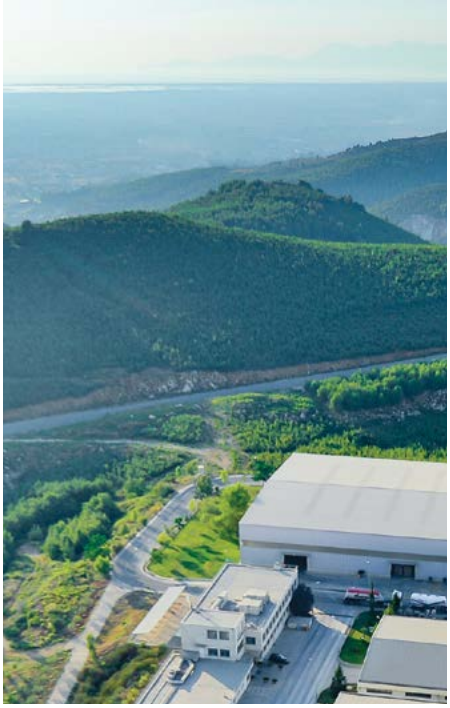
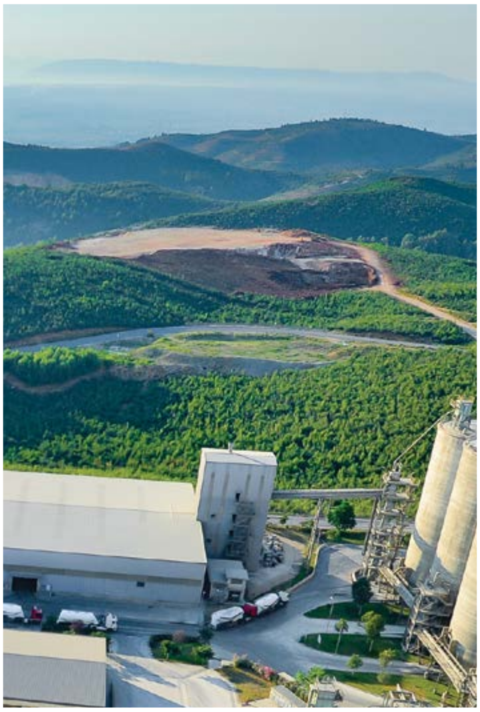
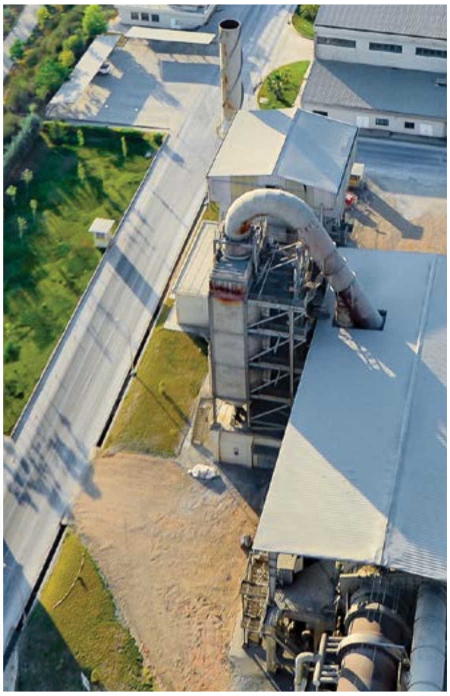
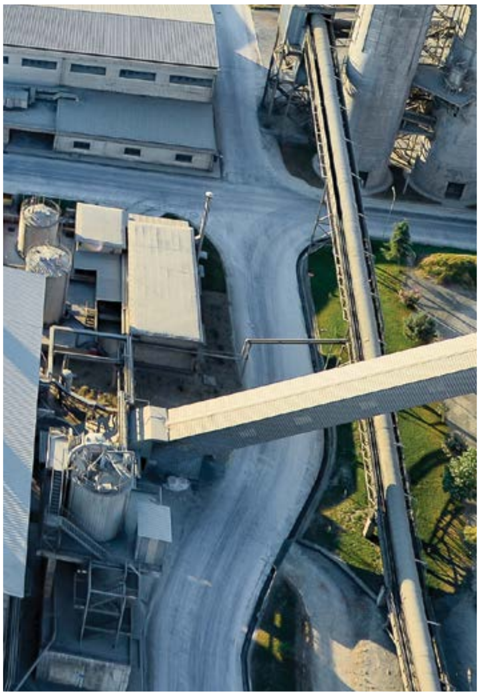



Integrated Annual Report 2020

TITAN CEMENT GROUP



About the Report

The 2020 TITAN Cement Group Integrated Annual Report (IAR 2020) has been prepared in accordance with the Belgian Law, the 2020 Belgian Code on Corporate Governance, 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 and the Charter and Guidelines of the Global Cement and Concrete Association (GCCA). In 2020, the Group also started reporting according to the Sustainability Accounting Standards Board (SASB).

The separate and consolidated financial statements of the IAR 2020 were audited by PwC. The ESG performance overview and statements were independently verified at a reasonable level by ERM Certification and Verification Services (ERM CVS), in accordance with the Charter and Guidelines of the Global Cement and Concrete Association (GCCA) and the Advanced Level criteria for Communication on Progress of the United Nations Global Compact (UNGC).

UN GLOBAL COMPACT
COMMUNICATION ON PROGRESS

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

We welcome feedback on its contents.

The independent auditor's report by PwC and the independent assurance statement by ERM CVS are included in the IAR 2020 and are available online at www.titan-cement.com/newsroom/annual-reports. You may access the IAR 2020 by scanning the following QR code with your mobile device.

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

Contents

Understanding TITAN

Management Report

2020 Highlights

€1,607m
Revenue

€286.2m
EBITDA

€2,678.9m
Total Group Assets

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

5,359
Employees
(as at 31 December 2020)

599
New hires across the Group

0.57
Lost time injuries frequency rate (LTIFR) for employees

674
Specific net direct CO_2 emissions
(kg/t cementitious product)

19.3
Specific dust emissions
(g/t clinker)

261
Specific water consumption
(lt/t cement)

Message from the Chairman of the BoD

Dear Shareholders and Stakeholders,

One year ago, at the time of writing my previous letter to you, the world was beginning to feel the effects of the COVID-19 pandemic. Today we are all too familiar with government mandated lockdowns and extensive safety measures. The global economy has suffered a severe blow, with some sectors of the economy hit disproportionally, and country balance sheets being overextended to provide social and economic support. At the same time science, with an unprecedented speed, was successful in finding effective vaccines which are currently being delivered to the public across the globe.

The effects of the pandemic will no doubt influence permanently our lives going forward, with drastic changes from the way we live, work and protect our health, to the way businesses and governments are run. However, these changes should be seen more as an opportunity to do more with less, and should help us focus on addressing growing challenges in global inequality, public health, education and employment and in adjusting our growth models accordingly.

> **Although the human, economic and social challenges remain, we continue to focus on our values, our corporate governance and our sustainability footprint.**

Throughout this past year, we at TITAN set as a priority the protection of our people, we contributed to the efforts to mitigate the health impact on society and maintained the continuity of our operations. Risk assessment and contingency plans were designed and enforced, local guidelines were drawn up, hygiene measures were increased and medical and psychological support was provided by experts or through health care programs.

To ensure that the Group continues to adhere to the highest standards of corporate governance, the Board reviewed TITAN's overall approach to risk management, assessing the nature and extent of the principal risks assumed in pursuit of its strategic objectives. Having completed one year since our listing in Euronext Brussels, we also conducted a formal evaluation of the effectiveness of the Board, requesting anonymous feedback from its members.

Although the human, economic and social challenges remain, we continue to focus on our values, our corporate governance and our sustainability footprint. Change, innovation, digitalization and carbon footprint remain our main strategic objectives.

In fact, to better align growth with sustainability, we introduced a remuneration component linked to the Group's CO_2 emissions, and we strengthened the oversight of the sustainability agenda at the Board level.

I'd like to take this opportunity to thank my fellow Board members for their continued support and for ensuring a balanced, responsible and sustainable long-term growth path for TITAN.

The whole Board joins me in congratulating all our employees for supporting the company through these trying times and our senior management for providing the leadership and for successfully executing a complex strategic plan in the midst of such uncertainty. They jointly underpin the long-term sustainable growth of TITAN, for the benefit of its shareholders and stakeholders.

With best wishes to all,

Takis Arapoglou
Chairman of the BoD

Message from the Chairman of the Group Executive Committee

Dear Shareholders and Stakeholders,

In 2020, we delivered strong financial performance while taking care of our employees and those around us, ensuring high-quality, uninterrupted customer service and accelerating progress towards our digital and sustainability aspirations. In the face of uncertainty caused by COVID-19, we remained confident in our business model. We adapted to shifting market conditions and continued to pursue operational excellence while laying the groundwork to capture future growth.

Construction activity proved resilient in most of our geographies, with high sales volumes in the second half of the year more than compensating for a relatively weak early spring. Demand for our products on the East Coast of the USA held up on the back of infrastructure spending, record-low mortgage rates, and a shortage of available housing. In Greece, following the easing of lockdown restrictions in May, the market staged a rebound, with support from small public works and a buoyant commercial and industrial segment. Our sales in Southeastern Europe benefited from a mix of residential, commercial, and infrastructure projects, whereas Turkey and Brazil saw a surge in demand, fueled by private investment activity. In Egypt, market conditions remained challenging, with cement consumption suffering from oversupply and a six-month suspension of building permits. Pricing dynamics were favorable in most markets.

Overall revenue for the Group was steady at €1.6 billion and 1.5% higher at constant exchange rates. Energy and commodity cost tailwinds, together with disciplined cost control, bolstered operating profitability (EBITDA), which grew by 7.1% to €286.2 million. Net profit after taxes and minority interests (NPAT) fell by €49.4 million to €1.5 million, impacted by non-cash charges (goodwill impairment charges and the write-down of accumulated deferred tax assets) in Egypt, totaling €63.9 million.

Higher EBITDA, tighter working capital management, and reduced capital expenditure enabled robust cash flow generation and deleveraging, with net debt declining by €155.2 million. In the summer of 2020, the Group's subsidiary, Titan Global Finance PLC, issued a €250 million bond due in 2027, with a 2.75% annual coupon, the proceeds of which were used to pay down debt and strengthen our balance sheet.

Delivery of such results was only made possible by the collective effort of our people and we are deeply grateful to them for their commitment and dedication. From the onset of the pandemic, we took action to protect our employees and their families, focusing on prevention, preparedness, and knowledge sharing. We instituted measures to ensure that those working on-site do so under the safest possible conditions. Over a third of our personnel switched to remote working, and everyone was given access to updated and complete information, expert guidance and support.

Living up to our social responsibility, we stood by our neighboring communities, addressing some of their most urgent needs and offering equipment, supplies and financial assistance to hospitals and medical care centers. We worked closely with local authorities, public health institutions, and civil society organizations in an effort to contain the spread of the virus. We helped our partners and contractors sustain their businesses within the crisis. And through meticulous contingency planning, we minimized disruptions to our operations and continued to serve our customers effectively.

Meanwhile, we never took our eyes off our strategic objectives of digitalization and de-carbonization. In the context of the former, big data and artificial intelligence tools were leveraged to drive decisions, capture operational efficiencies, advance our supply chain capabilities and redefine how we interact with our customers and partners. We developed a modern customer interface application and discovered innovative ways of looking at process automation, inventory management, maintenance, and failure prediction. The Group acquired new digital skills and sought new collaborations with technology partners, academic institutions, and the scientific community.

Climate change mitigation remained at the top of our agenda. While expecting to meet our 2020 CO_2 reduction target with a short delay due to regulatory and market conditions that influence product and fuel mix, we decided to raise our longer-term ambition. We revised our 2030 target for direct emissions down to 500kg net CO_2 per ton of cementitious product, with the aspiration to deliver society with carbon-neutral concrete by 2050. In line with our commitment to open and transparent communication with our stakeholders, we responded for the first time to the Carbon Disclosure Project (CDP) Climate Change and Water Security questionnaires.

> **We will seek innovative ways to create value by transforming our business to serve our customers more efficiently as we move towards a carbon-neutral and digital world.**

To reduce our carbon footprint, our Bulgarian and US cement plants switched partially to natural gas. We obtained a license to consume fuel derived from municipal waste in northern Greece, and new feeding installations for alternative fuels were inaugurated in Florida and North Macedonia. Moreover, we continued to invest in research and innovation. We patented a green nanomaterial and developed the world's first full-cycle technology to reclaim and convert landfilled ash into a low-carbon substitute for cement in concrete. Finally, for its contribution to the EU-funded project RECODE, which aims to capture CO_2 and convert it into value-added chemicals, the Group was recognized as a Key Innovator in the European Commission's Innovation Radar.

As always, our sustainability initiatives were not limited to de-carbonization and we delivered on the majority of our other 2020 sustainability targets. Our plant in Florida became the first cement production facility in the world to be Total Resource Use and Efficiency (TRUE) Platinum certified for zero waste. To protect biodiversity, we joined forces with key stakeholders at a European and global level. We encouraged our suppliers to operate more sustainably and stepped up our efforts to promote circular economy. Unfortunately, in safety, despite the achievement of a world-class employee lost time injuries frequency rate, we had three fatalities, two involving contractors and one involving a direct employee. We will redouble our efforts and work with more determination than ever towards the prevention of all fatal accidents. The results of a survey taken by our employees worldwide were used to enhance diversity and inclusion and inform a new action plan to increase employee engagement. During the year, we reassessed the environmental, social, and governance (ESG) issues that are material to our stakeholders and our business units. Based on the output of this exercise, we set new ESG targets for 2025 and beyond. And building on our track record of transparency and accountability, we upgraded our governance systems and launched a new, more agile organizational structure to address the sustainability challenges of the future.

With the pandemic still raging, visibility into 2021 remains limited. The industry is facing inflationary pressures, yet market fundamentals are solid. Healthy backlogs in the USA should support demand for building materials while, in the second half of the year, we expect to see higher stimulus spending funding urgent infrastructure needs. In Greece, we expect the revival of the housing sector to continue while a number of public and private projects gradually pick up steam. Construction in the country should also benefit from the disbursement of EU recovery funds. With the suspension of building permits no longer in place, demand should bounce back in Egypt. And markets in Southeastern Europe, Turkey, and Brazil should continue to grow, barring any negative macroeconomic surprises.

