					404-3			
2.155	Share of female employees with performance evaluation, Group avg.[2]	%	84.3	84.5	83.4	82.1	-								
2.156	Share of open positions filled by internal candidates, Group[1,2]	%	28.9	-	-	-	-								
2.157	Share of female employees in talent pools, Group avg.[2, 11]	%	24.0	13.8	13.9	13.0	-					405-1		L	

2.2 Notes

Notes for specific KPIs

1. New indicator. More details you may find in the section "TITAN's approach for ESG Performance reporting".
2. Relevant information is not available for the specific years denoted as "-".
3. For the definition, see Table 2.5.9 "Value Creation Indicators".
4. Lost days are reported as calendar days. The 2020 figure(s) have been adjusted to include previously unreported data.
5. The KPI was calculated for the closing of the reporting period 2023 in accordance with the practice for all Safety data, being the use of "Average Employment" (see Note 6 below). This is consistent with all years prior to 2023. As an exception, the KPI for "Performance by activity" was calculated by using the figures of "Number of employees by year end", due to different data consolidation criteria and methodology, but with an insignificant impact on the results.
6. The calculation was made according to Belgian Law (Sec. 165 XIVB of the Royal Decree of 30 January 2001).
7. The methodology used for compiling the data for all KPIs is according to measuring the head count (number of employees) at the end of the reporting period for each year, except for the KPIs as above defined in Note 5. Concerning the KPI "Share of women in management", we provide the percentage for the ratio of total number of women in categories of employment "Managers" and "Senior Managers", divided by the total number of all employees in above categories (for relevant figures see the above Table). This KPI supports the reporting on performance for TITAN's Target "Promote equal opportunities and inclusion and increase by 20% female participation in senior roles talent pools and new hires", in specifically regarding female participation in "senior roles", which according to TITAN's approach covers both above employment Categories.
8. The methodology for calculating the KPI of unadjusted gender pay gap followed the requirements of the EU Commission Delegated Regulation 2023/2772, in specifically ESRS S1. TITAN's approach ensured coverage of all Group employees.
9. With regards to training hours: In training hours we include instructor-led training (classroom training), online items, and blended programs (a mix of online and classroom). Also we leverage our external platform (LinkedIn learning) which is integrated into the system of Success Factors and enables us to track user's activity.In 2023 we introduced DE&I as a material area for training, because of increased attention and efforts to raise the level of awareness across countries of operations, and to signify the importance of DE&I for TITAN. The training programs for DE&I were included under the subject area "Generic competence", and the respective number of training hours as a separate KPI. The total of all training hours is calculated by adding together the figures for all subject areas, and excluding the subject DE&I, to avoid double counting, since the respective hours are already part of the subject area "Generic competence".
10. Under the "Decarbonization" area we include the training on subjects linked to the reduction of CO_2 emissions in the life cycle and the value chain of our products, with relevant topics: alternative fuels, energy efficiency, clinker and cement substitution, carbon capture storage and utilization, hydrogen, electrification of the kiln, solar calcination, renewable energy, calcined clays, low-carbon products, re-carbonated materials, life-cycle analysis, CO_2 regulation, relevant standards and certifications, science-based targets, climate risk assessment, and climate change disclosures.
11. Regarding the KPI for share of female employees in talent pools: Employees are included in the talent pools through annual talent reviews for evaluating employees' potential and identifying future roles along with personal development plan. These reviews follow the process of TITAN's annual People Development Review (PDR) and comprise an integral building block of PDR. The KPI is calculated as the share of females to males, for all employees in talent pools (100% coverage for BUs and the Corporate Center).
12. Regarding the well-being initiatives for employees, figures for 2022 were adjusted for reasons of focusing on the important and comprehensive initiatives, consistent with our approach for performance figures in 2023.

Reference to GRI Standards

GRI 2-7 Employees; GRI 2-30 Collective bargaining agreements; GRI 201-2 Financial implications and other risks and opportunities due to climate change; GRI 401 Employment; GRI 401-1 New employee hires and employee turnover; GRI 403-5 Worker training on occupational health and safety; GRI 403-6 Promotion of worker health; GRI 403-9 Work-related injuries; GRI 404-1 Average hours of training per year per employee; GRI 404-3 Percentage of employees receiving regular performance and career development reviews; GRI 405-1 Diversity of governance bodies and employees.

Reference to SASB Standards

Connection of ESG performance indicators with the metric EM-CM-320a.1 according to SASB Standards, under the topic (area) "Workforce Health and Safety"; specifically, the connection concerns the KPIs of near misses and frequency rate for full-time employees, and contract employees.

2.3 Focus area: Positive local impact

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
2.3.1 Material issue: Environmental positive impact										SDG 3.9, 7b, 9.4, 15a, 15.3, 15.4, 15.9					
Air emissions															
Cement production activities															
3.01	Overall coverage rate	%	70.8	76.4	72.0	65.4	74.1	●	●			305-7		L	105
3.02	Coverage rate continuous measurement	%	77.8	76.4	77.8	77.7	78.6	●	●					L	
3.03	Dust emissions (total)	t	240	255	207	225	178	●	●					L	
3.04	Specific dust emissions	g/t clinker	19.8	21.7	16.6	19.3	14.7	●	●					R	
3.05	Coverage rate for dust emissions	%	100.0	100.0	100.0	100.0	100.0	●	●					L	
3.06	Avoided dust emissions (cumulative since 2003)[3]	t	73,492	69,232	65,132	60,698	56,603		●	●					
3.07	Dust emissions (PM10)[2]	t	86	103	-	-	-								
3.08	NOx emissions (total)	t	14,152	14,718	15,729	14,962	15,317	●	●					L	
3.09	Specific NOx emissions	g/t clinker	1,165	1,251	1,263	1,282	1,269	●	●					R	
3.10	Coverage rate for NOx emissions	%	100.0	100.0	100.0	100.0	100.0	●	●					L	
3.11	Avoided NOx emissions (cumulative since 2003)[3]	t	324,605	302,678	282,474	261,235	241,555		●	●					
3.12	SOx emissions (total)	t	2,896	3,028	3,051	2,953	2,335	●	●					L	
3.13	Specific SOx emissions	g/t clinker	238.4	257.4	245	253.1	193.4	●	●					R	
3.14	Coverage rate for SOx emissions	%	100.0	100.0	100.0	100.0	100.0	●	●					L	
3.15	Avoided SOx emissions (cumulative since 2003)[3]	t	43,756	41,563	39,665	37,290	35,350		●	●					
3.16	TOC emissions (total)	t	631	804	493	435	682	●	●					L	
3.17	Specific TOC emissions	g/t clinker	51.9	68.4	39.6	37.3	56.5	●	●					L	
3.18	Coverage rate for TOC emissions	%	91.2	90.9	96.4	90.9	98.9	●	●					L	
3.19	PCDD/F emissions (total)	mg	288.0	195.7	339.4	211.3	152.5	●	●					L	
3.20	Specific PCDD/F emissions	ng/t clinker	23.7	16.6	27.3	18.1	12.6	●	●					L	
3.21	Coverage rate for PCDD/F emissions	%	93.0	90.9	83.3	96.8	100.0	●	●					L	
3.22	Hg emissions (total)	kg	219.0	279.1	279.6	360.3	494.5	●	●					L	
3.23	Specific Hg emissions	mg/t clinker	18.0	23.7	22.5	30.9	41.0	●	●					L	
3.24	Coverage rate for Hg emissions	%	93.0	100.0	94.5	100.0	97.0	●	●					L	
3.25	Cd and Tl emissions (total)	kg	156.0	183.5	181.8	166.5	221.3	●	●					L	

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
3.26	Specific (Cd and Tl) emissions	mg/t clinker	12.8	15.6	14.6	14.3	18.3	●	●					L	105
3.27	Coverage rate for (Cd and Tl) emissions	%	70.8	76.4	72.0	77.7	75.1	●	●					L	
3.28	Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V emissions (total)	kg	3,061	3,874	2,547	2,093	2,101	●	●					L	
3.29	Specific (Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V)	mg/t clinker	251.9	329.4	204.6	179.4	174	●	●					L	
3.30	Coverage rate for (Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V) emissions	%	72.8	76.4	72.0	77.7	75.1	●	●					L	
3.31	Integrated cement plants and cement grinding plants with certified Environmental Management System (ISO 14001 or similar)	% of plants	86.7	86.7	86.7	86.7	86.7		●			3-3			
All activities															
3.32	**Environmental complaints**	#	**24**	**17**	**13**	**2**	**10**					3-3			112
3.33	Greece	#	6	4	6	2	8								
3.34	USA	#	11	2	0	0	0								
3.35	Southeastern Europe	#	3	9	6	0	1								
3.36	Eastern Mediterranean	#	4	2	1	0	1								
Rehabilitation															
Cement production and aggregates activities															
3.37	Percentage of quarry sites with rehabilitation plans[5]	%	96.0	91.0	91.0	91.0	94.0	●	●			304-3		R	106
3.38	Total land use[2,5]	million m^2	29.3	29.2	28.8	27.9	-					304-1aii			
3.39	Percentage of affected quarry areas that have been rehabilitated[2,5,8]	%	23.9	23.8	22.6	23.6	-		●			304-1		R	
3.40	Quarry sites with Environmental Management System (ISO14001 or similar)[5]	%	74.5	78.0	78.0	79.0	77.0		●			3-3			
Biodiversity															
Cement production and aggregates activities															
3.41	Quarry sites in high biodiversity value areas[5,6]	#	12	12	12	10	10	●	●			304-1			106
3.42	Quarry sites with biodiversity management plans[5,7]	#	10	10	10	9	9	●	●			304-3			
3.43	Percentage of quarry sites with biodiversity management plans	%	83.3	83.3	83.3	90.0	90.0	●	●					R	
Investments in environmental protection															
All activities															
3.44	**Environmental protection expenditures and investments[9]**	**million €**	**87.9**	**65.3**	**25.3**	**22.2**	**26.6**		●	●		201-2av			114

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
3.45	**Environmental investments (CapEx)**	**million €**	**65.9**	**42.7**	**4.8**	**4.2**	**6.4**								114
3.46	Taxonomy aligned investments[1]	million €	63.4	38.6	-	-	-								
3.47	Other environmental investments[1]	million €	2.5	4.1	4.8	4.2	6.4		●	●					
3.48	**Environmental expenses (OpEx)[1]**	**million €**	**22.0**	**22.6**	**20.4**	**18.0**	**20.2**								
3.49	Environmental management[1]	million €	16.9	17.8	16.7	13.9	16.8		●	●					
3.50	Reforestation[1]	million €	0.7	0.5	0.5	0.3	0.5		●	●					
3.51	Rehabilitation[1]	million €	0.3	0.4	0.8	0.7	0.6		●	●					
3.52	Environmental training and awareness building[1]	million €	0.2	0.2	0.3	0.3	0.2		●	●					
3.53	Biodiversity and landscape protection[1,2]	million €	0.0	0.0	-	-	-								
3.54	Waste management	million €	3.9	3.7	2.1	2.7	2.1		●	●					
3.55	Training man-hours on environmental issues per employee[1,2]	h/person	0.5	-	-	-	-					404-1			119
3.56	Training man-hours on environmental issues per contractor[1,2]	h/person	0.3	-	-	-	-								
2.3.2 Material issue: Social positive impact												SDG 2.1, 2.3, 4.3, 4.4, 9.3, 17.17			
3.57	Donations, Group[10]	€	3,207,526	2,483,380	2,310,864	2,125,725	2,532,248		●	●		2-29 203-1 203-2 413-1			785
3.58	Donations, Group (incl. Brazil)[2,10]	€	3,207,526	2,511,769	-	-	-								
3.59	Donations in cash, Group[10]	€	2,592,419	1,822,386	1,836,286	1,560,093	2,020,330		●	●					
3.60	Donations in kind, Group[10]	€	615,107	660,994	474,578	565,633	511,918		●	●					
3.61	Employees from local community, Group avg.[11]	%	83.9	83.8	83.3	83.2	83.3					2-29 413-1			107
3.62	Employees from local community, Group avg. (incl. Brazil)[2,11]	%	85.8	85.7	-	-	-								
3.63	Internships, Group	#	361	482	391	251	396		●			2-8			
3.64	Internships, Group (incl. Brazil)[2]	#	404	526	-	-	-		●						
3.65	New entry level jobs from internships/traineeships, Group	#	28	46	24	15	24		●			2-29			
3.66	Internships from Local Community, Group avg.	%	80.3	87.1	83.4	95.6	58.8								
3.67	Key operations with Community Engagement Plans related to material issues and Group policies	#	18 of 18	18 of 18	15 of 15	14 of 14	6 of 14		●	●		2-29 413-1		R	
3.68	Key operations with Community Engagement Plans aligned with material issues and Group policies (incl. Brazil)[2]	#	21 of 21	20 of 20	17 of 17	-	-		●						

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
3.69	Total number of Initiatives under Community Engagement Plans, Group[2]	#	265	203	142	124	-		●						107
3.70	Total number of Initiatives under Community Engagement Plans, Group (incl. Brazil)[2]	#	276	212	149	-	-		●						
3.71	Total number of Participants to Community Engagement Plans, Group[2,4]	#	6,537	5,911	2,750	3,633	-		●						
3.72	Total number of Participants to Community Engagement Plans, Group (incl. Brazil)[2,4]	#	6,726	6,012	-	-	-		●						
3.73	TITAN Employees, volunteers to Community Engagement Plans, Group[2]	#	1,853	1,923	1,873	-	-		●						
3.74	TITAN Employees, volunteers to Community Engagement Plans, Group (incl. Brazil)[3]	#	1,967	2,016	-	-	-		●						
3.75	Social investment (in cash and in kind) for community initiatives, Group[2,4]	million €	2.6	1.7	1.3	1.5	-		●	●		2-29 203-1 203-2 413-1			
3.76	Social investment (in cash and in kind) for community initiatives, Group (incl. Brazil)[2,4]	million €	2.6	1.7	-	-	-		●	●					
3.77	Blood donations (TITAN employees, business partners and communities), Group[2]	#	642	652	579	-	-					203-2			
2.3.3 Material issue: Economic positive impact												**SDG 2.1, 2.3, 4.3, 4.4, 9.3, 17.17**			
3.78	Local Spend, Group avg.[10]	%	67.8	67.6	65.1	67.0	65.4		●	●		204-1		R	108
3.79	Local Spend, Group avg. (incl. Brazil)[2,10]	%	66.8	66.7	-	-	-		●	●					

2.3 Notes

Notes for specific KPIs

1. New indicator. More details can found in the section “TITAN’s approach for ESG Performance reporting”.
2. Relevant information is not available for the specific years denoted as “-”.
3. Avoided air emissions are the total accumulated quantities (for each specific emission separately) for the period between the specific year and the base year, which in the case of air emissions is 2003, the year when TITAN published its first sustainability report. The base year performance for specific dust emissions was 370 g/t clinker, for specific NOx emissions 2,969 g/t clinker and for specific SOx emissions 419 g/t clinker, adjusted for the equity of year 2023.
4. Specifically, with regard to the KPIs of Total number of Participants to Community Engagement Plans (CEPs), TITAN employees as volunteers in Community Engagement Plans, and Total amount of “social investment” for the implementation of CEPs related to key operations with CEPs connected with material issues and Group policies, these were incorporated for the first time in the ESG performance statements in the TITAN IAR 2020. In 2023 TITAN progressed further with the alignment of business units for implementing the Framework Guidance for CEPs which was introduced for the first time in 2021. Actions were focused on the collection and consolidation of data for the KPIs of “Participants” and “Beneficiaries” of CEPs, with respective definitions as below:
– “Participants” are persons who had active involvement (engagement) in the Community Engagement initiatives, and the figure includes the sum of the number of persons from two sub-categories: (a) Direct Employees who volunteered, or/and had active role because of their position/role in the business unit organization, and (b) Partners (local authorities, specialists, e.g., academics or other experts, NGOs, suppliers and contractors, and possibly also customers, etc.).
– “Beneficiaries” are persons who – directly or indirectly – have received or will receive benefits from the community engagement initiatives. In order to estimate this figure, the business unit is required to have an overall view of the initiative, and the impacts this has in the local community. The number of beneficiaries may include also some of the participants.
In 2023 we stressed efforts for calculating the number of total Participants and Beneficiaries at each Key operation, BU, and country, by combining data of different Initiatives and ensuring accuracy. There was also increased attention for the quality of assessment of the Initiatives, working with internal systems in place, and calibrating the results of assessment on the level of each Key operation.
About Key operations: According to Group Guidance Framework for BUs Community Engagement Plans (2021), TITAN encourages all BUs to establish a list of Key operations according to local conditions and needs, using as criterion the materiality of each activity. All integrated cement plants and grinding plants are considered as the minimum required Key operations for each BU for the purpose of Initiatives under CEPs, due to the footprint, both environmental and social, and the strategic role they have for TITAN’s operations in every country. Beyond that, other operations such as ready-mix concrete plants, aggregates, and terminals (not exhaustive list) may also be considered "Key". In principle, each BU should define what they consider as "Key" and substantiate. During the past years there has been a trend of gradual, but slight increase of this number.
5. Coverage includes all quarries attached to cement plants and quarries for aggregates production, which are wholly-owned and under the full management control of TITAN. Since 2021, all Titan Cement Egypt quarries have been excluded from the baseline and the calculations of the respective local impact indicators, as they are no longer considered to be under full management control of TITAN due to changes in mining legislation in the country.
6. Active quarries within, containing or adjacent to areas designated for their high biodiversity value. See the Table “TITAN Group Quarry Sites with High Biodiversity Value”.
7. Active quarries with high biodiversity value where biodiversity management plans are actively implemented. See the Table “TITAN Group Quarry Sites with High Biodiversity Value”.
8. Calculated as the percentage of the impacted/disturbed quarry areas that have been rehabilitated (total and cumulative), aggregated at Group level. 2020 was the initial year for disclosing data for this indicator.
9. Total amount of expenditures (capital and operational) for those investments whose primary purpose is the prevention, reduction and elimination of pollution and other forms of degradation to the environment (UNCTAD Guidance, 2022). In 2023 TITAN incorporated in this disclosure the figure of total CapEx which are aligned with the EU Taxonomy Regulation, in specific projects for meeting the Technical Screening Criteria for the environmental objectives of climate change mitigation.
10. For definitions related to “Social investment” (in cash and in kind) for community initiatives, “Donations”, and “Local Spend”, see Table 2.5.9.
11. Specific information is not available for Titan America’s operations. The percentages for the Group average are calculated excluding the employment of TITAN in USA. For the specific method of calculation see the Note under the Table 2.2 “Focus area: Growth-enabling work environment”.

Reference to GRI Standards

GRI 2-8 Workers who are not employees; GRI 2-29 Approach to stakeholder engagement; GRI 201-2 Financial implications and other risks and opportunities due to climate change; GRI 203-1 Infrastructure investments and services supported; GRI 203-2 Significant indirect economic impacts; GRI 204-1 Proportion of spending on local suppliers; GRI 3-3 Management of material topics; GRI 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas; GRI 304-3 Habitats protected or restored; GRI 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions; GRI 404-1 Average hours of training per year per employee; GRI 413-1 Operations with local community engagement, impact.

Reference to SASB Standards

-EM-CM-120a.1 under the topic (area) “Air Quality” for air emissions of pollutants including NOx, SOx, particulate matter (PM10), dioxins/furans, volatile organic compounds (VOCs), polycyclic aromatic hydrocarbons (PAHs), and seven heavy metals.
-EM-CM-160a.1 and EM-CM-160a.2 under the topic (area) “Biodiversity Impacts” for the environmental management policies and practices for active sites, 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 United Quarry	Greece	Cement	Apsalos, Pella	Inside NATURA 2000 area for protection of terrestrial ecosystems (SPA)	YES	
Rethimno Quarry	Greece	Aggregates	Rethymno, 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
Drimos Quarry	Greece	Cement and Aggregates	Drimos, Thessaloniki	Inside area for protection of terrestrial ecosystems on national level	NO	Biodiversity Study initited in 2023; will be completed along with a BMP in 2024
Thisvi Quarry	Greece	Aggregates	Thisvi, Viotia	Adjacent to NATURA 2000 area for protection of marine ecosystems (SCI)	NO	Biodiversity Study initited in 2023; will be completed along with a BMP in 2024

Notes

1. The above table is complementary to the Table 2.3, "Focus area: Positive local impact", and specifically for the Indicators: 3.41. Sites in high biodiversity value areas, 3.42. Sites with biodiversity management plans (number), 3.43. Sites with biodiversity management plans (percentage).
2. In 2020 an updated biodiversity risk assessment was made for all TITAN Group sites with the use of the Integrated Biodiversity Assessment Tool (IBAT). Based on this assessment, two new sites (Thisvi Quarry and Drimos Quarry) were added to the above list.
3. The above table includes the needed disclosures for supporting TITAN's performance monitoring and reporting according to the sectoral commitments (GCCA Sustainability Guidelines for Quarry Rehabilitation and Biodiversity Management, May 2020). This information, combined with the disclosures under the respective section of this report, also covers the requirements for reporting according to the SASB Standards for "Biodiversity Impacts" and in more specifically the KPI EM-CM-160a.1 Description of environmental management policies and practices for active sites.

2.4 Focus area: Responsible sourcing

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
2.4.1 Material issue: Resource efficiency, recycling and recovery, contributing to circular economy															SDG 6.3, 6.4, 6.5
All Activities															
4.01	**Water consumption (total)**	**million m^3**	**10.5**	**10.9**	**11.3**	**11.1**	**11.0**	●	●			303-5		L	108
4.02	Greece	million m^3	1.6	1.5	1.6	1.5	1.5								
4.03	USA	million m^3	7.4	7.6	7.9	7.8	7.7								
4.04	Southeastern Europe	million m^3	0.7	1.0	0.9	0.9	0.9								
4.05	Eastern Mediterranean	million m^3	0.8	0.8	0.9	0.9	0.8								
4.06	**Water withdrawal (total, by source)[2]**	**million m^3**	**39.0**	**42.3**	**43.2**	**41.3**	**39.8**	●	●	●		303-3		L	
4.07	Groundwater	million m^3	35.1	38.9	39.8	37.8	36.4								
4.08	Municipal water	million m^3	1.0	0.9	1.0	0.9	0.9								
4.09	Rainwater	million m^3	0.2	0.2	0.2	0.2	0.2								
4.10	Surface water	million m^3	0.7	0.7	0.8	0.8	0.8								
4.11	Quarry water used (from quarry dewatering)	million m^3	0.1	0.1	0.1	0.1	0.1								
4.12	Ocean or sea water	million m^3	1.3	1.3	1.3	1.3	1.3								
4.13	Waste water	million m^3	0.6	0.1	0.1	0.1	0.1								
4.14	**Water discharge (total, by destination)[3]**	**million m^3**	**28.5**	**31.4**	**31.9**	**30.2**	**28.8**	●	●	●		303-4		L	
4.15	Surface (river, lake)	million m^3	26.5	29.9	30.4	28.7	27.3								
4.16	Sub-surface water (well)	million m^3	0.1	0.0	0.1	0.1	0.1								
4.17	Ocean or sea	million m^3	1.3	1.3	1.3	1.3	1.3								
4.18	Off-site treatment	million m^3	0.1	0.1	0.1	0.1	0.1								
4.19	Other[4,5]	million m^3	0.5	0.0	0.0	-	-								
4.20	**Water consumption (total, by source)[5]**	**million m^3**	**10.5**	**10.9**	**-**	**-**	**-**					303-5			
4.21	Groundwater[5]	million m^3	9.1	9.5	-	-	-								
4.22	Municipal water[5]	million m^3	0.8	0.8	-	-	-								
4.23	Rainwater[5]	million m^3	0.2	0.2	-	-	-								
4.24	Surface water[5]	million m^3	0.2	0.2	-	-	-								
4.25	Quarry water used (from quarry dewatering)[5]	million m^3	0.1	0.1	-	-	-								
4.26	Ocean or sea water[5]	million m^3	0.0	0.0	-	-	-								
4.27	Waste water[5]	million m^3	0.1	0.1	-	-	-								

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
4.28	**Water recycled (total)[5]**	**million m^3**	**26.8**	**26.2**	**-**	**-**	**-**								108
4.29	Water demand covered with recycled water[5,9]	%	40.7	38.2	-	-	-								
Cement and cementitious production activities															
4.30	**Water consumption (total)**	**million m^3**	**3.5**	**3.6**	**3.8**	**3.7**	**3.7**	●	●			303-5		L	108
4.31	Greece	million m^3	0.9	0.9	1.0	1.0	1.0								
4.32	USA	million m^3	1.1	1.0	1.1	1.1	1.1								
4.33	Southeastern Europe	million m^3	0.7	0.9	0.9	0.9	0.9								
4.34	Eastern Mediterranean	million m^3	0.8	0.7	0.8	0.8	0.7								
4.35	Water withdrawal (total)[2]	million m^3	7.3	7.7	7.8	7.6	7.6					303-3		L	
4.36	Specific (fresh) water withdrawal[1,5]	l/t cementitious product	364.2	-	-	-	-								
4.37	Water discharge (total)[3]	million m^3	3.8	4.1	4.0	3.9	3.9					303-4		L	
4.38	Water recycled (total)	million m^3	17.8	16.5	15.2	15.5	15.1	●	●	●					
4.39	Specific water consumption	l/t cementitious product	222.7	240.4	245.7	260.5	255.7	●	●	●		303-5		R	
4.40	Specific water consumption	l/t cement	228.6	241.2	250.9	260.8	257.3	●	●	●				R	
4.41	Water demand covered with recycled water[9]	%	71.0	68.0	66.1	67.2	66.5							R	
4.42	Avoided water consumption (cumulative since 2003)[6]	million m^3	44.5	40.3	36.3	32.5	29.1		●	●		303-5			
4.43	Water withdrawal in water stressed areas[1,5]	million m^3	3.3	-	-	-	-								
4.44	Water consumption in high water stress areas[5]	million m^3	1.9	2.1	-	-	-								

2.4.1 Material issue: Resource efficiency, recycling and recovery, contributing to circular economy — **SDG 6.4, 6.5, 7, 7.2, 7.3, 9.4, 12, 12.2, 12.4, 12.5**

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
Ready-mix concrete activities															
4.45	Total water withdrawal	million m^3	3.1	3.1	3.1	3.0	3.0		●	●		303-3			108
4.46	Specific water withdrawal	l/m^3 concrete	545.5	566.5	572.8	577.8	598.3		●	●					
All Activities															
4.47	Thermal energy consumption	TJ	43,548	41,946	44,834	41,229	43,102	●	●	●		302-1			109
4.48	Thermal energy consumption	% of total	87.4	86.9	87.2	87.1	87.2								
4.49	Electrical energy consumption	TJ	6,256	6,298	6,580	6,116	6,328	●	●	●					
4.50	Electrical energy consumption	% of total	12.6	13.1	12.8	12.9	12.8								
4.51	Total energy consumption	TJ	49,804	48,244	51,414	47,345	49,430								

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
4.52	Renewable energy of total energy consumption[5]	% of total	9.6	8.0	6.9	-	-								109
4.53	Total energy consumption intensity[1]	GJ/€	0.020	0.021	0.030	0.030	0.030					302-3			
Cement production activities															
4.54	Percentage of production covered by ISO50001 or energy audits[12]	% clinker production	85.7	85.9	86.2	54.9	40.5		●		●	3-3	●	R	109
4.55	Thermal energy consumption (Cement, grinding plants and attached quarries)	TJ	43,489	41,554	43,756	40,786	42,160	●	●	●	●	302-1	●		
4.56	Specific heat energy consumption[11]	kcal/kg clinker	855	844	840	835	834	●	●	●	●	302-3	●	L	
4.57	**Specific heat energy consumption (incl. Brazil)[5,11]**	**kcal/kg clinker**	**858**	**848**	**841**	**-**	**-**	●	●	●	●			L	
4.58	Greece[11]	kcal/kg clinker	904	893	895	874	866	●	●	●	●				
4.59	USA (incl. Brazil)[5,11]	kcal/kg clinker	774	791	-	-	-	●	●	●	●				
4.60	Southeastern Europe[11]	kcal/kg clinker	872	842	839	845	843	●	●	●	●				
4.61	Eastern Mediterranean[11]	kcal/kg clinker	881	870	849	852	856	●	●	●	●				
4.62	Electrical energy consumption (Cement, grinding plants and attached quarries)	TJ	6,195	5,971	6,204	5,773	5,981	●	●	●	●	302-1			
4.63	Electrical energy consumption (Cement, grinding plants and attached quarries)	GWh	1,721	1,659	1,723	1,604	1,661	●	●	●	●				
4.64	Specific electrical energy consumption	kWh/t cement	112.5	110.8	115.0	113.0	115.4				●	302-3		L	
4.65	**Specific electrical energy consumption (incl. Brazil)**	**kWh/t cement**	**111.4**	**109.7**	**113.5**	**111.7**	**114.8**				●			L	
4.66	Greece	kWh/t cement	127.8	124.4	132.1	130.6	137.4				●				
4.67	USA (incl. Brazil)[5]	kWh/t cement	107.5	109.8	-	-	-				●				
4.68	Southeastern Europe	kWh/t cement	104.6	100.8	100.6	104.8	104.5				●				
4.69	Eastern Mediterranean	kWh/t cement	106.5	104.3	106.5	100.4	101.7				●				
4.70	Renewable energy as part of total electrical energy consumption[5]	% Electrical energy consumed	21.2	22.1	24.0	22.8	-				●	302-1			
Ready mix concrete activities															
4.71	Specific electrical energy consumption in concrete production	kWh/m^3 concrete	3.0	3.2	3.7	3.5	3.7		●	●		302-3			109

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
All Activities															
4.72	**Natural raw materials extracted (total, wet)**	**million t**	**33.6**	**32.7**	**34.9**	**32.5**	**32.4**		●			301-1			109
4.73	Raw materials extracted for clinker and cement production	million t	19.0	18.8	18.9	17.9	18.5		●						
4.74	Raw materials extracted for aggregates	million t	14.6	13.9	16.1	14.5	13.8		●						
Cement production activities															
4.75	Materials consumption (total, dry)	million t	22.2	21.4	22.0	20.6	21.1		●			301-1			109
4.76	Extracted (natural) raw materials consumption (dry)	million t	20.4	19.7	20.5	19.3	19.6								
4.77	Alternative raw materials consumption (dry)	million t	1.8	1.6	1.5	1.3	1.5								
4.78	Alternative raw materials use (of total raw materials consumed)[10]	% Dry	8.0	7.7	6.6	6.4	7.1	●		●		301-2		L	
4.79	Alternative raw materials rate (based on clinker-to-cement equivalent factor)	% Dry	9.3	8.8	7.6	7.2	8.1	●	●	●				L	
4.80	Avoided consumption of natural resources and landfilling of alternative materials and fuels (cumulative since 2003)[6]	million t	31.7	29.5	27.5	25.7	24.1		●	●		301-1			

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
All Activities															
4.81	**Waste disposal (total, wet)**	**t**	**370,361**	**339,552**	**315,623**	**331,709**	**308,218**		●	●		306-3			109
4.82	Non-hazardous waste (total)	t	369,874	339,143	315,178	331,201	307,241		●	●					
4.83	Hazardous waste (total)	t	487	409	445	508	977		●	●					
4.84	**Externally recycled waste materials (total, wet)**	**t**	**323,658**	**288,033**	**263,729**	**273,828**	**236,736**		●	●		306-4			
4.85	Reused	t	15,077	6,526	23	125	53								
4.86	Recycled	t	306,529	280,798	262,928	273,193	236,610								
4.87	Recovered	t	2,052	709	778	510	74								
4.88	**Waste management, breakdown by destination-usage (wet)**	**% w/w**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**		●	●					
4.89	Reuse	% w/w	4.1	2.0	0.0	0.0	0.0		●	●		306-4			109
4.90	Recycled	% w/w	82.8	82.7	83	82.0	76.8		●	●					
4.91	Recovered (including energy recovery)	% w/w	0.6	0.2	0.2	0.2	0.0		●	●					
4.92	Incineration	% w/w	0.0	0.0	0.0	0.0	0.0		●	●		306-5			
4.93	Landfilled	% w/w	12.3	14.5	16.4	17.3	23.1		●	●					
4.94	Composted[5]	% w/w	0.0	0.0	0.0	0.0	0.0		●	●		306-4			
4.95	Other (incl. storage)	% w/w	0.3	0.7	0.1	0.1	0.1		●	●		306-5			
4.96	**Hazardous waste management, breakdown by destination-usage (wet)**	**% w/w**	**100.0**	**100.0**	**–**	**–**	**–**								
4.97	Reused[5]	% w/w	0.6	0.4	–	–	–					306-4			109
4.98	Recycled[5]	% w/w	55.1	43.8	–	–	–								
4.99	Recovered[5]	% w/w	21.5	11.8	–	–	–								
4.100	Incineration[5]	% w/w	0.1	0.0	–	–	–					306-5			
4.101	Landfilled[5]	% w/w	12.0	43.0	–	–	–								
4.102	Other (incl. storage)[5]	% w/w	10.7	1.0	–	–	–								
4.103	Packaging- paper (total)[1,5]	t	8,943	9,088	9,883	–	–								
4.104	Packaging- plastic (total)[1,5]	t	406	578	521	–	–								

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
Cement production activities															
4.105	Percentage of production covered by "Zero Waste to Landfill" certification[8]	% clinker production	55.0	54.9	56.2	29.5	-					3-3		R	109
Ready mix concrete activities															
4.106	Recycled/reused concrete (internally and externally)	% returned concrete	87.5	87.5	86.0	90.3	86.6		●	●		306-4			109

2.4.2 Material Issue: Reliable and Sustainable Supply Chain **SDG 6, 7, 12, 13**

Code	ESG Performance Indicators	Unit	2023	2022	2021	2020	2019	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	ASSUR.	Page
All Activities															
4.107	Key suppliers meeting TITAN ESG standards[5,7]	%	24.7	-	-	-	-		●			308-1 414-1		R	110
4.108	Key Suppliers assessed/under assessment stage for meeting TITAN ESG standards, Group[1]	%	51.3	-	-	-	-		●						
4.109	Key suppliers with contracts requiring adherence to TITAN ESG standards, Group[1,5]	%	15.5	-	-	-	-								
4.110	Number of suppliers with Science Based Targets[1]	#	13	-	-	-	-					308-1			
4.111	Suppliers training hours for TITAN ESG standards, Group[1,5]	#	200	-	-	-	-					308-1 414-1			
4.112	Number of cases on products recalls[1,5]	#	3	-	-	-	-								
4.113	Customer satisfaction surveys coverage[1,5,13]	%	77.8	-	-	-	-								

2.4 Notes

Notes for specific KPIs

1. New indicator. More details can be found in the section "TITAN's approach to ESG Performance reporting".
2. Total withdrawal also includes quantities of water withdrawn by TITAN and supplied to third parties without being used in any of TITAN facilities.
3. Total discharge also includes quantities of water withdrawn by TITAN and supplied to third parties without being used in any of TITAN facilities plus quantities of water used by TITAN and supplied to facilities within TITAN for further beneficial use.
4. Refers to the quantities of water withdrawn by TITAN and supplied to third parties without being used in any of TITAN facilities plus quantities of water used by TITAN and supplied to facilities within TITAN for further beneficial use.
5. Relevant information is not available for the specific years denoted "-".
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 TITAN Group published its first Sustainability report. The base year performance for specific water consumption was 504 l/t cement, adjusted for the equity of year 2023. 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. In 2023 TITAN stressed efforts according to the internal Roadmap for Sustainable Supply Chain as described in the Management Report under the focus area "Responsible Sourcing", and material issue "Reliable and sustainable supply chain". Of the total 425 TITAN's key suppliers, 51.3% have entered the qualification process and 24.7% were assessed in 2023, as either adhering to the ESG Standards or respecting these Criteria and having an improvement plan in place for reaching the required level of adherence. Based on a collaborative effort with the CDP we obtained a focus report on the review of progress of our key suppliers for their responsiveness to CDP and related public disclosures, and we found that 13 of our key suppliers have committed to science-based targets. We intensified efforts for training, starting with all procurement leaders introduced to TITAN's ESG standards and trained in the application of ESG criteria. At least 200 hours of training were provided to key suppliers as part of their induction to the qualification process for the ESG Standards. More than 15.5% of key suppliers have incorporated TITAN's ESG criteria into their contractual obligations, specifically in new contracts and contract renewals in 2023.
8. Coverage is based on certificates covering the wastes management of the previous year.
9. Water demand is defined as the sum of water withdrawal and water recycled.
10. Calculated as the total quantity of alternative raw materials over the total quantity of extracted and alternative raw materials used for clinker and cement production.
11. Measurement unit is selected based on its relevance to clinker production.
12. Refers to all integrated clinker and cement production facilities.
13. Percentage of countries that a customer satisfaction survey took place in the reference year.