2021 will require us to find a balance between managing the crisis and building for the future. Maintaining discipline on health and safety and showing support to those around us will remain priorities. At the same time, we will strive towards operational excellence to deliver superior results for our stakeholders and shareholders. We will continue to harness novel tools while enriching our know-how and technological capabilities, investing to take advantage of emerging growth opportunities. And we will seek innovative ways to create value by transforming our business to serve our customers more efficiently as we move towards a carbon-neutral and digital world.

Dimitri Papalexopoulos
Chairman of the Group Executive Committee

Overview

An overview of our Group in a changing global landscape and our approach to value creation for our stakeholders. Our material issues and our ESG targets for 2025 and beyond.

Patras cement plant, Greece

Our business approach in a changing global landscape

Building on 118 years of industry experience and driven by its commitment to sustainable growth, TITAN has become an international cement and building materials producer, serving customers in more than 25 countries worldwide through a network of 14 integrated cement plants and three cement grinding plants.

TITAN also operates quarries, ready-mix plants, terminals, and other production and distribution facilities.

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

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

Climate change and the societal need for a carbon-neutral future

Climate change represents a long-term risk for our planet and society. It requires the mobilization of organizations across many sectors, the cement industry among them, to take meaningful action and tackle this global challenge. In 2020, the Global Cement and Concrete Association (GCCA) announced its members' Climate ambition to drive down the CO_2 footprint of operations and products and deliver carbon-neutral concrete to society by 2050. Our industry is working across the built environment value chain to deliver this aspiration in a circular economy, life cycle context.

Digital transformation as a foundation for future growth

The 4th industrial revolution, driven by the advent of the Internet of Things, big data, artificial intelligence, and advanced analytics, promises to transform key components of the industry's value chain. Traditional value generation drivers and differentiators are complemented by new digital tools that unlock value through improved operational efficiency and higher customer engagement. Companies that embrace Industry 4.0 early on and scale up quickly can reap significant benefits.

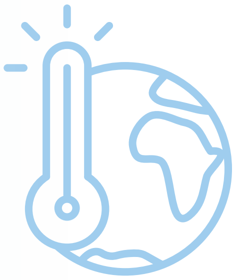
Increased societal expectations regarding sustainability

With expectations on corporate responsibility, ESG (environmental, social & governance) performance, and transparency on the rise, organizations are upscaling their sustainability efforts. Companies must operate in a sustainable way across their value chain, address what is material to their stakeholders effectively, and offer products with a sustainable life cycle.

Urbanization and sustainable infrastructure development

As urbanization continues, demand for sustainable infrastructure and green building products and solutions is set to rise over the coming decades. The cement industry must respond to the growing need for resilient construction to protect our cities and natural environment from a changing climate. At the same time, it must contribute through innovation to the shaping of sustainable cities in collaboration with all relevant stakeholders throughout its value chain.

Our approach
We continuously reduce the carbon footprint of our operations and participate in the de-carbonization of the construction value chain. We are targeting a 35% reduction of our net direct specific CO_2 emissions by 2030, compared to 1990 levels. Through our participation in European and international consortia, we are developing low-carbon cementitious products and are collaborating in R&D projects that will pilot carbon capture technologies in our plants, actively contributing to our industry's ambition for a carbon-neutral future by 2050.



Working together with our stakeholders

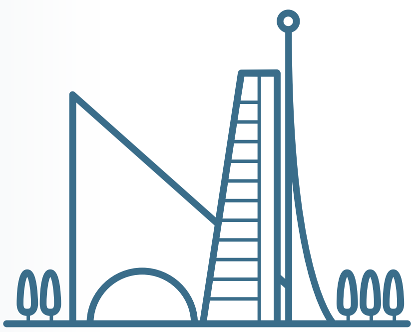
Through our collaboration with customers, business partners, local communities, and academia, we increase the shared value created at a global, regional and local level.

We actively collaborate with international organizations to address global sustainability challenges within the framework of the UN Sustainable Development Goals for 2030. We are a participant of the UN Global Compact (UNGC) and a core member of CSR Europe and the Global Cement and Concrete Association (GCCA).

Our approach
We embrace Industry 4.0 as an opportunity, and we are pioneers in the transformation of the cement industry with an agile and entrepreneurial approach. Following a series of successful digital pilots, we consolidated our efforts under our Group Digital Center of Competence in 2020 to accelerate our digital transformation. We are enhancing our competitiveness through digital transformation, increasing our operational efficiency in manufacturing and in our supply chain, and elevating the experience of our customers.

Our approach
We run our operations worldwide with transparency and solid governance, maximizing our positive local impact beyond the boundaries of our plants. We aspire to contribute to the sustainable growth of our neighboring communities by promoting a diverse and inclusive mindset. Most of our employees, contractors, and suppliers are members of our local communities. Together with our stakeholders, we work to implement community engagement plans and empower the youth with quality education and skills for personal and professional development.

Our approach
We develop sustainable products – we focus on their affordability, durability and recyclability as well as on their carbon footprint. When designing them, we take a holistic view of the production, consumption, reuse/recycle/recovery and disposal of their residuals to evaluate their environmental impacts throughout their entire life cycle. At the same time, we encourage our supply chain partners to incorporate sustainability considerations in their business decisions and daily behaviors, further promoting responsible sourcing.



A long history of sustainable growth

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

Our growth journey since 1902

Foundations

1902-1960

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

1912
Listing on the Athens Stock Exchange

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

Growth in Greece

1960-1990

1962
Second plant in Thessaloniki

1968
Third cement plant in Drepano, Patras

1976
Fourth cement plant in Kamari, near Athens

International expansion

1990-2020

1990 - 2018: Acquisitions and investments in over 15 countries:

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

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

Our governing objective

We aim to grow as a multiregional, building materials producer, combining entrepreneurial spirit and operational excellence with respect for people, society, and the environment.

Our strategic priorities

To achieve our governing objective, we focus on four strategic priorities:

Geographic diversification	Continuous competitive improvement	Vertical integration	Sustainability, with focus on the environment and society
We expand our business through acquisitions and greenfield developments into attractive new markets, to diversify our earnings base and mitigate the effect of the volatility inherent in our industry.	We deliver new efficiencies throughout our business to reduce costs and compete more effectively, implementing digital solutions across our value chain.	We extend our business into other product areas in the cement value chain, serving our customers better and accessing new profit opportunities.	We reduce our environmental footprint, with focus on de-carbonization and biodiversity. We care for and develop our employees, and foster constructive collaborations with our neighboring communities and other stakeholders.

Underpinning these priorities is our approach to sharing best practice and leveraging expertise. Applying this approach across the Group helps the development of our capabilities and the efficient delivery of our governing objective.

Our values

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

Integrity

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

Know-how

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

Value to the customer

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

Delivering results

- Shareholder value
- Clear objectives
- High standards

Continuous improvement

- Learning organization
- Willingness to change
- Rise to challenges

Corporate Social Responsibility

- Safety first
- Sustainable development
- Stakeholder engagement

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

Global presence

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

USA

2 Integrated cement plants

8 Quarries

82 Ready-mix plants

3 Import terminals

7 Concrete block plants

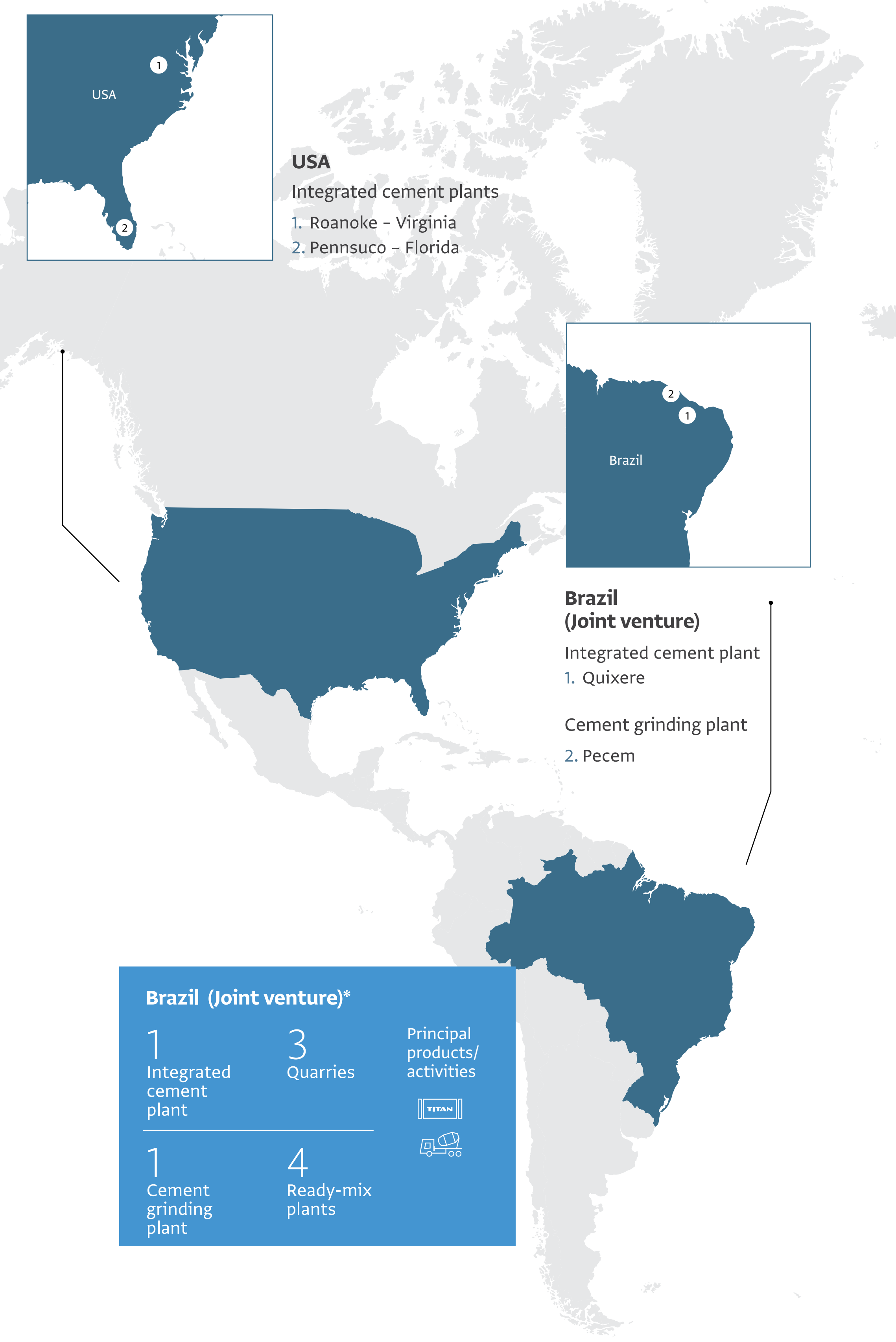
5** Fly ash processing plants

Principal products/activities

Revenue €937.7m

EBITDA €176.1m

Assets €1,095.8m



USA

Integrated cement plants

1. Roanoke – Virginia
2. Pennsuco – Florida

Brazil (Joint venture)

Integrated cement plant

1. Quixere

Cement grinding plant

2. Pecem

Brazil (Joint venture)*

1 Integrated cement plant

3 Quarries

1 Cement grinding plant

4 Ready-mix plants

Principal products/activities

Principal products/activities key:

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

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

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

** 1 facility in Canada is included

Southeastern Europe

Integrated cement plants

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

Southeastern Europe

5 Integrated cement plants

20 Quarries

6 Ready-mix plants

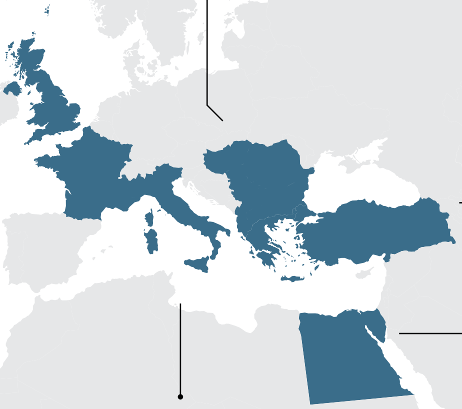
1 Processed engineered fuel facility

Principal products/ activities

Revenue €271.0m

EBITDA €96.2m

Assets €456.9m



Eastern Mediterranean

Integrated cement plant

1. Tokat

Cement grinding plant

2. Marmara

Integrated cement plants

1. Alexandria
2. Beni Suef

Eastern Mediterranean

3 Integrated cement plants

14 Quarries

7 Ready-mix plants

1 Cement grinding plant

2 Processed engineered fuel facilities

Principal products/activities

Revenue €151.7m

EBITDA €-3.3m

Assets €484.8m

Greece & Western Europe

Integrated cement plants

1. Thessaloniki
2. Kamari
3. Patras

Cement grinding plant

4. Elefsina

Greece & Western Europe

3 Integrated cement plants

25 Quarries

28 Ready-mix plants

1 Cement grinding plant

2 Processed engineered fuel facilities

3 Import terminals

1 Dry mortar plant

Principal products/ activities

Revenue €246.6m

EBITDA €17.2m

Assets €563.3m

Delivering value for all

We draw on, transform and add to our capital resources to provide our products and services, creating value[1] for all our stakeholders and contributing to the attainment of the UN Sustainable Development Goals 2030.

Driven by our governing objective

we draw on our capital

Financial capital

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

Manufactured capital

We manufacture our products using best available techniques in a network of 14 integrated and 3 cement grinding plants in 10 countries, as well as quarries, ready-mix plants, and other production facilities, and we distribute them reliably to our customers through dedicated terminals.

Intellectual capital

We use our R&D capabilities, our core competence, and our deep knowledge of the building materials industry to enhance our offerings and further improve our performance.

Human capital

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

Social and Relationship capital

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

Natural capital

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

to provide our products and services

Products

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

Services and Solutions

Production, transportation, distribution of building materials

Circular economy solutions:

- Separation technologies
- Alternative fuel and waste management solutions

Note: for terms denoted with (1)-(12) under 'Delivering value for all' please refer to the section ESG performance statements, under "2.1 Value Creation Core Indicators Index".

and create value for our stakeholders

contributing to the UN SDGs 2030

Key Indicators	Amounts	Stakeholders	SDGs 2030
Gross value added[2]	**€612.0m**	Employees, customers, suppliers, shareholders, and investors	8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Net value added[3]	**€472.4m**	Employees, customers, suppliers, shareholders and investors	8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Total spend on suppliers, local, national and international for goods and services[4]	**€989.8m**	Suppliers and contractors	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Taxes to national and local authorities[5]	**€102.7m**	Governments and authorities (central and local)	8 DECENT WORK AND ECONOMIC GROWTH; 17 PARTNERSHIPS FOR THE GOALS
Payments in cash to shareholders and minorities[6]	**€17.6m**	Shareholders	8 DECENT WORK AND ECONOMIC GROWTH; 17 PARTNERSHIPS FOR THE GOALS
Total spend on donations and social engagement initiatives[7]	**€2.1m**	Communities, academia, and educational and environmental organizations, civil society, and society at large	1 NO POVERTY; 3 GOOD HEALTH AND WELL-BEING; 4 QUALITY EDUCATION; 8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 11 SUSTAINABLE CITIES AND COMMUNITIES; 15 LIFE ON LAND; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS; 17 PARTNERSHIPS FOR THE GOALS
Green investment[8]	**€22.2m**	Communities, society at large	3 GOOD HEALTH AND WELL-BEING; 7 AFFORDABLE AND CLEAN ENERGY; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 15 LIFE ON LAND
Alternative fuels	**234,451 tons**	Communities, governments and authorities (central and local), society at large	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION; 17 PARTNERSHIPS FOR THE GOALS
Salaries, (contributions to) pensions, and social benefits, including additional benefits beyond those provided by law[9]	**€312.2m**	Employees and their families, local communities	8 DECENT WORK AND ECONOMIC GROWTH; 10 REDUCED INEQUALITIES; 17 PARTNERSHIPS FOR THE GOALS
Investments in training of direct employees[10]	**€0.5m**	Employees and their families	4 QUALITY EDUCATION; 8 DECENT WORK AND ECONOMIC GROWTH; 10 REDUCED INEQUALITIES
Internships	**251 interns**	Employees and their families, local communities, youth	4 QUALITY EDUCATION; 8 DECENT WORK AND ECONOMIC GROWTH; 17 PARTNERSHIPS FOR THE GOALS
Investments for Research and Innovation[11]	**€10.5m**	Employees, customers, academia and society at large	7 AFFORDABLE AND CLEAN ENERGY; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 17 PARTNERSHIPS FOR THE GOALS
Capital expenditures[12]	**€84.3m**	Employees, shareholders, customers, local communities, suppliers and contractors	8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION

Materiality assessment and stakeholder engagement

We have established a robust materiality assessment process to address the expectations of our stakeholders and pursue sustainable development. Through this process, we aim to build further on our trusted relationships and create shared value.

TITAN's approach to materiality assessment

Materiality assessment is an ongoing process that provides the foundation for the implementation of our sustainability strategy. A full cycle of materiality assessment has a duration of five years, with materiality assessments at local level used as input for the materiality assessment at Group level and vice versa. This is our fourth materiality assessment cycle and the feedback that we receive from our stakeholders through open and structured communication will act as a compass for our continuous improvement on all fronts.

In the new cycle that we launched in 2019, we upgraded, harmonized, and further developed our materiality assessment process across the Group, driven by our long-term commitment to the ten principles of the UN Global Compact and using the SASB Materiality Map® for our sector.

10

dedicated materiality assessment workshops at both Group and country level

191

managers and experts from TITAN business units and the Group Corporate Centre participated at the materiality assessment workshops

300

TITAN Employees contributed to the outcome of the materiality assessment process

The steps we follow to conduct our materiality assessment are presented below:

1 Identification and prioritization
- Identify and prioritize material issues based on the importance to our stakeholders and their current or potential impact on the business

2 Target setting
- Determining our sustainability focus areas and setting our ESG targets

3 Implementation
- Engage employees across the Group in strategy implementation

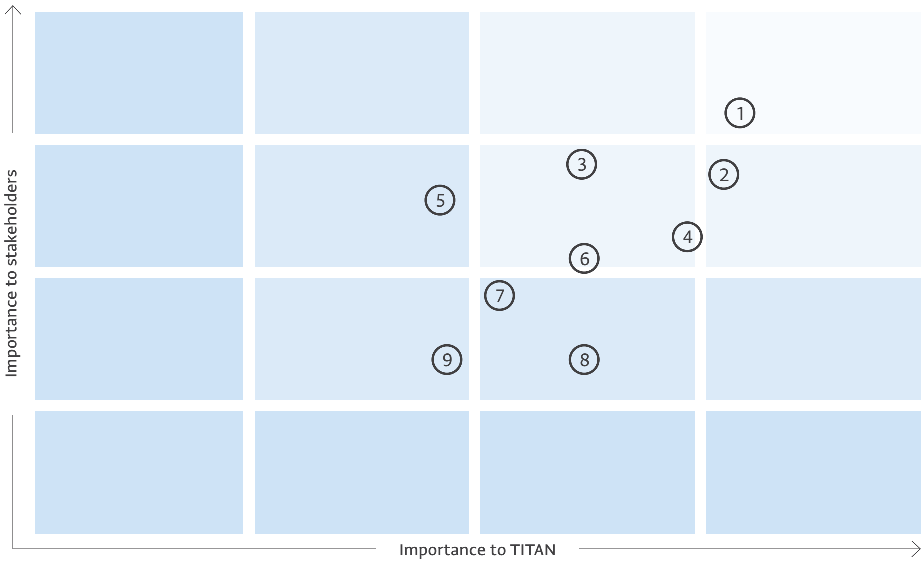
4 Review and report performance to stakeholders
- At Group level, we report our sustainability performance to stakeholders annualy

In 2020, all TITAN business units reviewed and updated their priorities, following the process designed by the Group. Areas such as health and safety, environmental management, employee development, sustainable supply chain, customer satisfaction, climate and energy, and good governance remain at the top of the list of material issues identified in most of the countries where we operate.

According to the Group Materiality Assessment outcomes, we will be addressing nine material issues grouped in four focus areas, all underpinned by good governance, transparency and business ethics. The diagrams below illustrate how our material issues have evolved since our last materiality assessment cycle, their prioritization and alignment with the UN SDGs 2030.

2015 – 19 material issues	2020 material issues	2020 focus areas
• Financial liquidity and access to funding • Climate change • Social and political risks and instability	1 Future-ready business model in a carbon-neutral world	De-carbonization and Digitalization
	6 Innovation with emphasis on digitalization and de-carbonization	
• Health and safety	2 Safe and healthy working environment	Growth-enabling work environment
• People management and development	7 Continuous development of our people 4 Diverse and inclusive workplace	
• Environmental management • Sustainability of communities	5 Positive local social, economic, and environmental impact	Positive local impact
• Circular economy	9 Resource efficiency, recycling, and recovery, contributing to the circular economy 8 Reliable and sustainable supply chain	Responsible sourcing
• Governance, transparency, and ethics	3 Good governance, transparency, and business ethics	

Materiality matrix



Contributing to SDGs 2030

ESG targets 2025 & beyond

Underscoring our enduring commitment to sustainability and value creation for all, we have set our Environmental, Social and Governance (ESG) targets for 2025 and beyond, focusing on four pillars defined as material by our stakeholders.

Focus areas	Targets 2025 and beyond	Addressing material issues
De-carbonization and Digitalization We will TRANSFORM our business, focusing on resilience, innovation and on building solutions to serve our customers more efficiently as we move towards a carbon-neutral, digital world	• **we will reduce our CO_2 emissions[1] by 2030, and will have our targets validated by the Science Based Targets Initiative (SBTi), as follows:** • Scope 1 emissions: we will reduce our net CO_2 emissions to 500kg/t cementitious products (-35% vs. 1990 level) • Scope 2 emissions: we will reduce our CO_2 emissions to 32kg/t cementitious products (-45% vs. 2020 level) • **we commit to drive down the CO_2 footprint of our operations and products aspiring to deliver society with carbon-neutral concrete by 2050** • **we will monitor and independently verify our supply chain (Scope 3) emissions**	Future-ready business model in a carbon neutral world
	• **we will increase our annual investment in Research & Innovation to €20m**	Innovation with emphasis on digitalization and de-carbonization
Growth-enabling work environment We will CULTIVATE an inclusive culture with equal opportunities for all our people to grow professionally within a safe and healthy work environment	• **we strive for zero fatalities and for an employee LTIFR performance which consistently places us among the three best in our peer group[2]** • **we will implement initiatives addressing the physical, mental, social and financial dimensions of wellbeing for our employees, in all countries**	Safe and healthy working environment
	• **we commit that 1/3 of our BoD members will be women** • **we will promote equal opportunities and inclusion and will grow by 20% the participation of women in senior roles, talent pools and new hires**	Diverse and inclusive workplace
	• **we will offer upskilling and reskilling opportunities to 100% of our employees, especially in areas vital for sustainable growth, such as health and safety, digitalization, and de-carbonization**	Continuous development of our people

[1] Scope 1: direct CO_2 emissions (net); Scope 2: indirect CO_2 emissions from electricity; Scope 3: indirect CO_2 emissions of the supply chain
[2] Peer group definition: Cemex, LafargeHolcim, Argos, HeidelbergCement, CRH, Cementir, Vicat, Buzzi
[3] Active wholly-owned sites
[4] Production from our integrated clinker-cement plants
[5] Key suppliers: critical suppliers according to GCCA Guidance for Sustainable Supply Chain management with a meaningful level of spend for TITAN

Focus areas	Targets 2025 and beyond	Addressing material issues
Positive local impact We will ENABLE our business operations and our people worldwide to contribute to the prosperity of our local communities with respect to their social and environmental concerns	• **we will sustain and further improve our strong performance in cement production-related specific dust, NOx and SO_x emissions** • **we will have quarry rehabilitation plans at 100% of our sites[3] and will rehabilitate 25% of the affected areas** • **we will have quarry biodiversity management plans at 100% of our sites[3] in high biodiversity value areas**	Environmental positive impact
	• **we will have community engagement plans that are aligned with material issues for stakeholders and UN SDGs 2030 at 100% of our key operations**	Social positive impact
	• **we will ensure that 2/3 of our total spend are directed to local suppliers and communities**	Economic positive impact
Responsible sourcing We will EMPOWER our business ecosystems to incorporate sustainability considerations in their business decisions and daily behaviors, while using natural resources responsibly	• **we commit to a water consumption of 280lt/t Cementitious Products and to covering 70% of our water demand with recycled water** • **we will have 85% of our production[4] covered by ISO 50001 or energy audits** • **we will have 50% of our production[4] covered by "Zero Waste to Landfill" certification**	Resource efficiency, recycling and recovery, contributing to circular economy
	• **we will ensure that 70% of our key suppliers[5] meet TITAN ESG supplier standards**	Reliable and sustainable supply chain

All underpinned by:
Good governance, transparency and business ethics

Performance highlights

An overview of our Group's overall financial and ESG performance in 2020.

Kamari cement plant, Greece

Financial performance

Earnings (EBITDA) growth and strong cash flow generation in a challenging year; resilient markets and encouraging prospects

TITAN Cement Group delivered strong results in 2020, despite the uncertainty caused by the COVID-19 pandemic. Group consolidated revenue at €1,607.0 million was stable compared to the previous year. Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) posted a solid increase of 7.1% to €286.2 million. This was the highest EBITDA recorded since 2010. Net Profit after Taxes and minorities (NPAT) dropped to €1.5 million (vs. €50.9 million in 2019) as a result of significant non-cash charges taken representing the full write-off of the €46.6 million goodwill of TITAN Cement Egypt and the derecognition of €17.3 million of accumulated deferred tax assets, also in Egypt.

The impact of the COVID-19 pandemic on our Group was clearly less severe than what was initially expected. Overall construction activity escaped the full brunt of the downturn, being allowed to continue as an essential activity in most of our operating countries.

Performance in 2020 was supported by resilient sales volumes across most of our markets. In the US, sales were sustained at high levels along all product lines. In Greece demand showed further recovery. In Southeastern Europe performance was robust, while Turkey posted strong domestic and export growth and demand also improved in Brazil. Performance in Egypt was disappointing due to the ongoing challenges of that market. Pricing dynamics in most of our markets benefited from resurgent levels of demand. The favorable energy cost environment combined with successful management of the Group's cost base, enhanced profitability.

The strengthening of the euro in 2020 mainly against the US$ and the Egyptian pound impacted results with FX losses of €13.2 million, while net finance costs were significantly lower at €52.7 million (€10.9 million lower than 2019).

2020 performance highlights

TITAN's US Operations had a strong year. Cement, aggregates and ready-mix sales were sustained at high levels. Cement block sales volumes grew, benefitting from the growth of the housing market while fly ash suffered due to lack of supply, as natural gas continued to replace coal as fuel in the US power generation industry. Overall, in US$ terms, 2020 revenue increased from 2019, reaching $1.07 billion. In euro terms, revenue declined by 1.5% to €937.7 million and EBITDA reached €176.1 million, a decline of 1.8% compared to 2019.

In Greece, 2020 was a year of improved performance. This was the result of a combination of higher domestic cement sales volumes, but lower clinker exports, increased operational efficiencies from digital optimization projects, combined with lower fuel prices and a notable increase in the use of alternative fuels. As such, total revenue for Greece and Western Europe in 2020 increased by 0.7% to €246.6 million while EBITDA increased by €5.3 million to €17.2 million.

In Southeastern Europe, the construction market, after an abrupt slow down at the start of the pandemic, recovered to post a net growth for the region in 2020, with a particularly strong last quarter. Revenue increased to €271.0 million, supported by pricing and domestic volumes, which more than compensated for the reduction of exports from the region. Margins improved substantially, thanks to a recovery from the previously low selling prices and a significant reduction of fuel costs, on top of efficiency improvements and cost containment measures. As a result, EBITDA grew by 24.6% to €96.2 million.

Markets in the Eastern Mediterranean remained challenging amidst a fragile economic environment. Pre-existing structural market limitations in Egypt were further exacerbated by the government's imposition of a six-month suspension of building licenses. Improved performance in Turkey, thanks to strong growth of domestic demand and exports, partially mitigated the region's disappointing results. Total revenue reached €151.7 million, an increase of 1.0% year on year, while at EBITDA level, the Group recorded a €3.3 million loss compared to losses of €1.2 million in 2019.

In our joint venture Cimento Apodi in Brazil, driven by increased demand and prices, net profit attributable to the Group reached €2.6 million compared to a €1.0 million loss in 2019.

Stronger sales volumes

Trends in domestic sales volumes were positive across most of our markets. At Group level, volumes were higher across all lines of products except fly ash, which suffered from supply constraints.