Reference to GRI Standards

GRI 3-3 Management of material topics; GRI 301-1 Materials used by weight or volume; GRI 301-2 Recycled input materials used; GRI 302-1 Energy consumption within the organization; GRI 302-3 Energy intensity; GRI 303-3 Water withdrawal; GRI 303-4 Water discharge; GRI 303-5 Water consumption; GRI 306-3 Waste generated; GRI 306-4 Waste diverted from disposal; GRI 306-5 Waste directed to disposal; GRI 308-1 New suppliers that were screened using environmental criteria; GRI 414-1 New suppliers that were screened using social criteria.

Reference to SASB Standards

– EM-CM-130a.1 under the area "Energy Management" for total energy consumed, percentage grid electricity, percentage alternative, and percentage renewable.
–-EM-CM-140a.1 under the area "Water Management" for total fresh water withdrawn, percentage recycled, percentage in regions with high or extremely high baseline water stress. See also Table "TITAN Group Cement Plant Sites within water-stressed Areas" part of the ESG performance statements.
– EM-CM-150a.1 under the area "Waste Management" for amount of waste generated, percentage hazardous, percentage recycled.
– -Connection of the disclosures under Note 7 of the above "Notes for specific KPIs", about the 2022 progress aligned with the Sustainable Supply Chain Roadmap of TITAN cover the requirements for reporting according to the SASB Standards for the area "Business Ethics and Transparency" and more specifically the metric (KPI) EM-MM-510a.1. The connection concerns the description of the management system for prevention of corruption and bribery throughout the value chain.

TITAN Group Cement Plant Sites within water-stressed Areas

Site	Country	Water Stress (Baseline)
Antea	Albania	>80%
Alexandria	Egypt	>80%
Beni Suef	Egypt	>80%
Kamari	Greece	>80%
Patras	Greece	>80%
Thessaloniki	Greece	40-80%
Kosjeric	Serbia	>80%

Notes

1. The water risk assessment for all TITAN Group sites was updated in 2023 with the use of the World Resources Institute's (WRI) Aqueduct tool.
2. The above table presents the cement plant sites (as the larger water users among Group activities) that operate within water-stressed areas, namely the areas where the Baseline Water Stress Indicator is >40%, as classified by the Aqueduct tool.
3. The Water Stress Indicator measures the ratio of total water withdrawals to available renewable surface and groundwater supplies. Higher values indicate more competition among users.
4. This information for the activities that operate in water-stressed areas, combined with the disclosures under the section 'Non-financial performance overview' of this report, also covers the requirements for reporting according to SASB Standards for 'Water Management' and more specifically the KPI EM-CM-140a.1 (1) Total fresh water withdrawn, (2) percentage recycled, (3) percentage in regions with High or Extremely High Baseline Water Stress.

2.5 Good governance, transparency and business ethics

2.5.1 Governance Core Indicators

Code	Governance Core Indicators	Notes	Performance 2023	Reporting Standards
	Board structure			
5.01	Number and percentage of female board members		Number of females: 5 Contribution to the total: 31.25%	SDG 5.5 SDG 16.5 SDG 16.6 SDG 16.7 UNGC UNCTAD GRI 2-10 GRI 2-18 GRI 2-30 GRI 205-1 GRI 205-2 GRI 205-3 GRI 405-1 GRI 407-1 SASB
5.02	Number of nationalities represented on the Board		5	
	Board members by age range			
5.03	Under 30		0	
5.04	Between 30-50		1	
5.05	Over 50		15	
5.06	Number of independent board members		9/16	
	Board effectiveness			
5.07	Number of board meetings and attendance rate	2	8 meetings were held in 2023. The average attendance rate in the 8 meetings was 97%.	
5.08	Audit and Risk Committee: Number of meetings and attendance rates	3	6 with 100% attendance	
5.09	Nomination Committee: Number of meetings and attendance rates	3	4 with 100% attendance	
5.10	Remuneration Committee: Number of meetings and attendance rates	3	2 with 100% attendance	
5.11	Strategy Committee: Number of meetings and attendance rates	1,2	2 with 100% attendance	
5.12	Lobbying expenditures as contributions to collaborative initiatives and associations	1	€131,330 (participation fee to GCCA, Cembureau and ERT)	
5.13	Number of board meetings that sustainability was included as thematic area	1	5/8	
	Compliance and business ethics			
5.14	Grievance mechanism (Ethicspoint) coverage	4	100%	
5.15	Number of cases reported in EthicsPoint	4	In 2023, 11 cases in total were reported through the EthicsPoint platform, 6 of which have been thoroughly examined by the responsible committees, no substantiated cases were reported related to business integrity (such as Anti-bribery and Corruption), while action plans for remediation have been set for all substantiated cases.	
5.16	Incidents of corruption/bribery	1	zero incidents	
5.17	Number of confirmed information security incidents, Group	1	178	
5.18	Share of unionised employees (%)	5	28.8%	
5.19	Share of employees covered by Collective Bargaining Agreements (CBAs) (%)	6	34.8%	
5.2	Average number of hours of training on subjects related to Compliance, per employee	7	0.75	
5.21	Anti-bribery and corruption training	1, 7	957 hours	

Notes for specific KPIs

1. New indicator. In 2023 there were no recorded incidents of corruption/bribery. In total 178 information security incidents occurred mainly in three forms: malware, phishing and password spraying attacks. All the aforementioned incidents were resolved and there were no serious incidents related to information security or the protection of personal information.
2. Number of Board meetings during the reporting period and number of Board members who participated in each Board meeting during the reporting period divided by the total number of directors sitting on the Board multiplied by the number of Board meetings during the reporting period.
3. Number of Board meetings during the reporting period and number of Audit Committee members who participated in each Audit Committee meeting during the reporting period divided by the total number of members sitting on the Audit Committee multiplied by the number of Audit Committee meetings during the reporting period.
4. Out of the 11 reports received in TITAN EthicsPoint whistleblowing platform in 2023, eight were classified as allegations and three as inquiries. Of the eight allegations, six cases were thoroughly examined by the respective Regional Committees and reviewed by the Supervisory Committee, while two cases are still in the process of examination. Of the six examined and closed cases, two were found fully substantiated and one was partially substantiated, all three of them concerning People and Workplace respect issues. None of the substantiated cases concerned Bribery and Corruption or other matters of business integrity. The other three cases, concerning issues of Business Integrity/Assets Misappropriation, were found to be unsubstantiated. Action plans for remediation were implemented for all substantiated or partially substantiated cases. The three cases of inquiries were referred to the competent function and were properly addressed and answered.
5. Specific information provided by the Adocim business unit under confidentiality regarding the names of employees.
6. In 2023 this percentage decreased to 34.76% from 50.3% in 2022. Important reasons were: The decrease of coverage for USA employees (Titan America), where the Pennsuco trade union was dissolved in 2023, and newly signed CBAs in specific countries, which stipulated a reduction for the coverage of employees. The breakdown by employees in the USA and other countries was 4.3% vs. 58.8% (compared to 9.7% and 83.5%, respectively, in 2022). TITAN keeps annual records of number and duration of strikes and lockouts in internal data collection systems. Zero cases were recorded in 2023 related directly to our operating facilities.
7. Average number of hours of training per employee and per year, on TITAN policies and internal procedures (priority being on the Code of Conduct, Policies for Human Rights, Anti-Bribery, GDPR, although this list should not be considered exhaustive). The KPI is calculated as the total hours of training in the subject areas, divided by the total number of employees. TITAN categorizes these training subjects under the overall subject area: “Compliance” (see Table 2.2 “Focus area: Growth-enabling work environment”, for the KPI “Training hours per subject, Group total”). More specifically, TITAN reached a total number of 957 hours for Regulatory Compliance trainings delivered in various business units across the Group during 2023, focused mostly, but not limited to, Anti-bribery and Corruption. The total of employees who followed the trainings for Compliance reached 1,188 in 2023, or 20.7% of all employees in our workforce.

Additional Notes

8. TITAN does not operate in or near areas of conflict, according to data of the Uppsala Conflict Data Program (UCDP, see www.uu.se).
9. TITAN followed an enhanced process of receiving feedback from our stakeholders in each country of operation in 2020 by promoting the principles of open and structured communication and implemented a project for validating the existing materiality matrix on the level of each business unit. The section “Focusing on material issues” of this report, and more specific the “Dynamic Materiality” provides also a short discussion on the outcomes of the business unit Validation Materiality Project 2022. See Table 1.1 “Material issues”, part of the ESG performance statements.
Regarding background work: The analysis and the assessment of the Materiality Assessment for all countries of operation was completed in 2020, including focused research in each country by a third party. This process enabled the engagement of TITAN management in each country, and the due diligence at business unit level with respect to human rights and indigenous peoples’ rights and possible related conflicts. The country-level research concluded that no matters of conflict with respect to the above had emerged or are expected. No new information on the subject matter was noted in the press/media in any of the countries of our operations, either in 2022 or in 2023.
10. In 2023 TITAN continued the development by operating a dedicated Group e-platform to record our community initiatives and actions at each business unit level, as well as to facilitate the self-assessment and alignment of business units with Group targets and key priorities. Community Engagement Plans are implemented in all countries where we operate, covering initiatives that contribute to the sustainability of local communities and enhance the engagement with our stakeholders, aiming at long-term positive impacts for communities and society. See the section “Social Positive Impact” on page 107, in the Management Report for the assessment of TITAN’s community engagement initiatives across all countries of operations in 2023.
No incidents were recorded in 2023 concerning site shutdowns or project delays due to non-technical factors, such as those resulting from pending regulatory permits or other political delays related to community concerns, community or stakeholder resistance or protest, and armed conflict.

Connection of KPIs with GRI Standards

Connection of ESG performance indicators with metrics in reference to GRI Standards: GRI 2-10 Nomination and selection of the highest governance body; GRI 2-18 Evaluation of the performance of the highest governance body; GRI 2-30 Collective bargaining agreements; GRI 205-1 Operations assessed for risks related to corruption; GRI 205-2 Communication and training about anti-corruption policies and procedures; GRI 205-3 Confirmed incidents of corruption and actions taken; GRI 405-1 Diversity of governance bodies and employees; GRI 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.

Connection of KPIs and other disclosures with SASB Standards

– The disclosures of Note 6 (above) about the percentage of employees covered by collective bargaining agreements and number and duration of strikes and lockouts cover the requirements for reporting according to SASB Standards for the topic (area) of “Labor Relations” and, in more specific the metrics (KPIs) EM-MM-310a.1 and EM-MM-310a.2.
- With reference to above Note 9, we cover the requirements for reporting according to the SASB Standards for two topics (areas): “Security, Human Rights and Rights of Indigenous Peoples” and more specifically the metrics (KPIs) EM-MM-210a.1, EM-MM-210a.2, and EM-MM-210a.3, and ” Community Relations”, in more specific the metrics (KPIs) EM-MM-210b.1, and EM-MM-210b.2, concerning the discussion of process to manage risks and opportunities associated with community rights and interests.

2.5.2 Taxonomy KPIs

KPI: Turnover

Financial year 2023	Year			Substancial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Acitivities (1)	**Code (2)**	**Turnover (3)**	**Proportion of Turnover, year 2023 (4)**	**Climate change Mitigation (5)**	**Climate change Adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular Economy (9)**	**Biodiversity (10)**	**Climate change Mitigation (11)**	**Climate change Adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular Economy (15)**	**Biodiversity (16)**	**Minimum Safeguards (17)**	**Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year 2022**	**Category enabling activity (19)**	**Category transitional activity (20)**
Text		mEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Activity 1	CCM 3.7	121.2	4.8%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	4.6%		
Activity 2	CCM 5.9	4.0	0.2%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%		T
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		125.2	**5.0%**	**5.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	Y	Y	Y	Y	Y	Y	Y	4.6%		
Of which enabling		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Of which transitional		125.2	5.0%	5.0%						Y	Y	Y	Y	Y	Y	Y	4.6%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Activity 1	CCM 3.7	1,364.1	53.6%	EL	EL	N/EL	N/EL	N/EL	N/EL								50.6%		
Activity 2	CCM 5.9	0.0	0.0%	EL	EL	N/EL	N/EL	N/EL	N/EL										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,364.1	**53.6%**	**53.6%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								50.6%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		1,489.3	58.6%	58.6%	0.0%	0.0%	0.0%	0.0%	0.0%								55.2%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		1,057.7	**41.4%**																
TOTAL		2,547.0	**100.0%**																

Specific note on Turnover

The calculation of turnover in the reporting period 2023, covered the revenue recognized pursuant to International Accounting Standard (IAS) 1, paragraph 82(a), as adopted by Commission Regulation (EC) No 1126/2008 (1), and as defined in Article 2, point (5), of Directive 2013/34/EU. The turnover figures represent consolidated data at Group level, after eliminations for third-party transactions. In the disclosures for 2023, we included the economic activity of production and sales of Fly Ash, which we consider as "Eligible" (according to the Taxonomy Regulation, code 5.9), in addition to the disclosures of the report for 2022. We adjusted the figure for alignment of the economic activity of manufacturing cement etc. (according to the Taxonomy Regulation, code 3.7) for our disclosures in 2022, in specific for the alignment with Climate Change Adaptation, which we considered in 2023 as non-aligned, since it is a Transitional economic activity.

2.5.2 Taxonomy KPIs

KPI: CapEx

Financial year 2023	Year			Substancial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Acitivities (1)	Code (2)	CapEx (3)	Proportion of CapEx, year 2023 (4)	Climate change Mitigation (5)	Climate change Adaptation (6)	Water (7)	Poluution (8)	Circular Economy (9)	Biodiversity (10)	Climate change Mitigation (11)	Climate change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
Text		mEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Activity 1	CCM 3.7	63.4	28.3%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	16.0%		
Activity 2	CCM 5.9	0.0	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%		T
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		63.4	**28.3%**	**28.3%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	Y	Y	Y	Y	Y	Y	Y	16.0%		
Of which enabling		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Of which transitional		63.4	28.3%	28%						Y	Y	Y	Y	Y	Y	Y	16.0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Activity 1	CCM 3.7	77.0	34.4%	EL	EL	N/EL	N/EL	N/EL	N/EL								40.1%		
Activity 2	CCM 5.9	0.0	**0.0%**	EL	EL	N/EL	N/EL	N/EL	N/EL										
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		77.0	**34.4%**	**34.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								40.1%		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		140.4	62.7%	62.7%	0.0%	0.0%	0.0%	0.0%	0.0%								56.1%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		83.6	**37.3%**																
TOTAL		224.0	**100.0%**																

Specific note on CapEx

The CapEx covered additions to tangible and intangible assets in the reporting period 2023 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). In the disclosures for 2023, we included the economic activity of production and sales of Fly Ash, which we consider as "Eligible" (according to the Taxonomy Regulation, code 5.9), in addition to the disclosures of the report for 2022.

2.5.2 Taxonomy KPIs

KPI: OpEx

Financial year 2023	Year			Substancial contribution criteria						DNSH criteria ('Does Not Significantly Harm') (b)									
Economic Acitivities (1)	Code (2)	OpEx (3)	Proportion of OpEx, year 2023 (4)	Climate change Mitigation (5)	Climate change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change Mitigation (11)	Climate change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
Text		mEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Activity 1	CCM 3.7	8.1	4.8%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	4.1%		
Activity 2	CCM 5.9	0.2	0.1%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%		T
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		8.3	**4.9%**	**4.9%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	0	Y	Y	Y	Y	Y	Y	4.1%		
Of which enabling		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0	Y	Y	Y	Y	Y	Y	0.0%	E	
Of which transitional		8.3	4.9%	4.9%							Y	Y	Y	Y	Y	Y	4.1%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Activity 1	CCM 3.7	87.3	51.8%	EL	EL	N/EL	N/EL	N/EL	N/EL								51.3%		
Activity 2	CCM 5.9	0	0.0%	EL	EL	N/EL	N/EL	N/EL	N/EL										
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		87.3	**51.8%**	**51.8%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								51.3%		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		95.6	56.7%	56.7%	0.0%	0.0%	0.0%	0.0%	0.0%								55.4%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		73	**43.3%**																
TOTAL		168.6	**100.0%**																

Specific note on OpEx

For calculating the figure of OpEx in the reporting period, we considered all direct non-capitalized costs that relate to research and development (research and innovation investments), building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant, and equipment by TITAN or third party to whom activities are outsourced, that are necessary to ensure the continued and effective functioning of such assets. The calculation of OpEx for specific economic activities was made according to the approach of proportionality, using as proportional metric the amounts (tonnes) of products produced, related and connected with the calculation of figures for Taxonomy-eligible and Taxonomy-aligned asa proportion of the total Opex on Group level. In the disclosures for 2023 we included the economic activity of production and sales of Fly Ash, which we consider "eligible" (according to the Taxonomy Regulation, code 5.9), in addition to the disclosures of the report for 2022. We adjusted the figure for alignment of the economic activity with code 3.7 'Manufacture of cement' for our disclosures in 2022, in specific eliminated the proportion of figures for alignment with Climate Change Adaptation, since the economic activity is defined as Transitional activity by the Regulation.

General Notes for all Taxonomy KPIs

TITAN as a parent undertaking presents the share of our group turnover, CapEx and OpEx for the reporting period 2023, which are associated with Taxonomy-eligible economic activities related to the first two environmental objectives (climate change mitigation and climate change adaptation) in accordance with Art. 8 Taxonomy Regulation and Art. 10 (2) of the Art. 8 Delegated Act. TITAN has adopted the definitions for the KPIs according to the Commission Delegated Regulation (EU) 2021/2178 (Annex I: KPIs of non-financial undertakings).

1. The economic activities in this category are associated with:
- The codes CCM 3.7 and CCA 3.7 according to the Taxonomy Regulation for the economic activities of manufacture of cement clinker, cement or alternative binder (previously used the NACE code C23.51 in accordance with the statistical classification of economic activities established by Regulation (EC) No 1893/2006). An economic activity in this category is a transitional activity as referred to in Article 10(2) of the Taxonomy Regulation.
- The codes CCM 5.9 and CCA 5.9, according to the Taxonomy Regulation for the economic activity of processing and selling of fly ash even though it had insignificant contribution to the total Turnover of the Group in 2023 (below 0.2%).

TITAN's reporting methodology on Taxonomy-aligned KPIs for 2023: We conducted the assessment of all products and project activities' expenditures, and the consolidation of figures for the Group level followed the same rules as for other KPIs under the ESG performance statements, whereas the FX rates for currencies of different countries were assumed as an average for 2023, consistent with TITAN's practices for financial statements and adhering to IFRS principles.

2. Regarding the substantial contribution criteria as applicable in 2023: The assessment methodology was in adherence to the technical criteria for the substantial contribution to the two environmental objectives, explicitly for meeting the threshold values for performance in CO_2 emissions for each of the two objectives.
3. The assessment also ensured that the economic activity meets the requirements for the "Do no significant harm" as referred to in Article 3 (b) and (d) and Article 17 of the Taxonomy Regulation.
4. The assessment also ensured that the economic activity meets the requirements of the "Minimum safeguards" referred to in Article 18 of the Taxonomy Regulation. TITAN ensures the alignment of the economic activity according to the UN Guiding Principles on Business and Human Rights by enforcing the implementation of our Group Policies for Human Rights, Corporate Social Responsibility, Anti-bribery and corruption, Code of Conduct and Code of Conduct for Procurement, also DE&I (for more information see Table 2.5.3 "ESG Policies" in this section).
5. Reporting for KPIs of Turnover, CapEx and OpEx followed the requirements of Annex II/Templates for the KPIs of Non-Financial Undertakings, according to the Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021, and supplementing Regulation (EU) 2020/852. Also, we followed the instructions for these Templates provided by Annex V of the Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023, amending Commission Delegated Regulation (EU) 2021/2178.
6. The KPIs of (%)Turnover, (%)CapEx, and (%)OpEx for Taxonomy-eligible economic activities and Taxonomy non-eligible economic activities, as well as the KPIs of (%)Turnover, (%)CapEx, and (%)OpEx for Taxonomy-aligned and Taxonomy not-aligned economic activities, according to Technical Screening Criteria for Climate Change Mitigation and Climate Change Adaptation, are covered by Limited Assurance.

2.5.3 ESG Polices and Code of Conduct

	New or Updated in 2023	TITAN Focus Areas mostly relevant				
		Decarbonization and Digitalization	Growth-enabling work environment	Positive local impact	Responsible sourcing	Good governance, transparency and business ethics
Code of Conduct			●			●
Code of Conduct of Procurement				●	●	●
Group Policies						
Anti-Bribery and Corruption Policy						●
Climate change Policy	●	●		●	●	
Competition Law Compliance Policy						●
Conflict of Interest Policy						●
Corporate Social Responsibility (CSR) Policy				●		
Protection of Personal Data Policy			●			
Diversity Equity and Inclusion (DE&I) Policy			●			
Environmental Policy	●	●		●	●	
Human Rights Policy			●	●	●	●
Information Security Policy		●				
Occupational Health and Safety (OH&S) Policy			●			
Respect in the Workplace Policy (A policy against harassment and any form of violence)	●					●
Procurement Policy				●	●	
Sanctions Policy						●
Whistleblowing Policy						●

2.5.4 Group Management Systems

Area	Albania	Bulgaria	Egypt	Greece	Kosovo	North Macedonia	Serbia	Türkiye	USA
Health & Safety	ISO 45001 All operations (1 terminal excluded)	ISO 45001 All operations (1 terminal excluded)	ISO 45001 All integrated cement plants	ISO 45001 All operations (1 RMC, 1 aggregate quarry and 2 terminals excluded)	ISO 45001 All operations (3 terminals excluded)	ISO 45001 All operations (2 terminal and 1 quarry excluded)	ISO 45001 All operations	ISO 45001 1 integrated cement plant, 1 grinding cement plant, 1 terminal and 3 RMC units	All operations conform with the regulatory framework of MSHA and OSHA
Environment	ISO 14001 All operations (1 terminal excluded)	ISO 14001 All operations	ISO 14001 All integrated cement plants	ISO 14001 All operations (2 terminals excluded)	ISO 14001 All operations	ISO 14001 All operations	ISO 14001 All operations	ISO 14001 1 integrated cement plant, 1 grinding cement plant and 1 RMC unit	All operations conform with the regulatory framework of EPA
Quality	ISO 9001 All operations	ISO 9001 All operations (2 quarries excluded)	ISO 9001 All integrated cement plants	ISO 9001 All operations (1 quarry excluded)	ISO 9001 All operations	ISO 9001 All operations (1 quarry excluded)	ISO 9001 All operations	ISO 9001 All operations (1 terminal excluded)	Quality ASHTO All operations
Energy		ISO 50001 All RMC units Energy audits 1 integrated cement plant	ISO 50001 All integrated cement plants	ISO 50001 All integrated cement plants, Energy audits All RMC units All aggregates quarries		ISO 50001 1 integrated cement plant		ISO 50001 All integrated cement plants 3 quarries for cement raw materials 1 RMC unit	ISO 50001 All integrated cement plants
Social	GHRMS/SF and SA 8000 All operations	GHRMS/SF All operations	GHRMS/SF All operations	GHRMS/SF All operations	GHRMS/SF and SA 8000 All operations	GHRMS/SF All operations	GHRMS/SF All operations	GHRMS/SF All operations	GHRMS/SF All operations

2.5.5 Political contributions and fines and other non-monetary sanctions

Country	Political contributions[1] (in Euros)	Significant fines[2] (in Euros)	Total number of non-monetary sanctions[2]
Albania	0	0	0
Brazil	0	0	0
Bulgaria	0	0	0
Egypt	0	0	0
Greece	0	0	0
Kosovo	0	0	0
North Macedonia	0	0	0
Serbia	0	0	0
Türkiye	0	0	0
USA[1,2]	18,496	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 2023, Titan America contributed the total amount of €18,496 to various political organizations in support of local elections in Virginia and Florida. From the total amount spent, €9,248 was offered to support political institutions and candidates in Virginia (payment made by Titan America LLC), and €9,248 was offered to support political institutions and candidates in Florida. Details about the names of all political candidates, the dates for the contributions and other data are available from Titan America files. Except the above, no other cases of political contributions were recorded, either financial or in-kind, directly, or indirectly. Since 2022, it was decided that Titan America would implement an internal guidance for engaging in proactive outreach programs to develop long-term relationships with both regulators and elected officials and behaving as a responsible corporate citizen and good neighbor in the communities near its operations. All political involvement is compliant with all applicable campaign financing laws.
2. In 2023 Titan faced no significant fines for environmental, labor rights, human rights, bribery and corruption, or other matters of Business ethics. However, Titan America LLC paid a €430,437 fine to the Internal Revenue Service (IRS) for the late payments of employment taxes in 2021-22. The company disputed this amount. Notably, in 2023 Titan America received an abatement of €200,731 from the IRS from contested employment tax fines paid in 2022.
Another administrative fine paid in 2023 was the sum of €14,832 by Titan Florida LLC for a local code violation issued in 2010 for failing to illuminate parking lots, alleys and access thereto.
Clarification: TITAN considers as “significant” any fine over €10,000, and the annual reporting of the monetary value of significant fines and total number of non-monetary sanctions covers cases of non-compliance with laws and regulations, including but not limited to environment, use of products and services, labor issues, anti-corruption, anti-competitive behavior and anti-trust or monopoly practices.