Following the restrictions on activity in the second quarter of the year, construction activity rebounded once lockdown restrictions were eased, testifying to the underlying resilience of market fundamentals across geographies. Group cement sales increased by 1% compared to 2019, reaching 17.1 million tons.

Ready-mix concrete sales increased by 3% in 2020, reaching 5.4 million m^3 on the back of stronger sales in Greece, Southeastern Europe, the Eastern Mediterranean and Brazil.

Aggregates' sales volumes increased by 5% year on year, reaching 20 million tons, mainly due to growth of the Greek market. Aggregates' sales in the US, which is a key contributor in the aggregates segment, remained stable at high levels.

	2020	2019	+/-
Cement (million metric tons)	**17.1**	17.0	1%
Ready-Mix concrete (million m^3)	**5.4**	5.2	3%
Aggregates (million metric tons)	**20.0**	19.1	5%

Robust increase of Operating Free Cash Flow

In 2020, the Group generated a strong operating free cash flow that reached €225.3 million, an increase of €50.2 million compared to 2019. Cash flow generation benefited from higher EBITDA levels, tighter capital expenditure and contained working capital requirements. Group capital expenditures during the year amounted to €84.3 million compared to €109.3 million in 2019.

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

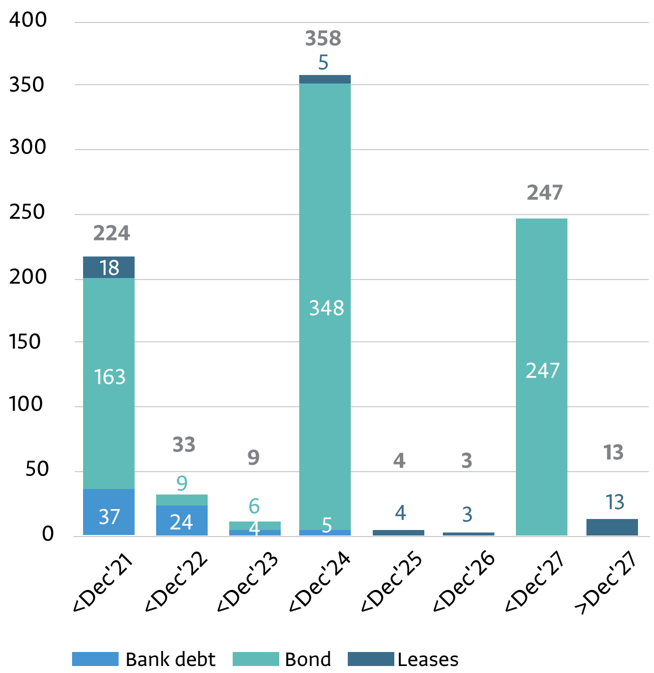
Deleveraging

Year-end net debt declined to €684.4 million (2019: €839.6 million), reflecting the strong operating cash generation. This decline of €155.2 million in net debt contributed to a significant improvement of the Net Debt/EBITDA ratio to improve to 2.35x as defined by loan agreements.

The Group maintains ample cash and other liquidity sources. It ended 2020 with a total liquidity of €503 million, comprising €206 million of cash and cash equivalents and €297 million of undrawn committed credit facilities.

TITAN Group uses a variety of funding sources and debt instruments to diversify its funding base and combines long-term and short-term financing. At year end, 86% of Group debt was in bonds, 8% in bank loans and 6% in lease liabilities. Gross debt as of 31 December 2020 came at €891 million.

Debt Maturity Profile (€m) as of 31 December 2020



In the prevailing environment of low interest rates, TITAN Group took the opportunity to lower its finance costs and significantly extend its debt profile. In July 2020, Titan Global Finance issued €250 million notes, due in 2027, with an annual coupon of 2.75%. The notes are traded on the Global Exchange Market (GEM), which is the exchange-regulated market of Euronext Dublin. Pursuant to a tender offer, the proceeds of the new issue were used to purchase prior to maturity €109 million of the outstanding €300 million notes with coupon 3.50%, due June 2021. The remaining proceeds were used for general corporate purposes, including repayment of bank debt. The Group's next important maturity is in mid-2021 for the €163.5 million notes of the 2016 issue that remained at the end of 2020 and, after that, in 2024 and 2027.

Outstanding bonds

ISIN	Amount outstanding	Coupon	Maturity
XS2199268470	250,000,000	2.75%	09/07/2027
XS1716212243	350,000,000	2.375%	16/11/2024
XS1429814830	163,458,000	3.50%	17/06/2021

Resolutions of the Board of Directors

- Return of capital: following the authorization granted to the Board of Directors by the Extraordinary Meeting of the Company's Shareholders on 13 May 2019, the Board of Directors of Titan Cement International SA decided the return of capital of €0.40 per share to all the Shareholders of the Company. All shareholders who are recorded as shareholders on Thursday, 29 April 2021, at 12.00 midnight (CEST) (record date) will be entitled to receive the capital return. Shareholders will receive the payment of the capital return on Friday, 2 July 2021, through their custodians, banks and securities brokers.
- Cancellation of own shares: the Board also decided the cancellation of 4,122,393 own shares representing 5% of the Company's voting rights. The cancellation is expected to be completed by the end of the second trimester, according to the procedure provided by Belgian law.

Equity market information

Titan Cement International S.A. (TCI) is committed to maintaining strong, transparent long-term relationships of trust with the investment community

The share

2020 was the first full year of TCI's listing on Euronext Brussels, Euronext Paris and the Athens Exchange. TCI became the new parent company of the TITAN Cement Group after the successful outcome of a share exchange tender offer submitted to TITAN Cement Company S.A. shareholders in 2019.

Titan Cement Company S.A. was founded in 1902 and its shares had been listed on the Athens Exchange since 1912. In 2019 Euronext Brussels became the primary listing of TITAN Group. The Group is also listed on Euronext Paris and the Athens Exchange.

The total number of TCI shares outstanding (including treasury shares) is 82,447,868 shares.

In June 2020, TCI's shares were included in the BEL Mid Cap Index. In addition, TCI shares are also components of the BEL Industrials and ATHEX Composite Indices and are also constituents of the FTSE/ATHEX Large Cap and MSCI Greece Small Cap Index, as well as the CAC All Shares and CAC Industrials. In February 2020, TCI's shares were excluded from the FTSE Developed Europe Small Cap Index and from the MSCI Greece Index in May 2020.

Share evolution

In 2020, TCI's share TITC closed the year at €13.86 on Euronext and at €13.74 on the Athens Exchange, corresponding to a decline of 27% year on year. Over the same period, the BEL Mid cap Index and the ATHEX General Index, recorded decreases of 16% and 12%, respectively. As at 31 December 2020, TCI's market capitalization stood at €1.1 billion.

Liquidity and market making contracts

In order to maintain a satisfactory level of liquidity for its shares, TCI has undertaken a liquidity provider agreement for its shares traded on Euronext and a market maker agreement for its shares traded on the Athens Exchange, both with local financial institutions.

ESG investors

Since 2010, TITAN Cement Group has attained, and maintained, the "Advanced" level reporter status in line with United Nations Global Compact principles. Over the course of 2020, TCI, as a new legal entity, was assessed for the first time with regards to its ESG performance, achieving positive results. In May 2020, TCI received an ESG Risk Rating of 28.6 by Sustainalytics and was assessed as being at medium risk of experiencing material financial impacts from ESG factors. The score places TITAN thirteenth out of 104 construction materials companies assessed by Sustainalytics. In June, TCI received a rating of A (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment. In October, TCI received a rating of B+ by Refinitiv and was ranked ninth in the construction materials sector across Europe and America. Moreover, 2020 marked our inaugural response to the CDP climate change and water security questionnaires.

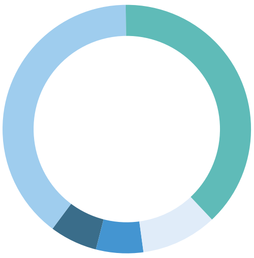
Treasury shares

In March 2020, the Group activated its share buy-back program. In total 786,278 shares, representing 0.95% of TCI's share capital were repurchased on Euronext Brussels and the Athens Stock Exchange (ATHEX) for a total consideration €8.8 million.

As at 31 December 2020, Titan Cement International S.A. holds 321,225 own shares representing 0.39% of the Company's share capital and TITAN Cement Company S.A. (TITAN S.A.), a direct subsidiary of TCI, holds 5,191,277 shares of the Company, representing 6.30% of the Company's voting rights.

Shareholder structure of TCI

The chart below represents the shareholder structure of the Company as of 31 December 2020*



E.D.Y.V.E.M. Public Company Ltd and TCI founders acting in concert **35.68%**

Paul and Alexandra Canellopoulos Foundation **9.56%**

FMR LLC, FMR CO Inc, Fidelity Institutional Asset Management Trust Company, FIAM LLC **6.70%**

TITAN Cement Company S.A. **6.30%**

Other **41.76%**

*As notified by the above shareholders to the company on 23 July 2019, on 7 January 2020, on 9 September 2020 and on 14 December 2020.

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

ISIN code: BE0974338700

More information for investors

There is comprehensive information on the TCI website regarding regulatory announcements, the investor relations calendar, share price analysis tools and quarterly financial results.
You can find us at: https://ir.titan-cement.com or contact us directly at ir@titan-cement.com

ESG performance

Performance towards our 2020 sustainability targets

Our 2020 sustainability targets have provided us with a roadmap to address our main impacts, monitor our performance, and tackle global challenges. Moving forward, we will build on our good results to achieve our ESG targets for 2025 and beyond (see pg. 18), in alignment with our material issues and the UN SDGs 2030. See below what we have achieved during the last five years.

KPIs and 2020 targets			2020 performance		Related SDGs
			Absolute figures (where applicable)	% (where applicable)	
Environmental management	Specific net direct CO_2 emissions	20% reduction comp. to 1990 level*	674 kgCO_2/t cementitious product	13.4% reduction comp. to 1990 level	12, 13, 17
	Specific dust emissions	92% reduction comp. to 2003 level**	19.3 g/t clinker	94.8% reduction comp. to 2003 level	
	Specific NOx emissions	53% reduction comp. to 2003 level**	1,282 g/t clinker	56.8% reduction comp. to 2003 level	
	Specific SOx emissions	43% reduction comp. to 2003 level**	253 g/t clinker	39.6% reduction comp. to 2003 level	
	Specific water consumption	40% reduction comp. to 2003 level**	261 lt/t cement	48.2% reduction comp. to 2003 level	6, 11, 15, 17
	Biodiversity and land stewardship	100%		88% Active wholly-owned sites with quarry rehabilitation plans 90% Active wholly-owned sites of high biodiversity value with biodiversity management plans	
	ISO 50001 coverage	50.0% of clinker production		54.9% of clinker production	7, 17
Occupational health and safety	Fatalities	0	3		3, 17
	LTIs frequency rate (employees)	To be in the top quartile of WBSCD/ CSI members' performance***	0.57		
Social engagement	All key operations with Community Engagement Plans related to material issues and Group policies	14/14 operations by the end of 2020	14/14		3, 4, 9, 11, 17
	Implementation of engagement plans at all key operations	100% by the end of 2020		100% by the end of 2020	

*1990 is the base year for CO_2 emissions, in line with the Kyoto Protocol.
**2003 is the base year for all other environmental performance indicators.
***As of 31 December 2018, the work and activities of WBCSD/CSI were carried out by the GCCA.

ESG performance

Environmental performance

We are actively participating in the de-carbonization of the construction value chain, contributing to the global effort toward a carbon-neutral future. Seeking to drive down the carbon footprint of our operations worldwide, we are investing in innovation for new products and processes. We continuously improve our environmental performance through the adoption of best available technologies and the implementation of effective environmental management systems, water and biodiversity management plans.

Climate change mitigation through alternative fuels

Recognizing the high energy and carbon intensity of cement making, we actively engage in the global collective effort toward a carbon-neutral future. We are committed to the COP21 Paris global goal of keeping the increase in global temperature to well below 2°C compared to pre-industrial levels, and the relevant UN Sustainable Development Goals 2030. We support the European Green Deal vision of carbon neutrality by 2050 and endorse the Global Cement and Concrete Association (GCCA) 2050 Climate Ambition to deliver society with carbon-neutral concrete by 2050.

In 2020, our net CO_2 emissions reached 674kgCO_2/t cementitious product, declining by 13.4% compared to 1990 levels.

We inaugurated a new processing line for alternative fuels at the Pennsuco cement plant in Florida, USA, and upgraded our alternative fuels feeding installations in several of our cement plants in Europe. The Thessaloniki cement plant in Greece extended its environmental permit to facilitate the use of Solid Recovered Fuel/Refuse Derived Fuel (SRF/RDF) from municipal solid waste (MSW), while in Bulgaria and the USA, our plants installed equipment, which enables the utilization of natural gas, thereby reducing their carbon footprint. During the last five years, our alternative fuels substitution rate has increased by 56%. In 2020, it decreased slightly, mainly due to the limited availability of suitable streams and delays in obtaining permits in some of the regions where we operate.

We were recognized as a Key Innovator by the European Commission in its Innovation Radar for our contribution to the RECODE research project, which involves the installation of a pilot unit at Kamari cement plant in Greece for the capture of CO_2 and its conversion to value-added chemicals.

Responding to society's needs for sustainable construction, we expanded our product portfolio to include significant volumes of low-carbon cement and concrete. Our less carbon-intensive Type IL cement already enjoys good market penetration in the USA, while in Greece, we have obtained all the necessary cement certifications to facilitate this transition.

In 2020, we continued to invest in innovation, having our first world patent published, on a novel method to produce nanosized particles of clinker, which can be used to manufacture added-value, high-performance construction products, in addition to valorising low-grade minerals and industrial by-products.

As energy management is integral to the sector's de-carbonization roadmap, we are systematically monitoring energy consumption and expanding the use of energy efficiency management systems. The Pennsuco cement plant in Florida, USA, received its ISO

29.3 million t
Avoided (direct net) CO_2 emissions (1990-2020)

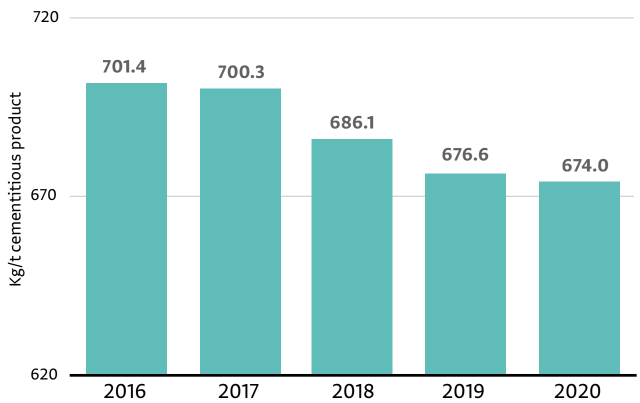
60,700 t
Avoided dust emissions (2003-2020)

32.5 million m^3
Avoided water consumption (2003-2020)

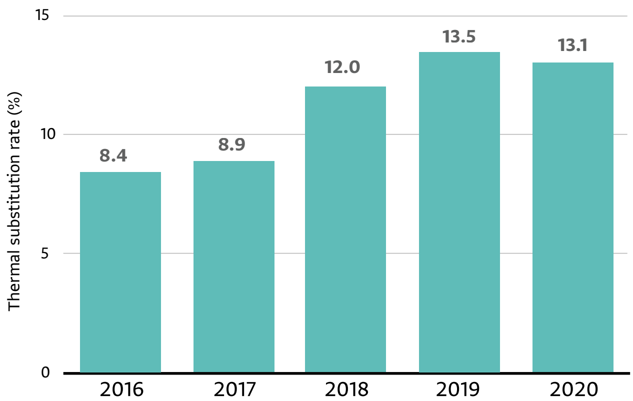
13.1%
Alternative fuel substitution rate

€22.2 million €
Green investments

Specific net direct CO_2 emissions (Scope 1)



Alternative fuel substitution rate



50001 certification. Our clinker capacity covered by ISO 50001 now represents 54.9% of our total clinker production, thus exceeding the 50.0% target that we had set for 2020.

Contributing to the circular economy

We are committed to the principles of the circular economy, which encourage waste minimization, reuse, recycling, or recovery in order to preserve the world's natural resources, reduce CO_2 emissions, and manage waste efficiently.

In 2020, we continued to implement programs to collect ready-mix concrete waste and returns for use as alternative raw materials in the production of clinker, cement, concrete, and concrete blocks, and as aggregates for pavements and other applications. The percentage of concrete returns diverted from landfills stood consistently over 85% in the last five years, reaching 90% in 2020. Furthermore, the Pennsuco Cement Complex became the first cement plant in the world to be Total Resource Use and Efficiency (TRUE) Platinum certified for zero waste.

The use of alternative raw materials in the production of clinker and cement slightly decreased in 2020 to 6.4% of total consumption, mainly due to the unavailability of such alternative sources in the countries and markets where the Group operates, as well as market demands and regulatory restrictions.

Mitigating our environmental impact

The majority of our cement plants are certified to the latest version of ISO 14001, the international standard that specifies the requirements for an effective environmental management system, while all are aligned with local and federal regulatory requirements.

Dust and NOx emissions from our kilns were reduced in the last five years by 19% and 25%, respectively.

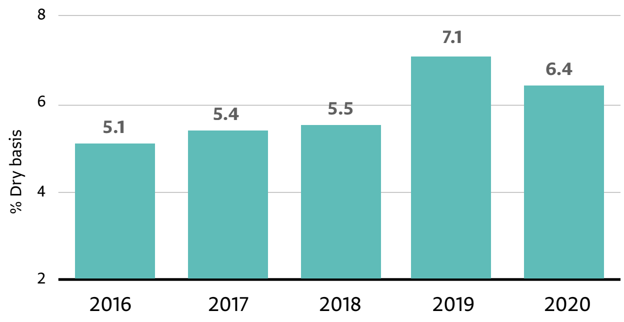
In collaboration with local universities, air emission dispersion studies are conducted, where needed, to ensure a high level of air quality in the local communities where we operate.

To improve transparency, a new online platform was launched in Greece, making daily air emission data from our cement plants publicly available. Similar initiatives exist in other regions where we operate.

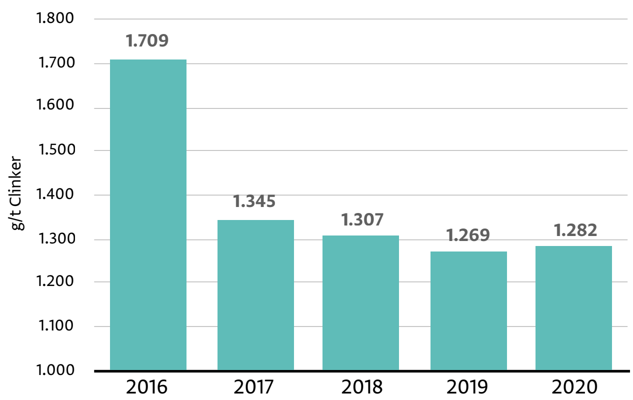
We have developed biodiversity management plans at nine out of the ten sites that have been identified as areas of high biodiversity value, using the Integrated Biodiversity Assessment Tool (IBAT). In 2020, we updated the biodiversity risk assessments for all our sites. In total, four new sites (three of them being under full management control of TITAN) are recognized as being in proximity to (or part of) areas of high biodiversity value and will be further assessed for their biodiversity baseline conditions. We contributed to the formulation of the GCCA policy document "A Commitment to Biodiversity by the Cement and Concrete Industry" and joined CSR Europe's Biodiversity and Industry Platform.

Our long-term initiatives and investments in water management facilities and systems have resulted in a substantial reduction in water consumption to 261lt per ton of cement, well below the target we had set for 2020.

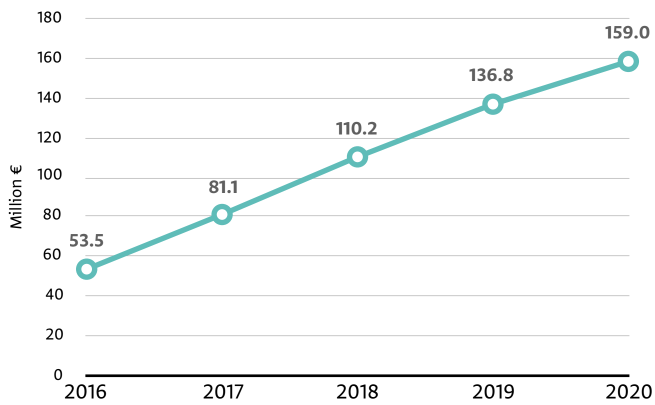
Alternative raw materials use
(as a percentage of total raw materials consumed)



Specific NO_x emissions



Environmental expenditures across all activities
(5-years cumulative)



ESG performance

Social performance

We are committed to cultivating a healthy and safe work environment, enabling our people to develop new skills and to grow professionally. We aspire to generate a positive impact for our local communities, supporting their socio-economic development and promoting sustainable practices across our value chain.

A robust response to COVID-19

Safeguarding our people and operations against COVID-19 was a top priority in 2020. In close cooperation with medical experts, we implemented action plans at all sites, putting an emphasis on frequent and open communication. We promoted remote working, while numerous protective measures were taken for people working on-site. At the same time, we stood by our neighboring communities and acted to help local partners and contractors to sustain their business.

Committed to health and safety

We envisage a work environment that ensures the health and safety of all employees, contractors, customers, and neighboring communities. To this end, we are continually striving to improve our health and safety performance through training and engagement.

Our efforts in 2020 concentrated on further improving risk assessment procedures. We maintained an active presence on all sites in spite of the pandemic, utilizing also camera-enabled remote audits. The employee Frequency of Lost Time Incidents (LTIFR) per million worked hours was reduced from 1.44 in 2019 to 0.57, the lowest value recorded since 2013. Regrettably, despite this improvement, there were two contractor fatalities during the year – one in Kosovo and one in Egypt – and one employee fatality in a driving accident in the USA.

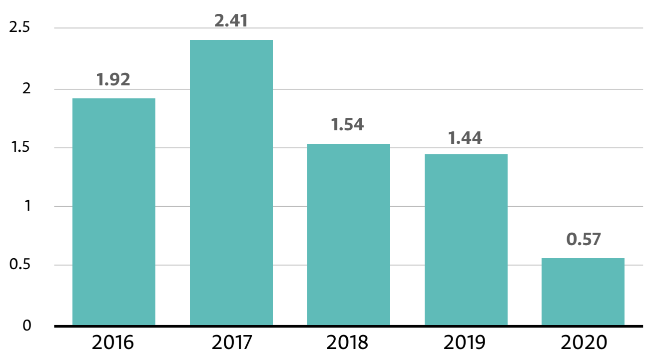
Bolstering diversity and inclusion

Our sustainable growth relies on the caliber, behavior, and involvement of our people. Our vision is to ensure an emotionally and mentally engaged workforce, as stated in our People Management Framework.

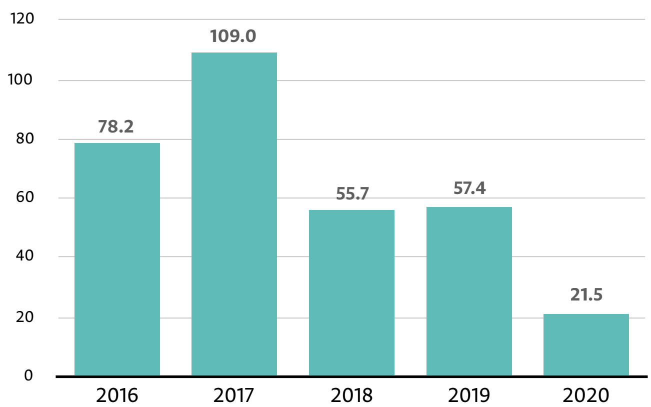
Group and country action plans were developed to address the results of the 2019 Employee Engagement Survey. The action plans were derived following in-depth analysis of the aggregated responses to the survey questions, as well as a series of interviews and deep dives in diverse employee focus groups.

We support equality, diversity and inclusion and are committed to providing equal access and remove biases in our operations. A comprehensive action plan to improve diversity and inclusion across the Group was drawn up, based on feedback from a number of focus groups and interviews. Our Group Code of Conduct, and Human Rights and CSR policies were updated to incorporate clearer references to diversity and inclusion. In Titan America, unconscious bias education was mandated for all people managers and two new Employee Resource Groups were launched – one supporting our Black and African American community and one supporting our LGBTQ+ community.

Employee Lost Time Injuries Frequency Rate (LTIFR)



Employee Lost Time Injuries Severity Rate



A holistic approach to wellbeing

Our new TITAN Health and Wellbeing framework covers the four key dimensions of health and wellbeing – physical, mental, social, and financial – and reflects the importance of following an integrated, holistic approach. Our Employee Assistance Program (EAP), a consulting support service that offers expert advice on personal, family, or work-related issues to employees and their families, has been extended to all countries to enhance the mental and emotional health and wellbeing of our people.

An ethical work culture

We introduced our Whistleblowing Policy in 2020, which encourages employees to report possible misconduct, fraud, or abuse. In parallel, the TITAN Group reporting platform EthicsPoint® was launched to provide a globally available digital tool enabling the confidential reporting of any concern and ensuring its quick and effective handling, fostering our culture of integrity and ethical conduct.

Growing our communities

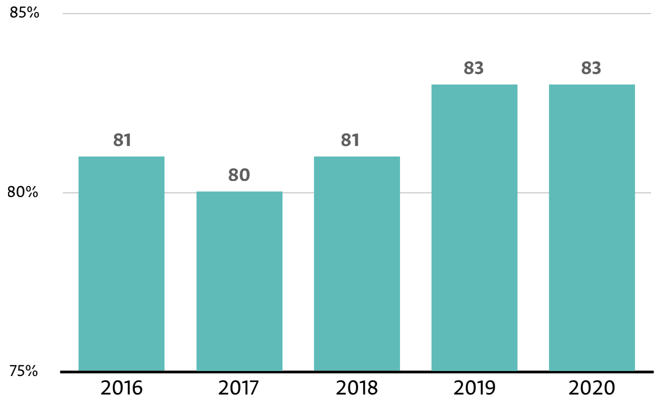
Supporting our local communities, where our operations have direct and indirect economic, social and environmental impacts, and contributing to their sustainable development is integral to our corporate philosophy.

In 2020, we launched a dedicated Group e-platform to record and evaluate our community initiatives and actions, in an effort to ensure their alignment with the material issues of our stakeholders.

In all countries, community outreach programs have yielded positive long-term results. The "For My Kosjeric" program offered by Kosjeric cement plant in Serbia was recognized by external stakeholders as a best practice example of empowering local communities to meet their own objectives. Through the ReGeneration Academy for Digital Acceleration, a program that we developed in partnership with local service providers aiming to help reverse the brain drain in Greece, we trained 24 young graduates in data science and assisted them in finding employment.

The percentage of employees from local communities remained high, at 83% and, despite the challenges posed by the pandemic, we continued to support youth employment, offering 251 internships in 2020.

Employees from local communities - Group average (%)



Sustainable supply chain

We support sustainable practices across our value chain, recognizing that a dependable and sustainable supply chain can contribute to the creation of a net positive environmental, social and economic impact.

In 2020, we continued our Group Procurement transformation program, the goals of which are to improve procurement efficiency and enhance the sustainability of our global procurement categories. Meanwhile, we continued our review of the prequalification process for our suppliers to include a broader sustainability assessment.

ESG performance

Corporate governance and risk management

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

Legal structure of Titan Cement International S.A.

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

Governance structure

TITAN has a one-tier governance structure, consisting of the Board of Directors, which is authorized to carry out all actions that are necessary or useful to achieve the company's purpose, except for those, which only the General Meeting of Shareholders is legally authorized to carry out. At least once every five years, the Board of Directors reviews whether the chosen governance structure remains appropriate.

Board of Directors

The Company's Board is currently composed of 14 directors. The Board members have high-level, diverse, and complementary expertise and significant experience relevant to the main challenges that TITAN is facing in its business environment and key markets. The Board members bring their experience and competence in areas such as finance, international investments, corporate governance, and business management, as well as their broader perspective on society and the world.

The Board's role

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

Group Executive Committee

The Group Executive Committee, as appointed by the Board of Directors, is composed of executive directors and senior managers of the Company, heading the main regions and functions of the Group.

The role of the Group Executive Committee is to facilitate the:

- cooperation and co-ordination between the Company's subsidiaries;
- supervision of the Group operations;
- monitoring of the Group management performance; and
- implementation of decisions and related accountability.