Connection of KPIs and other disclosures with SASB Standards
The above disclosures cover the requirements for reporting according to SASB Standards for “Pricing Integrity and Transparency”, specifically 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	Türkiye	USA	Total
Environmental Management System	External	1	1	7	4	1	1	1	27	11	**54**
	Internal	1	0	1	16	2	1	1	2	2	**26**
Energy Management System/Energy audits	External	0	1	2	3	1	0	0	2	2	**11**
	Internal	0	0	1	4	1	0	0	0	2	**8**
CO_2 emissions	External	0	1	0	3	0	1	0	1	0	**6**
	Internal	0	0	0	5	2	1	0	2	0	**10**
Waste Management	External	0	0	3	3	1	1	0	1	4	**13**
	Internal	0	0	0	2	1	1	0	4	0	**8**
Complaints	External	0	1	2	0	1	1	0	0	2	**7**
	Internal	0	0	0	0	0	1	0	0	0	**1**
Permitting	External	2	2	2	3	16	1	0	0	0	**26**
	Internal	0	0	0	0	0	1	0	0	0	**1**
Other	External	2	3	1	2	1	1	2	0	2	**14**
	Internal	0	0	0	1	2	1	0	0	1	**5**
TOTAL	**External**	**5**	**9**	**17**	**18**	**21**	**6**	**3**	**31**	**21**	**131**
	Internal	**1**	**0**	**2**	**28**	**8**	**6**	**1**	**8**	**5**	**59**

2.5.7 Consolidated Report on Payments to Governments for extractive operations

Legal entity	Country	Payment type	Amount (€)
TITAN CEMENT S.A.	Greece	Quarry Rental Fees/Taxes	507,982
INTERBETON S.A.	Greece	Quarry Rental Fees/Taxes	5,050,464
Alexandria Portland Cement Co	Egypt	Clay Tax	1,398,906
		Quarry Royalties	856,683
		Income Tax Inspection	316,205
Beni Suef Cement Co	Egypt	Clay Tax	1,625,636
		Quarry Royalties	965,517
		Income Tax Inspection	288,547
TBAE	Egypt	Quarry Royalties	150,516
Zlatna Panega Cement AD	Bulgaria	Concession Fees	246,000
Cementi Antea Sha	Albania	Extraction Fees	468,986
Titan America LLC	USA	Sales / Mitigation Fees	757,876
SHARRCEM SH.P.K.	Kosovo	Extraction Royalties	251,635
Titan Cementarnica Usje A.D.	North Macedonia	Concession Fees	235,469
Titan Cementara Kosjeric A.D.	Serbia	Concession Fees	178,275
ADOCIM A.S.	Türkiye	Permission/Forestation Fees	443,196
		TOTAL	13,741,893

Note

TITAN Cement International S.A. hereby reports, in accordance with article 3:33 of the Belgian Code on Companies and Associations, that in 2023 TITAN Group paid to governments (i.e. national, regional or municipal authorities of EU Member States and third countries) the total amount of €13,741,893 for extractive operations, as presented in the above table. As specified in article 6:2 par. 2 of the Royal Decree dated 29 April 2019 on the execution of the BCCA, 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 Sector and Other Standards for the Non-financial disclosures in 2023

Sector Association or Initiative	Guidelines and other documents of reference	Published
GCCA[1]	Sustainability Charter	Latest edition (publications between 2019 and 2021)
	Sustainability Framework Guidelines	
	Sustainability Guidelines for the monitoring and reporting of safety in cement and concrete manufacturing* [Pillar 1]	
	Sustainability Guidelines for the monitoring and reporting of CO_2 emissions from cement manufacturing [Pillar 2]	
	Sustainability Guidelines for the monitoring and reporting of water in cement manufacturing [Pillar 4]	
	Sustainability Guidelines for the monitoring and reporting of emissions from cement manufacturing [Pillar 4]	
	Sustainability Guidelines for co-processing fuels and raw materials in cement manufacturing [Pillar 5]	
	Sustainability Guidelines for quarry rehabilitation and biodiversity management [Pillar 4]	
	Guidance for Sustainable Supply Chain Management [Pillars 1, 3 and 5]	
Supplementary to the GCCA standards: (Previously) WBCSD/CSI	Recommended Good Practices for: (a) Contractor Safety, and (b) Driving Safety	2009
	Cement Sector Scope 3 GHG Accounting and Reporting Guidance	2016
UNCTAD[2]	Guidance on Core Indicators for Sustainability and SDG Impact Reporting	2022
UNGC COP[3]	Questionnaire Guidebook for the COP	2022
TCFD	Reporting in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)	
GRI Standards	Reporting with reference to the Global Reporting Initiative (GRI) standards for the period January 1, 2023 to December 31, 2023	Latest edition (publications between 2016 and 2021)
SASB	Reporting in connection with the SASB standards, with reference to the amended version published by IFRS Foundation in 2023 for the sectors of Construction Materials, and Metals & Mining	2023

Notes

1. The Global Cement and Concrete Association (GCCA) has built its Sustainability Charter around five Sustainability Pillars, to encompass the full sustainability spectrum for its work purposes: Pillar 1: Health and Safety, Pillar 2: Climate Change and Energy, Pillar 3: Social Responsibility, Pillar 4: Environment and Nature and Pillar 5: Circular Economy. The terminology of the Pillars is specific to the GCCA Charter of commitments for member companies, and details are available in the Charter and Framework Guidelines in the GCCA website: https://gccassociation.org/sustainability-innovation/sustainability-charter-and-guidelines/
TITAN continued its efforts in 2023 to implement the GCCA 2050 Net Zero Roadmap "Concrete Future" and focused on SBTi Targets for the 1.5°C scenario, while continuing its active participation in various working groups and contributing with know-how and expertise, in line with its practice since the foundation of the sectoral association.
The document of "Sustainability Guidelines for the monitoring and reporting of safety in cement and concrete manufacturing" has been agreed within the GCCA to have extended application to concrete and other related activities.
2. The UNCTAD Guidance provides meaningful connections of KPIs with the most relevant SDGs and specific targets for each SDG, and is leveraged under TITAN's reporting approach for all focus areas, Decarbonization and Digitalization, Growth-enabling work environment, Positive local impact focus area, Responsible sourcing, and Good governance, transparency, and business ethics.
3. Overall: Tables 2.1, 2.2, 2.3, 2.4, 2.5.1, 2.5.9, and 2.5.10 provide references and connections for the Standards under the above Notes (1), (2) and (3).

2.5.9 Value creation indicators

Value Creation Core Indicators[1]	Unit	2023
Gross value added[2]	million €	991.7
Net value added[3]	million €	839.8
Total spend on suppliers, local, national and international for goods and services[4i]	million €	1,693.4
% local spend of TITAN[4ii]	%	67.8
Taxes to national and local authorities[5]	million €	190.0
Payments in cash to shareholders and minorities[5]	million €	45.7
Social investment (in cash and in kind) for community initiatives[6]	million €	2.6
Climate change mitigation investments (Taxonomy aligned CapEx)[7]	million €	63.4
Alternative fuels and raw materials	million t	2.2
Salaries, (contributions to) pensions, and social benefits, including additional benefits beyond those provided by law[8]	million €	392.4
Investments in training of direct employee[9]	million €	0.9
Internships	#	361
Investments for research and innovation[10]	million €	22.1
Capital expenditures[11]	million €	224.0

Notes

The following Notes are inclusive of definitions for terms used specifically for value creation and distribution to stakeholders.

General Note on the consolidation of data

The consolidation (aggregation) of data for the above Value creation core indicators was made on the basis of all business units where TITAN has an equity share of more than 50% (in line with the method of full financial consolidation). For the indicator "Alternative fuels and raw materials", the consolidation was made by taking into account the % of investment as presented in Table 16 of Financial Statements.

Notes for the standards, guidance, and terms used

Most terms related to the Value Creation Core Indicators were adopted from the "Guidance on Core Indicators for entity reporting on the contribution towards the attainment of the Sustainable Development Goals" (in short: UNCTAD Guidance, 2022), and incorporated under the TITAN standards. The related terms are outlined here and connected with the KPIs in the Index above. The figures for the Value Creation Core Indicators are provided in "Understanding TITAN, Creating and sharing value".

1. The economic value created and distributed to key stakeholders has been calculated using the United Nations UNCTAD Guidance on Core indicators for entity reporting on the contribution towards the attainment of the Sustainable Development Goals (2022 edition).
2. Revenue minus costs of bought-in materials, goods, and services (called also: Value Added, according to the UNCTAD Guidance, 2022). TITAN's approach is based on the verified and disclosed Financial Statements for the same reporting period, acc. to the IFRS.
3. Net value added. Revenue minus costs of bought-in materials, goods and services and minus depreciation on tangible assets (UNCTAD Guidance, 2022). TITAN's approach is based on the verified and disclosed Financial Statements for the same reporting period, acc. to the IFRS.
4i. According to TITAN Standards and the application of the IFRS, and in accordance with the approach for "% local spend of TITAN".
4ii. The ratio of spend on local suppliers over the total spend on all suppliers, as a percentage. Costs of local procurement are a general indicator of the extent of an entity's linkages with the local economy (UNCTAD Guidance, 2022). Local are those suppliers which provide goods or services to TITAN and have company tax registration inside the country of interest, same as the country of TITAN BUs location and tax registration. For countries with a governmental structure characterized as federation-of-states this applies specifically today to the USA, where different states have local governments and vast geographical extent, the term local refers to those suppliers with company tax registration in the same state with the tax registration of the BU or location of operations, and also in the states which are neighboring to the state of the BU or location of operations (the definition is applicable to TITAN's operations in the USA, for the above KPI figure). TITAN discloses the respective KPI with historical data in Table 2.3 of the ESG Performance Statements.
5. According to TITAN Standards and the application of the IFRS, see Financial Statements.
6. "Social investment" as total expenditures incurred in cash and in kind, and investments of funds (both capital expenditures and operating ones) for TITAN BUs' community initiatives. See Table 2.3.2 related to CEPs for details. Target beneficiaries were stakeholders in the broader communities, while TITAN employees from local communities were included as beneficiaries of specific initiatives for community engagement. Also, with reference to Table 2.3.2 the amount of "Donations" is reported as equivalent to charitable/voluntary donations and investments of funds (the approach is in line with the UNCTAD Guidance, 2022).
7. Total CapEx in 2023 which are aligned with EU Taxonomy Regulation, in specific projects for meeting the Technical Screening Criteria for the environmental objectives of climate change mitigation.
8. According to TITAN Standards and the application of the IFRS, see Financial Statements.
9. Total expenditures including the direct and indirect costs of training for direct employees (including costs such as trainers' fees, training facilities, training equipment, related travel costs etc.) reported also per employee and per year, and broken down by employee category (UNCTAD Guidance, 2022). TITAN discloses the respective KPI with historical data in Table 2.2 of the ESG Performance Statements.
10. Total amount of expenditures on Research and Development (R&D) and Innovation during the reporting period. TITAN follows the UNCTAD Guidance (latest edition 2022), and the Oslo Manual: "Guidelines for collecting, reporting and using data on Innovation", published by OECD and Eurostat (2018). TITAN discloses the respective KPI with historical data in Table 2.1 of the ESG Performance Statements, and leverages a specific portion of this figure for its Financial Statements under Note 5: "Expenses by nature".
11. Capital expenditures, commonly known as CapEx, are funds used by a company to acquire, upgrade, and maintain physical assets such as property, buildings, an industrial plant, technology, or equipment.

2.5.10 Transparency International - Corruption Perception Index

Countries with TITAN key operations sorted by Transparency International CP Index 2023

Country	CPI 2023 rank	CPI 2022 rank	Change in rank[2]
USA	24	24	No change in 2023
Greece[1]	59	51	▼
Bulgaria	67	72	▲
North Macedonia	76	85	▲
Kosovo	83	84	▲
Albania	98	101	▲
Brazil[1]	104	94	▼
Serbia[1]	104	101	▼
Egypt	108	130	▲
Türkiye[1]	115	101	▼

Note

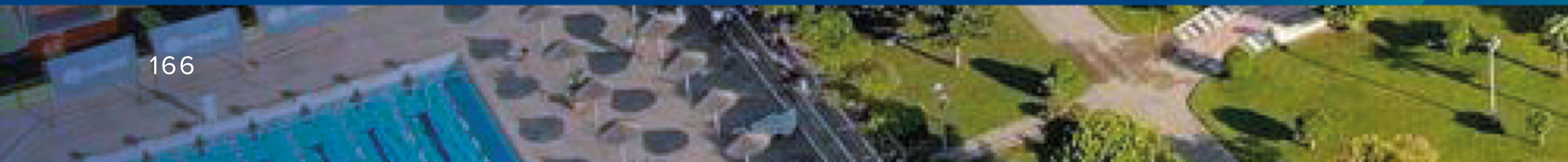
1. According to the above Table there were no operations of TITAN's subsidiaries in countries with a lower ranking than Egypt in 2023. There were in total 60 countries which ranked lower, in positions between 121 and 180 in 2023. Please note that in the cases of: Greece, Brazil, Serbia, and Türkiye, the CPI 2023 rank was higher (deteriorated) compared to the CPI 2022 rank. This disclosure covers the requirements for reporting according to the SASB Standards for the topic (area) "Business Ethics and Transparency" and in more specific the metric (KPI) EM-MM-510a.2 about production in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index.

2. Symbols for the change in rank explained:
▲ Improving conditions in the country reflected by the decrease of rank.
▼ Deteriorating conditions in the country reflected by the increase of rank.

Connection of KPIs and other disclosures with the SASB Standards
- Concerning the topic (area) of "Business Ethics and Transparency" and in specific the connection with the metric (KPI) EM-MM-510a.2, see supplement Table "Transparency International - Corruption Perception Index 2023".

Financial review

An overview of our financial performance and our financial statements.



Lake View Residence, Tirana, Albania

Financial performance overview

Review of the year 2023

In 2023, TITAN Group achieved a strong financial performance across the board, by growing sales, boosting earnings, and strengthening balance sheet position and liquidity. The Group posted a record EBITDA result with double-digit profitability growth in all regions of activity despite currency weakness in the Eastern Mediterranean markets. Supported by increased demand across its key markets, adapting pricing, counterbalancing persistent inflationary headwinds, along with better energy cost performance, the Group managed to restore profitability margins. Cash generation grew significantly, while the Group maintained high levels of CapEx during the year, in line with the mandates of its Green Growth Strategy 2026, prioritizing deployment of funds towards growth, decarbonization, digital transformation initiatives and improved logistics capabilities. Group sales in 2023 totaled €2,547.0 million, a 11.6% increase compared to the previous year, while EBITDA grew by 63.1%, reaching €540.3 million. The Group's net profit after taxes and minority interests more than doubled, reaching €268.7 million from €109.7 million in 2022, despite FX losses - in Egypt and Türkiye - and higher taxes. Earnings per Share (EPS) grew at €3.6/share, versus €1.45/share in 2022. TITAN's return on average capital employed (ROACE) in 2023, also increased significantly to 16.9%, compared to 7.0% in 2022.

Steadily increasing demand levels for the Group's leading products across all main markets have resulted in expanded volumes. TITAN's resilience has validated anew the Group's strategic geographic selections in positions that have exhibited strong market fundamentals and have performed well despite periodic patterns of cyclicality. In 2023, the Group's domestic cement sales posted growth, increasing by 2% to 17.5 million tonnes and total cement exports to third parties also slightly increasing, with exports being mainly directed to the Group's own terminals in the US and Europe. Volumes of ready-mix were reinforced owing to expanded demand leading to a 5% increase year over year bringing the total ready-mix concrete volumes of the Group to 5.9 million m^3. Group aggregates' sales also increased, growing by 4% to a total of 19.9 million tonnes in 2023 driven by substantial demand in Greece.

Investments and Financing

The Group remained committed to its long-term investment strategy having upheld high levels of CapEx during 2023, targeting future growth, directed to several projects across the Group's core markets mainly in the US and Europe. More than half of the annual total CapEx amount was apportioned to the US region as part of the Group's $300 million growth investment program for the period 2021-2023. The total CapEx for the Group reached €224.0 million compared to €241.9 million in 2022. The 2023 capital allocation priorities were set in areas targeting sales growth, cost efficiencies, transition to lower emissions and carbon footprint reduction as well as in logistics. Increased expenditures were also earmarked on the digital technology front resulting in manufacturing production efficiencies, while production and storage capacity expansion investment projects improved the Group's logistics capabilities, debottlenecking operations. Some landmark CapEx projects for the Group were executed during this past year, including the calciner in Kamari cement plant in Athens, Greece, with a total cost of €26 million, contributing to increased alternative fuels utilization. In the US, two new domes were constructed at the Group's key import terminals in Tampa (Florida) and Norfolk (Virginia) for a total investment of ca. $70 million with a combined import storage capacity of more than 130,000 metric tonnes. The Group also finalized two bolt-on investments as part of its Green Growth Strategy to expand its offerings of supplementary cementitious materials (SCMs). At the beginning of 2023, the Group took a participation in "Aegean Perlites", on the Greek island of Yali, while at the end of the year the Group acquired the concession rights in Vezirhan Pozzolana Quarry, in the East Marmara region of Türkiye, bolstering its efforts to secure long-term pozzolana reserves for its own use and for trading purposes.

Operating Free Cash Flow reached €292.5 million thanks to the robust EBITDA result of €540.3 million and following disciplined working capital management, despite high CapEx levels and higher tax payments owing to the Group's increased profits.

In December 2023, a new bond was issued through a private placement for a total amount of €150 million at a 4.25% coupon rate and a maturity of five and a half years with the aim to extend the debt maturity profile and reduce financing costs. As at the end of 2023, the Group's net debt was €659.9 million decreasing substantially by €137.4 million versus the end of 2022. This deleveraging contributed to the sharp reduction of the Net Debt/EBITDA ratio to 1.2x (2022: 2.4x), achieving a decade-record low ratio. The Group has a low exposure to interest rate risk as approximately 90% of its debt is in fixed rates while the next material bond maturity is €350 million in November 2024. The Group's credit ratings improved during the year, with S&P revising its rating for TITAN Cement International in September to "BB with a positive outlook", versus a previous stable outlook, while last summer, Fitch initiated coverage, assigning a long-term issuer rating of "BB+" to TITAN Cement International and the outstanding bonds of TITAN Global Finance.

Post-balance sheet event

On 1 February 2024, the Group announced a voluntary redundancy program available to employees in Greece and the Group Corporate Center Head Office. Employees who wished to take advantage of the program submitted a written application to the relevant Human Resources Department by 16 February 2024.

In January 2024 Group acquired a quarry in Attica with over 40 million tonnes in reserves.

Resolutions of the Board of Directors

Share buy-back

During 2023, the Group has further strengthened shareholder returns by launching two new share buyback programs. In February 2023, the Group completed a program that had started in mid-2022 for a value of €10 million, while in March 2023 another €10 million program started which was completed in November 2023. Upon its completion, a new larger share buyback program was launched, for a value of €20 million. Overall, during 2023, 891,849 shares were acquired for a total amount of €14.9 million and are held as treasury shares. On December 31, 2023, TITAN Cement International owned 3,881,995 treasury shares, representing 4.96% of the total voting rights.

Proposed dividend

Apart from the various share buyback programs, the Company enhances shareholder value by distributing profits, either in the form of dividends or in the form of capital returns: for 2023, the Board of Directors is proposing to the Annual General Assembly of Shareholders, scheduled to take place on 9 May 2024, a dividend of €0.85 per share which represents an increase of 42% versus last year's amount.

Regional review of the year 2023

The US region closed the year with high performance, thereby confirming expectations of the solid underpinnings of this highly resilient and adaptable market. Sustained consumer spending, increased exports and a revival in manufacturing investment supported GDP growth, while the labor market remained solid recording healthy gains throughout the year. The construction industry benefited over the second half of the year from increased public spending, while residential construction activity in the year showed weakness, public sector projects benefited from increased federal spending programs, instigated by the "CHIPS" and the Inflation Reduction Acts ("IRA"), while the private non-residential segment remained soft.

Performance in the Group's two main US areas of Florida and Mid-Atlantic was improved for another year. Florida has benefited from evolving trends in internal migration, reflecting choices of both residency and work and has become home to some of the country's fastest-growing cities, transforming the state into one of the larger US states with an unemployment rate below the nation's average and strong wage growth. The development of multi-family residential units, hospitality sector investments, offices and healthcare infrastructure continued at an increased pace. The state has also become a favorite for the tech sector migrating away from the West Coast and towards Florida. In the Mid-Atlantic, the construction market has displayed activity across diverse segments ranging from infrastructure and finance to healthcare which have attracted workforce and subsequently, residential build-up. In parallel, significant transportation infrastructure, underpinned by considerable funding allocated from the Infrastructure Investment and Jobs Act (IIJA) towards the upgrade of transportation corridors, on the back of a population influx, has created a positive spillover effect in the region.

The Group successfully navigated the diverse market trends capitalizing on its product and market positioning and realized healthy sales volumes throughout each quarter of the year, increasing sales by 16.6% (in $). Pricing remained strong, with increases across most of TITAN America's main products, reflecting the strong momentum already achieved entering the year and adjustments made during the period. Cement volumes have increased for another year in both Florida and the Mid-Atlantic. Margin increase benefited from efficiency improvements resulting from the extensive capital investments and from digital technology applied in the production process. Investments also focused on additional logistics infrastructure designed to improve efficiency and mitigate bottlenecks. Despite a deceleration of the rate of cost increases, costs remained elevated especially across raw materials, labor and transportation, reflecting the inflationary realities of the economy. This year was particularly significant for TITAN America in terms of progressing our strategic investment plan, as in 2023, we completed the expansion of the Tampa import terminal and in early 2024 the Norfolk terminal expansion modernization, with its expected commissioning at the end of the first quarter of 2024.

Overall, TITAN America sales in 2023 increased significantly by 16.6%, reaching ca. $1.6 billion, while EBITDA for the year reached $319 million, marking a substantial increase of 67% compared to 2022. In euro terms, sales increased by 13% to €1,477 million and EBITDA reached €296 million compared to €185 million in 2022.

Greece delivered a very good year, closing with a strong fourth quarter. The drivers of the construction market were varied and geographically broad-based: new residential development, large and smaller infrastructure projects, new land development and the ever-burgeoning tourism infrastructure investments. The Group was able to capitalize on the growth of the Greek domestic market owing to its presence in the highest growth areas, the establishment of new units in the vicinity of new project development as well as by investing in expanding storage capacity and investing in Ready-Mix trucks and pumps. It should be noted that the Group's cement containing a greater share of pozzolans now covers approximately 80% of the Greek market while third-party sales out of its recent participation in a pozzolan and perlite business on Yali are increasing. Significant double-digit growth rates were recorded across all product sales volumes, while the Group's vertically integrated positioning in the country, contributed to the increased sales of new higher-margin products as well as a rapidly growing mortars segment. Building on the strong local positioning, we recently (January 2024) acquired a quarry in Attica with over 40 million tonnes in reserves, significantly enhancing our capacity to meet the increased demand of the region. This marks our third strategic move in the last year to expand reserves, encompassing areas such as greater Thessaloniki and Southern Peloponnese.

Cement exports remained strong for another year, with the USA being Greece's biggest export market and our European terminals also delivering good results. Improved profitability was recorded thanks to higher global prices in seaborne-traded cement across all export markets from our Greek plants. Specific net CO_2 emissions dropped in 2023, while the pre-calciner at the Kamari plant, which has been operational since the second half of the year, will further increase the usage of alternative fuels to record levels and contribute to the decrease of CO_2 emissions. Sales for Greece and Western Europe in 2023 increased by 22% to €407.8 million, while EBITDA more than doubled to €64.7 million compared to €31.8 million in 2022.

The year in Southeastern Europe marked a historic high for the region, as sales volumes across all markets reached the 10m tonnes mark. The Group was able to participate in the regional growth with increased sales volumes. The drivers of this growth and development vary depending on the country and are a mix of transportation infrastructure investments, mostly rail and road with the backing of European funding, large-scale residential development and a general spur to upgrade and modernize the existing building stock fueled by both institutional investment and remittances flowing into the region. This activity is observed in the large urban centers and locations conveniently served by the Group's plants allowing us to capitalize on the increased demand pull. At the same time, several operational efficiencies and decarbonization projects were completed, focusing on improved reliability of the plants and increased usage of alternative fuels, alternative raw materials and renewable energy, altogether contributing to the increase of EBITDA. The softening of electricity-related costs, coupled with resilient pricing helped raise profitability, restoring historical margins. In line with the Group's strategy, all plants achieved in 2023 a drop in clinker-to-cement ratio, continuing to decrease our carbon footprint. Over the year, the Group was also able to improve its performance through an increase in alternative raw materials used in Albania, the completion of a major investment improving our access to reserves in Serbia, the finalization of a photovoltaic plant in operation in North Macedonia, whilst reaching new highs of alternative fuels utilization of more than 48% in Bulgaria.

Sales in the region grew by 9.5%, compared to 2022, to €422.4m, while EBITDA improved by 54.4% to €146.6m.

Egypt and Türkiye encountered challenging policy decisions as the energy crisis - stemming from the war in Ukraine - and the recent turmoil in the Middle East exacerbated macroeconomic imbalances. The situation further deteriorated by a spike in external borrowing costs and the depreciation of local currencies against the dollar. Egypt faces a mounting financial crisis exacerbated by the current tensions in the Middle East which have stifled the country's two main sources of hard currency: the Suez Canal and tourism. No major progress had been achieved with the IMF after the March 2023 agreement for a $3 billion financial support package, which was renegotiated in March 2024 (see outlook section). The cement market regulation agreement was extended for another year and continued to balance supply and demand, resulting in supportive price levels. Cement demand, having grown for two consecutive years, mainly driven by state infrastructure projects and affordable housing, experienced a 7% decline in 2023, reflecting the prevailing economic conditions. The absence of hard currency coupled with the loss of value of the Egyptian pound contributed to inflated input costs. Nevertheless, the Group managed to mitigate the headwinds, by capitalizing for the first time on export opportunities, exporting clinker and by increasing the use of alternative fuels, improving profitability.

In Türkiye, real-estate investments are attractive as a safe haven against soaring inflation, stemming mainly from the devaluation of the local currency. Larger investment projects have been fueled by the reconstruction process following the earthquake in February 2023, which together with the upgrade and refurbishment of the existing building stock and tourism development projects along the Aegean coast resulted in an increase in domestic cement consumption in 2023. Our operations benefited from the increased domestic demand, marking a double-digit increase in volumes, reversing the drop in 2022. Thanks to robust demand, prices increased, offsetting the elevated production costs, a direct effect of higher inflation and currency devaluation. The Group's operations in Türkiye stand out for their cost-effectiveness and lean operational performance. Alternative fuel utilization was augmented further following the operation of our new biomass unit, while blended cements sold achieved a significant reduction in the clinker-to-cement ratio. Türkiye is also an important export hub for the Group with its dedicated facilities on the Black Sea complementing domestic activities.

The region recorded sales of €239.9 million, a decrease of 6.1% from 2022, impacted by local currency loss of value in both countries, however, increased demand, export volumes, higher rates of use of alternative fuel and favorable pricing, resulted in improved profitability margins, allowing for an EBITDA hike from €19.6 million in 2022 to €33.2 million in 2023.

Domestic cement consumption in Brazil declined by 1.7% in 2023 compared to 2022. In the Northeast, the region where our joint venture, Apodi, operates, there was a slight increase of 0.5%. With interest rates remaining high throughout the year, the real estate sector recorded a decline. While an easing of interest rates has begun since August, this has yet to manifest itself in the real economy. Similarly, the government's social housing program did not get enough traction to have a significant effect in the course of the year. In 2023, Apodi posted increased sales of €128.2 million versus €115.9 million in 2022, while EBITDA reached €24.4 million versus €21.1 million in 2022, up by 15.5%.

Outlook

The resilience of the global economy throughout 2023 saw inflation falling slower than expected amidst restrictive monetary policies. While the likelihood of a hard landing has lessened, tight monetary conditions may continue due to persistent inflation.

In the US, the construction market is expected to grow thanks to the combination of increased infrastructure and commercial activity. The momentum is driven by the surge in large-scale and infrastructure projects, effectively outweighing declines in the interest rate-sensitive categories of residential and light nonresidential. However, any such market softening should not last long, countered by buoyant demand in the regions we operate. Notwithstanding the challenges of labor shortages and the persistent struggle to recruit skilled employees, the pricing outlook for both cement and aggregates remains notably positive; tight supply in the face of strong demand fortifies this outlook. The strength of the US economy, coupled with healthy state financials, population growth, housing pent-up demand and an expected infrastructure funding boost, should all weigh positively on demand for our products in the coming years. Notably, the strengthening of our operations and our market-enhanced presence with the addition of two new domes in our Florida and Virginia terminals positions us for continued success in the country.

Construction activity in Greece should continue to expand in 2024, supported by the implementation of the European Recovery and Resilience Plan (RRP) and a resilient economy. As the implementation of the RRP shifts towards investments, it is set to sustain growth in capital spending. The construction sector should continue to grow as many large infrastructure projects are well on the way, such as a highway in southwestern Greece, the new airport and a highway connecting east to west in Crete, the flyover in Thessaloniki, as well as numerous other infrastructure and land development projects across the mainland. The Group will continue to develop its capacity to efficiently service this growing market's needs, expanding its product offering and further capitalizing on its more than 150 million tonnes of recently acquired reserves of aggregates, pozzolana and perlite. Moreover, the expansion of our Ready-Mix distribution network should further enhance profitability, in this high-growth market supported by residential, commercial and tourism-related projects.

The markets in Southeastern Europe have exhibited resilience despite political uncertainty and global geopolitical tensions. Growth is set to accelerate moderately ahead, with inflation expected to soften, while wage growth and remittances bolster disposable incomes, coupled with substantial stimuli supporting major public infrastructure projects. EU accession negotiations may accelerate structural reforms that bolster fiscal sustainability. A slowdown in the region's EU trading partners could, however, dampen sentiment, moderate consumption and real growth. Amidst this environment, the Group is investing in further solidifying its profitability in the region through efficiency investments in its North Macedonia and Kosovo plants, by increasing alternative fuels and materials use in Bulgaria and in Albania, by developing new port storage to better serve the Montenegro market and by increasing new mobile equipment capacity in Bulgaria and North Macedonia.

Both Egypt and Türkiye face challenging times ahead. In Türkiye, the central bank has signaled its mandate to cool inflation with a return to more orthodox policies. This is balanced by the country's economic strengths, such as a relatively high GDP per capita, a dynamic and entrepreneurial private sector, and a more diversified economy. The Group will continue its energy efficiency investments while advancing its blended cement sales with the introduction of new products. In Egypt, in March 2024, an Abu Dhabi investment vehicle, launched a $35 billion investment in a new mega real estate development project west of Alexandria, with a large part of the funds already injected. In parallel, the IMF bailout loan was increased to $8 billion, while the central bank increased interest rates and allowed the Egyptian pound to devalue and float, with the exchange rate initially settling at EGP 49/$1 (up from the previous rate of EGP 31/$1). These developments have created new conditions for the Egyptian economy as the country's default risk is practically no longer a concern. The market will now operate freely and international trade has been unblocked, clearly setting a more optimistic outlook for the Egyptian market.

In 2024, the Group will continue to pursue its Strategic 2026 priorities to capture growth based on its performance-driven local operating model and supported by fast-paced execution. Our 2024 outlook is positive, thanks to improved volumes and pricing in our main markets in the US and Europe, which represent more than 90% of Group sales, as well as to the completed growth-oriented projects that should further improve our margin performance. Our focus is on delivering cutting-edge solutions to meet our customers' evolving needs, ensuring low-carbon operations, digitalizing our organization for greater efficiency, and delivering long-term sustainable value to all our stakeholders.

Treasury shares

In 2023 the Group has further strengthened shareholder returns by launching two new share buyback programs. In February 2023, the Group completed a program that had started in mid-2022 for a value of €10m, while November 2023, marked the completion of another program that started in March 2023, again for a value of €10 million. Upon its completion, a new larger share buyback program was launched, for a value of €20 million.

In implementation of these programs, during the period from 1 January 2023 until 31 December 2023, the Company acquired directly 779,524 own shares and indirectly through its subsidiary TITAN Cement company S.A. 112,325 shares, representing 1.0% and 0.14% respectively of the share capital of the Company. The total value of these transactions amounted to €14,918 thousand. On 31 December 2023 the Company holds 1,288,828 own shares representing 1.65% of the Company's share capital and TITAN Cement company S.A. (TITAN S.A.), a direct subsidiary of the Company, holds 2,593,167 shares of the Company, representing 3.31 % of the Company's voting rights.

Sale of treasury stock in the framework of stock option plans

TITAN Cement company S.A., a direct subsidiary of the Company, sold in 2023 to TITAN Group employees, in implementation of existing stock option plans, 109,668 shares of the Company, representing approximately 0.14% of the share capital of the Company, for a total amount of €1,096,680 (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 12 months from the date of approval of the financial statements

states that they consider it appropriate for the Company to continue to adopt the going concern basis in preparing its financial statements and that no material uncertainties are identified to the Company's ability to continue to adopt the going concern basis in preparing its Financial Statements in the foreseeable future and in any event over a period of at least twelve months from the date of approval of the Financial Statements for the fiscal year 2023.

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 2023

The Board of Directors considers that the Annual Report and the Financial Accounts for the fiscal year 2023, 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 20 March 2024.