Restructuring of the Group Executive Committee

To further accelerate decision-making and organizational agility in the context of the rapidly changing drivers of competitiveness, primarily digital and carbon, the Board, in its meeting of 21 July 2020 approved a new organizational structure, effective as of 1 October 2020. The new Group Executive Committee consists of the following individuals:

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

Management Committee

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

Board committees

The Board, in order to discharge its duties effectively and efficiently, has set up specialized committees to analyze specific issues and advise it. Without prejudice to its right to set up other committees, the Board has established the:

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

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

Titan Cement International S.A. Board of Directors:

Efstratios-Georgios (Takis) Arapoglou	**Kyriacos Riris**	**Dimitri Papalexopoulos**	**Michael Colakides**	**Alexandra Papalexopoulou**	**Bill Zarkalis**	**Leonidas Canellopoulos**
Chairman Chair of Nomination Committee	Vice-Chairman Chair of Audit and Risk Committee	Chairman of the Group Executive Committee	Managing Director & Group CFO	Deputy Chair of the Group Executive Committee	Chief Operating Officer President and CEO of Titan America LLC	Chief Sustainability Officer
Non-executive Director	Independent Director	Executive Director	Executive Director	Executive Director	Executive Director	Executive Director

William Antholis	**Andreas Artemis**	**Harry David**	**Stelios Triantafyllides**	**Dimitris Tsitsiragos** (since March 2020)	**Maria Vassalou**	**Mona Zulficar**
Member of Remuneration Committee	Member of Nomination Committee	Member of Audit and Risk Committee	Member of Remuneration Committee	Member of Audit and Risk Committee	Member of Nomination Committee	Chair of Remuneration Committee
Independent Director	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director

* Takis-Panagiotis Canellopoulos served as Executive Director until 19 March 2020
** Petros Sabatacakis served as independent Director until 19 March 2020

9/14
Directors are non-executive

8/14
Directors are independent

3/14
Directors are female

4
Different nationalities represented on the Board

100% Board attendance*

* In the Board meeting of 21/7/2020 only the non-executive directors, the Managing Director and the Chairman of the Group Executive Committee were invited to participate.

Embedding sustainability

Sustainability is a top priority for our company. It is embedded firmly in our strategy through the regular review of all issues that are material to 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 transparency and collaboration that is prevalent across the Group.

Our company is committed to achieving a reduction of net direct CO_2 emissions from 674 to 500kg/t cementitious product by 2030. This target is in line with limiting global warming to well below 2°C compared to pre-industrial levels, and will be verified by the Science Based Targets Initiative (SBTi). To this effect, a three-year CO_2 target that is compatible with the path to 500kg CO_2 per ton of cementitious product is included in the performance objectives of the deferred compensation incentive for executive members of the Board and the members of the Executive Committee.

The former Group CSR Department was expanded to reflect the broader focus of our company and our stakeholders on Environmental, Social, and Governance (ESG) issues, while a new Group De-carbonization team was established, reporting directly to the Chief Sustainability Officer. To increase the level of assurance, ensure manage compliance and prevent fraud, and corruption issues, the Group Compliance and Anti-Fraud function was established as part of the Group Internal Audit, Risk and Compliance Department, reporting to the Group Audit and Risk Committee.

TITAN's sustainability governance structure

ExCom Sustainability Committee

Chair: Chairman of the Group Executive Committee

Convener: Chief Sustainability Officer

The purpose of this Committee is to strengthen and support the management's long-term approach in addressing environmental, social, and governance issues and to monitor the implementation of the sustainability strategy set by the Board. In particular, its role is to

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

Sustainability Working Group

Chair: Chief Sustainability Officer

Convener: Group ESG Performance Director

The Sustainability Working Group (SWG) consists of one Senior advisor to the Board, three ExCom Members, two Regional Directors and the Investor Relations Director. The SWG is responsible for supporting the co-ordination of the Group Sustainability Agenda and the relevant decision-making at both Group and regional level. The main tasks of the SWG are to

- develop and present specific proposals related to the Group Sustainability Agenda,
- facilitate internal communication,
- coordinate TITAN's engagement efforts with international and industry rganizations, networks, and initiatives, and
- provide guidance to TITAN's business units.

Group ESG performance department

The role of the Group ESG Performance department is to consolidate, coordinate, and monitor the sustainability actions undertaken across the Group, ensuring that we collectively deliver the best possible results against well-defined ESG criteria.

Risk management

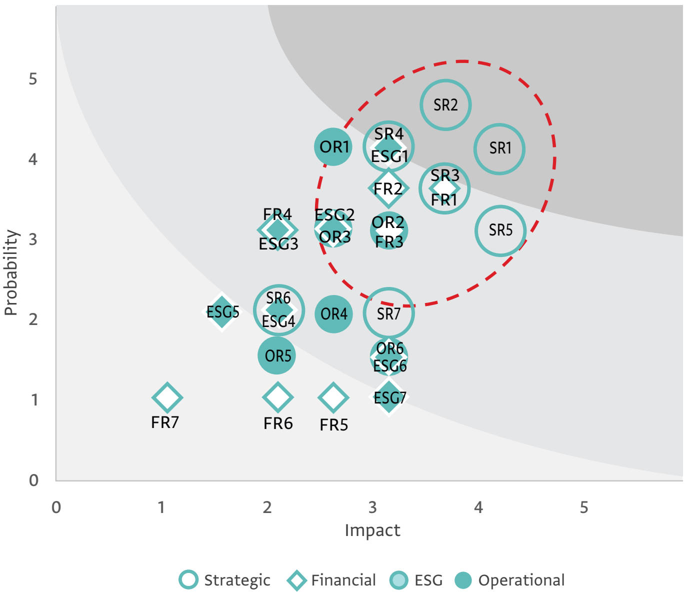
Risk identification and assessment are an integral part of our management processes, helping to safeguard the long-term sustainability of our business. Risks are addressed on a day-to-day basis by the Group's management at various levels in the organization according to the nature of each risk. The Board has the overall responsibility for determining the nature and extent of the principal risks that the Company is willing to assume in achieving the strategic objectives of the Group, while the responsibility for monitoring the effectiveness of the Group's risk management and internal control systems is delegated by the Board to the Audit and Risk Committee. TITAN's risk management framework is presented below.

	Risk Management		
	Centrally-led	**Hybrid**	**BU-led**
Risks covered	**Strategic, e.g.:** • Climate change mitigation and adaptation • Industry cyclicality • Market conditions • Political and economic uncertainty • Global systemic disruption including COVID-19 pandemic risk **Financial - in particular:** • Treasury • Liquidity	**Environmental, Social and Governance (ESG):** • Health and safety • Risks related to the environment • Human Resources, Diversity & Inclusion • Regulatory compliance risk **Operational risks:** • Production cost • Risks arising from business interruption, including as a result of natural disasters • Cybersecurity risks • Supply Chain Disruptio	**Most operational/ ESG risks**
Risk Management approach	• Executive Committee • Capex Committee • Group Finance • Other Group functions • Group HR processes	• Business Units (BU) • Higher central oversight vs. BU-led risks	• BU management as part of day-to-day operations • Embedded into business processes

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

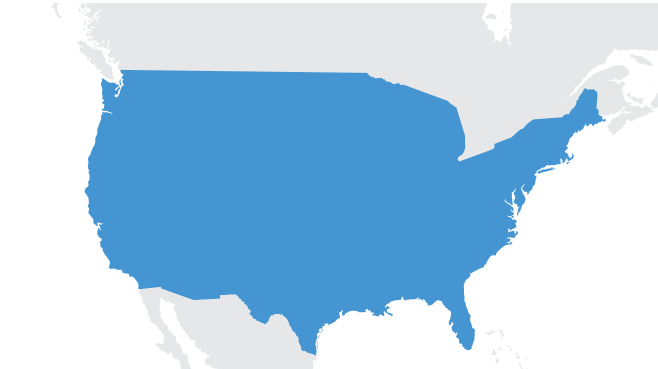
TITAN is active in a diverse geographical, business, and operational landscape. This results in a multitude of potential risk exposures, including strategic, financial, sustainability (ESG) and operational risks. Risks are categorized using established risk taxonomies relevant to the Group's business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

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



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

Regional performance
USA



Despite the disruptions caused by the pandemic, Titan America was able to deliver consistent results for 2020. In a year of economic volatility, construction activity escaped the full brunt of the downturn in the US.


Roanoke cement plant, USA

2020 Performance highlights

Revenue
€937.7m
(2019: €952.0m)

EBITDA
€176.1m
(2019:€179.3m)

Total assets
€1,095.8m
(2019: €1,106.2m)

LTIFR (employees):
0.39
(2019:1.30)

Active quarry sites with biodiversity management plans:
3
(2019: 3)

Integrated cement plants with certified Energy Management Systems (ISO 50001 or equivalent):
100%
(2019: 37%)

Employees:
2,307
(2019:2,307)

Principal Products/Activities

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

Operational Units

2	8	82	3	7	5*
Integrated cement plants	Quarries	Ready-mix plants	Import terminals	Concrete block plants	Fly ash processing plants

*1 facility in Canada is included

Market overview

COVID-19 caused 2020 to be the first year of contraction after a decade of economic expansion. Real GDP dropped 31% in Q2 as economic shutdowns hit the US. After a strong rebound in the second half of the year, 2020 full year real GDP decreased 3.5%. Decreases in personal consumption and non-residential investment were the biggest drivers of the real GDP contraction, but were partially offset by increases in federal government spending and residential fixed investment. Inflation remained below target despite liberal monetary policy. The US unemployment rate was at 6.7% in December 2020, marking a recovery from the peak April unemployment rate of 14.8%.

Construction spending in the USA increased by 4.7% to $1.43 trillion. US residential construction spending increased by 11.6% in 2020, driven by a strong single-family housing market which was boosted by low interest rates and migration trends from densely populated areas to the suburbs. US public construction grew by 4.8%, but private non-residential construction spending decreased by 3.0%. 2020 US cement consumption increased by 1.9% to 105 million metric tons.

Regional performance

TITAN's US Operations had a strong year. Our markets demonstrated resilience as the construction industry managed to respond effectively with mitigation protocols that largely enabled construction to continue as an essential activity. Cement, aggregates and ready-mix sales were sustained at high levels. Block sales volumes grew, benefitting from the growth of the housing market while fly ash suffered from supply constraints. Overall, in US$ terms 2020 revenue increased from 2019, reaching $1.07 billion. In euro terms, revenue declined by 1.5% to €937.7 million.

EBITDA reached €176.1 million, a decline of 1.8% compared to 2019. TITAN America's performance was buoyed by the successful implementation of cost saving initiatives, improved energy costs and cash flow preservation initiatives.

Florida

Florida benefitted from increased housing demand, with TITAN markets outside of South Florida demonstrating notable growth. However, this was offset by a downturn in non-residential construction, which was harmed by struggling tourism and service industries. Overall, 2020 cement consumption in Florida grew 1.0% to 8.1 million metric tons.

Virginia, and the Carolinas

Cement consumption in Virginia increased by 4.8% to 2.1 million metric tons, while North Carolina's consumption increased 2.9% to 3.0 million metric tons. Solid first and fourth quarters drove strong results for the region, boosted by favorable weather, strong residential demand, and cement intensive public works projects. Business performance improved, driven by increased volumes and improved production costs.

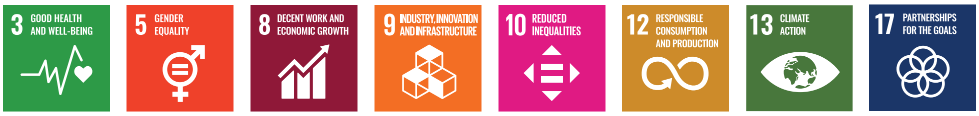
New York/Metro

Cement consumption in the New York Metropolitan area declined 4.2% to 1.8 million metric tons as New York was the first coronavirus epicenter and had the worst economic impact. Essex cement responded well and remained a strong player in the market.

ESG Performance

Protecting the health and wellbeing of our people and local communities from COVID-19 was a top priority throughout 2020. Relevant initiatives ranged from providing emergency sick and quarantine pay to issuing new safe-working protocols, setting up telehealth services, and offering an employee assistance program (EAP), a consulting support service for employees and their families. Lost time and recordable incidents reached historical lows. Despite the pandemic, we were able to continue to hire, onboard, and train employees at rates similar to previous years, in preparation for our next phase of growth. Titan America has continued to improve its operational sustainability and carbon footprint, switching partially to natural gas, systematically monitoring energy consumption, and marketing cement with a high limestone content. In 2020, the Pennsuco Cement Complex became the first cement plant in the world to be Total Resource Use and Efficiency (TRUE) Platinum certified for zero waste. In addition, Roanoke was awarded the 2020 Outreach Award by the Portland Cement Association in recognition of its community engagement efforts.

SDGs related to regional material issues:



A holistic approach to climate change mitigation and energy efficiency

Titan America is taking a holistic approach to applying environmental and energy improvements at every stage of its operations. In collaboration with universities and local utilities, as well as with the involvement of key stakeholders, it is addressing the needs of energy conservation and climate change throughout the manufacturing and distribution of its products.

In partnership with the Georgia Institute of Technology, TITAN has created a world-class energy management system and now boasts the only two ISO 50001-certified cement plants in the USA. Utilizing artificial intelligence models to maximize efficiencies, the plants have increased the use of lower-emission fuels such as natural gas and

alternative fuels. The Pennsuco plant now produces its own kiln fuel at a new Processed Engineered Fuel (PEF) facility, which will offset the plant's existing fossil fuel usage by up to 30% while diverting municipal waste from landfill.

Titan America has also set annual targets to reduce the environmental impact of manufacturing by reducing the clinker required for cement production.

Changes in the US energy market have resulted in a significant reduction in the production of fly ash while decades of coal use in the electricity industry have produced large landfills of fly ash. Addressing this shortage of freshly available alternative raw materials, Separation Technologwies, a TITAN company, operates a pilot reclamation plant where landfilled fly ash is excavated and processed into a consistent, high-quality alternative raw material for the concrete industry – ProAsh®. As it lessens the quantity of cement in concrete, the use of ProAsh® reduces the CO_2 generated in cement manufacturing.

Regional performance
Greece and Western Europe

2020 Performance highlights

Revenue
€246.6m
(2019: €244.9m)

EBITDA
€17.2m
(2019: €11.9m)

Total assets
€563.3m
(2019: €534.6m)

LTIFR (employees):
0.49
(2019: 0.00)

Active quarry sites with biodiversity management plans:
5
(2019: 5)

Integrated cement plants with certified Energy Management Systems (ISO 50001 or equivalent):
100%
(2019: 100%)

Employees:
1,175
(2019: 1,172)

Local spend:
71.94%
(2019: 69.45%)

Principal Products/Activities

Cement | Ready-mix concrete | Aggregates | Dry mortars

Operational Units

3 Integrated cement plants

1 Cement grinding plant

25 Quarries

28 Ready-mix plants

3 Import terminals

1 Dry mortar plant

2 Processed engineered fuel facilities

COVID-resilience and significant demand growth resulted in improved performance.

Thessaloniki cement plant, Greece

Market overview

Demand posted significant growth in 2020, mainly driven by buoyant activity levels across numerous public and municipal infrastructure projects. Large-scale infrastructure projects on the other hand, have yet to commence, but have completed the tender award and contract signing phases. Growth continued in residential construction, as well as wider real estate and logistics projects following last year's positive trends. The trend in residential is set to continue with a significant increase in building permits pointing to a continuing future increase in demand for new buildings. Tourism activity, which started at the same strong pace as in 2019 with investments in new facilities, experienced a slowdown when the pandemic hit the sector hard. Cement exports remained strong, with the USA representing Greece's biggest export market.

Regional performance

2020 was a year of improved performance in Greece. This was the result of a combination of higher domestic cement sales volumes, increased operational efficiencies from digital optimization projects, lower fuel prices, and a notable increase in alternative fuel utilization.

On the export front, the US remained strong, despite the pandemic effect. Our import terminals in the UK, Italy and France experienced disruptions in the early stages of the crisis, but overall performed in line with the trends of their regional markets. These conditions led to high cement exports for our plants and high utilization rates. Clinker export sales dropped, due to lower marginal profitability arising from CO_2 costs. Overall export volumes recorded a small decline in 2020 and their profitability was impacted by the unfavorable US$-euro exchange rate.

As such, total revenue for Greece and Western Europe in 2020 increased by 0.7% to €246.6 million while EBITDA increased by €5.3 million to €17.2 million.

ESG Performance

In 2020, TITAN Greece achieved a notable improvement in the Lost Time Injuries Frequency Rate (LTIFR), which dropped below one for employees and contractors combined. Our Greek operations received ISO 45001 certification, echoing our commitment to enhance our safety performance.

We remain focused on reducing our carbon footprint and further increased the use of alternative fuels at our plants. In addition, we received a permit for additional streams of alternative fuels for our plant in Thessaloniki (Efkarpia). Considering local community needs for transparent and continuous communication, we launched two separate microsites through which the public can view our performance on air emissions on a daily basis and receive information on co-processing.

From the onset of the COVID-19 pandemic, TITAN offered support to employees, contractors, and local communities. We took action to contain the spread of the virus, support hospitals and medical staff, provide digital tools and equipment to own personnel and school children, and assist customers, contractors, and vulnerable groups.

SDGs related to regional material issues:

A garden for the future

The Phenological Garden at TITAN Greece's Efkarpia cement plant is one of three such gardens in Thessaloniki that are used to study the role of urban green assets in the adaptation of cities to climate change and in the enhancement of CO_2 capture potential. Operated by the Aristotle University of Thessaloniki as part of the European Union's LIFE CliVUT program, the 2,500m^2 garden has been planted with 100 Mediterranean trees and bushes using 20 different species. The garden will be used for research and educational purposes, both during the program and after its completion. For at least 10 years, researchers will systematically record data that will contribute to knowledge about climate change, its effects and their mitigation. The program also includes educational activities for school students and experiential participation in the recording process.

Overall, the LIFE CliVUT program, which will run in four EU cities until 2023, involves the planting of 10,000 new trees and shrubs in pilot areas and the replacement of 8,000 existing trees and shrubs with species with a high climate performance. The project, which will help shape the EU's environmental and climate policy, aims at a total annual reduction in greenhouse gas emissions of 168,000 tons and an increase in CO_2 storage in trees by about 42,000 tons. Other anticipated benefits include reducing energy consumption by 2,000 MW/year and air temperature by 4-5°C in new urban green spaces.

Regional performance
Southeastern Europe

2020 Performance highlights

Revenue
€271.0m
(2019: €262.6m)

EBITDA
€96.2m
(2019: €77.2m)

Total assets
€456.9m
(2019: €483.4m)

LTIFR (employees):
1.48
(2019: 2.80)

Employees from local community:
64.13%
(2019: 65.43%)

Employees:
1,132
(2019: 1,157)

Local spend:
72.16%
(2019: 69.65%)

Principal Products/Activities

- Cement
- Ready-mix concrete
- Aggregates
- Waste management and alternative fuel

Operational Units

5 Integrated cement plants

20 Quarries

6 Ready-mix plants

1 Processed engineered fuel facility

The construction market, after an abrupt slow down at the start of the pandemic, recovered to post a net growth for the region in 2020, with a particularly strong last quarter.

Usje cement plant, N. Macedonia

Regional performance

Our markets proved resilient. Revenue increased to €271 million, supported by pricing and domestic volumes, which covered a reduction of exports from the region. Margins improved substantially, thanks to a recovery from the previously low prices and a large reduction of fuel costs, on top of efficiency improvements and cost containment measures. As a result, EBITDA grew by 24.6% to €96.2 million.

Our plants remained in operation throughout the pandemic, with our efforts concentrated in protecting the health of our employees and supporting the vulnerable in the communities around our plants, through donations of medical supplies and equipment, as well as the active engagement of our volunteers.

Albania

The Albanian economy recorded a GDP recession of ~6%. Private construction continued with robust activity, boosting cement demand by an estimated 10% compared to 2019, supported also by activity following the November 2019 earthquake.

Bulgaria

Against the backdrop of a projected 5.1% reduction of Bulgaria's GDP, the construction market has shown some resilience with an approximately 2-3% decline in cement demand. TITAN experienced a slightly bigger decrease, due to the continuing increase of imports to the country.

Kosovo

The construction sector in Kosovo remained strong, with cement demand stable, in spite of a drop of GDP by about 8%. The main driver was residential construction. TITAN revenue increased, thanks to firm pricing, with a small reduction in volumes. Costs decreased, supported also by energy efficiency improvements following the implementation of relevant investments.

North Macedonia

The GDP of North Macedonia declined by 5.1%. The NATO accession and the start of negotiations for EU membership have helped stability. The construction market showed particular resilience with a solid performance recorded across market segments.

Serbia

The Serbian economy recorded a modest contraction of -1.5%. Higher public infrastructure spending, combined with a surge of private investment in real estate, resulted in the growth of construction activity in the country and an increase in cement demand by approximately 10%, for the second consecutive year. In neighboring Montenegro, the main export market of our subsidiary Kosjeric, the cement market continued to decline, primarily due to the completion of a major highway project.

ESG Performance

During the COVID-19 pandemic, we stood by our local communities in all countries where we operate in the region. In Albania, we offered support to our neighboring communities that were heavily affected by the 2019 earthquake and we continued our community engagement, with programs such as “Hygiene in School,” “Safety at Home,” “Back to School,” and “Supporting People with Special Needs.” In Kosovo, we supported a special community project, conducted in cooperation with Laboratory for the Activation of Businesses (LAB), Helvetas, and other partners, that led to the creation of 20 jobs in an area of high unemployment. In addition, we contributed through the Kosovo CSR Network to the #unitedforchildren, #backtoschool, and #generationunlimited programs in collaboration with UNICEF.

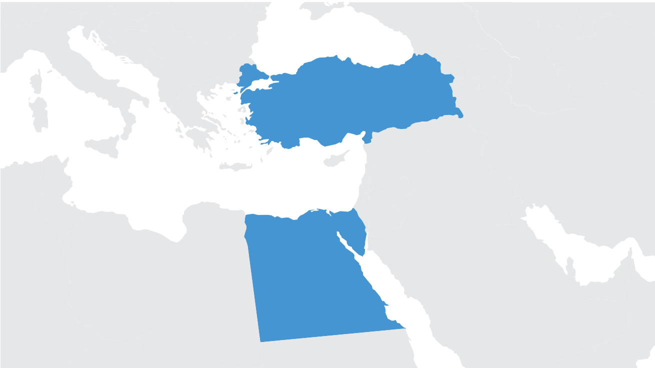
With regards to the environment, we further decreased our CO_2 emissions in Bulgaria, expanding our alternative fuels utilization capacity and securing additional local streams. In our cement plant in Serbia, we put in operation two new bag filters in our cement plant, where preparations are underway for the installation of a latest-generation bag filter for the kiln and raw mill, which will further improve the environmental footprint of our cement plant.

SDGs related to regional material issues:

Elevating annual reports to international standards

In Southeastern Europe, all TITAN subsidiaries have established a track record of publishing annual reports focused on sustainability performance in line with international and sectoral standards and best practices. In 2020, the business units in Albania, Bulgaria, North Macedonia, Kosovo, and Serbia continued to facilitate transparent and open communication with local stakeholders. The annual reports for 2019 were accompanied by independent assurance in line with TITAN’s reporting standards. Under the assurance verification and for the first time, the reports also succeeded in meeting the UN Global Compact Criteria on Advanced Level for their Communication on Progress (COP) according to the Ten Principles. Enhancing our reporting standards for the annual reports required additional engagement of our local teams. Finally, the elevated reporting standards ensured consistency for reporting on actions to support the broader UN Goals under the SDGs Agenda 2030. This effort builds on TITAN’s strategy to enhance our distinctive approach to social engagement in each country where we operate.

Regional performance
Eastern Mediterranean



Amidst a fragile external economic environment, conditions in the Eastern Mediterranean region remained challenging in 2020 owing to pre-existing structural market limitations in Egypt, partially counterbalanced by an improved performance in Turkey.

Alexandria cement plant, Egypt

2020 Performance highlights

Revenue
€151.7m
(2019: €150.3m)

EBITDA
€-3.3m
(2019 €-1.2m)

Total assets
€484.8m
(2019 €634.2m)

LTIFR (employees):
0.00
(2019: 2.04)

Employees from local community:
88.86%
(2019: 87.96%)

Employees:
745
(2019: 764)

Local spend:
85.95%
(2019: 80.07%)

Principal Products/Activities

- Cement
- Ready-mix concrete
- Aggregates
- Waste management and alternative fuel

Operational Units

3	1	14	7	2
Integrated cement plants	Cement grinding plant	Quarries	Ready-mix plants	Processed engineered fuel facilities

Market overview

In Egypt, the impact of the COVID-19 crisis was less severe than expected, with GDP recording a 3.6% increase in 2020. With persistent oversupply, however, and a six-month ban on private construction permits, cement consumption in the country declined by an estimated 6.5%, reaching approximately 45.5 million metric tons.

In Turkey, despite the sharp contraction in economic activity witnessed in the first half of the year, the economy staged a turnaround in the second half, resulting in a 0.5% GDP increase for 2020. This performance was also reflected in the cement market which grew by 18% in 2020, reaching approximately 53 million metric tons, yet still 25% below the peak levels of 2017.

Regional performance

In 2020, amidst market challenges and economic uncertainty, the Eastern Mediterranean posted total revenue of €151.7 million recording an increase of 1%, while at EBITDA level the Group recorded a €3.3 million loss versus a €1.2m loss in 2019.

Following the acquisition of IFC's minority stake in TITAN's Egyptian subsidiaries in 2019, our Egyptian subsidiary Alexandria Portland Cement Company voluntarily delisted from the Egyptian Exchange in 2020.

Egypt

The cement industry in Egypt continued to suffer from oversupply. Prices remained stagnant at low levels, wiping out profitability at our Egyptian operations. The company, nevertheless, continued to provide new and high-quality products, launching innovative and environmentally friendly products during the year. Moreover, the company continued its efforts towards environmental amelioration, through the use of alternative fuels, at both the Alexandria and the Beni Suef plants. The continuing weak performance of our Egyptian operations necessitated a reassessment of their carrying value which resulted to the write-off of all related goodwill €46.6m and derecognition of €17.3m of deferred tax assets.

Turkey

Adocim's operations in Turkey followed the same positive trend as the cement industry overall. Group sales capitalised on existing demand from private housing and public infrastructure projects as well as increased export activity. The depreciation of the Turkish lira against the euro by 26.7% during the year, was not fully offset by increases in domestic prices. Adocim benefited by high export volumes, however, increasing its overall profitability for the year.

While production costs increased mainly due to higher fuel prices owing to the Turkish lira's depreciation, our subsidiary's modern asset base, competitive production cost and low gearing placed it at an advantageous competitive position to mitigate these challenges while satisfying market demand.

ESG Performance

Despite the pandemic, TITAN Turkey made a determined effort to improve its environmental, health and safety, and community engagement performance. While responding to COVID-19 was our priority, online health and safety, personal development, and IT training programs were offered to all employees. Furthermore, Adocim focused on the wellbeing of its personnel by offering online seminars and an employee assistance program (EAP). Continuous audits contributed to the proactive prevention of hazards. The effort to increase the use of alternative fuels to reduce our carbon footprint continued. Moreover, we took significant steps to optimize water consumption and recycle wastewater. In waste management, our efforts to ensure separate collection were acknowledged through the Zero Waste Certification.

In parallel, TITAN Egypt managed to maintain its performance in regards to CO_2 emissions, water consumption, and waste management, keeping its environmental footprint at a satisfactory level. Through our partnerships with specialized NGOs and local universities, we implemented projects to improve the living and health conditions of local communities. TITAN experts also participated in a digital development program to equip undergraduate students with hard and soft skills.

SDGs related to regional material issues:

Boosting the sustainability of local communities

Since 2014, TITAN Egypt has been working to improve living conditions in Alexandria's WEK district, in partnership with the Sustainability Center for Development, a local NGO. To date, it has invested EGP 6.3 million (€446,453) to raise the capabilities of local organizations, improve local conditions, support employment for women and young people, and offer culture and entertainment. It has also contributed to the renovation of a local elementary school and youth play facilities. More recently, during the COVID-19 crisis, it supported hygiene and disinfection activities in the neighborhood and distributed protective equipment and food to poor families. The partnership will continue for the foreseeable future, improving the health and living conditions of people in the neighborhood.

In a separate initiative in association with the Sehetna Foundation, TITAN Egypt has provided EGP 7 million

(€360,613) to a public hospital in Beni Suef for the purchase of furniture and incubators and equipment for gynecology rooms, pathology laboratories and intensive care units. The project has proved invaluable during the pandemic.