Chair of the Board of Directors
Dimitrios Papalexopoulos

Managing Director and Group CFO
Michael Colakides

Company CFO
Grigorios Dikaios

Financial Consolidation Director
Athanasios Ntanas

Consolidated Income Statement

(all amounts in Euro thousands)		Year ended 31 December	
	Notes	**2023**	**2022**
Sales	*3*	2,546,974	2,282,207
Cost of sales	*5*	-1,905,121	-1,889,522
Gross profit		**641,853**	**392,685**
Other operating income	*4*	8,606	8,058
Administrative expenses	*5*	-214,890	-188,319
Selling and marketing expenses	*5*	-36,197	-28,654
Net impairment losses on financial assets	*20*	-5,489	-3,974
Other operating expenses	*4*	-5,442	-2,166
Profit before impairment losses on goodwill, net finance costs and taxes	*3*	**388,441**	**177,630**
Impairment losses on goodwill	*13*	-111	-21,799
Gain on net monetary position in hyperinflationary economies	*6*	18,694	26,307
Finance income	*6*	5,665	7,567
Finance expenses	*6*	-48,003	-41,969
Loss from foreign exchange differences	*6*	-27,587	-12,416
Net finance costs	*6*	***-51,231***	***-20,511***
Share of profit of associates and joint ventures	*15*	2,586	1,876
Profit before taxes		**339,685**	**137,196**
Income taxes	*8*	-67,039	-26,715
Profit after taxes		**272,646**	**110,481**
Attributable to:			
Equity holders of the parent		268,689	109,655
Non-controlling interests		3,957	826
		272,646	**110,481**
Basic earnings per share (in €)	*9*	**3.5954**	**1.4455**
Diluted earnings per share (in €)	*9*	**3.5940**	**1.4445**

The primary financial statements should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income

(all amounts in Euro thousands)		Year ended 31 December	
	Notes	**2023**	**2022**
Profit after taxes		**272,646**	**110,481**
Other comprehensive income:			
Items that may be reclassified to income statement			
Exchange losses on translation of foreign operations	*35*	-50,734	-18,742
Currency translation differences on transactions designated as part of net investment in foreign operation		-5,475	-8,913
Gains on cash flow hedges	*35*	-4,081	30,244
Reclassification to income statement	*35*	6,781	-5,760
Income tax relating to these items	*18*	543	-2,471
Items that will not be reclassified to income statement			
Effect due to changes in tax rates	*18*	-1,060	–
Re-measurement gains on defined benefit plans	*25*	-237	1,823
Share of other comprehensive gains of associates and joint ventures		7	13
Income tax relating to these items	*18*	69	-382
Other comprehensive loss for the year net of tax		**-54,187**	**-4,188**
Total comprehensive income for the year net of tax		**218,459**	**106,293**
Attributable to:			
Equity holders of the parent		216,718	98,251
Non-controlling interests		1,741	8,042
		218,459	**106,293**

The primary financial statements should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

(all amounts in Euro thousands)	*Notes*	**31.12.2023**	**31.12.2022**
Assets			
Property, plant and equipment	*11*	1,688,879	1,664,474
Investment properties	*12*	11,018	11,240
Goodwill	*13*	274,028	280,834
Intangible assets	*14*	79,635	83,873
Investments in associates and joint ventures	*15*	108,995	100,412
Derivative financial instruments	*35, 36*	1,875	3,479
Receivables from interim settlement of derivatives	*35, 36*	-	12,103
Other non-current assets	*17*	21,992	19,933
Deferred tax assets	*18*	3,660	5,730
Total non-current assets		**2,190,082**	**2,182,078**
Inventories	*19*	395,477	394,672
Receivables and prepayments	*20*	325,744	294,829
Income tax receivable		10,234	1,925
Derivative financial instruments	*35, 36*	4,925	3,601
Receivables from interim settlement of derivatives	*35, 36*	10,453	11,491
Bank term deposit	*21*	80,000	–
Cash and cash equivalents	*21*	194,525	105,703
Total current assets		**1,021,358**	**812,221**
Total Assets		**3,211,440**	**2,994,299**
Equity and Liabilities			
Equity and reserves attributable to owners of the parent	*22, 23*	1,552,403	1,394,533
Non-controlling interests	*15.3*	30,720	29,741
Total equity (a)		**1,583,123**	**1,424,274**
Long-term borrowings	*32*	484,362	704,821
Long-term lease liabilities	*33*	56,663	58,777
Derivative financial instruments	*35, 36*	-	12,103
Payables from interim settlement of derivatives	*35, 36*	1,884	3,450
Deferred tax liability	*18*	124,467	130,113
Retirement benefit obligations	*25*	21,371	20,217
Provisions	*26*	67,082	52,209
Non-current contract liabilities	*27*	786	1,328
Other non-current liabilities	*27*	25,637	13,159
Total non-current liabilities		**782,252**	**996,177**
Short-term borrowings	*32*	377,847	122,496
Short-term lease liabilities	*33*	15,517	16,870
Derivative financial instruments	*35, 36*	9,513	9,644
Payables from interim settlement of derivatives	*35, 36*	4,580	2,822
Trade and other payables	*28*	386,328	387,725
Current contract liabilities	*28*	16,877	13,934
Income tax payable		17,841	5,863
Provisions	*26*	17,562	14,494
Total current liabilities		**846,065**	**573,848**
Total liabilities (b)		**1,628,317**	**1,570,025**
Total Equity and Liabilities (a+b)		**3,211,440**	**2,994,299**

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 31 December 2021	**1,159,348**	**5,974**	**3,913**	**-31,773**
Hyperinflation restatement	–	–	–	–
Restated balance at 1 January 2022	1,159,348	5,974	3,913	-31,773
Profit for the year	–	–	–	–
Other comprehensive income/(loss)	–	–	–	–
Total comprehensive income/(loss) for the year	**–**	**–**	**–**	**–**
Deferred tax on treasury shares held by subsidiary	–	–	–	–
Distribution of reserves (note 10)	–	–	–	–
Dividends distributed	–	–	–	–
Purchase of treasury shares (note 22)	–	–	–	-23,814
Sale - disposal of treasury shares for option plan (note 22)	–	–	–	1,386
Capital reduction/transfer to distributable reserves (note 23)	-200,000	–	–	–
Acquisition of non-controlling interest	–	–	–	–
Transfer among reserves (note 23)	–	–	-2,166	–
Balance at 31 December 2022	**959,348**	**5,974**	**1,747**	**-54,201**
Balance at 31 December 2022	**959,348**	**5,974**	**1,747**	**-54,201**
Profit for the year	–	–	–	–
Other comprehensive loss	–	–	–	–
Total comprehensive (loss)/income for the year	–	–	–	–
Deferred tax on treasury shares held by subsidiary	–	–	–	–
Dividends distributed (note 10)	–	–	–	–
Purchase of treasury shares (note 22)	–	–	–	-14,918
Sale - disposal of treasury shares for option plan (note 22)	–	–	–	1,758
Treasury shares granted as part of the share-based payment (note 22)	–	–	–	4,223
Share based payment transactions (note 24)	–	–	416	–
Deferred tax adjustment on share based payment transactions	–	–	–	–
Acquisition of non-controlling interest	–	–	–	–
Transfer among reserves (note 23)	–	–	-578	–
Balance at 31 December 2023	**959,348**	**5,974**	**1,585**	**-63,138**

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
-1,166,698	**1,350,862**	**1,321,626**	**15,260**	**1,336,886**
35,699	–	35,699	6,828	42,527
-1,130,999	**1,350,862**	**1,357,325**	**22,088**	**1,379,413**
–	109,655	109,655	826	110,481
-11,404	–	-11,404	7,216	-4,188
-11,404	**109,655**	**98,251**	**8,042**	**106,293**
80	–	80	–	80
-38,108	–	-38,108	–	-38,108
–	–	–	-398	-398
–	–	-23,814	–	-23,814
–	**-578**	808	–	808
200,000	–	–	–	–
–	-9	-9	9	–
118,621	-116,455	–	–	–
-861,810	**1,343,475**	**1,394,533**	**29,741**	**1,424,274**
-861,810	**1,343,475**	**1,394,533**	**29,741**	**1,424,274**
–	268,689	268,689	3,957	272,646
-51,971	–	-51,971	-2,216	-54,187
-51,971	**268,689**	**216,718**	**1,741**	**218,459**
-5,394	–	-5,394	–	-5,394
–	-44,956	-44,956	-744	-45,700
–	–	-14,918	–	-14,918
–	-661	1,097	–	1,097
–	-358	3,865	–	3,865
–	–	416	–	416
–	1,024	1,024	–	1,024
–	18	18	-18	–
30,028	-29,450	–	–	–
-889,147	**1,537,781**	**1,552,403**	**30,720**	**1,583,123**

Consolidated Cash Flow Statement

(all amounts in Euro thousands)		Year ended 31 December	
	Notes	2023	2022
Cash flows from operating activities			
Profit after taxes		**272,646**	**110,481**
Depreciation, amortization and impairment of assets	*29*	151,984	175,371
Interest and related expenses	*29*	41,524	39,143
Income taxes	*29*	67,039	26,715
Other non-cash items	*29*	37,253	850
Changes in working capital	*29*	-53,883	-91,911
Cash generated from operations		**516,563**	**260,649**
Income tax paid		-66,996	-16,679
Net cash generated from operating activities (a)		**449,567**	**243,970**
Cash flows from investing activities			
Payments for property, plant and equipment	*11*	-214,048	-234,499
Payments for intangible assets	*14*	-9,958	-7,394
Payments for acquisition of subsidiaries and associates, net of cash acquired	*15.1, 16*	-3,520	–
Payments for financial assets designated at FVTPL		-3,323	-1,380
Proceeds from sale of PPE, intangible assets and investment property	*29*	6,007	5,748
Proceeds from dividends		1,172	1,180
Interest received		3,411	893
Net cash flows used in investing activities (b)		**-220,259**	**-235,452**
Net cash flows after investing activities (a)+(b)		**229,308**	**8,518**
Cash flows from financing activities			
Dividends paid and share capital returns	*10,23*	-45,731	-38,618
Payments for shares purchased back	*22*	-14,918	-23,814
Proceeds from sale of treasury shares	*22*	1,097	808
Interest and other related charges paid	*34*	-44,896	-35,646
Proceeds from borrowings	*34*	446,952	561,530
Payments of borrowings and derivative financial instruments	*34*	-381,431	-425,975
Principal elements of lease	*34*	-17,120	-16,036
Bank term deposit		-80,000	–
Net cash flows (used in)/from financing activities (c)		**-136,047**	**22,249**
Net increase in cash and cash equivalents (a)+(b)+(c)		**93,261**	**30,767**
Cash and cash equivalents at beginning of the year	*21*	105,703	79,882
Effects of exchange rate changes		-4,439	-4,946
Cash and cash equivalents at end of the year	*21*	**194,525**	**105,703**

The primary financial statements should be read in conjunction with the accompanying notes.

Content

Notes to the Financial Statements

1. Corporate information and summary of material 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 Square De Meeûs 37, 4th floor, office 501, 1000 Brussels, Belgium, while it has established a place of business in the Republic of Cyprus in the address Andrea Zakou 12 and Michail Paridi str, MC Building, 2404 Egkomi, Nicosia, Cyprus. The Company's shares are traded on Euronext Brussels, with a parallel listing on Athens Stock exchange and Euronext Paris.The Company and its subsidiaries (collectively the Group) are engaged in the production, trade and distribution of a wide range of construction materials, including cement, concrete, aggregates, cement blocks, dry mortars and fly ash. The Group operates primarily in Greece, the Balkans, Egypt, Türkiye, 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 20 March 2024.

Summary of material accounting policies

The material accounting policies adopted in the preparation of these financial statements are set out below:

1.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union and interpretations (IFRIC) issued by the IFRS Interpretations Committee.

The preparation of financial statements, in conformity with IFRS, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in significant accounting estimates and judgments in note 2. They have also been prepared on historical cost basis, except for investment properties, certain financial assets and liabilities (including derivative instruments) and plan assets of defined benefit pension plans measured at fair value.

The official language of these consolidated financial statements is French. They are presented in euros, all values are rounded to the nearest thousand (€000), except when otherwise indicated, and the financial period is the calendar year starting on 1 January 2023 and ending on 31 December 2023.

In addition, they have been prepared with the same accounting policies of the prior financial year, except for the application of the new or revised standards, amendments and/or interpretations that are mandatory for the periods beginning on or after 1 January 2023:

1.1.1 The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2023 and have been endorsed by the European Union:

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (effective 1 January 2023).

The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies. The IAS 1 amendment requires companies to disclose their material accounting policy information rather than their significant accounting policies. Further, the amendment to IAS 1 clarifies that immaterial accounting policy information need not be disclosed. To support this amendment, the Board also amended IFRS Practice Statement 2, "Making Materiality Judgements", to provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted (subject to any local endorsement process).

The Group has adopted the amendments and revised its accounting policy disclosures to include material, as opposed to significant, accounting policy information.

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).

The Group has adopted the amendments that had no impact in the consolidated financial statements in 2023.

Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective 1 January 2023 but immediate application permitted). 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.

Amendments to IAS 12 'Income Taxes': International Tax Reform – Pillar Two Model Rules (effective 1 January 2023). The IASB has issued these amendments introducing:

- a temporary exception to the requirements to recognize and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes; and
- targeted disclosure requirements for affected entities.

Pillar Two legislation has been substantively enacted in certain jurisdictions where the Group is active, including Cyprus where the ultimate parent company is tax resident. The legislation will be effective for the Group's financial year beginning on 1 January 2024.

IAS 12 has been amended and now includes a temporary exception to recognizing and disclosing information about deferred tax assets and liabilities arising from the implementation of the Pillar 2 legislation. The Group applies this temporary exception.

Under the Pillar Two legislation, the Group is liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate. The top-up tax for a particular jurisdiction would be reduced to zero, if at least one of three criteria, the so-called Transitional CbCR Safe Harbour Rules, is met (unless potential local Pillar 2 legislation provides for a different treatment). These Transitional CbCR Safe Harbour Rules are temporarily applicable until the financial year beginning on or before 31 December 2026 (provided that potential local Pillar 2 legislation adopts the relevant provisions). The Group has made an assessment of its potential exposure to Pillar 2 related income taxes using forecasted data of the financial year beginning on 1 January 2024 for its constituent entities.

The Group's assessment indicates that:

- The Group is in scope of the Pillar 2 legislation due to the fact that its consolidated revenues exceed the €750 million threshold.
- In most of the jurisdictions, the Simplified Pillar 2 effective tax rate is above 15% and/or at least one of the other Transitional CbCR Safe Harbour tests is met.
- There is a limited number of jurisdictions where the Transitional CbCR Safe Harbour relief is not applicable. However, the Group does not expect a material Pillar 2 top-up tax exposure.

Furthermore, the Group using professional advice from suitable external tax advisors, is proactively monitoring the developments of Pillar Two legislation in all jurisdictions where it operates and has made all possible preparations, to comply with the local Pillar Two requirements for the financial year beginning on 1 January 2024.

1.1.2 The following new amendments have been issued, is not mandatory for the first time for the financial year beginning 1 January 2023 but have been endorsed by the European Union:

Amendments to IFRS 16 “Leases”: Lease Liability in a Sale and Leaseback (effective 1 January 2024). The amendments explain how an entity accounts for a sale and leaseback after the date of the transaction, specifically where some or all the lease payments are variable lease payments that do not depend on an index or rate. They state that, in subsequently measuring the lease liability, the seller-lessee determines “lease payments” and “revised lease payments” in a way that does not result in the seller-lessee recognizing any amount of the gain or loss that relates to the right of use it retains. Any gains and losses relating to the full or partial termination of a lease continue to be recognized when they occur as these relate to the right of use terminated and not the right of use retained.

1.1.3 The following new standards and amendments have been issued, but are not mandatory for the first time for the financial year beginning 1 January 2023 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 1 January 2024), affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those items. They:

- clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services;
- clarify how conditions with which an entity must comply within 12 months after the reporting period, such as covenants, affect the corresponding liability’s classification.

Amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures”: Supplier Finance Arrangements (effective 1 January 2024). The amendment describes the characteristics for which reporters will have to provide additional disclosures regarding the impact of supplier finance arrangements on liabilities, cash flows and exposure to liquidity risk.

Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability” (effective 1 January 2025). IAS 21 previously did not cover how to determine exchange rates in case there is long-term lack of exchangeability and the spot rate to be applied by the company is not observable. The narrow scope amendments add specific requirements on:

- determining when a currency is exchangeable into another and when it is not;
- determining the exchange rate to apply in case a currency is not exchangeable;
- additional disclosures to provide when a currency is not exchangeable.

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 recognizes 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.

Notes to the Financial Statements continued

Any contingent consideration to be transferred by the Group is recognized 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 recognized 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 recognized 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 recognized 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. Intragroup transactions, balances and unrealized 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 shareholders 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 are recognized 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 are 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 with the exception of the Turkish subsidiaries) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet.
- Income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates, excluding foreign entities in hyperinflationary economies.
- All exchange differences resulting from the above are recognized 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 recognized 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.

Hyperinflation

The Turkish economy is considered as hyperinflationary from June 2022. As a result, IAS 29 "Financial Reporting in Hyperinflationary Economies" has been applied to the Group subsidiaries (Adocim Cimento Beton Sanayi ve Ticaret A.S. and Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S.), whose functional currency is the Turkish Lira, and they prepare financial statements based on a historical cost approach. IAS 29 requires to report the results of the Group's operations in Türkiye, as if these were highly inflationary as of 1 January 2022. Specifically, IAS 29 requires:

- adjustment of historical cost of the non-monetary assets and liabilities for the change in purchasing power caused by inflation from the date of initial recognition to the end of the reporting date;
- non-adjustment of the monetary assets and liabilities, as they are already expressed in the measuring unit current at the end of the reporting period;
- adjustment of the income statement for inflation and its translation with the closing exchange rate instead of an average rate; and
- recognition of gain or loss on net monetary position in profit or loss in order to reflect the impact of inflation and exchange rate movement on holding monetary assets and liabilities in local currency.

The financial statements of Group subsidiaries, whose functional currency is the currency of a hyperinflationary economy, are adjusted for inflation and then translated into euros. The difference between the closing balance of Group's equity on 31.12.2021 and its opening balance on 01.01.2022 was recognized in equity. Any difference from the ongoing application of re-translation to closing exchange rates and hyperinflation adjustments will be recognized in other comprehensive income. In the consolidated income statement ended on 31.12.2023, the Group recognized a total gain on net monetary position of €18.7 million (31.12.2022: €26.3 million) in net finance cost.

On the application of IAS 29, the Group used the conversion coefficient derived from the consumer price index published by TurkStat (TUIK). The conversion coefficient was 1,859.38 and 1,128.45 on 31.12.2023 and 31.12.2022 respectively.

Notes to the Financial Statements continued

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 recognized as a provision (refer to note 1.18). Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement as incurred. Subsequent costs are depreciated over the remaining useful life of the related asset or to the date of the next major subsequent cost whichever is the sooner.

Depreciation, with the exception of quarries and land, is calculated using the straight-line method to allocate the cost of the assets to their residual values over their estimated useful lives as follows:

Category of PPE	Indicative useful lives
Buildings	Up to 50 years
Plant and machinery	Up to 40 years
Motor vehicles	5 to 20 years
Office equipment furniture and fittings (including computer equipment and software integral to the operation of the hardware)	2 to 10 years
Minor value assets	Up to 2 years

Land on which owned quarries are located is depreciated on a depletion basis. This depletion is recorded as the material extraction process advances based on the unit-of-production method. Other land is not depreciated. The cost of the exploration of non-owned quarries is recognized as operating cost in profit or loss as incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount (refer to note 1.8 - Impairment of non-financial assets other than Goodwill).

An item of PPE and any significant part initially recognized is derecognized 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 capitalized during the construction period if recognition criteria are met.

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.

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 capitalized 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 derecognized.

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 derecognized 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 recognized 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 recognized 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 (CGU) 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 recognized immediately as an expense and is not subsequently reversed.

Where goodwill has been allocated to a 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 CGU 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 amortization and accumulated impairment losses.

The Group’s intangible assets have a finite useful life.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization 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 amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized 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 capitalized 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 recognized as an expense as incurred.

The amortization methods used for the Group’s intangibles are as follows:

Category of intangible assets	Amortization Method	Indicative useful lives
Patents, trademarks and customer relationships	straight-line basis	up to 20 years
Licenses (mining permits)	straight-line basis / depletion method	shorter of: the permit period and the estimated life of the underlying quarry unit-of-production method
Development costs (non-owned quarries)	note 1.7	note 1.7
Computer software	straight-line basis	3 to 10 years

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

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 capitalized as follows:

Where such costs are incurred on quarry land that is owned by the Group, these are included within the carrying amount of the related quarry, under PPE and subsequently depreciated over the life of the quarry on a units-of-production basis. Where such costs are incurred on non-owned quarries, these are included under “Development expenditure” under Intangible assets and amortized over the shorter of the contract term and the estimated life of the quarry reserve.

1.8 Impairment of non-financial assets other than Goodwill

Assets that have an indefinite useful life (land not related to quarries) are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized, 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 (CGU). 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 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

Notes to the Financial Statements continued

of the asset's useful life and the lease term on a straight-line basis, unless there is a transfer of ownership or purchase option which is reasonably certain to be exercised at the end of the lease term. In this case, the lessee depreciates the ROU asset over the useful life of the underlying asset.

The Group presents ROU assets that do not meet the definition of investment property in the account “property, plant and equipment”, in the same line item as it presents underlying assets of the same nature that it owns. ROU assets that meet the definition of investment property are presented with investment property.

The lease liability is initially measured at the commencement date at the present value of the lease payments during the lease term that are not yet paid. It is discounted by using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate (IBR). The IBR is the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of a similar value in a similar economic environment with similar terms and condition.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is re-measured when there is a modification that is not accounted for as a separate lease; a change in future lease payments arising from a change in an index or rate; a change in the estimate of the amount expected to be payable under a residual value guarantee; and if the Group changes its assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Lease liabilities include the net present value of the following lease payments:
- Fixed payments (including in-substance fixed payments)
- Variable lease payments that are based on an index or a rate
- Amounts expected to be payable by the lessee under residual value guarantees
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option
- Payments of penalties for terminating the lease if the lessee will exercise that option

The ROU asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain re-measurements of the lease liability. When ROU asset meets the definition of investment property is initially measured at cost, and subsequently measured at fair value, in accordance with the Group’s accounting policy.

The initial measurement of the ROU asset is comprised by:
- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement; date less any lease incentives received
- any initial direct costs; and
- restoration costs.

For short-term leases and certain leases of low-value assets, the Group has elected not to recognize ROU assets and lease liabilities. It recognizes 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 recognized over the lease term on the same basis as rental income.

Contingent rents are recognized as revenue in the period in which they are earned.

Leases in which the Group transfers substantially all the risks and benefits of ownership of an asset are classified as finance leases. The Group presents a receivable at an amount equal to the net investment in the lease. The net investment of a lease agreement is the gross investment, discounted at the interest rate implicit in the lease.

1.10 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted average cost method. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and related production overheads (based on normal operating capacity), but excludes borrowing costs. Net realizable 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 realizable value and inventory losses are expensed in cost of sales in the period in which the write-downs or losses occur.

1.11 Cash, cash equivalents and bank term deposits

In the statement of cash flows, cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments with a maturity of normally three months or less from the date of acquisition, and bank overdrafts, if they exist. Bank overdrafts are included within borrowings in current liabilities in the balance sheet. The components of cash and cash equivalents have a negligible risk of change in value.

Bank term deposits consist of deposits with maturities above three months from the date of acquisition, which are available prior to short notice (note 21).

1.12 Borrowings

Borrowings are recognized initially at fair value, net of transactions costs incurred. In subsequent periods, borrowings are carried at amortized cost using the effective interest method. Any difference between proceeds (net of transaction costs) and the redemption value is recognized 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 capitalized as a prepayment for liquidity services and amortized 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.

1.13 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized 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 recognized 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 recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized 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 recognized 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 realized 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.

1.14 Employee benefits

1.14.1 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
- 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.

1.14.2 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 recognizes 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 recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. The obligating event is the termination and not the service. In the case of an offer made to

Notes to the Financial Statements continued

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.

1.14.3 Profit sharing and bonus plans

A liability for employee benefits in the form of profit sharing and bonus plans is recognized 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.

1.14.4 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 recognized 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 recognized 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 recognizes 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 recognized 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 recognizes the impact of the revised estimates in the Income Statement.

1.15 Government grants

Government grants are recognized 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.

1.16 CO_2 Emission rights

Emission rights are accounted for under the net liability method. Allocated allowances that are granted free of charge are recognized as an intangible asset at cost, which is nil. Emission rights purchased in excess of those required to cover shortages are recognized 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.

1.17 Provisions and contingencies

Provisions represent liabilities of uncertain timing or amount and are recognized 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 recognized 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 recognizes 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 recognized 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 are 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 recognized 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 recognized, 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 recognized. Contingent assets and liabilities are initially recognized and subsequently measured as provisions do.

1.18 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 recognized 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.

1.19 Revenue

Throughout these consolidated financial statements, the term "sales" has been used for "revenue".

Revenue is the amount of consideration expected to be received in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (value-added tax, other sales taxes etc.).

Revenue is recognized when (or as) a performance obligation is satisfied by transferring the control of a promised good or service to the customer. A customer obtains control of a good or service if it has the ability to direct the use of and obtain substantially all of the remaining benefits from that good or service. Control is transferred over time or at a point in time.

Revenue from the sale of goods is recognized 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 recognized 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.

1.20 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 other comprehensive income (OCI) or through profit or loss (PL)); and
- those to be measured at amortized 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 amortized 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').

Notes to the Financial Statements continued

The new classification and measurement of the Group's debt financial assets are, as follows:

I. Debt instruments at amortized 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 derecognition is recognized directly in the income statement.

II. Debt instruments at FVOCI, with gains or losses recycled to profit or loss on derecognition. 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 recognized 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 derecognition. 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 recognized 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.

1.21 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 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.

1.21.1 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".

1.21.2 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 recognized when the forecast transaction is ultimately recognized 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.

1.21.3 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 recognized in currency translation differences on derivative hedging position in other reserves. The gain or loss relating to the ineffective portion is recognized immediately in other income/expenses in the income statement. However, where the hedging instrument is not a derivative (for example, a foreign currency borrowing), all foreign exchange gains or losses arising on the translation of a borrowing that hedges such an investment (including any ineffective portion of the hedge) are recognized in equity in “translation differences on derivative hedging position” in “other reserves”.

Gains or losses accumulated in equity are included in the income statement when the foreign operation is (partially or fully) disposed of. The Group’s “other reserves” include gains that have resulted from such hedging activities carried out in the past.

Derivatives that are not part of a hedging relationship

Any gains or losses arising from changes in the fair value of financial instruments that are not part of a hedging relationship are included in finance income / (expenses), gain / (loss) from foreign exchange differences and cost of sales in the income statement for the period in which they arise, depending on their nature.

1.22 De-recognition of financial assets and liabilities

1.22.1 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.

1.22.2 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 derecognition 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.

1.23 Gains/losses on disposal of non-current assets, restructuring costs and other significant gains/losses

Gains/losses on disposal of non-current assets, restructuring costs and other significant gains/losses are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the group. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

2. Significant accounting estimates and judgments

The preparation of the financial statements requires management to make estimations and judgments that affect the reported disclosures. They are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In addition, they form the basis for making judgments about the carrying value of assets and liabilities that are not readily available from other sources. The resulting accounting estimates will seldom equal the related actual results by definition.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

2.1 Impairment of goodwill

Impairment tests for goodwill use the recoverable amounts of CGUs that are determined based on value-in-use calculations. These calculations require the use of estimates, which mainly relate to future earnings and discount rates.

The Group considers the assumptions used in the impairment test of goodwill for Turkish subsidiaries to have significant risk, due to high levels of inflation and economic uncertainty in Türkiye (note 13).

2.2 Impairment of joint venture

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 (note 15.2).

Notes to the Financial Statements continued

2.3 Power Purchase Agreements

In 2023, the Group signed a 10-year Power Purchase Agreement (PPA) for the purchase of electricity in Greece, as well as a supplementary agreement for the guarantees of the origin (GoOs) of the electricity purchased. The PPA covers two periods. In period A (the first two years), the Group purchases physically a fixed amount of electricity at a fixed price. In period B (the remaining eight years), the Group purchases virtually all of the renewable energy produced by specific photovoltaic parks at a fixed price.

Significant judgement was required to assess how to account for the PPA. Specifically, the Group considered the type of arrangements to determine the applicable standard(s), and whether:

- it gives rises to consolidation (IFRS 10), or if it could be considered an associate (IAS 28), or joint arrangement (IFRS 11) or service concession arrangements (IFRIC 12); or
- it contains a lease (IFRS 16); or
- it does not meet the “own use” criteria (IFRS 9); or
- it meets the “own use” criteria.

The Group assessed:

- the linkage between the PPA and the supplementary agreement of the GoOs; and
- the separation of contract into two units of account - period A and period B.

The Group concluded that:

- The PPA and the GoOs agreement are linked and they are treated as a single agreement.
- Period A and Period B of both contracts are accounted for separately, as two different transactions in accordance with the specific terms and conditions that underlie each of them;
- In period A, the physical PPA is a contract of power purchase in accordance with the expected usage requirements of the Group in Greece and the GoOs contract is a delivery of guarantees for a fixed percentage of the electricity purchased. The agreements meet the eligibility criteria of the “own use” exception in IFRS 9 and they are accounted for as a normal purchase contracts (i.e. an executory contracts).
- In period B, while the purchased electricity covers the needs for “own use”, the virtual PPA meets the definition of a derivative under IFRS 9, whereas the GoOs contract to purchase the guarantees corresponding to the electricity produced meets the “own use” criteria in IFRS 9 (i.e. executory contract). In addition, it is an eligible hedging instrument that has been designated in a cash flow hedge relationship. Its fair value at the inception and at the end of the year 2023 is zero.

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 2023				
	Greece and Western Europe	North America	South Eastern Europe	Eastern Mediterranean	Total
Sales	496,778	1,476,858	422,405	263,482	2,659,523
Inter-segment sales	-88,955	–	–	-23,594	-112,549
Sales to external customers	**407,823**	**1,476,858**	**422,405**	**239,888**	**2,546,974**
Earnings before interest, taxes, depreciation, amortization and impairment (EBITDA)	64,682	295,865	146,598	33,169	540,314
Depreciation, amortization and impairment of tangible and intangible assets	-27,588	-83,761	-26,101	-14,423	-151,873
Profit before impairment losses on goodwill, net finance costs and taxes	37,094	212,104	120,497	18,746	388,441
ASSETS					
Property, plant & equipment	323,718	779,185	317,203	268,773	1,688,879
Intangible assets and goodwill	39,025	227,992	60,376	26,270	353,663
Other non-current assets	30,465	7,447	10,303	1,329	49,544
Current assets	444,601	332,835	138,861	105,061	1,021,358
Total assets of segments excluding joint ventures	**837,809**	**1,347,459**	**526,743**	**401,433**	**3,113,444**
Investment in joint ventures (note 15.2)					97,996
Total assets					**3,211,440**
LIABILITIES					
Non-current liabilities	423,816	254,660	39,006	64,770	782,252
Current liabilities	276,416	431,118	54,538	83,993	846,065
Total liabilities	**700,232**	**685,778**	**93,544**	**148,763**	**1,628,317**
Capital expenditures (note 11, 12, 14)	57,117	122,995	30,712	13,182	224,006
Reversal of impairment/(impairment) of property, plant and equipment (note 11)	–	558	-41	–	517
Impairment of intangible assets-excluding goodwill (note 14)	-2,109	–	–	–	-2,109
Impairment of Goodwill (note 13)	-111	–	–	–	-111
Allowance for doubtful debtors (note 20)	-1,461	-1,137	-56	77	-2,577
Investment in associates (note 15)	6,820	–	4,179	–	10,999
Non-qualified deferred compensation plans (note 17, 25)	–	3,066	–	–	3,066
Non-current assets excluding financial instruments, deferred tax assets and post employment benefit assets	378,714	1,007,155	386,436	294,910	2,067,215

Summarized financial information of the joint ventures, based on their IFRS financial statements, is disclosed in note 15.2.
Capital expenditures consist of additions of property, plant and equipment and intangible assets.
Impairment charges are included in the income statement.
Sales refer to the sale of goods and services. There are sales between operating segments. Total assets and capital expenditures are presented in the operating segment of the company that owns the assets.

Notes to the Financial Statements continued

3. Operating segment information (continued)

Information by business activities

(all amounts in Euro thousands)	For the year ended 31 December 2023			
	Cement	Ready mix concrete, aggregates and building blocks	Other activities	Total
Sales	1,496,575	1,045,138	5,261	2,546,974

The cement activity includes cement and cementitious materials. The business activities that are common to all segments of the Group are the production and trade of cement, ready-mix concrete, aggregates and transportation services.

Greece and Western Europe segment is also engaged in the production and trade of dry mortars. North America segment includes the production and trade of building blocks and the processing of fly ash. Finally, Southeastern Europe and Eastern Mediterranean segments are engaged in the processing of alternative fuels.

Other activities include, among others, transportation services. None of these activities have the prerequisite magnitude to be presented separately. At Group level, "Sales" is derived from a set of customers none of which separately represents greater than or equal to 10%.

Information by operating segment

(all amounts in Euro thousands)	For the year ended 31 December 2022				
	Greece and Western Europe	North America	South Eastern Europe	Eastern Mediterranean	Total
Sales	410,947	1,306,332	385,894	267,237	2,370,410
Inter-segment sales	-76,557	–	–	-11,646	-88,203
Sales to external customers	**334,390**	**1,306,332**	**385,894**	**255,591**	**2,282,207**
Earnings before interest, taxes, depreciation, amortization and impairment (EBITDA)	31,836	184,844	94,958	19,564	331,202
Depreciation, amortization and impairment of tangible and intangible assets	-24,148	-84,154	-25,347	-19,923	-153,572
Profit before impairment losses on goodwill, net finance costs and taxes	7,688	100,690	69,611	-359	177,630
ASSETS					
Property, plant & equipment	312,887	756,558	288,532	306,497	1,664,474
Intangible assets and goodwill	35,576	238,610	60,229	30,292	364,707
Other non-current assets	28,450	20,806	10,011	723	59,990
Current assets	245,071	331,134	130,714	105,302	812,221
Total assets of segments excluding joint ventures	**621,984**	**1,347,108**	**489,486**	**442,814**	**2,901,392**
Investment in joint ventures (note 15.2)					92,907
Total assets					**2,994,299**
LIABILITIES					
Non-current liabilities	357,356	490,274	70,332	78,215	996,177
Current liabilities	144,263	290,686	66,196	72,703	573,848
Total liabilities	**501,619**	**780,960**	**136,528**	**150,918**	**1,570,025**
Capital expenditures (note 11, 12, 14)	42,724	156,528	28,293	14,348	241,893
Impairment of property, plant and equipment (note 11)	–	-496	-737	–	-1,233
Impairment of goodwill (note 13)	–	–	–	-21,799	-21,799
Allowance for doubtful debtors (note 20)	335	-3,504	-298	-507	-3,974
Investment in associates (note 15)	3,459	–	4,046	–	7,505
Non-qualified deferred compensation plans (note 17, 25)	–	2,715	–	–	2,715
Non-current assets excluding financial instruments, deferred tax assets and post employment benefit assets	361,748	995,147	357,459	336,666	2,051,020

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 PPE, intangible assets and investment property.
Impairment charges are included in the income statement.
Sales refer to the sale of goods and services. There are sales between operating segments. Total assets and capital expenditures are presented in the operating segment of the company that owns the assets.
The Group's subsidiary Arresa Marine Co in 2022 has been integrated into the North American operating segment and in 2023 is included in the operating segment of Greece and Western Europe. As a result of the above, in 2022 a reclassification between the two operating segments was made for comparative purposes.

3. Operating segment information (continued)

Information by business activities

(all amounts in Euro thousands)	For the year ended 31 December 2022			
	Cement	Ready mix concrete, aggregates and building blocks	Other activities	Total
Sales	1,358,836	912,663	10,708	2,282,207

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)	**2023**	**2022**
Profit before impairment losses on goodwill, net finance costs and taxes	**388,441**	**177,630**
Impairment losses on goodwill	-111	-21,799
Gain on net monetary position in hyperinflationary economies	18,694	26,307
Finance income	5,665	7,567
Finance expenses	-48,003	-41,969
Loss from foreign exchange differences	-27,587	-12,416
Share of profit of associates (note 15.1)	990	1,226
Share of profit of joint ventures (note 15.2)	1,596	650
Profit before taxes	**339,685**	**137,196**

4. Other income and expenses

Other operating income and expenses

(all amounts in Euro thousands)	**2023**	**2022**
Scrap sales	444	936
Income from services	3,234	1,317
Rental income	2,578	2,825
Gains on disposal of PPE, intangible assets and investment property (note 11, 29)	–	188
Fair value gain from investment property (note 12)	–	509
Other income	2,350	2,283
Other income total	**8,606**	**8,058**
Losses on disposals of PPE, intangible assets and investment property (note 11, 29)	-3,126	–
Fair value loss from investment property (note 12)	-35	–
Restructuring cost	-692	-1,111
Various recurrent taxes - fees	–	-81
Other expenses	-1,589	-974
Other expenses total	**-5,442**	**-2,166**

The restructuring cost is related to voluntary retirement incentive programs in all Group operating segments.

Notes to the Financial Statements continued

5. Expenses by nature

(all amounts in Euro thousands)	2023	2022
Staff costs and related expenses (note 7)	-414,086	-374,647
Raw materials and consumables used	-694,920	-635,631
Energy cost	-412,668	-479,790
Changes in inventory of finished goods and work in progress	41,510	18,444
Distribution expenses	-247,994	-235,978
Third party fees	-182,374	-151,950
Depreciation, amortization and impairment of tangible, intangible assets and government grants (note 11, 14, 27)	-151,873	-153,572
Other expenses	-93,803	-93,371
Total expenses by nature	**-2,156,208**	**-2,106,495**
Included in:		
Cost of sales	-1,905,121	-1,889,522
Administrative expenses	-214,890	-188,319
Selling and marketing expenses	-36,197	-28,654
	-2,156,208	**-2,106,495**

The above expenses include the amount of €15.8 million (2022: €8.8 million) that is relating to research and development activities, aimed at advancing innovation within the context of climate change mitigation and sustainable construction.

6. Net finance costs and foreign exchange differences

(all amounts in Euro thousands)	2023	2022
i) Finance income		
Interest income and related income (note 29)	3,391	1,345
Fair value gains on derivatives (note 29, 35)	2,274	6,222
Finance income	**5,665**	**7,567**
ii) Finance expenses		
Interest expense and related expenses (note 29)	-41,355	-37,641
Finance costs of actuarial studies (note 25)	-630	-185
Unwinding of discount of rehabilitation and other provisions (note 26)	-2,059	-1,296
Interest expense on lease liabilities (note 33)	-3,560	-2,847
Fair value losses on financial instruments (note 29)	-399	-
Finance expense	**-48,003**	**-41,969**
iii) Loss from foreign exchange differences		
Net exchange (losses)/gains	-36,512	7,221
Fair value gains/(losses) on derivatives (note 35)	8,925	-19,637
Losses from foreign exchange differences	**-27,587**	**-12,416**
iv) Gain on net monetary position in hyperinflationary economies		
Gain on net monetary position in hyperinflationary economies	**18,694**	**26,307**

Losses from foreign exchange differences mainly arise from: 1) the effects of changes in foreign exchange rates of intragroup loans (note 35a), 2) the fair value of derivatives that hedge the volatility of foreign currencies associated with these intragroup loans (note 35a), and 3) the foreign exchange differences losses on payables primarily in Egypt (note 28).

7. Staff costs

(all amounts in Euro thousands)	2023	2022
Wages, salaries and related expenses	355,669	332,758
Social security costs	33,101	30,343
Share-based payment expense (note 24)	14,931	3,692
Other post retirement and termination benefits - defined benefit plans (note 25)	11,707	9,150
Total staff costs	**415,408**	**375,943**

The average number of Group employees for the fiscal year 2023 was 5,652 (2022: 5,411).

The increase in salaries, wages and related expenses is mainly due to the increase in the number of the Group's personnel.

8. Income tax expense

(all amounts in Euro thousands)	2023	2022
Current tax	67,628	17,172
Deferred tax (note 18)	-3,141	6,467
Non deductible taxes and differences from tax audit	2,552	3,076
	67,039	**26,715**

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)	2023	2022
Profit before tax	**339,685**	**137,196**
Impairment of goodwill	-111	-21,799
Profit before tax and impairment of goodwill	**339,796**	**158,995**
Tax calculated at the parent company tax rate of 12,5% (2022 : 12,5%)	42,461	17,150
Effect of different tax rates in the countries that the Group operates	33,107	10,386
Tax calculated at weighted average tax rate of 22,2% (2022: 17,3%)	75,568	27,536
Tax adjustments in respect of:		
Income not subject to tax	-4,040	-3,417
Expenses not deductible for tax purposes	3,794	3,755
Effect of (recognized)/de-recognized deferred tax asset on tax carryforward losses	-947	-600
Tax incentives	-6,544	-4,094
Utilization of prior years unrecognized losses	-1,325	513
Change in recognition of net operating loss carryforwards	-135	867
Sundry items	668	2,155
Effective tax charge	**67,039**	**26,715**

Deferred tax assets are recognized for the carryforwards of unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilized.

On 31 December 2023, certain Group entities had tax carryforward losses of €57.2 million (2022: €91.4 million). These entities have recognized deferred tax assets amounting to €10.0 million (2022: €19.7 million), attributable to losses amounting to €44.6 million (2022: €86.1 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 tax losses carried forward of €12.6 million arising from Egyptian subsidiaries, no deferred tax asset has been recognized as they do not meet the recognition criteria under IAS 12. The tax losses carried forward of €6.6 million expire until 2024, €2.0 million expire until 2025, €0.5 million expire until 2026 and €3.5 million expire until 2027.

Notes to the Financial Statements continued

9. Earnings per share

Basic EPS 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)	**2023**	**2022**
Net profit for the year attributable to equity holders of the parent	268,689	109,655
Weighted average number of ordinary shares in issue	74,731,630	75,857,456
Basic earnings per ordinary share (in €)	**3.5954**	**1.4455**

Diluted EPS are calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. Options granted to employees under the Group's plan 2017 (note 24) are considered to be potential ordinary shares.

(all amounts in Euro thousands unless otherwise stated)	**2023**	**2022**
Net profit for the year attributable to equity holders of the parent	268,689	109,655
Weighted average number of ordinary shares for diluted earnings per share	74,731,630	75,857,456
Share options and awards	29,005	52,640
Total weighted average number of shares in issue for diluted earnings per share	74,760,635	75,910,096
Diluted earnings per ordinary share (in €)	**3.5940**	**1.4445**

Correction of error in calculating EPS

In 2023, the Group discovered a computational error in calculating EPS. The error resulted in an understatement of the weighted average number of ordinary shares in issue recognized in 2021 and a corresponding overstatement of EPS since then. For 31 December 2022, the amount of the correction for basic and diluted EPS was a decrease of €0.0831 and €0.083 per share respectively.

10. Dividends and return of capital

For the year ended 31 December 2023

Proposed dividends not recognized at the end of the reporting period

The Board of Directors will propose to the Annual General Assembly of Shareholders, scheduled to take place on 9 May 2024, the distribution of dividend €0.85 (85 cents) per share.

Dividends paid

The Annual General Meeting of Shareholders, held on 11 May 2023, approved a gross dividend distribution of €0.60 per share to all the Shareholders of the Company on record on 29 June 2023.

For the year ended 31 December 2022

Return of capital paid

Following the authorization granted to the Board of Directors by the Extraordinary Meeting of the Company's Shareholders on 13 May 2019, the Board of Directors of TITAN Cement International SA decided on the 16 March 2022 the return of capital of €0.50 (50 cents) per share to all the Shareholders of the Company on record on 28 April 2022.

11. Property, plant and equipment

(all amounts in Euro thousands)	Year ended 31 December 2022							
	Land	Quarries	Buildings	Plant & equipment	Motor vehicles	Office furniture, fixtures and equipment	Assets under construction	Total
Opening balance	**242,072**	**121,445**	**177,856**	**787,635**	**63,507**	**11,709**	**86,340**	**1,490,564**
Additions	2,110	6,878	274	4,209	584	1,223	189,641	204,919
Hyperinflation adjustments	4,063	–	25,099	65,810	60	119	557	95,708
Interest capitalization	–	–	143	37	–	–	–	180
Disposals (NBV)	-612	-5	–	-1,026	-459	-56	-1,929	-4,087
Reclassification of assets from/to other PPE categories	1,479	2,883	13,777	83,156	39,797	-2,611	-138,481	–
Transfers from/to other accounts	478	527	–	-713	–	321	-905	-292
Depreciation charge (note 29)	-3,005	-12,568	-11,170	-78,649	-19,716	-108	–	-125,216
Impairment of PPE (note 29)	-638	-496	-99	–	–	–	–	-1,233
Exchange differences	-7,136	5,673	-15,362	-53,144	3,044	-89	1,270	-65,744
Ending balance	**238,811**	**124,337**	**190,518**	**807,315**	**86,817**	**10,508**	**136,493**	**1,594,799**
Right of use assets								
Opening balance	**11,771**	**–**	**19,420**	**17,268**	**6,356**	**3**	**–**	**54,818**
Additions	347	–	10,224	351	18,658	–	–	29,580
Disposals (NBV)	–	–	-6	–	-1,097	–	–	-1,103
Reclassification of assets from/to other ROU's categories	–	–	–	-16,777	16,777	–	–	–
Depreciation charge (note 29, 33)	-1,618	–	-4,559	-211	-8,881	-2	–	-15,271
Exchange differences	748	–	–	-1	904	–	–	1,651
Ending balance	**11,248**	**–**	**25,079**	**630**	**32,717**	**1**	**–**	**69,675**
At 31 December 2022								
Cost	328,136	261,070	490,356	2,085,624	360,318	61,524	136,493	3,723,521
Accumulated depreciation	-72,390	-136,233	-273,721	-1,271,234	-240,784	-51,003	–	-2,045,365
Accumulated losses of impairment of PPE	-5,687	-500	-1,038	-6,445	–	-12	–	-13,682
Net book value	**250,059**	**124,337**	**215,597**	**807,945**	**119,534**	**10,509**	**136,493**	**1,664,474**

Notes to the Financial Statements continued

11. Property, plant and equipment (continued)

(all amounts in Euro thousands)	Year ended 31 December 2023							
	Land	Quarries	Buildings	Plant & equipment	Motor vehicles	Office furniture, fixtures and equipment	Assets under construction	Total
Opening balance	**238,811**	**124,337**	**190,518**	**807,315**	**86,817**	**10,508**	**136,493**	**1,594,799**
Additions	53	7,338	187	5,034	506	881	184,959	198,958
Hyperinflation adjustments	2,434	–	17,710	39,944	40	83	-372	59,839
Interest capitalization	–	–	–	–	–	–	2,592	2,592
Disposals (NBV)	-15	–	-890	-3,416	-332	-24	-3,792	-8,469
Reclassification of assets from/to other PPE categories	6,928	-494	34,829	87,626	23,801	4,467	-156,545	612
Transfers from/to other accounts	-231	6,240	153	2,636	–	–	-60	8,738
Depreciation charge (note 29)	-2,653	-11,266	-10,532	-76,156	-18,388	-3,445	–	-122,440
Impairment of PPE (note 29)	1,330	-433	-42	-338	–	–	–	517
Exchange differences	-12,728	-3,825	-23,566	-66,460	-2,779	-306	-4,007	-113,671
Ending balance	**233,929**	**121,897**	**208,367**	**796,185**	**89,665**	**12,164**	**159,268**	**1,621,475**
Right of use assets								
Opening balance	**11,248**	**–**	**25,079**	**630**	**32,717**	**1**	**–**	**69,675**
Additions	6,467	–	2,946	225	5,367	85	–	15,090
Disposals (NBV)	–	–	–	-8	-125	-85	–	-218
Reclassification of assets from/to other ROU's categories	–	–	-35	–	-577	–	–	-612
Transfers from/to other accounts	-48	–	-59	–	1,419	–	–	1,312
Depreciation charge (note 29, 33)	-1,752	–	-4,220	-503	-9,058	-1	–	-15,534
Exchange differences	-534	–	-773	-21	-981	–	–	-2,309
Ending balance	**15,381**	**–**	**22,938**	**323**	**28,762**	**–**	**–**	**67,404**
At 31 December 2023								
Cost	326,501	265,881	514,348	2,114,886	365,480	65,048	159,270	3,811,414
Accumulated depreciation	-73,604	-143,074	-281,955	-1,311,607	-247,102	-52,872	–	-2,110,214
Accumulated losses of impairment of PPE	-3,589	-909	-1,039	-6,772	–	-12	–	-12,321
Net book value	**249,308**	**121,898**	**231,354**	**796,507**	**118,378**	**12,164**	**159,270**	**1,688,879**

11. Property, plant and equipment (continued)

The Group evaluates each CapEx project based on its contribution to the Group's decarbonization targets and assesses the risk that its financial returns will be affected by rising CO_2 prices. The useful life of existing technology is not affected by the new CapEx, as these are complementary and involve energy-saving projects allowing higher use of lower-cost alternative fuels, improving cement production efficiency through digital technology, expanding warehouse capacity to serve higher production volumes, optimizing logistics and reducing the carbon footprint mainly in the USA and EU. The aforementioned projects account for 61.8% of total CapEx in 2023 (2022 56%).

During 2023, the Group received €6,007 thousand (2022: €5,748 thousand) from the disposal of tangible intangible assets and investment property with total net book value of €9,133 thousand (2022: €5,560 thousand). Thus, the Group recognized a loss of €3,126 thousand (2022: gain of €188 thousand) on disposal of PPE in the consolidated income statement (note 4, 29).

In 2023, the Group recorded impairment losses of €814 thousand, that were presented in the cost of sales in the consolidated income statement. Specifically, the amount of €338 thousand was recorded for machinery and equipment, €433 thousand for quarries and €42 thousand for buildings. In addition, a reversal of land impairment of €1,330 thousand was recorded, which had a positive impact on cost of sales in the consolidated income statement. The land in question was originally impaired as the market value was lower than the purchase price. However, in 2023, TITAN America opened a block factory on the property and the impairment was reversed.

On the Turkish subsidiary Adocim Cimento Beton Sanayi ve Ticaret A.S. assets, there are mortgages of €25.6 million, securing bank credit facilities. On 31 December 2023 utilization under these credit facilities amounted to €6.3 million.

12. Investment property

Property that is leased among Group subsidiaries is not included in investment property but in PPE in the Group statement of financial position. Investment property is measured at fair value by external, independent, certified evaluators, members of the institute of the certified evaluators and certified from the European Group of Valuers' Associations (TEGoVA) and RICS (Royal Institution of Chartered Surveyors).

(all amounts in Euro thousands)	2023	2022
Opening balance	**11,240**	**10,980**
Disposals	-142	–
Net (loss)/profit from measurement at fair value (note 4)	-35	509
Transfer to property, plant and equipment	-45	-259
Exchange differences	–	10
Ending balance	**11,018**	**11,240**

(all amounts in Euro thousands)	2023	2022
Rental income derived from investment property	428	467
Direct operating expenses (including repair and maintenance) that did not generate rental income	-16	-34
Net (loss)/profit arising from investment properties carried at fair value	-35	509

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.

Notes to the Financial Statements continued

12. Investment property (continued)

Minimum lease payments receivable on leases of investment properties are as follows:

(all amounts in Euro thousands)	2023	2022
Within one year	529	477
Between 1 and 2 years	527	337
Between 2 and 3 years	519	270
Between 3 and 4 years	489	254
Between 4 and 5 years	427	170
Later than five years	300	242
	2,791	**1,750**

13. Goodwill

(all amounts in Euro thousands)	Initial goodwill	Goodwill impairment	Total goodwill
Balance at 1 January 2022	**333,859**	**-61,873**	**271,986**
Hyperinflation adjustments	25,605	-1,491	24,114
Impairment (note 29)	-	-21,799	-21,799
Exchange differences	18,325	-11,792	6,533
Balance at 31 December 2022	**377,789**	**-96,955**	**280,834**
Balance at 1 January 2023	**377,789**	**-96,955**	**280,834**
Additions due to acquisition	111	-	111
Hyperinflation adjustments	16,827	-10,491	6,336
Impairment (note 29)	-	-111	-111
Exchange differences	-17,162	4,020	-13,142
Balance at 31 December 2023	**377,565**	**-103,537**	**274,028**

Impairment testing of goodwill

Key assumptions
Group cash-generating-units (CGUs) are defined generally as a country or Group area on the basis of the sales and management structure. The recoverable amount of all CGUs has been determined based on value-in-use calculations. These calculations use post-tax cash flow projections based on financial budgets approved by management covering generally a five-year period. Forecasts rely on a combination of internal and external factors that influence each CGU operations, such as the macroeconomic environment and sustainability matters. Furthermore, in specific circumstances, when recent results of a CGU do not reflect historical performance and most external economic variables provide confidence that a reasonably determinable improvement is expected in the mid-term, management uses cash flow projections over a period up to ten years, to reflect sufficiently the cyclical nature of the industry.

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.

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, digital transformation efforts for driving business efficiencies, and actions for the curtailment of the Group's environmental footprint and mitigating supply chain disruption 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 2023

(all amounts in Euro thousands)	Carrying amount of goodwill	Perpetual Growth rates	Discount rates
North America	197,934	2.4 %	7.1 %
Bulgaria	45,440	1.7 %	8.9 %
Türkiye	13,250	14.0 %	28.7 %
Serbia	5,585	1.0 %	8.0 %
Kosovo	2,238	1.1 %	8.3 %
Greece	9,581	2.0 %	7.2 %
Total	**274,028**		

Key assumptions used for value in use calculations in respect of goodwill 2022

(all amounts in Euro thousands)	Carrying amount of goodwill	Perpetual Growth rates	Discount rates
North America	205,058	2%-3%	7.9%
Bulgaria	45,440	1.9 %	10.2%
Türkiye	13,152	12.5 %	27.0%
Serbia	5,364	1.0 %	7.7%
Kosovo	2,239	1.4 %	10.7%
Greece	9,581	2.0 %	8.6%
Total	**280,834**		

The impairment tests conducted in 2023 did not result in the recognition of any impairment of goodwill.

Sensitivity of recoverable amounts
On 31 December 2023, the Group analyzed the sensitivities of the recoverable amounts to the reasonably possible change in key assumptions. For all CGUs, sensitivity analysis did not present a situation in which the carrying value of the CGU would exceed their recoverable amount. With respect to Türkiye, additional sensitivity analyses have been performed in order to assess the changes in the operational plan used for cash flow estimates or the discount rate, which would cause the carrying amount to be equal to the recoverable amount.

-Increase in the discount rate by: 4.1%

-Decrease in the operating margin (EBITDA margin) for each year of planning as well as in the terminal value of around 5.1%.

Notes to the Financial Statements continued

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 2022	**36,843**	**14,212**	**2,367**	**25,966**	**3,682**	**8,374**	**91,444**
Additions	33	–	–	3,290	139	3,932	7,394
Disposals (NBV) (note 29)	–	–	–	–	-12	-112	-124
Hyperinflation adjustments	18	–	–	3	–	–	21
Reclassification of assets from/to other intangible assets categories	33	–	–	945	783	-1,761	–
Transfers from other accounts	–	–	–	127	28	41	196
Other reclassifications	–	–	–	–	-646	-22	-668
Amortization charge (note 29)	-1,058	-796	-1,597	-4,200	-362	–	-8,013
Exchange differences	-7,423	609	-275	1,205	-423	-70	-6,377
Balance at 31 December 2022	**28,446**	**14,025**	**495**	**27,336**	**3,189**	**10,382**	**83,873**
Balance at 1 January 2023	**28,446**	**14,025**	**495**	**27,336**	**3,189**	**10,382**	**83,873**
Additions	518	–	–	1,819	94	7,527	9,958
Disposals (NBV) (note 29)	-12	–	–	–	-86	-206	-304
Hyperinflation adjustments	4	–	–	–	–	–	4
Reclassification of assets from/to other intangible assets categories	–	–	–	1,297	-16	-1,281	–
Transfers from/(to) other accounts	–	–	–	38	-79	81	40
Impairment (note 29)	-2,109	–	–	–	–	–	-2,109
Amortization charge (note 29)	-749	-334	-427	-5,371	-70	–	-6,951
Exchange differences	-3,423	-488	-68	-648	-190	-59	-4,876
Balance at 31 December 2023	**22,675**	**13,203**	**–**	**24,471**	**2,842**	**16,444**	**79,635**

14. Intangible assets (continued)

The license additions include the €469 thousand acquisition of the concession rights to the Vezirhan pozzolanic quarry in East Marmara, Türkiye. This is in line with the Group's strategy to further expand its portfolio of low-carbon cementious products available to its customers. Pozzolana, used in the production of low-carbon cement, is a material of increasing importance to the cement industry. This acquisition not only bolsters the Group's efforts to secure long-term pozzolana reserves for its own use and for trading, but also reinforces the Group's 2026 growth strategy, which focuses on doubling the volume of green cements and expediting the market launch of new green products and cementitious solutions.This transaction is in line with the Group's science-based decarbonization targets, which provide for the reduction of its carbon emissions by 35% by 2030 and the increase of the share of green products in its portfolio to over 50%.

Assets under construction include costs related to the major IT project to implement a common ERP system across all Group entities. Upon completion of the ERP system in each country, the related amounts are transferred to the "computer software" category.

An impairment loss amounting to €2,109 thousand was recognized due to revised future operating costs of a quarry in Greece.

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 December 2022: 48.711%), Karierni Materiali AD with ownership percentage 48.764% (31 December 2022: 48.764%). The aforementioned companies are based in Bulgaria and operate in the aggregates business.

b) Ecorecovery S.A. with ownership percentage 48% (31 December 2022: 48%). Ecorecovery is based in Greece and it processes, manages and trades solid waste for the production of alternative fuels.

c) With the aim to enhance the Group’s global offering of green, low-carbon cementitious products, on 10 February 2023, the Group acquired a 45% participation in Aegean Perlites S.A. with a consideration of €3.4 million, thereby securing the long-term pozzolan sourcing needs of the Group. Through this participation, Group is gaining direct access to a key raw material which will allow the enlargement of the Group’s offering of low-carbon cementitious products. Aegean Perlites operates perlite and pozzolan quarries on the Greek island of Yali.

d) ASH Venture LLC was dissolved in 2023.

None of the aforementioned companies is listed on a public exchange market.

Notes to the Financial Statements continued

15. Investments in associates, joint ventures and subsidiaries (continued)

Based on their contribution to 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)	2023	2022
Summarized statement of financial position as at 31 December		
Non-current assets	25,239	17,320
Current assets	9,315	6,796
Total assets	**34,554**	**24,116**
Non-current liabilities	2,837	1,841
Current liabilities	8,037	6,373
Total liabilities	**10,874**	**8,214**
Equity	**23,680**	**15,902**
Summarized income statement and statement of comprehensive income for the year ended 31 December		
Sales	**20,168**	**17,295**
Profit after taxes	2,021	2,519
Other comprehensive income for the year	15	26
Total comprehensive income for the year net of tax	**2,036**	**2,545**
Reconciliation to carrying amounts:		
Opening net assets 1 January	**15,902**	**15,536**
New acquisition	8,147	–
Profit after taxes	2,021	2,519
Other comprehensive income for the year	15	26
Dividends paid	-2,405	-2,200
Foreign exchange differences	–	21
Closing net assets 31 December	**23,680**	**15,902**
Group's carrying amount of the investment after adjustments	**10,999**	**7,505**

15. Investments in associates, joint ventures and subsidiaries (continued)

15.2 Investments in joint ventures

On 31 December 2023, 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 December 2022: 50%). Apodi is based in Brazil and operates in the production of cement.

b) Apodi Distribuição e Logistica Ltda with ownership percentage 50% (31 December 2022: 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.

Summarized 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 *	
	2023	**2022**
Summarized statement of financial position as at 31 December		
Non-current assets	172,697	150,933
Other current assets	54,413	50,540
Cash and cash equivalents	14,454	15,537
Total assets	**241,564**	**217,010**
Long-term borrowings	85,922	49,436
Other non-current liabilities	716	765
Short-term borrowings	33,675	52,220
Other current liabilities	41,146	40,422
Total liabilities	**161,459**	**142,843**
Equity	**80,105**	**74,167**
Summarized income statement and statement of comprehensive income for the year ended 31 December		
Sales	**128,192**	**115,854**
Depreciation, amortization and impairments of assets	-12,376	-10,008
Finance income	1,816	1,580
Finance expense	-12,711	-13,398
Profit after taxes	3,209	1,300
Total comprehensive profit for the year net of tax	**3,209**	**1,300**
Earnings before interest, taxes, depreciation, amortization and impairment (EBITDA)	**24,370**	**21,096**
Reconciliation to carrying amounts:		
Opening net assets 1 January	**74,167**	**64,127**
Profit for the year	3,209	1,300
Foreign exchange differences	2,729	8,740
Closing net assets 31 December	**80,105**	**74,167**
Group's share in %	50 %	50 %
Group's share in '000 €	40,053	37,084
Goodwill	57,943	55,823
Carrying amount of the investment as at 31 of December	**97,996**	**92,907**

* Consolidated figures before elimination with the broader Group

On 31 December 2023, 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 13.4% and a perpetual growth rate of 3.3%, exceeds the carrying value. Additional sensitivity analysis has been performed in order to assess the changes in the operational plan used for cash flow estimates or the discount rate, which would cause the carrying amount to be equal to the recoverable amount.

– Increase in the Discount rate by 3.5%.

– Decrease in the operating margin (EBITDA margin) for each year of planning as well as in the terminal value of around 7.5%.

On 31 December 2023, the company had an unrecognized amount of €14.3 million (2022: €12.4 million), related to deferred tax assets on accumulated tax losses. Based on a conservative approach, the company has not accounted for this portion of tax asset since, given its recent operation, it does not have yet a history of taxable profit. In accordance with the Brazilian tax legislation, these credits do not expire.

Notes to the Financial Statements continued

15. Investments in associates, joint ventures and subsidiaries (continued)

15.3 Subsidiaries with significant percentage of non-controlling interests

On 31 December 2023, the Group non-controlling interest was €30.7 million (2022: €29.7 million) of which €25.1 million (2022: €22.6 million) derived from Adocim Cimento Beton Sanayi ve Ticaret A.S., €0.4 million (2022: €2.5 million) from Alexandria Portland Cement Co. S.A.E., €4.2 million (2022: €3.6 million) from Usje Cementarnica AD and €1.0 million (2022: €1.1 million) from Cement Plus LTD.

The Turkish economy is considered as hyperinflationary from June 2022.

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.*	
	2023	**2022**
Summarized statement of financial position as at 31 December		
Non-current assets	131,572	125,223
Current assets	33,416	35,199
Total assets	**164,988**	**160,422**
Non-current liabilities	33,346	28,343
Current liabilities	31,357	41,644
Total liabilities	**64,703**	**69,987**
Equity	**100,285**	**90,435**
Attributable to:		
Equity holders of the parent	75,216	67,830
Non-controlling interests (25%)	25,069	22,605
Summarized income statement and statement of comprehensive income for the year ended 31 December		
Sales	**99,312**	**68,072**
Profit/(loss) after taxes	9,348	-902
Other comprehensive income for the year	3,938	22,528
Total comprehensive income for the year net of tax	**13,286**	**21,626**
Total comprehensive income attributable to non-controlling interests	3,321	5,406
Summarized cash flow information		
Cash flows from operating activities	4,632	7,734
Cash flows used in investing activities	-4,345	-9,294
Cash flows from financing activities	235	3,584
Net increase in cash and cash equivalents	**522**	**2,024**
Cash and cash equivalents at beginning of the period	1,987	73
Effects of exchange rate changes	-107	-110
Cash and cash equivalents at end of the year	**2,402**	**1,987**

** Figures before elimination with the broader Group*

16. Principal subsidiaries, associates and joint ventures

				2023		2022	
				% of investment (*)		% of investment (*)	
	Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	Direct	Indirect	Direct	Indirect
	Full consolidation method						
	Titan Cement International S.A.	Belgium	Investment holding company	Parent company		Parent company	
	Titan Cement Company S.A	Greece	Cement producer	100.000	–	100.000	–
(3)	Aitolika Quarries S.A.	Greece	Quarries & aggregates	–	93.438	–	83.594
	Business Park Titan Elefsinas S.A.	Greece	Provision of technical and business services	–	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
	Zlatna Panega Cement AD	Bulgaria	Cement producer	–	99.989	–	99.989
	Green Alternative Energy Assets EAD	Bulgaria	Alternative fuels	–	100.000	–	100.000
	Cementi ANTEA SRL	Italy	Trading company	–	100.000	–	100.000
	Cementi Crotone S.R.L.	Italy	Import & distribution of Cement	–	100.000	–	100.000
	Fintitan SRL	Italy	Import & distribution of cement	–	100.000	–	100.000
	Separation Technologies Canada Ltd	Canada	Processing of fly ash	–	100.000	–	100.000
	Alexandria Development Co.Ltd	Cyprus	Investment holding company	–	100.000	–	100.000
	Titan Eastmed Investments Limited	Cyprus	Investment holding company	–	100.000	–	100.000
	Alvacim Ltd	Cyprus	Investment holding company	–	100.000	–	100.000
	Feronia Holding Ltd	Cyprus	Investment holding company	–	100.000	–	100.000
	Iapetos Ltd	Cyprus	Investment holding company	–	100.000	–	100.000
	Rea Cement Investments Limited	Cyprus	Investment holding company	–	100.000	–	100.000
	Themis Holdings Ltd	Cyprus	Investment holding company	–	100.000	–	100.000
	Titan Cement Cyprus Limited	Cyprus	Investment holding company	–	100.000	–	100.000
	Tithys Holdings Limited	Cyprus	Investment holding company	100.000	–	100.000	–
	Alexandria Portland Cement Co. S.A.E	Egypt	Cement producer	–	99.609	–	99.605
	Beni Suef Cement Co.S.A.E.	Egypt	Cement producer	–	100.000	–	100.000
	GAEA -Green Alternative Energy Assets	Egypt	Alternative fuels	–	99.996	–	99.996
	Titan Beton & Aggregate Egypt LLC	Egypt	Quarries & aggregates	–	99.615	–	99.611
	Sharr Beteiligungs GmbH	Germany	Investment holding company	–	100.000	–	100.000
	Arresa Marine Co	Marshall Islands	Shipping	–	–	–	100.000
	Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S.	Türkiye	Processing and trading of cement	–	100.000	–	100.000
	Adocim Cimento Beton Sanayi ve Ticaret A.S.	Türkiye	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
	CemAI Inc.	U.S.A.	Preventing maintenance	–	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

Notes to the Financial Statements continued

16. Principal subsidiaries, associates and joint ventures (continued)

				2023		2022	
				% of investment (*)		% of investment (*)	
	Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	Direct	Indirect	Direct	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
	Silver Sand Transportation LLC	U.S.A.	Transportation	–	100.000	–	100.000
	Standard Concrete LLC	U.S.A.	Trading company	–	100.000	–	100.000
(2)	ST Mid-Atlantic LLC	U.S.A.	Processing of fly ash	–	–	–	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
(1)	Titan Florida Concrete Products LLC	U.S.A.	Ready mix	–	100.000	–	–
(1)	Titan Florida Aggregates LLC	U.S.A.	Quarries & aggregates	–	100.000	–	–
(1)	Titan Florida Cement LLC	U.S.A.	Cement producer	–	100.000	–	–
(1)	Titan Florida Holdings LLC	U.S.A.	Investment holding company	–	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
	TCK Montenegro DOO	Montenegro	Trading company	–	100.000	–	100.000
	Esha Material DOOEL	North Macedonia	Quarries & aggregates	–	100.000	–	100.000
	ID Kompani DOOEL	North Macedonia	Trading company	–	95.000	–	95.000
	MILLCO-PCM DOOEL	North Macedonia	Renting and leasing of machines, equipment and material goods	–	100.000	–	100.000
	Opalit DOOEL	North Macedonia	Quarries & aggregates	–	95.000	–	95.000
	Rudmak DOOEL	North Macedonia	Trading company	–	100.000	–	100.000
	Usje Cementarnica AD	North Macedonia	Cement producer	–	95.000	–	95.000
	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
(2)	ASH Venture LLC	U.S.A.	Processing of fly ash	–	–	–	33.000
	Ecorecovery S.A.	Greece	Engineering design services for solid and liquid waste facilities	–	48.000	–	48.000
(1)	Aegean Perlites S.A.	Greece	Quarries & aggregates	–	45.000	–	–
	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) TITAN Florida Concrete Products LLC, TITAN Florida Aggregates LLC, TITAN Florida Cement LLC and TITAN Florida Holdings LLC were created in 2023 as subsidiaries of TITAN Florida LLC in U.S. The Group incorporated all the above-mentioned subsidiaries in its Financial Statements with the full method of consolidation.

Furthermore, on 10 February 2023, the Group's subsidiary TITAN Cement company S.A. acquired "Aegean Perlites S.A.". The Group incorporated the company in its Financial Statements with the equity method of consolidation.

(2) The Group's subsidiaries ASH Venture LLC and ST Mid-Atlantic LLC were dissolved in 2023.

(3) Change in ownership percentage of Aitolika Quarries S.A.

17. Other non-current assets

(all amounts in Euro thousands)	2023	2022
Utility deposits	362	2,807
Excess benefit plan assets (note 25)	3,066	2,715
Equity instruments	5,103	1,610
Other non-current assets	13,461	12,801
	21,992	**19,933**

The equity instruments consist of venture capital initiatives, aimed at fostering innovation within the construction ecosystem, by investing up to €36.5 million ($40 million) in the medium term and forging partnerships that will give Group early exposure to disruptive technologies and bolster its growth strategy.

To this end, Group has invested during 2023 €1.1 million in Zacua Ventures, an early-stage global venture fund focused on sustainable construction and the built environment.

In addition, Group has expanded by €1.9 million its existing investment in Rondo Energy, a US-based pioneer in zero-carbon industrial heat solutions. In collaboration with other global leaders, the Group's contribution has empowered Rondo Energy to secure an impressive €54 million ($60 million) in funding. This infusion of capital is primed to speed up the rollout of Rondo Heat Batteries worldwide and transform the global energy storage market.

The Group also invested €0.2 million in Carbon Upcycling's patented technology that injects and permanently stores captured CO_2 into industrial byproducts and minerals, transforming them into high-performance cementitious materials for cement and concrete. The Group's investment and partnership with Carbon Upcycling aligns with the Group's focus on accelerating the delivery of innovative, decarbonization solutions across the construction industry and implementing circular, zero-waste sustainability practices in the markets the Group serves.

Finally, the Group invested €0.2 million in Natrx Inc through its Corporate Venture Capital (CVC) fund, actively collaborating to enhance carbon reduction and circularity. Natrx's proven technology utilizes low-carbon cement from TITAN America's Roanoke cement plant. Natrx Inc is a North Carolina-based startup, that develops innovative, nature-based technologies that fuse data, material science, and advanced manufacturing. This innovation employs custom-designed concrete modules called ExoForms to fortify shorelines while promoting marine habitat restoration. By utilizing satellite imagery and artificial intelligence, Natrx's data scientists and coastal engineers create a targeted plan for addressing identified erosion and resilience risks tailored to each shoreline. Their proprietary, patented DryForming technology produces project-specific, modular concrete elements. These resilient and compact modules form "living shorelines" that integrate with nature and strengthen over time.

Notes to the Financial Statements continued

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)	2023	2022
Deferred tax assets to be recovered:		
after more than 12 months	-75,288	-73,517
within 12 months	-16,881	-16,188
Deferred tax liabilities to be used:		
after more than 12 months	208,421	210,166
within 12 months	4,555	3,922
Deferred tax liability (net)	**120,807**	**124,383**

The movement in the deferred income tax account after set-offs is as follows:

(all amounts in Euro thousands)	2023	2022
Opening balance, net deferred liability	**124,383**	**104,737**
Income statement charge (note 8)	-3,141	6,467
Tax charged to equity through other comprehensive income	448	2,853
Hyperinflation adjustment	10,404	16,829
Tax charged to equity	4,370	-80
Exchange differences	-15,657	-6,423
Ending balance, net deferred liability	**120,807**	**124,383**

18. Deferred income taxes (continued)

(all amounts in Euro thousands)	2023	2022
Analysis of deferred tax liabilities (before set - offs)		
Property, plant and equipment	140,810	137,088
Mineral deposits	16,974	17,330
Intangible assets	44,254	46,140
Unrealized foreign exchange differences	5,957	9,089
Inventories	1,014	551
Other non-current receivables	1,169	1,447
Receivables and prepayments	1,106	870
Trade and other payables	87	76
Prepaid expenses	2,483	2,122
Other	-878	-625
	212,976	**214,088**
Analysis of deferred tax assets (before set - offs)		
Property, plant and equipment	-12,006	-840
Intangible assets	-78	-78
Investments & other non-current receivables	-1,435	-1,444
Treasury Shares	3,374	-2,020
Unrealized foreign exchange differences	-5,241	-5,731
Inventories	-3,189	-2,952
Post-employment and termination benefits	-4,349	-4,057
Receivables and prepayments	-7,850	-7,016
Tax losses carried forward (note 8)	-10,060	-19,739
Interest expense tax carried forward	-4,638	-4,020
Deferred income	-444	-552
Long-term debt/lease obligations	-15,340	-16,166
Provisions and accrued expenses	-26,176	-21,905
Trade and other payables	-126	-109
Other	-4,611	-3,076
	-92,169	**-89,705**
Net deferred tax liability	**120,807**	**124,383**
Deferred tax assets (after set - offs)	3,660	5,730
Deferred tax liabilities (after set - offs)	124,467	130,113
Net deferred tax liability	**120,807**	**124,383**

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

Notes to the Financial Statements continued

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 , 2023	Debit to equity	Debit/(Credit) to net profit	Debit/(Credit) to equity through statement OCI	Hyperinflation adjustments	Exchange differences	December 31 , 2023
Deferred tax liabilities (before set - offs)							
Property, plant and equipment	137,088	–	11,219	1,060	9,729	-18,286	140,810
Mineral deposits	17,330	–	291	–	–	-647	16,974
Intangible assets	46,140	–	-344	–	–	-1,542	44,254
Unrealized foreign exchange differences	9,089	–	-3,308	–	–	176	5,957
Inventories	551	–	–	–	675	-212	1,014
Other non-current receivables	1,447	–	-278	–	–	–	1,169
Receivables and prepayments	870	–	236	–	–	–	1,106
Trade and other payables	76	–	11	–	–	–	87
Prepaid expenses	2,122	–	510	–	–	-149	2,483
Other	-625	–	-258	–	–	5	-878
	214,088	**–**	**8,079**	**1,060**	**10,404**	**-20,655**	**212,976**
Deferred tax assets (before set - offs)							
Property, plant and equipment	-840	–	-9,145	–	–	-2,021	-12,006
Intangible assets	-78	–	–	–	–	–	-78
Investments & other non-current receivables	-1,444	–	9	–	–	–	-1,435
Treasury Shares	-2,020	5,394	–	–	–	–	3,374
Unrealized foreign exchange differences	-5,731	–	709	-543	–	324	-5,241
Inventories	-2,952	–	-290	–	–	53	-3,189
Post-employment and termination benefits	-4,057	–	-274	-69	–	51	-4,349
Receivables and prepayments	-7,016	–	-900	–	–	66	-7,850
Tax losses carried forward (note 8)	-19,739	–	6,163	–	–	3,516	-10,060
Interest expense tax carried forward	-4,020	–	-618	–	–	–	-4,638
Deferred income	-552	–	104	–	–	4	-444
Long-term debt/lease obligations	-16,166	–	355	–	–	471	-15,340
Provisions and accrued expenses	-21,905	–	-6,542	–	–	2,271	-26,176
Trade and other payables	-109	–	-17	–	–	–	-126
Other	-3,076	-1,024	-774	–	–	263	-4,611
	-89,705	**4,370**	**-11,220**	**-612**	**–**	**4,998**	**-92,169**
Net deferred tax liability	**124,383**	**4,370**	**-3,141**	**448**	**10,404**	**-15,657**	**120,807**

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

18. Deferred income taxes (continued)

The movement in deferred tax assets and liabilities (prior to offsetting balances within the same tax jurisdiction) during the prior year is as follows:

(all amounts in Euro thousands)	January 1 , 2022	Debit to equity	Debit/(Credit) to net profit	Debit/(Credit) to equity through statement OCI	Hyperinflation adjustments	Exchange differences	December 31 , 2022
Deferred tax liabilities (before set - offs)							
Property, plant and equipment	128,972	–	9,151	–	16,251	-17,286	137,088
Mineral deposits	17,624	–	-1,467	–	–	1,173	17,330
Intangible assets	45,350	–	-1,728	–	–	2,518	46,140
Unrealized foreign exchange differences	4,959	–	4,041	–	–	89	9,089
Inventories	-	–	-	–	578	-27	551
Other non-current receivables	1,649	–	-202	–	–	–	1,447
Receivables and prepayments	1,026	–	-156	–	–	–	870
Trade and other payables	113	–	-37	–	–	–	76
Prepaid expenses	1,624	–	421	–	–	77	2,122
Other	-432	–	-207	–	–	14	-625
	200,885	**–**	**9,816**	**–**	**16,829**	**-13,442**	**214,088**
Deferred tax assets (before set - offs)							
Property, plant and equipment	-630	–	-301	–	–	91	-840
Intangible assets	-78	–	–	–	–	–	-78
Investments & other non-current receivables	-3,099	–	1,674	–	–	-19	-1,444
Treasury Shares	-1,940	-80	–	–	–	–	-2,020
Unrealized foreign exchange differences	-10,773	–	1,969	2,471	–	602	-5,731
Inventories	-2,675	–	-226	–	–	-51	-2,952
Post-employment and termination benefits	-4,460	–	110	382	–	-89	-4,057
Receivables and prepayments	-6,513	–	-418	–	–	-85	-7,016
Tax losses carried forward (note 8)	-22,402	–	-3,470	–	–	6,133	-19,739
Interest expense tax carried forward	-4,421	–	401	–	–	–	-4,020
Deferred income	-701	–	205	–	–	-56	-552
Long-term debt/lease obligations	-12,527	–	-3,061	–	–	-578	-16,166
Provisions and accrued expenses	-23,683	–	683	–	–	1,095	-21,905
Trade and other payables	-128	–	19	–	–	–	-109
Other	-2,118	–	-934	–	–	-24	-3,076
	-96,148	**-80**	**-3,349**	**2,853**	**–**	**7,019**	**-89,705**
Net deferred tax liability	**104,737**	**-80**	**6,467**	**2,853**	**16,829**	**-6,423**	**124,383**

Notes to the Financial Statements continued

19. Inventories

(all amounts in Euro thousands)	2023	2022
Inventories		
Raw materials-maintenance stores	243,586	262,706
Finished goods and work in progress	162,655	143,247
Provision for obsolete inventories	-10,764	-11,281
	395,477	**394,672**
Analysis of provision for impairment of inventories		
Balance at 1 January	**11,281**	**9,633**
Charge for the year (note 29)	2,253	4,140
Unused amounts reversed (note 29)	-2,126	-1,564
Utilized	-495	-913
Reclassification from/to PPE	—	153
Exchange differences	-149	-168
Balance at 31 December	**10,764**	**11,281**

The Group's subsidiaries have not pledged their inventories as collateral.

20. Receivables and prepayments

(all amounts in Euro thousands)	2023	2022
Trade receivables	173,583	162,371
Cheques receivables	54,827	38,313
Allowance for doubtful trade receivables	-28,784	-26,724
Total trade receivables	**199,626**	**173,960**
Creditors advances	11,695	7,215
V.A.T. and other tax receivables	13,814	22,113
Prepayments	22,212	16,152
Notes receivable	53,070	48,935
Receivables from authorities	12,357	11,320
Other receivables	17,940	17,439
Allowance for doubtful debtors	-4,970	-2,305
Total other receivables	**126,118**	**120,869**
	325,744	**294,829**

Trade receivables are non-interest bearing and are normally settled in 30-170 days.

The balance of notes receivable refers mainly to the sales of trade accounts receivable by Titan America LLC (TALLC) to an unrelated Special Purpose Entity (SPE). Specifically, TALLC entered into an accounts receivable sale agreement with an unrelated SPE in 2014, whereby trade accounts receivable were sold by TALLC to the SPE in exchange for cash and interest-bearing notes receivable.

The Group applies the IFRS 9 simplified approach for measuring expected credit losses. The approach uses a lifetime expected loss allowance for all trade and other receivables. On that basis, an impairment analysis is performed at the end of the year, using provisional rates that are based on days past due for groupings of various customer segments with similar characteristics. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions, forecasts of future economic conditions, in addition with specific information for individual receivables. In addition, the Group holds collaterals to secure trade receivables, which at the end of 2023 amounted to €24,105 thousand (31 December 2022: €32,472 thousand) (note 30).

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in the income statement.

20. Receivables and prepayments (continued)

The balances of trade receivables and impairments are as follows:

(all amounts in Euro thousands)	Expected credit loss rate	Trade receivables	Impairments
As at 31 December 2023			
Current	0.5 %	134,767	609
More than 30 days past due	1.1 %	44,406	473
More than 60 days past due	1.9 %	13,012	246
More than 120 days past due	75.8 %	36,225	27,456
		228,410	**28,784**
As at 31 December 2022			
Current	0.7 %	91,248	621
More than 30 days past due	1.4 %	64,447	877
More than 60 days past due	6.2 %	10,617	659
More than 120 days past due	71.5 %	34,372	24,567
		200,684	**26,724**

To measure the expected credit losses for trade receivables per region, the Group excludes balances that are past due more than five years, as these balances do not fairly represent current market conditions. Consequently, the balances presented in the tables below are adjusted by the amount of €16.9 million on 31 December 2023 and €16.1 million on 31 December 2022 compared with the balances in the tables above.

(all amounts in Euro thousands)	Trade receivables	Impairments
As at 31 December 2023		
Greece and Western Europe	115,438	4,882
North America	50,714	4,386
South Eastern Europe	18,897	1,946
Eastern Mediterranean	26,438	647
	211,487	**11,861**
As at 31 December 2022		
Greece and Western Europe	83,534	3,518
North America	53,703	3,684
South Eastern Europe	19,095	2,355
Eastern Mediterranean	28,266	1,081
	184,598	**10,638**

Allowance for doubtful and other debtors analysis	**2023**	**2022**
Balance at 1 January	**29,029**	**29,007**
Charge for the year (note 29)	6,917	4,947
Unused amounts reversed (note 29)	-1,428	-973
Utilized	-905	-3,679
Reclassification from/to other receivables/payables	185	-408
Exchange differences	-44	135
Balance at 31 December	**33,754**	**29,029**

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.

Notes to the Financial Statements continued

21. Cash, cash equivalents and bank deposits

(all amounts in Euro thousands)	2023	2022
Cash in hand	65	69
Cash at bank and short-term bank deposits	194,460	105,634
	194,525	**105,703**

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.

(all amounts in Euro thousands)	2023	2022
Bank term deposit	80,000	–
	80,000	**–**

In 2023, Titan Global Finance Plc, a Group subsidiary in UK, has entered into short-term bank deposits of €80 million with maturities from three to nine months, which will be used primarily to repay short-term debentures maturing in 2024.

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 2022	**78,325,475**	**1,159,348**	**5,974**	**78,325,475**	**1,165,322**
Capital reduction	–	-200,000	–	–	-200,000
Balance at 31 December 2022	**78,325,475**	**959,348**	**5,974**	**78,325,475**	**965,322**
Balance at 31 December 2023	**78,325,475**	**959,348**	**5,974**	**78,325,475**	**965,322**

	Treasury shares	
	Number of shares	€'000
Balance at 1 January 2022	**1,497,149**	**31,773**
Treasury shares purchased	1,947,721	23,814
Treasury shares sold	-80,833	-1,386
Balance at 31 December 2022	**3,364,037**	**54,201**
Treasury shares purchased	891,849	14,918
Treasury shares sold	-109,668	-1,758
Treasury shares granted as part of the share-based payment	-264,223	-4,223
Balance at 31 December 2023	**3,881,995**	**63,138**

The average ordinary shares stock price of TITAN Cement International S.A. for the period 1 January 2023 to 31 December 2023 was €16.69 (1 January 2022 to 31 December 2022 €12.25). The closing stock price on 31 December 2023 was €21.25 (31 December 2022: €12.0).

Share buyback: In 2023 the Group has further strengthened shareholder returns by launching two new share buyback programs. In February 2023, the Group completed a program that had started in mid-2022 for a value of €10m, while November 2023 marked the completion of another program that started in March 2023, again for a value of €10 million. Upon its completion, a new larger share buyback program was launched, for a value of €20 million.

In implementation of these programs, during the period from 1 January 2023 until 31 December 2023, the Company acquired directly 779,524 own shares and indirectly through its subsidiary TITAN Cement Company S.A. 112,325 shares, representing 1.0% and 0.14% respectively of the share capital of the Company. The total value of these transactions amounted to €14,918 thousand. On 31 December 2023 the Company held 1,288,828 own shares representing 1.65% of the Company's share capital and TITAN Cement Company S.A. (TITAN S.A.), a direct subsidiary of the Company, held 2,593,167 shares of the Company, representing 3.31 % of the Company's voting rights.

TITAN S.A., a direct subsidiary of the Company, sold in 2023 to TITAN Group employees, in implementation of existing stock option plans, 109,668 shares of the Company, representing approximately 0.14% of the share capital of the Company, for a total amount of €1,096,680 (i.e.€10/Company share).

TITAN Cement International, the parent company, granted 264,223 shares to TITAN Group employees in 2023 as part of the implementation of share-based payment plans.

23. Other reserves

(all amounts in Euro thousands)	Legal reserve	Non-Distributable reserve	Distributable reserve	Re-organization reserve	Contingency reserves	Tax exempt reserves under special laws	Revaluation reserve	Actuarial differences reserve	Hedging reserve from cash flow hedges	Currency translation differences on derivative hedging position	Hyperinflation reserve	Foreign currency translation reserve	Total other reserves
Balance at 1 January 2022	**108,178**	**23,603**	**149,084**	**-1,188,374**	**68,098**	**27,238**	**49,115**	**152**	**1,609**	**41,115**	**–**	**-446,516**	**-1,166,698**
Hyperinflation restatement	–	–	–	–	–	–	–	–	–	–	35,699	–	35,699
Restated Balance at 1 January 2022	**108,178**	**23,603**	**149,084**	**-1,188,374**	**68,098**	**27,238**	**49,115**	**152**	**1,609**	**41,115**	**35,699**	**-446,516**	**-1,130,999**
Other comprehensive income/(loss)	–	–	–	–	–	–	–	1,441	25,010	–	36,122	-73,977	-11,404
Distribution of reserves (note 10)	–	–	-38,108	–	–	–	–	–	–	–	–	–	-38,108
Deferred tax on treasury shares held by subsidiary	–	–	–	–	–	–	80	–	–	–	–	–	80
Capital reduction/transfer to distributable reserves	–	–	200,000	–	–	–	–	–	–	–	–	–	200,000
Transfer (to)/from retained earnings	50,592	–	74,243	–	-14,388	8,421	-2,413	–	–	–	–	–	116,455
Transfer from share options	–	–	–	–	2,166	–	–	–	–	–	–	–	2,166
Transfer among reserves	–	21,860	-21,860	–	–	–	–	–	–	–	–	–	–
Balance at 31 December 2022	**158,770**	**45,463**	**363,359**	**-1,188,374**	**55,876**	**35,659**	**46,782**	**1,593**	**26,619**	**41,115**	**71,821**	**-520,493**	**-861,810**
Balance at 1 January 2023	**158,770**	**45,463**	**363,359**	**-1,188,374**	**55,876**	**35,659**	**46,782**	**1,593**	**26,619**	**41,115**	**71,821**	**-520,493**	**-861,810**
Other comprehensive income/(loss)	–	–	–	–	–	–	-816	-160	2,011	–	39,341	-92,347	-51,971
Deferred tax on treasury shares held by subsidiary	–	–	–	–	–	–	-5,394	–	–	–	–	–	-5,394
Transfer from/(to) retained earnings	4,084	–	–	–	–	27,811	-2,445	–	–	–	–	–	29,450
Transfer from share options	–	–	–	–	578	–	–	–	–	–	–	–	578
Transfer among reserves	–	11,273	-11,273	–	–	–	–	–	–	–	–	–	–
Balance at 31 December 2023	**162,854**	**56,736**	**352,086**	**-1,188,374**	**56,454**	**63,470**	**38,127**	**1,433**	**28,630**	**41,115**	**111,162**	**-612,840**	**-889,147**

Notes to the Financial Statements continued

23. Other reserves (continued)

Certain Group companies are obliged according to the applicable commercial law to retain a percentage of their annual net profits as legal reserve. This reserve cannot be distributed during the operational life of the Group companies.

The "Contingency Reserves" include, among others, reserves formed by certain Group subsidiaries by applying developmental laws. These reserves have exhausted their tax liability or have been permanently exempted from taxation, so there is no additional tax charge for the Group and the Company from their distribution.

The "Tax Exempt Reserves under Special Laws", according to the tax legislation, are exempt from income tax, provided that they are not distributed to the shareholders. The distribution of the remaining aforementioned reserves can be carried out after the approval of the shareholders at the Annual General Meeting and the payment of the applicable tax. Depending on whether they are capitalized or distributed, some of these reserves have different tax charge. The Group has no intention to distribute the remaining amount of these reserves and consequently, has not calculated the income tax that would arise from such distribution.

The "Distributable reserve" was created by reducing the TITAN Cement International share capital and transferring from retained earnings. This reserve may be distributed in the future subject to the approval of the relevant competent body.

Under the requirements of the Belgian Law, the "Non-distributable reserve" represents a reserve equivalent to the value of the treasury shares held by TITAN Cement International S.A. and its subsidiary TITAN Cement Company S.A.

The "Revaluation Reserves" include, among others, €44.8 million (2022: €46.9 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.

The "Actuarial Differences Reserve" reflects 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 2023, this reserve has a debit balance of €24.4 million (2022: €26.3 million).

The "Currency Translation Differences on Derivative Hedging Position Reserve" illustrates the exchange differences arising from the translation into euro of loans in foreign currency, which have been designated as net investment hedges for certain Group subsidiaries abroad. It also illustrates the exchange differences arising from the valuation of financial instruments used as cash flow hedges for transactions in foreign currencies.

24. Share-based payments

Share options and other share-based awards are granted to members of senior management. Movements in the number of share options and awards outstanding are as follows:

	2021 plan	2020 plan	2017 scheme
Balance at 1 January 2022	**41,790**	**859,940**	**715,593**
Granted	64,856	518,525	–
Exercised	–	–	-38,253
Non vested	–	–	-383,399
Cancelled	–	-21,800	-10,995
Balance at 31 December 2022	**106,646**	**1,356,665**	**282,946**
Granted	53,305	499,380	–
Exercised	–	-261,937	-114,338
Cancelled	-4,893	-26,091	-96,991
Balance at 31 December 2023	**155,058**	**1,568,017**	**71,617**

Share options and awards outstanding at the end of the year have the following terms:

	2021 plan		2020 plan		2017 scheme	
Exercise price	€ 0		€ 0		€ 10	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
Expiration date						
2023	–	–	–	242,755	–	58,586
2024	39,690	41,790	408,405	419,070	30,949	73,787
2025	62,063	64,856	417,562	435,578	40,668	150,573
2026	53,305	–	495,272	259,262	–	–
2027	–	–	246,778	–	–	–
	155,058	**106,646**	**1,568,017**	**1,356,665**	**71,617**	**282,946**

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 was entitled to 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 was three years. The granted options vested 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 Board of Directors decided the final number of options that the beneficiaries have the right to exercise, based on the following criteria:

a) by 50% 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, paying the relevant amounts until the expiration date of their stock options, i.e. until December of the third year after these stock options have been vested.

The fair value of the options granted was:

In 2017, €6.60 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 €25.80, the employee forfeiture rate of 4.5%, the volatility of the share price estimated at 42.82%, the dividend yield of 0.9% and the yield of the one-year EURIBOR rate of -0.127%.

In 2018, €5.99 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €21.00, the employee forfeiture rate 2.5%, the volatility of the share price estimated at 42.71%, the dividend yield of 0.86% and the yield of the 1 year EURIBOR rate of -0.184%.

Notes to the Financial Statements continued

24. Share-based payments (continued)

In 2019, €4.13 per option, determined using the Binomial Method and the Monte Carlo Simulation model. The significant inputs used were the share price at the grant date of € 17.72, the employee forfeiture rate 2.7%, the volatility of the share price estimated at 40.49%, the dividend yield of 0.92% and the yield of the one-year EURIBOR rate of -0.175%.

The Extraordinary General Meeting of Shareholders of the new Parent Company TCI approved on May 13 2019, subject to completion of the share exchange Tender Offer between TCI 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 TCI, without otherwise amending the terms and conditions of the plans. TITAN Cement Company still has the obligation to settle the share-based payment transaction.

The Group accounts for the 2017 plan as an equity-settled transactions settled in shares of TCI owned by its subsidiary TITAN Cement Company S.A.. During 2023, the cash received from the exercise of stock options amounted to €1,097 thousand (2022: €808 thousand) and the loss caused by this transaction and recognized in equity amounted to €661 thousand (2022: €578 thousand).

2020 Plan
On 13 May 2019, the Extraordinary General Meeting of TCI approved a new long-term incentive plan. One year after, on 14 May 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.

2021 Deferred Compensation Plan
On 22 March 2021, the Board of Directors of TCI approved a Deferred Compensation Plan (“DCP 2021”) aiming at further aligning the Senior Executives’ long-term interests with those of shareholders. The DCP 2021 substitutes 20% of the long-term incentive plan of the eligible executives.

Under the plan, participants are granted awards for nil consideration in the form of a conditional grant of TCI shadow shares in April (or later) of each year. The awards have no dividend or voting rights. The number of the shadow shares granted to each participant is determined by the award amount and the value of the shadow share. The value of the shadow share is equal to the average TCI share closing price on Euronext Brussels during the last seven trading days of March of the grant year. The vesting period of the awards is at the completion of a three-year period. The awards vest at the designated dates, provided that the participants are still working in TCI or in any other employer company of the Group, or are still serving as an executive Director in the Board of Directors of TCI. After the completion of the three-year vesting period, the final number of shadow shares that will vest depends on two criteria, both of which contribute equally (50%) to it. In case of overachievement, the DCP 2021 is capped at 160% of target. The two criteria are the following:

a) Sustainability KPI: a three-year CO_2 target supporting the decarbonization priority of the Group; reduction of net direct CO_2 emissions/t cementitious product.

b) The comparison of the Total Shareholder Return (TSR) performance to the average total performance of the share of a Peer Group Index.

The peer group which formulates the index is the following (as set by the Board of Directors and may be changed, if required): 1) Lafarge-Holcim, 2) Heidelberg, 3) Cemex, 4) Cementir, 5) CRH, 6) Buzzi, 7) Argos and 8) Vicat.

For both plans (2020 and 2021), participants may select to receive their vested awards in TCI shares, or in contributions to a fund, or in cash. As the fair value of the cash alternative is the same as the share alternative, the Group accounts for the plan as a cash-settled transaction by recognizing a liability for the fair value of the services it receives from the participants.

The fair value of the awards of the aforementioned plans (2020 and 2021) was calculated based on the closing price of the TCI share at the year end, which was €21.25 in Brussels (2022: €12.00), adjusted for future dividend payments and the forfeiture rate. The calculation of the unforfeited awards resulted in the recognition of an expense of €14.9 million in 2023 (2022: €3.7 million) against a liability. At the end of the year, the carrying amount of the liability was amounted to €18.9 million (31.12.2022: €7.9 million) as €3.9 million was derecognized during 2023 following the settlement of 261,937 awards.

25. Retirement and termination benefit obligations

Greece

The Group grants retirement indemnities which exceed the legal requirements. These retirement indemnities are unfunded and the liabilities arising from such obligations are valued by an independent firm of actuaries. The last actuarial valuation was undertaken in December 2023.

The principal actuarial assumptions used were as follows:

- a discount rate of 3.3% as of 31 December 2022 with time-weighted average duration 7.37 years according to the market conditions as of 31 December 2022, and a discount rate of 3.6% as of 31 December 2023 with time-weighted average duration 7.52 years according to the market conditions as of 31 December 2023;
- future salary increases of 2.1% (2022: 2.2%); and
- the average turnover rate for permanent employees aged up to 45 years is 2% for voluntary resignation and 1% for dismissal; for employees aged 46-50 years it is 0% both for voluntary resignation and dismissal and over 51 years it is 0% for both voluntary resignation and dismissal.

USA

The Group's US 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 US 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 2023 the plan assets of the Group's subsidiaries in the US have invested approximately 0% (2022: 57%) in equity instruments quoted in US and international stock markets, 95% (2022: 43%) in fixed investments (US and international bonds) and 5% on other investments. The discount rate that has been adopted for the study of the pension plans of the Group's subsidiaries in the US was 4.84% (2022: 5.13%).

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 US 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 2023 and 2022, plan assets totaled € 3,066 thousand and €2,715 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 2023 or 2022.

The amounts relating to defined benefit pension plans and other post-retirement and termination benefits (defined benefit plans) recognized in the income statement and the statements of comprehensive income are as follows:

(all amounts in Euro thousands)	**2023**	**2022**
Current service cost	2,446	1,955
Interest cost	1,082	495
Provision of past service cost for the following year due to the voluntary resignation plans	3,499	5,019
Interest income	-452	-310
	6,575	**7,159**
Additional post retirement and termination benefits paid out, not provided for	4,483	1,224
Post retirement and termination benefits paid out, not provided for due to the voluntary resignation plans	649	767
	11,707	**9,150**
Amounts recognized in profit before interest, taxes, depreciation, amortization and impairment	11,077	8,965
Amounts recognized in finance cost (note 6)	630	185
Amounts recognized in the income statement	**11,707**	**9,150**
Actuarial gains/(losses) recognized in other comprehensive income	237	-1,823
Amount charged to statement of total comprehensive income	**11,944**	**7,327**
Present value of the liability at the end of the period	33,940	32,528
Minus fair value of US plans assets	-12,569	-12,311
	21,371	**20,217**

Notes to the Financial Statements continued

25. Retirement and termination benefit obligations (continued)

Change in the present value of the defined benefit obligation

(all amounts in Euro thousands)	2023	2022
Opening balance	**20,217**	**22,063**
Total expense	11,707	9,150
Re-measurement losses recognized immediately in other comprehensive income	237	-1,823
Exchange differences	-207	216
Benefits paid during the year	-10,583	-9,389
Ending balance	**21,371**	**20,217**

Changes in the fair value of US plan assets:

(all amounts in Euro thousands)	2023	2022
Fair value of plan assets at the beginning of the period	12,311	15,168
Expected return	1,290	-2,054
Company contributions	535	64
Administrative expenses	-256	-160
Benefits paid	-873	-1,672
Exchange difference	-438	965
Fair value of plan assets at the end of the period	**12,569**	**12,311**

A quantitative sensitivity analysis for significant assumptions is shown below:

(all amounts in Euro thousands)	Year ended 31 December 2023		Year ended 31 December 2022	
Assumptions	1.0% increase	1.0% decrease	1.0% increase	1.0% decrease
Impact on the net defined benefit obligation:				
Discount rate	-1,210	1,362	-1,628	1,878
Salary	523	-489	473	-443
Health care costs	65	-58	65	-58
Impact on the current service costs:				
Discount rate	-79	88	-81	91
Salary	107	-97	112	-101
Healthcare costs	3	-3	2	-2

The sensitivity analyses above have been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected payments to be made in the future years out of the undiscounted defined benefit plan obligation:

(all amounts in Euro thousands)	2023	2022
Not later than 1 year	5,591	4,629
Later than 1 year and not later than 5 years	9,104	8,764
Later than 5 years and not later than 10 years	8,932	9,423
Beyond 10 years	15,882	17,023
Total expected payments	**39,509**	**39,839**

The components of actuarial losses that re-calculated and recognized immediately in the other comprehensive income for the years ended 31 December 31, 2023 and 2022 are as follows:

(all amounts in Euro thousands)	2023	2022
Due to experience	1,448	168
Due to assumptions (financial)	-214	-4,049
Due to assumptions (demographic)	-135	-306
Re-measurement losses on DBO	**1,099**	**-4,187**
Re-measurement (losses)/gains on plan assets	-862	2,364
Re-measurement gain/(losses) for the period	**237**	**-1,823**

26. Provisions

(all amounts in Euro thousands)		January 1 2023	Reclassifi-cations	Additions for the year	Unused amounts reversed	Unwinding of discount	Utilized	Exchange differences	31 December 2023
Provisions for restorations	a	27,581	-9	13,907	-1,124	1,246	-194	-798	40,609
Insurance reserves	b	20,049	-34	35,627	–	–	-32,214	-812	22,616
Provisions for other taxes	c	2,821	117	36	-89	–	-725	-559	1,601
Litigation provisions	d	205	–	89	–	–	-20	-44	230
Other provisions	e	16,047	-103	11,476	-1,362	813	-6,704	-579	19,588
		66,703	**-29**	**61,135**	**-2,575**	**2,059**	**-39,857**	**-2,792**	**84,644**

(all amounts in Euro thousands)		January 1 2022	Reclassifi-cations	Additions for the year	Unused amounts reversed	Unwinding of discount	Utilized	Exchange differences	31 December 2022
Provisions for restorations	a	30,388	-170	2,089	-6,852	1,296	-394	1,224	27,581
Insurance reserves	b	17,291	–	39,583	–	–	-37,855	1,030	20,049
Provisions for other taxes	c	5,284	-432	772	–	–	-1,536	-1,267	2,821
Litigation provisions	d	1,882	–	9	-1,079	–	-11	-596	205
Other provisions	e	13,467	432	8,142	-757	–	-4,400	-837	16,047
		68,312	**-170**	**50,595**	**-8,688**	**1,296**	**-44,196**	**-446**	**66,703**

(all amounts in Euro thousands)	**2023**	**2022**
Non-current provisions	67,082	52,209
Current provisions	17,562	14,494
	84,644	**66,703**

a. The provision for restoration is the present value of the estimated cost to rehabilitate quarry sites and other similar liabilities after closure. An annual review of the scope of reclamation work is conducted by plant management and environmental teams and focuses on estimated costs, updated regulations, and changes in contractual obligations. More technical quarry and sand mine rehabilitation assessments are carried out periodically by Corporate Engineering and include an accurate assessment of quarry conditions, exploration of new technologies and consultation with third-party experts and have resulted in an increase in the provision of €13.9 million. It is expected that the amount of the restoration provision will be used over the next one to 50 years.

b. Insurance reserves represent the expected cost of claims payments related to risk and workers' compensation claims, in addition to sponsored health insurance costs.

c. Provision of other taxes represents future obligations for taxes such as stamp duties, sales tax, employee payroll tax etc. It is expected that this amount will be fully utilized in the next five years.

d. Litigation provisions have been established with respect to claims made against certain companies in the Group by third parties. These claims concern labor compensations, labor cases for previous years' benefits and dues and claims for shares revaluation. It is expected that this amount will be utilized mainly in the next 12 months.

e. Other provisions include amounts for employee liabilities amounting to €8.5 million (2022: €6.1 million), provision for the rehabilitation of leased railway wagons to €6.2 million (2022: €4.7 million) and other risks and contingent liabilities amounting to €4.9 million (2022: €5.2 million). The expected timing of future cash outflows is over the next one to ten years.

Notes to the Financial Statements continued

27. Other non-current liabilities and non-current contract liabilities

(all amounts in Euro thousands)	2023	2022
Government grants	3,080	3,284
Liability of long-term incentive plan (note 24)	18,903	7,915
Other non-current liabilities	3,654	1,960
	25,637	**13,159**
Analysis of Government grants:		
Non - current	3,080	3,284
Current (note 28)	69	69
	3,149	**3,353**
Opening balance	**3,353**	**3,557**
Amortization (note 29)	-204	-204
Ending balance	**3,149**	**3,353**

Government grants relating to CapEx 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)	2023	2022
Deferred Income	786	1,328
Non-current contract liabilities	**786**	**1,328**

28. Trade payables, other liabilities and current contract liabilities

(all amounts in Euro thousands)	2023	2022
Trade payables	313,239	312,428
Other payables	23,477	25,383
Accrued expenses	32,105	27,947
Social security	3,573	3,195
Dividends payable	133	173
Government grants (note 27)	69	69
Other taxes	13,732	18,530
Trade and other payables	**386,328**	**387,725**

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.

In Egypt, where several exchange rates are available, the rate used in calculating trade and other payables was that at which the future cash flows represented by these balances could have been settled, if those cash flows had occurred at the measurement date.

(all amounts in Euro thousands)	2023	2022
Customer down payments/advances	15,779	12,236
Deferred Income	1,098	1,698
Current contract liabilities	**16,877**	**13,934**

The amount of €10,198 thousand, which was included in non-current and current contract liabilities balance at the beginning of 2023, is recognized as sales during the current fiscal year (related amount of 2022: €6,599 thousand).

29. Cash generated from operations

(all amounts in Euro thousands)	2023	2022
Profit after taxes	272,646	110,481
Adjustments for:		
Income taxes (note 8)	67,039	26,715
Depreciation (note 11)	143,519	144,484
Amortization of intangibles (note 14)	6,966	8,059
Amortization of government grants received (note 27)	-204	-204
Impairment of assets (note 11, 13, 14)	1,703	23,032
Net loss/(gain) on disposals of tangible and intangible assets (note 4)	3,126	-188
Provision for impairment of debtors charged to income statement (note 20)	5,470	3,974
Cost of inventory obsolescence (note 19)	127	2,576
Provision for restoration (note 26a)	5,081	-3,467
Provision for litigation (note 26d)	89	-1,070
Other provisions (note 26e)	10,718	9,113
Provision for retirement and termination benefit obligations (note 25)	6,575	7,159
Decrease/(increase)of investment property (note 4)	35	-509
Gains from bargain purchase	-266	–
Fair value losses on financial instruments (note 6)	399	–
Finance income (note 6)	-3,391	-1,345
Interest expense and related expenses (note 6)	44,915	40,488
(Gains)/losses on financial instruments (note 6)	-11,199	13,415
Losses/(gains) from foreign exchange differences (note 6)	36,512	-7,221
Losses on derivatives	1,652	1,861
Share in gain of associates and joint ventures (note 15)	-2,586	-1,876
Hyperinflation adjustments	-18,480	-22,917
Changes in working capital:		
Increase in inventories	-14,410	-99,858
Increase in trade and other receivables	-55,348	-71,509
Increase in operating long-term payables and receivables	16,441	733
(Decrease)/increase in trade payables	-566	78,723
Cash generated from operations	**516,563**	**260,649**

In the cash flow statement, proceeds from the disposals of tangible and intangible assets, and investment property are as follows:

Net book amount	9,133	5,560
Net (loss)/gain on disposals (note 4)	-3,126	188
Net proceeds from disposals	**6,007**	**5,748**

Operating free cash flow calculation:

Cash generated from operations	516,563	260,649
Minus payments for intangible assets, property, plant and equipment	-224,006	-241,893
Operating free cash flow	**292,557**	**18,756**

30. Contingencies and commitments

Contingent liabilities

(all amounts in Euro thousands)	2023	2022
Bank guarantee letters	22,475	21,657
	22,475	**21,657**

Notes to the Financial Statements continued

30. Contingencies and commitments (continued)

A. Privatization cases

In 2011, two former employees of Beni Suef Cement Company SAE (BSCC) filed an action before the Cairo Administrative Court, seeking the nullification of the privatization of BSCC that took place in 1999, when BSCC was sold to Financiere Lafarge after a public auction, before being subsequently acquired by TITAN Group. The Administrative Court of Cairo rejected in 2014 the plaintiffs' claim in connection with BSCC's privatization, however ruled that BSCC was under the obligation to reinstate all employees, the employment of whom had been terminated, including employees who had left BSCC in the framework of voluntary staff reduction programs. Both the plaintiffs and BSCC have appealed the ruling issued by the first instance Court before the Supreme Administrative Court, which on 19 January 2015 suspended the case until the Supreme Constitutional Court of Egypt issues a final ruling on the constitutionality of Law no. 32/2014. In January 2023 the Constitutional Court released a ruling upholding the constitutionality of law no. 32/2014 and confirming that only the contracting parties or parties with a personal or real right in the subject matter of the contract have the legal capacity and interest to challenge state contracts. It is expected, according to said constitutionality ruling, that the appeal filed by the company's former employees and others will be rejected due to the lack of capacity. On 22 January 2024 the court decided to set a date for judgement for all the appeals and objections on executions on 28 March 2024.The view of BSCC's lawyers is that the plaintiffs' action is devoid of any legal or factual ground.

B. Other cases

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. The High Administrative court had ruled unanimously on the hearing of 19 May 2021 to reject the company appeal in accordance with the binding legal procedures, and accordingly we have filed an annulment lawsuit to annul the ruling issued. The annulment case was rejected on 20 February 2024.

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 Central Bank of EgyptBE interest (varying from 9% to 19%} as calculated by IDA. The court decided to postpone the hearing session dated 26 March 2024.

C. ECA investigation

In late August 2023, the Egyptian Competition Authority (ECA) launched an investigation into the cement production and distribution market in Egypt. According to unofficial information the investigation was initiated on account of a complaint filed against APCC by a cement distributor alleging preferential treatment in favour of other distributors. APCC is fully cooperating with the investigation of the ECA. At this stage, no further information is available.

Contingent tax assets and liabilities

During 2022, the Group's subsidiary in Kosovo, Sharrcem SH.P.K. (Sharrcem), has filed before the Administrative Court of Pristina an appeal before the Administrative Court of Pristina against the tax authorities seeking the annulment of an act made in relation to its tax declarations of 2016 and 2017. Sharrcem's management together with the external legal experts they engaged have assessed the case as highly likely to be ruled in Sharrcem's favor, in which case the claimed amount of €606 thousand will be reimbursed to Sharrcem.

The financial years, referred to in note 37, have not been audited by the tax authorities and therefore the tax obligations of the Company and its subsidiaries for those years have not yet been finalized.

Contingent assets

(all amounts in Euro thousands)	2023	2022
Bank guarantee letters for securing trade receivables (note 20)	19,023	25,418
Other collaterals against trade receivables (note 20)	5,082	7,054
	24,105	**32,472**
Collaterals against other receivables	3,926	2,358
	28,031	**34,830**

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)	2023	2022
Property, plant and equipment	6,165	5,197

30. Contingencies and commitments (continued)

In June 2023, the Group's subsidiary in USA, TITAN America LLC (TALLC) signed a 11- year and seven month lease for new office space in Florida. The expected lease commencement date is May 2024 with an initial lease liability and right-of-use value of €7.1 million. Lease payments exclude variable operating expenses which will be expensed as incurred. The lease payments are subject to an annual 3% increase and include two five-year renewal options with lease payments determined at fair market value (FMV) as such time of each renewal. TALLC has concluded these renewal options are not reasonably certain and therefore are excluded from the initial valuation of lease liability and right of use asset.

Purchase commitments

(all amounts in Euro thousands)	2023	2022
	163	1,286

In addition to the aforementioned purchase commitments, 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 1 November 2020. This agreement requires minimum cumulative payments equal to $1,935 thousand per contract year until the full contract has been met. As of November 2022, TALLC had met the minimum cumulative payment requirement. On 31 December 2023, TALLC had paid €7,593 thousand (31 December 2022: €5,116 thousand) cumulatively under the agreement.

In conjunction with the aforementioned take-or-pay natural gas agreement, TALLC also entered into capacity supply agreements with a natural gas marketer annually since 2020. On 31 December 2023, there are 910 MMBtus of committed capacity remaining through March 2024. Pricing under the capacity contract is based on the front-month Florida Gas Transmission Zone 3 natural gas price settlements, plus a variable basis component.

31. Related party transactions

The Group may enter into various transactions with related parties. During 2023 and 2022, the Group did not record material transactions with related parties.

Directors	2023	2022
Executive members on the Board of Directors	6	6
Non-executive members on the Board of Directors	10	10

Key management compensation	2023	2022
Short-term employee benefits	7,552	6,822
Share-based payments	5,176	1,342
Post-employment benefits	314	283
	13,042	**8,447**

Notes to the Financial Statements continued

32. Borrowings

(all amounts in Euro thousands)	2023	2022
Current		
Bank borrowings	3,020	32,736
Bank borrowings in non euro currency	19,409	83,227
Debentures	349,554	–
Interest payable	5,864	6,533
	377,847	**122,496**
Non-current		
Bank borrowings	85,002	65,618
Bank borrowings in non euro currency	1,664	42,208
Debentures	397,696	596,995
	484,362	**704,821**
Total borrowings	**862,209**	**827,317**

Maturity of non-current borrowings:

	2023	2022
Between 1 and 2 years	82,700	358,456
Between 2 and 3 years	1,032	62,825
Between 3 and 4 years	249,714	28,895
Between 4 and 5 years	–	254,645
Over 5 years	150,916	–
	484,362	**704,821**

In December 2023, TITAN Global Finance Plc, a Group subsidiary, successfully completed a private placement of a total amount of €150 million Notes, guaranteed by TITAN Cement International, due June 2029, with a 4.25% annual coupon. The Notes were issued at par and are listed on the Irish Stock Exchange Plc, trading as Euronext Dublin.

The weighted average effective interest rates that affect the Income Statement are as follows:

	2023	2022
Borrowings (€)	2.90%	2.51%
Borrowings (USD)	5.87%	4.90%
Borrowings (LEK)	5.31%	3.39%
Borrowings (EGP)	15.85%	15.37%
Borrowings (TRY)	16.87%	22.77%

The Group has the following undrawn borrowing facilities:

(all amounts in Euro thousands)	2023	2022
Floating rate:		
- Expiring within one year	222,929	120,551
- Expiring beyond one year	242,522	209,443

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 one 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.

33. Leases (continued)

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)	2023	2022
Land	15,381	11,248
Buildings	22,938	25,079
Plant & equipment	323	630
Motor vehicle	28,762	32,717
Office furniture, fixtures and equipment	–	1
	67,404	**69,675**

Balances of lease liabilities

(all amounts in Euro thousands)	2023	2022
Long-term lease liabilities	56,663	58,777
Short-term lease liabilities	15,517	16,870
	72,180	**75,647**

The maturity analysis of lease liabilities is disclosed in note 35.

The following amounts that related to leases are recognized in the consolidated income statement:

(all amounts in Euro thousands)	2023	2022
Depreciation charge of ROU assets (note 11)	15,534	15,271
Interest expense (included in finance cost)	3,560	2,847
Expense relating to short-term leases	21,540	13,580
Expense relating to low-value leases that are not shown as short-term leases	175	506
Expenses relating to variable lease payments not included in lease liabilities	1,886	1,156

The total cash outflow for the leases in 2023 was €44,281 thousand (2022: €34,125 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 options 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 reasonable 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 December 2023, the undiscounted potential future cash flows of €39,528 thousand (31 December 2022: €30,170 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)	2023	2022
Within 10 years	9,205	7,833
From 10 to 20 years	17,689	18,506
In more than 20 years	12,633	3,831
	39,528	**30,170**

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 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.

Notes to the Financial Statements continued

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 2022					
Opening balance	**641,461**	**89,242**	**62,382**	**-989**	**792,096**
Cash flows from financing activities	68,356	-7,201	-16,036	11,322	56,441
Acquisition of leases	–	–	27,432	–	27,432
Changes in fair value	–	–	–	13,415	13,415
Charged in the finance expenses	1,231	38,646	–	–	39,877
Cash flow hedge	–	–	–	-24,484	-24,484
Currency translation differences on transactions designated as part of net investment in foreign operation	8,913	–	–	–	8,913
Exchange differences	-15,140	1,809	1,869	360	-11,102
Ending balance	**704,821**	**122,496**	**75,647**	**-376**	**902,588**
Year ended 31 December 2023					
Opening balance	**704,821**	**122,496**	**75,647**	**-376**	**902,588**
Cash flows from financing activities	-223,917	135,358	-17,120	12,882	-92,797
Acquisition of leases	–	–	16,302	–	16,302
Changes in fair value	–	–	–	-11,029	-11,029
Transfer among financial liabilities	430	-321	-109	–	–
Charged in the finance expenses	1,240	45,234	–	–	46,474
Bank term deposit (note 21)	–	80,000	–	–	80,000
Cash flow hedge	–	–	–	-2,700	-2,700
Currency translation differences on transactions designated as part of net investment in foreign operation	5,475	–	–	–	5,475
Exchange differences	-3,687	-4,920	-2,540	137	-11,010
Ending balance	**484,362**	**377,847**	**72,180**	**-1,086**	**933,303**

* 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)	31/12/2023	31/12/2022
Non-current assets		
Interest rate swap - trading derivatives	1,875	3,479
	1,875	**3,479**
Current assets		
Forward freight agreements - trading derivatives	115	–
Natural gas forwards - cash flow hedges	9	–
Forwards - trading derivatives	4,801	3,601
	4,925	**3,601**
Non-current liabilities		
Cross currency swaps - trading derivatives	–	12,103
	–	**12,103**
Current liabilities		
Natural gas forwards - cash flow hedges	–	2,747
Energy swap - trading derivatives	–	458
Bunkering swap - trading derivatives	–	1
Forward freight agreements - trading derivatives	–	1,481
Cross currency swaps - trading derivatives	9,513	4,957
	9,513	**9,644**

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 December 2023 and 31 December 2022, 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 2023			
Forwards - expired in 2024	4,801	-4,580	221
Natural gas forwards - expired in 2024	9	–	9
Forward freight agreements - expired in 2024	115	75	190
Cross currency swaps - expired in 2024	-9,513	10,378	865
Interest rate swaps - expired in 2025	1,875	-1,884	-9
	-2,713	**3,989**	**1,276**
Balance at 31 December 2022			
Forwards - expired in 2023	3,601	-2,822	779
Energy swap - expired in 2023	-458	–	-458
Natural gas forwards - expired in 2023	-2,747	1,670	-1,077
Forward freight agreements - expired in 2023	-1,481	2,548	1,067
Bunkering swap - expired in 2023	-1	1	–
Cross currency swaps - expired in 2024	-17,060	19,375	2,315
Interest rate swaps - expired in 2025	3,479	-3,450	29
	-14,667	**17,322**	**2,655**

Notes to the Financial Statements continued

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). FX risk arises from future commercial transactions, recognized assets and liabilities, mainly borrowings, denominated in a currency that is not the functional currency of the relevant Group entity and international investments.

Currency risks are managed through natural hedges, (i.e. borrowings denominated in the same currency as the assets that are being financed create a natural hedge for investments in foreign subsidiaries exposed to FX conversion risk) as well as entering in FX derivatives/swaps and FX forwards.

However, part of the financing of Group activities in the USA, Albania and other countries in which Group's subsidiaries are operating is in different currencies (i.e. Euro) than their functional ones. Their refinancing in local currencies, along with FX hedging transactions, are examined at regular intervals.

The table below shows the financing of Group activities in Euro for Group subsidiaries with functional currencies of:

(all amounts in Euro thousands)	**2023**	**2022**
USD	309,640	272,800
LEK	22,000	46,725
TRY	9,735	12,322
MKD	–	4,500
EGP	28,920	27,921

The borrowing exposure of €309.3 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 seven-year, fixed-rate loan that TALLC borrowed from TITAN Global Finance (TGF) in December 2017. During 2023, these CCSs resulted in a gain of €4.7 million that was recording in the "loss from foreign exchange differences" and a gain of €2.3 million that was recorded in the "finance income" of the consolidated income statement.

Moreover, TALLC entered into various short-term forward contracts during the year 2023, in order to hedge foreign currency risk arising from financial liabilities in Euro. Particularly, TALLC has entered into EUR/USD forward contracts with maturities in January, February, March and April 2024 to hedge €159.3 million loan agreements (2022: €122.8 million). During 2023, these contracts resulted in a total gain of €3.0 million that was recorded in the account of "loss from foreign exchange differences" in the consolidated income statement.

Finally, the Group entered into a short-term forward contract from March to August 2023 that resulted in a gain of €1.2 million that was recorded in the account of "loss from foreign exchange differences" in the consolidated income statement in order to hedge foreign currency risk of financial liabilities in Turkish lira.

In 2023, the aggregate net foreign exchange losses recognized in the consolidated income statement amounted to €27.6 million (2022: €12.4 million) and they are analyzed further into net exchange losses of €36.5 million (2022: gains of €7.2 million) and fair value gain on derivatives of €8.9 million (2022: losses of €19.6 million) (note 6).

Also, the Group recognized exchange losses on translation of foreign operations of €50.7 million in the consolidated statement of comprehensive income, mainly due to Euro depreciation against Brazilian real (gain of €3.5 million) and Albanian LEK (gain of €10.0 million), in addition with euro appreciation against US dollars (loss of €21.8 million), Egyptian pound (loss of €36.4 million) and Turkish lira (loss of €55.5 million). Furthermore, a gain of €50.3 million was recognized in exchange (losses)/gains on translation of foreign operations in other comprehensive income, as a result of the indexation of Turkish subsidiaries' equity due to the application of IAS 29 - Financial Reporting in Hyperinflationary Economies.

The exchange gains on translation of foreign operations for the prior year amounted to €18.7 million and they were mainly due to euro depreciation against US dollars (gain of €27.0 million), Brazilian real (gain of €10.7 million) and Albanian LEK (gain of €4.6 million), in addition with euro appreciation against Egyptian pound (loss of €81.1 million) and Turkish lira (loss of €25.5 million). Furthermore, a gain of €46.1 million was recognized in exchange (losses)/gains on translation of foreign operations in other comprehensive income, as a result of the indexation of Turkish subsidiaries' equity due to hyperinflation.

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 US 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 2023	USD	5%	10,339	34,971
		-5%	-9,354	-31,641
	RSD	5%	1,424	1,749
		-5%	-1,289	-1,583
	EGP	5%	77	6,773
		-5%	-69	-6,128
	GBP	5%	182	537
		-5%	-165	-485
	TRY	5%	486	6,032
		-5%	-440	-5,458
	ALL	5%	1,625	6,896
		-5%	-1,471	-6,240
	BRL	5%	75	7,295
		-5%	-68	-6,600
Year ended 31 December 2022	USD	5%	4,176	30,097
		-5%	-3,778	-27,230
	RSD	5%	1,194	1,726
		-5%	-1,080	-1,562
	EGP	5%	-422	8,793
		-5%	381	-7,956
	GBP	5%	138	519
		-5%	-125	-470
	TRY	5%	48	5,472
		-5%	-44	-4,950
	ALL	5%	761	4,970
		-5%	-689	-4,497
	BRL	5%	34	6,937
		-5%	-31	-6,276

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 2023, the Group entered into the following derivatives in order to hedge its exposure price to changes of natural gas, coal, electricity and freights:

1) In 2022, TALLC entered into a series of natural gas swap transactions in order to fix a portion of the monthly NYMEX component of its natural gas costs during 2023. The total notional amount of the swap contracts was 2,940,000 MMBtus and their final settlement date was 5 December 2023. TALLC designated a cash flow hedge relationship between the highly probable forecast monthly purchases of natural gas during 2023 and the swap contracts. Due to coincidence of economic terms, no ineffectiveness is anticipated in this hedge relationship and none was recognized in the consolidated income statement during 2022.

In 2023, TALLC entered into a series of natural gas swap transactions in order to fix a portion of the monthly NYMEX component of its natural gas costs during 2023 and 2024. The total notional amount of the swap contracts was 420,000 MMBtus and their final settlement date is 5 June 2024. TALLC designated a cash flow hedge relationship between the highly probable forecast monthly purchases of natural gas during 2023 and 2024 and the swap contracts. Due to coincidence of economic terms, no ineffectiveness is anticipated in this hedge relationship and none was recognized in the consolidated income statement during 2023.

In relation to these natural gas cash flow hedge relationships, TALLC recognized in other comprehensive income a loss of €4.1 million and reclassified a loss of €6.8 million to the income statement in 2023 (in 2022, TALLC recognized a gain of €3.7 million and reclassified a gain of €5.8 million). On 31 December 2023, TALLC recognized a credit balance amounted to €7 thousand in the "hedging reserve from cash flow hedges" (31 December 2022: debit balance of €2 million).

Notes to the Financial Statements continued

35. Financial risk management objectives and policies (continued)

2) In 2022, TALLC entered into a series of bunkering swaps (marine fuel oil 0.5% FOB Barge Rotterdam) in order to fix a portion of marine oil costs during 2023. The total notional amount of the swaps, which was classified as trading, was 2,400 Mt and it expired on 30 September 2023. The loss recognized in the "cost of sales" of the consolidated income statement was amounted to €54 thousand (2022: loss of €1 thousand).

3) Antea Cement SH.A, Sharrcem SH. P.K.and Cementarnica Usje AD Skopje entered into energy swap agreements in December 2022 in order to fix a portion of electricity cost (Hungarian Baseload Power / Argus) for the second and third quarter of 2023. The derivatives were classified as trading and they resulted in a loss of €1.5 million during the year (2022: loss of €0.5 million) that was recognized in the "cost of sales" of the consolidated income statement.

4) Arresa Marine Co entered into various forwards freight agreements (FFAs) during 2022 and 2023 with various expirations dates in 2023 and 2024, in order to partially hedge price fluctuations of freight cost. The FFAs were classified as trading derivatives and their total loss during 2023 of €0.2 million (2022: loss of €2.5 million) was recognized in the "cost of sales" of the consolidated income statement.

5) In 2023, two Greek subsidiaries, TITAN Cement Company S.A. and Interbeton Construction Materials S.A, entered into a power purchase agreement (PPA) to hedge their exposure to changes in electricity prices (note 2). At the inception of the agreement, the subsidiaries designated a cash flow hedge relationship between the highly probable forecast purchases (consumption) of electricity that are expected to occur during the period from 1 July 2025 to 30 June 2033 and the virtual PPA of period B. The economic relationship in addition with the effectiveness of the hedged item (i.e. highly probable forecast electricity purchases) and the derivative (virtual PPA) are tested with quantitative method. On 31 December 2023, the fair value of the derivative recognized in equity's "hedging reserve from cash flow hedges" was zero.

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 2023, the Group's ratio of fixed to floating interest rates, taking into account outstanding cross-currency swaps and interest rate swaps, stood at 90%/10% (31 December 2022: 87%/13%).

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, TGF entered into a forward starting interest rate swap 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 interest rate swap and the highly probable future debt issuance by formal documentation. The forward starting fixed-for-floating EURIBOR-based five-year interest rate swap with a notional amount of €250 million and forward period up to October 2023 was designated as the hedging instrument for a 100% hedge of the future interest payments arising from the highly probable forecasted debt issuance in 2023. During 2022, TGF terminated the forward starting interest rate swap and succeeded to lock in a total gain of €29 million, which was recognized in equity as a cash flow hedge reserve.

In December 2023, TGF issued €150 million Notes with a fixed 4.25% coupon and a portion of the amount accumulated in the reserve will be reclassified to the income statements from January 2024 to offset the actual interest payments. Any remaining amount of the reserve will be held in the cash flow hedge reserve until the hedged future cash flows are incurred.

In May 2022, considering the high inflation and the increasing interest rates in USA market, TALLC entered into a fixed to floating interest rate swaps to hedge the risk of the increased floating interest rates of its short-term dollar debt and to protect the future fluctuations in finance expense.The fixed-for-floating interest rate swap with a notional amount of $100 million hedges the daily compounded Secured Overnight Financing Rate (SOFR) on a quarterly basis for a three-year period.

In Q1 2023, TALLC proceeded to the exact opposite transaction, i.e. TALLC pays a floating interest rate and receives a fixed interest rate at higher level than paying from the initial transaction in 2022. The two trades resulted in TALLC paying a floating interest rate at lower cost. During 2023, TALLC recognized a loss of €0.2 million (2022: gain of €3.5 million in "finance income") for the aforementioned transactions in the account of "finance expense" in the consolidated income statement.

35. Financial risk management objectives and policies (continued)

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 2023	EUR	1.0%	831
	ALL	1.0%	131
	TRY	1.0%	3
Year ended 31 December 2022	EUR	1.0%	911
	EGP	1.0%	50
	ALL	1.0%	203
	TRY	1.0%	10
	BGN	1.0%	9

Note: Table above excludes the positive impact of interest received from deposits.

b) Liquidity risk

The Group, in addition to its operating cash flows, maintains sufficient cash and other liquid assets, as well as extensive committed credit lines with several international banks to ensure the fulfillment of its financial obligations. Group Treasury controls Group funding as well as the management of liquid assets.

The table below summarizes the maturity profile of financial and lease liabilities at 31 December 2023 & 2022 based on contractual undiscounted payments.

(all amounts in Euro thousands)	Year ended at December 31 2023					
	< 1 month	1 to 6 months	6 to 12 months	1 to 5 years	>5years	Total
Borrowings	6,339	18,260	372,477	382,061	155,254	934,391
Lease liabilities	1,381	6,809	7,996	40,492	28,052	84,730
Derivative financial instruments	–	–	9,513	–	–	9,513
Payables from interim settlement of derivatives	–	4,580	–	1,884	–	6,464
Other non-current liabilities	–	–	–	3,654	–	3,654
Trade and other payables	150,960	202,080	15,914	–	–	368,954
	158,680	**231,729**	**405,900**	**428,091**	**183,306**	**1,407,706**
	Year ended at December 31 2022					
Borrowings	7,181	46,279	85,411	758,355	–	897,226
Lease liabilities	1,291	6,674	7,841	42,179	25,626	83,611
Derivative financial instruments	–	–	4,687	17,060	–	21,747
derivatives	–	2,822	–	3,450	–	6,272
Other non-current liabilities	–	–	–	1,960	–	1,960
Trade and other payables	208,287	153,103	4,541	–	–	365,931
	216,759	**208,878**	**102,480**	**823,004**	**25,626**	**1,376,747**

Notes to the Financial Statements continued

35. Financial risk management objectives and policies (continued)

c) Capital management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its operations and maximize shareholder value.

The Group manages its capital structure conservatively with the leverage ratio, as this is shown from the relationship between total liabilities and total equity as well as net debt and 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, cash equivalents and bank term deposit, which will be used primarily to repay short-term debentures maturing in 2024.

(all amounts in Euro thousands)	2023	2022
Long-term borrowings (note 32)	484,362	704,821
Long-term lease liabilities (note 33)	56,663	58,777
Short-term borrowings (note 32)	377,847	122,496
Short-term lease liabilities (note 33)	15,517	16,870
Debt	**934,389**	**902,964**
Less: bank term deposit (note 21)	80,000	-
Less: cash and cash equivalents (note 21)	194,525	105,703
Net Debt	**659,864**	**797,261**
Earnings before interest, taxes, depreciation, amortization and impairment (EBITDA)	**540,314**	**331,202**
Total liabilities	**1,628,317**	**1,570,025**
Total equity	**1,583,123**	**1,424,274**

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	
	2023	**2022**	**2023**	**2022**
Financial assets				
At amortised cost				
Other non-current financial assets	8,453	10,321	8,593	10,321
Trade receivables	199,626	173,960	199,626	173,960
Bank term deposit	80,000	–	80,000	–
Cash and cash equivalents	194,525	105,703	194,524	105,703
Other current financial assets	77,115	63,706	77,115	63,706
Fair value through other comprehensive income				
Derivative financial instruments - current	9	–	9	–
Fair value through profit and loss				
Derivative financial instruments - non current	1,875	3,479	1,875	3,479
Receivables from interim settlement of derivatives - non current	–	12,103	–	12,103
Other non-current financial assets	5,103	1,610	5,103	1,610
Derivative financial instruments - current	4,916	3,601	4,916	3,601
Receivables from interim settlement of derivatives - current	10,453	11,491	10,453	11,491
Other current financial assets	30	30	30	30
Financial liabilities				
At amortised cost				
Long term borrowings	484,362	704,821	480,782	675,527
Other non-current financial liabilities	8	30	8	30
Short term borrowings	377,847	122,496	373,796	122,496
Other current financial liabilities	362,107	361,577	362,107	361,577
Fair value through other comprehensive income				
Derivative financial instruments - current	–	2,747	–	2,747
Fair value through profit and loss				
Derivative financial instruments - non current	–	12,103	–	12,103
Payables from interim settlement of derivatives - non current	1,884	3,450	1,884	3,450
Derivative financial instruments - current	9,513	6,897	9,513	6,897
Payables from interim settlement of derivatives - current	4,580	2,822	4,580	2,822

The management assessed that the cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of the assets and liabilities by valuation method:

Level 1: based on quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: based on valuation techniques whereby all inputs having a significant effect on the fair value are observable, either directly or indirectly, and includes quoted prices for identical or similar assets or liabilities in markets that are not so much actively traded.

Level 3: based on valuation techniques whereby all inputs having a significant effect on the fair value are not observable market data.

Notes to the Financial Statements continued

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		
	2023	2022	Fair value hierarchy
Assets			
Investment property	11,018	11,240	Level 3
Other financial assets at fair value through profit and loss	5,133	1,640	Level 3
Derivative financial instruments	6,800	7,080	Level 2
Receivables from interim settlement of derivatives	10,453	23,594	Level 2
Liabilities			
Long-term borrowings	394,267	567,796	Level 2
Long-term borrowings	86,515	107,731	Level 3
Short-term borrowings	345,503	–	Level 2
Short-term borrowings	28,293	122,496	Level 3
Derivative financial instruments	9,513	21,747	Level 2
Payables from interim settlement of derivatives	6,464	6,272	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 2023.

The fair value of level 3 investment property is estimated by the Group by external, independent, certified evaluators. The fair value measurement of the investment property has been mainly conducted in accordance with the comparative method, or the current market values of similar properties. The main factors that were taken into consideration, are the property location, the surface area, the local urban planning, the bordering road networks, the regional infrastructure, the property maintenance status and merchantability, the technical construction standards in the case of buildings and the impact of environmental issues if any.

The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than a forced liquidation or sale. The following methods and assumptions were used to estimate the fair values:

For long- and short-term borrowings in level 2, the evaluation of their fair value is based on parameters such as interest rates, specific country risk factors, or price quotations at the reporting date. Specifically, they are used quoted market prices, or dealer quotes for the specific or similar instruments.

For the majority of the borrowings in level 3, the fair values are not materially different from their carrying amounts, since the interest payable on those borrowings is either close to current market rates, or the borrowings are of a short-term nature. The fair values of non-current borrowings in level 3 are based on discounted cash flows using a borrowing rate that is prevailed in current market condition.

Level 2 derivative financial instruments comprise FX forwards, cross-currency interest rate swaps, interest rate swaps, natural gas forwards, forward freight agreement, electricity swap, marine oil swaps and energy swaps. The Group use a variety of methods and make assumptions that are based on market conditions as at each reporting date. The aforementioned contracts have been fair valued using: a) forward exchange rates that are quoted in the active market, b) forward interest rates extracted from observable yield curves, c) US Natural Gas Henry Hub futures prices that are quoted in the active market, d) Baltic Supramax 10TC 58kt Forward Freight prices that are quoted in the active market, e) Coal API2 cif ARA (Argus /McCloskey) future prices that are quoted in the active market, f) Hungarian Baseload Power (Argus European Electricity) future prices that are quoted in the active market and g) marine fuel oil 0.5% fob Barge Rotterdam (Platts) future prices that are quoted in the active market.

Level 3 other financial assets at fair value through profit and loss refer mainly to investments in foreign property funds and in decarbonization and electrification technology companies that transform renewable electricity into heat, in which the Group owns an insignificant percentage. Their valuation is made based on their financial statements.

37. Fiscal years unaudited by tax authorities

(1)	Titan Cement Company S.A	2018-2023		Double W & Co OOD	2018-2023
(1)	Interbeton Construction Materials S.A.	2018-2023		Granitoid AD	2007-2023
(1)	Intertitan Trading International S.A.	2018-2023		Gravel & Sand PIT AD	2005-2023
(1)	Vahou Quarries S.A.	2018-2023		Zlatna Panega Cement AD	2010-2023
(1)	Gournon Quarries S.A.	2018-2023		Cement Plus LTD	2014-2023
(1)	Quarries of Tagaradon Community S.A.	2018-2023		Rudmak DOOEL	2006-2023
(1)	Aitolika Quarries S.A.	2018-2023		Esha Material LLC	2016-2023
(1)	Sigma Beton S.A.	2018-2023		Esha Material DOOEL	2016-2023
(1)	Titan Atlantic Cement Industrial and Commercial S.A.	2018-2023		ID Kompani DOOEL	2015-2023
(1)	Titan Cement International Trading S.A.	2018-2023		Opalit DOOEL	2019-2023
	Titan Cement International S.A.	2019-2023		Usje Cementarnica AD	2020-2023
	Alvacim Ltd	2015-2023		Titan Cement Netherlands BV	2010-2023
	Iapetos Ltd	2014-2023		Alba Cemento Italia, SHPK	2019-2023
(5)	Themis Holdings Ltd	2019-2022		Antea Cement SHA	2020-2023
	Feronia Holding Ltd	2021-2023		Sharr Beteiligungs GmbH	2014-2023
(2)	Titan Global Finance PLC	2022-2023		Kosovo Construction Materials L.L.C.	2010-2023
	Salentijn Properties1 B.V.	2007-2023		Sharrcem SH.P.K.	2017-2023
	Titan Cement Cyprus Limited	2021-2023		Alexandria Development Co.Ltd	2019-2023
	Fintitan SRL	2015-2023		Alexandria Portland Cement Co. S.A.E	2019-2023
	Cementi Crotone S.R.L.	2015-2023		Beni Suef Cement Co.S.A.E.	2019-2023
	Cementi ANTEA SRL	2019-2023		Titan Beton & Aggregate Egypt LLC	2015-2023
	Colombus Properties B.V.	2010-2023		Titan Eastmed Investments Ltd	2019-2023
	Brazcem Participacoes S.A.	2016-2023		Green Alternative Energy Assets EAD	2012-2023
	Adocim Cimento Beton Sanayi ve Ticaret A.S.	2023		GAEA Enerjia Alternative e Gjelber Sh.p.k.	2019-2023
	Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S.	2023		GAEA -Green Alternative Energy Assets	2016-2023
	Titan Cement U.K. Ltd	2015-2023	(4)	Arresa Marine Co	-
(3)	Titan America LLC	2020-2023		Tithys Holdings Limited	2020-2023
	Separation Technologies Canada Ltd	2019-2023		Rea Cement Investments Limited	2021-2023
	MILLCO-PCM DOOEL	2016-2023		CemAI Inc.	2022-2023
	Cementara Kosjeric AD	2020-2023		Business Park Titan Elefsinas S.A.	2022-2023
	TCK Montenegro DOO	2007-2023			

(1) For the fiscal years 2018-2023 Certified Auditors Accountants tax audited the above companies and issued tax certificates without qualifications, according to the article 65A, par. 1 of L. 4987/2022.
(2) As per UK tax legislation, HMRC could address any enquiry only for the years 2022 – 2023 which remain open to enquiry without the need for a discovery assessment.
(3) Companies operating in the USA. are incorporated in the TITAN America LLC subgroup (note 16).
(4) Under special tax status.
(5) Under special tax status for the year 2023.

38. Events after the reporting period

On 1 February 2024, the Group announced a voluntary redundancy program available to employees in Greece and the Group Corporate Center Head Office. Employees who wished to take advantage of the program submitted a written application to the relevant Human Resources Department by 16 February 2024.

In January 2024 the Group acquired a quarry in Attica with over 40 million tonnes in reserves.

Parent company's separate summarized financial statements

Income statement

(all amounts in Euro thousands)	Year ended 31 December	
	2023	**2022**
Operating income	4,038	4,925
Operating charges	-11,925	-10,946
Operating loss	**-7,887**	**-6,021**
Financial result	65,724	592,613
Profit/(loss) for the period before taxes	**57,837**	**586,592**
Income taxes	*-8*	*-1*
Profit/(loss) for the period	**57,829**	**586,591**

This is an abbreviated version of the parent Company's Financial Statements. A full version of the accounts (including the Auditors Report), that will be filed 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)	31.12.2023	31.12.2022
Assets		
Formation expenses	**1,344**	**3,130**
Fixed assets		
Intangible assets	23	35
Tangible assets	71	120
Financial fixed assets		
Participating interests	2,233,626	2,265,786
Other financial fixed assets	25	24
Total financial fixed assets	**2,233,651**	**2,265,810**
Total fixed assets	**2,233,745**	**2,265,966**
Current assets		
Inventory	20,061	20,061
Amounts receivable within one year	945	16,306
Treasury shares	20,911	9,282
Cash at bank and in hand	360	42
Deferred charges and accrued income	170	236
Total current assets	**42,447**	**45,927**
Total assets	**2,277,536**	**2,315,023**
Equity and liabilities		
Equity		
Capital	959,348	959,348
Share premium	15,321	15,321
Reserves	194,490	191,590
Retained (losses)/earnings	746,948	757,500
Total equity	**1,916,107**	**1,923,759**
Provisions and deferred taxes	**1,205**	**572**
Amounts payable		
Amounts payable after more than one year		
Financial debt	24,910	76,485
Other amounts payable	263,493	263,493
Total amounts payable after more than one year	**288,403**	**339,978**
Amounts payable within one year		
Financial debt	2,630	-
Trade debts	2,315	2,489
Taxes, remunerations and social security	1,163	981
Other amounts payable	65,522	47,136
Total amounts payable within one year	**71,630**	**50,606**
Accruals and deferred income	192	109
Total amount payables	**360,225**	**390,692**
Total equity and liabilities	**2,277,536**	**2,315,023**

Declaration by the persons responsible

The Board of Directors hereby declares that, to the best of its knowledge:

a. the financial statements, prepared in accordance with International Financial Reporting Standards (IFRS), give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer and of the entities included in the consolidation;

b. the management report includes a fair review of the developments and the performance of the business and the financial position of the issuer and of the entities included in the consolidation, together with a description of the main risks and uncertainties that these entities face.

For the Board of Directors,

20 March 2024

Chair of the Board of Directors
Dimitrios Papalexopoulos

Managing Director and Group CFO
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 2023

We present to you our statutory auditor's report in the context of our statutory audit of the consolidated accounts of Titan Cement International SA (the "Company") and its subsidiaries (jointly "the Group"). This report includes our report on the consolidated accounts, as well as the other legal and regulatory requirements. This forms part of an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting d.d. 12 May 2022, following the proposal formulated by the board of directors and following the recommendation by the audit committee. Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2024. We have performed the statutory audit of the Group's consolidated accounts for 5 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 2023, the consolidated income statement and consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows 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 3,211,440 and a profit for the year attributable to equity holders of the parent of '000 EUR 268,689.

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 2023, 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.

PwC Bedrijfsrevisoren BV - PwC Reviseurs d'Entreprises SRL - Financial Assurance Services
Maatschappelijke zetel/Siège social: Culliganlaan 5, B-1831 Diegem
T: +32 (0)2 710 4211, F: +32 (0)2 710 4299, www.pwc.com
BTW/TVA BE 0429.501.944 / RPR Brussel - RPM Bruxelles / ING BE43 3101 3811 9501 - BIC BBRUBEBB / BELFIUS BE92 0689 0408 8123 - BIC GKCC BEBB

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated accounts of the current period. This matter was addressed in the context of our audit of the consolidated accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

<u>Impairment of Property, Plant and Equipment, goodwill, intangible assets and investments in associates and Joint Ventures</u>

Description of the Key Audit Matter

Titan Cement International Group carries significant values of property, plant and equipment, goodwill, intangible assets and investments in associates and joint ventures on the balance sheet amounting to EUR 1,689 million, EUR 274 million, EUR 80 million and EUR 109 million respectively as at 31 December 2023 as detailed in disclosure notes 11, 13, 14 and 15.

As required by the International Accounting Standard ('IAS 36'), as endorsed by the EU, the Group is required to test the amount of goodwill and indefinite useful life intangible assets for impairment at least annually. IAS 36 also requires that assets subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. International Accounting Standard ('IAS 28') states that investments in associates and joint ventures are assessed for impairment where indicators of impairment are present. The recoverable amount is determined in accordance with IAS 36.

Property, plant and equipment, goodwill, intangible assets, and investments in associates and joint ventures are allocated to cash generating units (CGUs). Management determines the recoverable amount for each CGU as the higher of fair value less costs to sell and value in use. The calculation of the recoverable amount of each CGU requires judgements applied by Management.

We consider this matter to be of most significance because of the complexity of the assessment process and significant judgements in respect of assumptions about the future results of the business and the discount rates applied to future cash flow forecasts. The most important assumptions relate to the discount rate, sales volume and selling price evolutions, perpetual growth rates and operating margins. We focused on Egypt, Turkey and Brazil CGUs because they are most sensitive to changes in key assumptions.

How our Audit addressed the Key Audit Matter

We evaluated management's overall impairment testing process including assessing the process by which the value in use models are reviewed and approved.

We evaluated the appropriateness of the use of the forecast period for the value in use calculation of the CGUs.

We assessed the reliability of management's estimates by comparing actual performance against previous forecasts.
We tested the Group's key assumptions for growth rates, sales volumes, selling prices and gross margins in the future cash flow forecasts by comparing them to local industry trends and assumptions made in the prior years and agreed them to approved financial budgets.

We critically assessed and checked the assumptions related to the long-term growth rates, by comparing them to industry forecasts and historical growth rates.

We compared operating margin, working capital and capital expenditure percentages with past actuals.

We compared the weighted average cost of capital ("WACC") to the cost of capital and debt of the Group and comparable companies, as well as considering territory specific factors.

We tested the calculation method used and the accuracy thereof.

We evaluated the impact of alternative scenarios about discount rates, growth rates, selling prices and gross margins on the recoverable amount of each CGU.

We included our IFRS valuation specialists in our team to assist us with these procedures.

Based on the procedures performed we found that sufficient headroom remained between the carrying value and the recoverable amount for all CGUs. We considered management's key assumptions to be within a reasonable range and disclosures in the financial statements to be adequate.

Responsibilities of the board of directors for the preparation of the consolidated accounts

The board of directors is responsible for the preparation of consolidated accounts that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated accounts, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated accounts

Our objectives are to obtain reasonable assurance about whether the consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated accounts.

In performing our audit, we comply with the legal, regulatory and normative framework applicable to the audit of the consolidated accounts in Belgium. A statutory audit does not provide any assurance as to the Group's future viability nor as to the efficiency or effectiveness of the board of directors' current or future business management at Group level. Our responsibilities in respect of the use of the going concern basis of accounting by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism 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 integrated 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 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 UN Global Compact Communication on Progress Guidelines, the Charter and Guidelines of the Global Cement and Concrete Association and the UN SDGs 2030. However, in accordance with article 3:80, §1, 5° of the Companies' and Associations' Code, we do not express an opinion as to whether the non-financial information has been prepared in accordance with the UN Global Compact Communication on Progress Guidelines, the Charter and Guidelines of the Global Cement and Concrete Association and the UN SDGs 2030 as disclosed in the directors' report on the consolidated accounts.

pwc

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.

European Uniform Electronic Format (ESEF)

We have also verified, in accordance with the draft standard on the verification of the compliance of the financial statements with the European Uniform Electronic Format (hereinafter “ESEF”), the compliance of the ESEF format with the regulatory technical standards established by the European Delegate Regulation No. 2019/815 of 17 December 2018 (hereinafter: “Delegated Regulation”).

The board of directors is responsible for the preparation, in accordance with ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format (hereinafter “digital consolidated financial statements”) included in the annual financial report.

Our responsibility is to obtain sufficient appropriate evidence to conclude that the format and marking language of the digital consolidated financial statements complies in all material respects with the ESEF requirements under the Delegated Regulation.

Based on our procedures performed, we believe that the format of and marking of information in official version of the digital consolidated financial statements included in the annual financial report of Titan Cement International SA per 31 December 2023 complies in all material respects with the ESEF requirements under the Delegated Regulation.

Other statements

- This report is consistent with the additional report to the audit committee referred to in article 11 of the Regulation (EU) N° 537/2014.

Diegem, 27 March 2024

The statutory auditor
PwC Reviseurs d'Entreprises SRL /PwC Bedrijfsrevisoren BV
Represented by

Didier Delanoye
Réviseur d’Entreprises / Bedrijfsrevisor
*Acting on behalf of Didier Delanoye BV

Independent Assurance Statement

DNV-2024-ASR-C678743

DNV Business Assurance Italy S.r.l. ('DNV') has been commissioned by Titan Cement International S.A. (hereafter referred to as 'Titan' or 'the Company') to undertake an independent assurance of a sub-set of data and information disclosed in Titan Cement Group Integrated Annual Report 2023 (hereafter referred as 'IAR' or 'Report') for the year ended 31st December 2023.

Assurance scope and approach

This assurance engagement has been carried out in accordance with DNV's VeriSustain protocol, V6.0, which is based on our professional experience and international assurance best practice including the International Standard on Assurance Engagements (ISAE) 3000 revised – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited and reasonable assurance.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029:2019 – Conformity assessment, whose general principles are requirements for validation and verification bodies. Accordingly, DNV maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We performed the activities applying a limited level of assurance and a reasonable level of assurance for a selection of indicators, as described in the following sections.

DNV designed the reasonable assurance engagement to provide a level of assurance regarding the reliability of reporting and preparation of selected information, so as to reduce the assurance engagement risk to an acceptably low level. Such procedures were performed on a sample basis as to obtain information and explanations which we consider necessary in order to provide us with sufficient appropriate evidence to express a positive conclusion.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less detailed than, those undertaken during a reasonable assurance engagement, so the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our conclusion, so that the risk of this conclusion being in error is reduced, but not reduced completely.

We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on Titan's website for the current reporting period.

Reporting criteria for selected information

The selected information has been prepared by Titan with reference to ("Reporting Criteria"):

- GCCA Sustainability Charter (2019);
- GCCA Sustainability Framework Guidelines (2019);
- GCCA Sustainability Guidelines for co-processing fuels and raw materials in cement manufacturing (2019);
- GCCA Sustainability Guidelines for Quarry Rehabilitation and Biodiversity Management (2020);
- GCCA Sustainability Guidelines for the monitoring and reporting of:
  - Safety in cement and concrete manufacturing (2020) with extended application to concrete and other related activities;
  - CO_2 emissions from cement manufacturing (2019);
  - Emissions from cement manufacturing (2019);
  - Water in cement manufacturing (2019)
- WBCSD/CSI Cement Sector Scope 3 GHG Accounting and Reporting Guidance (2016)
- EU Taxonomy Regulation 2020/852/EU for the selected information.

Responsibilities of the Directors of Titan and of the assurance providers

The Management of Titan has sole responsibility for:
- Preparing and presenting the selected information;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the selected Information that is free from material misstatements;
- Measuring and reporting the selected information.

DNV's responsibility is to plan and perform the work to obtain assurance about whether the selected information has been prepared in accordance with the reporting requirements and to report to Titan in the form of an independent assurance conclusion, based on the work performed and the evidence obtained.
Our statement represents our independent opinion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Assurance Statement.

Scope of assurance

The scope of our engagement includes the following disclosures ('Selected information'):
- Titan's materiality assessment and stakeholder engagement approach described in "Material issues for TITAN and its stakeholders" in section "Understanding TITAN" of the Report.
- ESG Performance Indicators disclosed in Titan's "ESG Performance Statements" in section "Management Report" of the Report covering the following focus areas:
  - Decarbonization and digitalization
  - Growth enabling work environment
  - Positive local impact
  - Responsible sourcing
  - Good governance, transparency, and business ethics

  ESG performance indicators for which we have been engaged to provide reasonable assurance are marked with a "R" and the ones for which we have been engaged to provide limited assurance are marked with a "L" in column "Assurance" of the tables reported in "2. ESG Key Performance Indicators" of the "ESG Performance Statements" chapter of the Report. EU Taxonomy-related KPIs for which we have been engaged to provide limited assurance are listed in note 6 to the "2.5.2 Taxonomy KPIs" table in "2. ESG Key Performance Indicators" of the "ESG Performance Statements" chapter of the Report.
- The information and 2023 performance data disclosed in "ESG performance overview" in section "Management Report" of the Report.
- Whether the selected ESG performance indicators are presented in all material respects, with reference to the reporting criteria.

Our competence, independence and quality control

DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. We have no other contract with Titan.

Our multi-disciplinary team consisted of professionals with a combination of sustainability assurance experiences.

Inherent limitations

DNV's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and are free from material misstatements. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected.

The engagement excludes the sustainability management, performance, and reporting practices of the Company''s suppliers, contractors, and any third parties mentioned in the Report. We did not interview external stakeholders as part of this assurance engagement.

We understand that the reported financial data, governance and related information are based on statutory disclosures and Audited Financial Statements, which are subject to a separate independent statutory audit process. We did not review financial disclosures and data as they are not within the scope of our assurance engagement.

The assessment is limited to data and information in scope within the defined reporting period. Any data outside this period is not considered within the scope of assurance.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Basis of our conclusions

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of Titan. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. Our limited assurance procedures included, but were not limited to, the following activities:

- Review of the disclosures according to reporting requirements. Our focus included ESG disclosures and management processes;
- Peer and media review to identify relevant sustainability issues for Titan Group in the reporting period;
- Understanding of the key systems, processes and controls for collecting, managing and reporting disclosures and KPIs in the Report;
- Walk-through of key data sets. Understanding and testing, on a sample basis, of the processes used to adhere to and evaluate adherence to the reporting requirements;
- Collect and evaluate documentary evidence and management representations supporting adherence to the reporting principles and requirements;
- Interviews with the senior managers responsible for management of disclosures. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data consolidation and reporting of the selected information;
- On-site audits for Titan Group Head Office (Athens, Greece) and two sites (Thessaloniki, Greece; Roanoke, Virginia – US). Sample based assessment of site-specific data disclosures was carried out. We chose the sites based on their 2022 GHG emissions, number of employees, location, total cementitious production and previous site-visits performed. These two cement operations contributed 15.4% of the Group's cementitious production for the reporting year.

In addition to what above, our reasonable assurance procedures, included, but were not limited to:

- Evaluation of the design and implementation of key systems, processes and controls for collecting, managing and reporting the indicators;
- Collection of extensive evidence across all relevant focus areas, ensuring a detailed examination of indicators. Engaged directly with data owners to gather insights and corroborative evidence for each disclosed indicator;
- Interviews with selected senior managers responsible for management of disclosures and review of selected evidence to support KPIs and metrics disclosed in the Report. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data consolidation and reporting the selected indicators;
- Additional remote audits for data testing, assessment of the uniformity in reporting processes and quality checks. Additional sites for data testing and reporting system checks were selected based on GHG emissions data, number of employees and total cementitious production. Sites selected for additional audits covering GHG emissions calculations were: Kamari (Greece), Usje (North Macedonia), Sharr (Kosovo), Alexandria (Egypt).

Our conclusions

Limited Level of Assurance

On the basis of the work undertaken, nothing came to our attention to suggest that the Selected Information as described in 'Scope of assurance' is not fairly stated and has not been prepared, in all material respects, in accordance with the Reporting Criteria specified in this Statement.

Reasonable Level of Assurance

Based on our review and procedures followed for reasonable level of assurance, DNV is of the opinion that, in all material aspects, the ESG performance indicators described in 'Scope of assurance' marked with a "R" in column "Assurance" of the tables reported in "2. ESG Key Performance Indicators" of the "ESG Performance Statements" chapter of the Report are fairly presented in accordance with the Reporting Criteria specified in this Statement.

For and on behalf of DNV Business Assurance Italy S.r.l.
Vimercate (MB), Italy
13 March 2024

Alessia Segalini
Lead Verifier

Antonio Astone
Reviewer

DNV Business Assurance Italy S.r.l. is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance.
www.dnv.com

Glossary

Financial

CapEx: Acquisitions/additions of property, plant and equipment, right of use assets, investment property and intangible assets. It allows management to monitor the capital expenditure.

EBITDA: Profit before impairment losses on goodwill, interest and taxes 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, cash equivalents and bank term deposits. 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 (OFCF): 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.

Profit before impairment losses on goodwill, net finance costs and taxes:
Profit before income tax, share of gain or loss of associates and joint ventures, net finance costs and impairment losses on goodwill. It provides a measure of operating profitability that is comparable over time.

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 nonprofit research organization, with a 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 (https://www.wri.org/aqueduct).

CDP: CDP is a global nonprofit that runs the world's environmental disclosure system for companies, cities, states and regions. Founded in 2000 and working with more than 740 financial institutions with over $136 trillion in assets, CDP pioneered using capital markets and corporate procurement to motivate companies to disclose their environmental impacts, and to reduce greenhouse gas emissions, safeguard water resources and protect forests. Over 24,000 organizations around the world disclosed data through CDP in 2023, with more than 23,000 companies – including listed companies worth two thirds global market capitalization - and over 1,100 cities, states and regions. Fully TCFD aligned, CDP holds the largest environmental database in the world, and CDP scores are widely used to drive investment and procurement decisions towards a zero-carbon, sustainable and resilient economy. CDP is a founding member of the Science Based Targets initiative, We Mean Business Coalition, The Investor Agenda and the Net Zero Asset Managers initiative.
on-free and water-secure world (https://www.cdp.net/en).

GRIs: The Global Reporting Initiative (GRI) Standards stand out as the foremost global benchmarks for sustainability reporting, enjoying widespread adoption by prominent corporations spanning more than 100 nations. Their significance is underscored by their incorporation into numerous policy frameworks and stock exchange directives worldwide, with over 160 policies in excess of 60 countries and regions mandating or referring to GRI compliance. This robust acceptance underscores their pivotal role in shaping corporate sustainability strategies and ensuring transparency. By providing a comprehensive framework for evaluating and communicating ESG performance, these standards empower organizations to make informed decisions and cultivate sustainable practices across varied sectors and geographic boundaries.

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 (https://www.ibat-alliance.org/).

IIRC: The International Integrated Reporting Council is a global coalition of regulators, investors, companies, standard setters, the accounting profession, academia and NGOs. The coalition promotes communication about value creation as the next step in the evolution of corporate reporting (https://integratedreporting.ifrs.org/)

OECD: The Organization for Economic Co-operation and Development is an intergovernmental organization with 38 member countries, founded in 1961 with the goal of stimulating economic progress and world trade. OECD serves as a forum where member countries, which describe themselves as committed to democracy and the market economy, can compare policy experiences, seek answers to common problems, identify good practices, and coordinate domestic and international policies (https://www.oecd.org/).

SASB: The Sustainability Accounting Standards Board is an independent standards board that is accountable for the due process, outcomes, and ratification of its standards, the application of which (being the SASB's mission) is to help businesses around the world identify, manage and report on sustainability topics that matter most to their investors (https://www.sasb.org/).

SBTi: The Science Based Targets initiative is a partnership between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). SBTi's aim is to mobilize companies to take the lead on urgent climate actions and guide them in setting science-based targets that could limit global warming to 1.5°C, achieve a net-zero world by no later than 2050 and prevent the worst effects of climate change (https://sciencebasedtargets.org/).

SDGs: The Sustainable Development Goals are a collection of 17 global goals designed to be a "blueprint to achieve a better and more sustainable future for all". The SDGs, set in 2015 by the United Nations General Assembly and intended to be achieved by the year 2030, are part of UN Resolution 70/1, the 2030 Agenda (https://unric.org/en/united-nations-sustainable-development-goals/).

UNCTAD: The United Nations Conference on Trade and Development is a United Nations body responsible for dealing with economic and sustainable development issues with a focus on trade, finance, investment and technology, in particular for helping developing countries to participate equitably in the global economy (https://unctad.org/publication/guidance-core-indicatorssustainability-and-sdg-impact-reporting).

UNGC: The United Nations Global Compact is a voluntary initiative based on CEO commitments to implement universal sustainability principles ("Ten Principles") and to take steps to support UN goals. "Ten Principles" are derived from the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption (https://unglobalcompact.org/)

WRI: The World Resources Institute is a global, independent, nonpartisan and nonprofit 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 (https://www.wri.org/).

Titan Cement International S.A.
Square De Meeûs 37
1000 Brussels Belgium
Tel: (+32) 27 26 80 58
www.titan-cement.com