Regional performance

Joint venture in Brazil

Growth in demand for a second consecutive year.

Principal Products/Activities

Cement | Ready-mix concrete

Operational Units

1 Integrated cement plant

1 Cement grinding plant

3 Quarries

4 Ready-mix plants

Overview

Brazil was severely hit by COVID-19 and the restrictive measures negatively impacted economic recovery. Nevertheless, the easing of lockdown measures and the government's stimulus packages, allowed for a rapid rebound in cement consumption in the second half of the year. Cement demand, mainly driven by the residential and commercial sector, grew by 10.7% reaching 60.5 million tons. This was the second consecutive year of growth.

Regional performance

Cement consumption in the north and northeast, the natural market of Apodi, grew at a faster pace than the rest of Brazil. Apodi increased its sales volumes at a rate higher than the national average by continuing to penetrate the bulk segment, through a focus on the pre-cast industry, the expansion of Fortaleza's airport and metro, restoration and expansion of roads, highways, dams and water canals.

Driven by the increased demand, selling prices saw a significant increase, enhancing the company's profitability. Net profit attributable to the TITAN Group reached €2.6 million compared to the €1.0 million loss in 2019, despite a 33.6% y-o-y devaluation of the Brazilian Real.

ESG performance

Our joint venture in Brazil continued to implement its long-term community engagement plan, which focuses on quality education and employment skills for local youth, entrepreneurship and women empowerment, environmental awareness, social inclusion, and the promotion of the UN SDGs in the business sector in collaboration with Rede Brasil UN Global Compact. Furthermore, in 2020, Cimento Apodi published its first Sustainability Report. More than 80 people in the local community benefited from the Construir Saber Project of the Social Service of Industry (SESI) and the community association of Bom Sucesso. Cimento Apodi also contributed to the fight against the pandemic through the provision of masks to vulnerable residents and support to health agents.

Other business activities

Contributing to circular economy

STET

ST Equipment & Technology LLC (STET), a wholly-owned subsidiary of Titan America, is a designer, manufacturer and marketer of proprietary separation equipment for dry powders. Its patented technology is suited for the processing of dry powders and recycling of waste streams in an innovative, environmentally sustainable, and cost-effective manner, contributing to the circular economy, both locally and globally.

Applications of the technology include the recycling of coal combustion fly ash, water-free processing of industrial minerals, and upgrading of plant-derived proteins for animal feed and human food applications. In 2020, a new fly ash separator was delivered for installation and commissioning at a US power station in 2021.

As coal fired power generation declines in the USA, STET has focused on deploying its processing technology to recover fly ash stored in landfills and impoundments. In 2020, STET successfully commissioned its first reclaimed fly ash drying plant at the Brunner Island Steam Electric Station in Pennsylvania, USA.

STET invests heavily in R&D to further develop its technology. In 2020, the company performed successful separation testing and continued applications development on a variety of plant-based food and animal feed ingredients including sunflower meal and dried distillers' grains, among other ingredients. In addition, STET filed patents on electrostatic separation of distillers' grain and fine iron ores, iron ore tailings and bauxite ores.

GAEA

Green Alternative Energy Assets (GAEA) is a company that provides services in waste utilization and alternative fuels production. Established in 2011 in Bulgaria, GAEA has been recognized as a reliable solutions provider in the Bulgarian waste market, providing solutions to a wide range of manufacturing and recycling industries in the country and actively contributing to the circular economy. In 2020, GAEA continued its positive trajectory, enabling the Zlatna Panega Cement plant to achieve an all-time record thermal substitution rate.

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 for the Group's cement plants, thus reducing its carbon footprint.

Outlook 2021

Market fundamentals remain promising, and the key drivers of demand are in place to support operational growth in 2021. At the same time, intermittent waves of COVID-19 across many countries are triggering corresponding government measures which impact economic activity.

In the US, the effects of the pandemic are expected to ease in 2021 as vaccine distribution accelerates. Benefiting from a combination of pent-up demand and an additional round of anticipated federal fiscal stimulus, the US economy is poised to rebound sharply and reach pre-pandemic levels. Titan America's solid backlogs point to continuing healthy activity levels and profitability.

In Greece, similar trends to those witnessed thus far should continue in 2021. Housing-related construction together with many peripheral infrastructure works such as highways, ports in the wider periphery and projects in the Attica capital region, supported by the existing financing mechanisms, should fuel demand.

In Southeastern Europe, the region is expected to continue performing solidly. Our cluster of operations, brings the benefits of network effects to the Group, and across most of the regional markets, the fundamentals of demand are in place to maintain performance at high levels.

In Egypt, we anticipate an increase of cement consumption in a market which faces structural issues and government's actions have so far exacerbated rather than contributed to a solution of the problem. The country harbors very promising underlying fundamentals for cement growth with a consistently positive GDP growth, one of the highest birth rates in the region and a strong trend of urbanization.

In Turkey, construction is anticipated to sustain its positive trend, amidst an uncertain economic outlook. Due to the prevailing economic situation, personal investments continue flowing into real estate while infrastructure spending such as new transportation projects, will support further growth in cement consumption.

In Brazil, the National Union of Cement Industry expects that in 2021 cement demand will remain at the high level achieved in 2020.

TITAN Cement Group, underscoring its enduring commitment to sustainability and value creation for all, released its Environmental, Social and Governance (ESG) targets for 2025 and beyond. The targets include an updated, more ambitious, CO_2 reduction goal for 2030 at -35% compared to 1990 levels, aligned with the vision of the European Green Deal to achieve climate neutrality by 2050.

TITAN has set 20 targets that focus on four pillars, which are defined as material by its stakeholders, all underpinned by good governance, transparency and business ethics:

- De-carbonization and digitalization, aiming to transform our business, focusing on resilience, innovation and on building solutions to serve our customers more efficiently as we move towards a carbon-neutral, digital world
- Growth-enabling work environment, aiming to cultivate an inclusive culture with equal opportunities for all our people to grow professionally within a safe and healthy work environment
- Positive local impact, aiming to enable our business operations and our people worldwide to contribute to the prosperity of our local communities with respect to their social and environmental concerns
- Responsible sourcing, aiming to empower our business ecosystems to incorporate sustainability considerations in their business decisions and daily behaviors, while using natural resources responsibly

Roanoke cement plant, USA

Management Report

Corporate Governance and Risk Management

Our approach to corporate governance and risk management.

Acropolis Museum, Athens, Greece

Corporate Governance Statement

1. Corporate Governance Code

1.1 Application of the Belgian Corporate Governance Code 2020

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

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

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

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

The Corporate Governance Charter (the CG Charter), which is available on the Company's website https://www.titan-cement.com/wp-content/uploads/2021/01/TCI-CG-Charter.pdf describes the main aspects of the Company's governance structure, as well as the terms of reference of the Board of Directors and its Committees and the Dealing Code of the Company.

1.2 Deviations from the Code

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

a. The non-executive members of the Board are not partly remunerated in the form of shares in the Company. Therefore, the Company deviates from Provision 7.6 of the Code. This deviation is explained by the fact that the interests of the non-executive directors are currently considered to be sufficiently oriented to the creation of long-term value for the Company and, hence, that their partial payment in the form of shares is not deemed necessary. It should be noted that this is a new provision of the Code which had not been taken into account when the remuneration of the non-executive directors had been decided. However, the Company intends to consider after the completion of the current term in office of the non-executive Board members, the alignment of the Company with article 7.6 of the Code.

b. No provisions regarding the recovery of variable remuneration paid to executives or withholding the payment of variable remuneration of executives, including specific circumstances in which it would be appropriate to do so, are included in the contracts with the Managing Director and other executives. Therefore, the Company deviates from Provision 7.12 of the Code. This deviation is explained by the fact that variable remuneration is paid in case the criteria set for such payment in advance, have been met. In case of early termination, the Company applies the Remuneration Policy which was approved by the AGM on 14 May 2020.

c. As at 31 December 2020, no minimum threshold of shares held by the executives had been set. Therefore, the Company deviates from Provision 7.9 of the Code. This deviation is explained by the fact that the interests of the executive directors are currently considered to be sufficiently oriented to the creation of long-term value for the Company. Hence, setting a minimum threshold of shares to be held by executives is not deemed necessary. At the same time, in case executives exercise stock options, they are obliged to retain a minimum threshold of exercised shares.

1.3 Governance structure

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

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

2. Capital, Shares and Shareholders

2.1 Capital

On 31 December 2020 the share capital of the Company amounted to €1,159,347,807.86 and was represented by 82,447,868 shares, without nominal value, with voting rights, each representing an equal share of the capital.

2.2 Shareholder structure

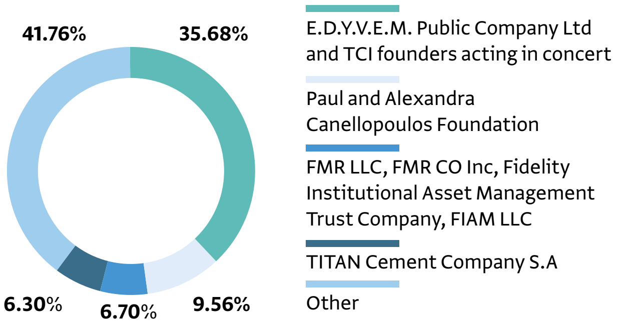
The chart in the next page represents the shareholder structure of the Company as of 31 December 2020, based on the transparency declarations made by its shareholders, the announcements of the Company for exercised stock options and changes in shares that did not require a transparency declaration due to the fact that the 5% threshold was not exceeded either upwards or downwards.

Based on the above:

- E.D.Y.V.E.M. Public Company Ltd, Andreas Canellopoulos, Leonidas Canellopoulos, Nellos-Panagiotis Canellopoulos, Pavlos Canellopoulos, Takis-Panagiotis Canellopoulos, Trust Neptune, Alexandra Papalexopoulou, Dimitri Papalexopoulos and Eleni Papalexopoulou, act in concert and hold 29,416,847 shares corresponding to 35.68% of the Company's voting rights;
- The Paul and Alexandra Canellopoulos foundation holds 7,882,883 shares corresponding to 9.56% of the Company's voting rights;
- FMR LLC, Fidelity Institutional Asset Management Trust Company, FIAM LLC and Fidelity Management & Research Company LLC hold 5,525,706 shares corresponding to 6.70% of the Company's voting rights; and

• TITAN Cement Company S.A. holds 5,191,277 shares corresponding to 6.30% of the Company's voting rights.

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



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

2.3 Interactions with institutional and individual investors

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

In 2020, due to the pandemic, TITAN participated remotely in many events, including roadshows and conferences, in several countries across the world.

At the same time, all shareholders have access to clear, comprehensive and transparent information through direct contact with the investor relation team.

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

3. Board of Directors

3.1 Resumes of Directors

Efstratios-Georgios (Takis) Arapoglou

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

Takis Arapoglou is a consultant with an earlier career in International Capital Markets and Corporate & Investment banking and later in managing, restructuring and advising publicly listed Financial Institutions and Corporates, primarily in SE Europe and the Middle East.

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

He currently holds the following non-executive Board positions: Chairman of Bank of Cyprus Group, Chairman of Tsakos Energy Navigation (TEN) Ltd, Independent Board member of EFG Hermes Holding SAE and Board member of Bank Alfalah Ltd, representing the International Finance Corporation (IFC).

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

Kyriacos Riris

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

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

He completed his professional exams with the Association of Certified Chartered Accountants (ACCA) in the UK in 1975, becoming a Fellow of the Association of Certified Accountants in 1985. Since 1976 he has worked mostly in Greece. He was a member of the Executive Committee of PwC Greece and became a Partner in 1984. His responsibilities have included that of Managing Partner of the Audit and the Advisory/Consulting Departments respectively, and later Deputy Territory Senior Partner. In 2009, he was elected as Chairman of the Board of PwC Greece, retiring from that position in 2014.

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

Dimitri Papalexopoulos

Chairman of the Group Executive Committee

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

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

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

In June 2020, he was elected Chairman of the Board of the Hellenic Federation of Enterprises (SEV). He is a member of the Board of the "Foundation for Economic and Industrial Research" (IOBE), the "Hellenic Foundation for European and Foreign Policy" (ELIAMEP) and of "Endeavor Greece".

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

Michael Colakides

Managing Director – Group CFO

Michael Colakides started his career in banking at Citibank Greece, where over time he held the positions of Head of FIG, Head of Corporate Finance and Local Corporate Banking (1979-1993). In 1993 he was appointed Executive Vice Chairman at the National Bank of Greece, Vice Chairman of ETEBA Bank S.A. and member of the BoD of other NBG affiliates.

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

From 2000 to 2007, he served as Vice Chairman and Managing Director at Piraeus Bank S.A., overseeing the domestic wholesale and retail banking business as well as the Group's international network and activities. In 2007 he moved to EFG Eurobank Ergasias S.A., assuming the position of Deputy CEO-Group Risk Executive (2007-2013) overseeing the risk management functions of the Group.

In January 2014, he rejoined the TITAN Cement Group and assumed the position of Group CFO of TITAN and also became an executive member of the Board of Directors.

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

William Antholis

Independent Director – Member of the Remuneration Committee

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

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

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

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

Andreas Artemis

Independent Director – Member of the Nomination Committee

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

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

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

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

Harry David

Independent Director – Member of the Audit and Risk Committee

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

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

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

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

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

Leonidas Canellopoulos

Executive Director

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

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

Prior to that, he worked for Separation Technologies LLC.

He is a member of the BoD 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.

Alexandra Papalexopoulou

Executive Director

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

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

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

She is a Non-Executive Director of Coca-Cola HBC, a FTSE 100 company, a member of the Board and Treasurer of the Paul & Alexandra Canellopoulos Foundation, and serves on the Board of Trustees of INSEAD Business School.

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

Stelios Triantafyllides

Independent Director – Member of the Remuneration Committee

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

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

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

Dimitris Tsitsiragos

Independent Director – Member of the Audit and Risk Committee

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

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

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

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

Maria Vassalou

Independent Director – Member of the Nomination Committee

Maria Vassalou is the Chief Investment Officer at Vassalou Capital Management. She has more than 14 years of investment experience.

Prior to founding Vassalou Capital Management, she was a Partner and Portfolio Manager at Perella Weinberg Partners, responsible for the PWP Global Macro Business. She joined Perella Weinberg Partners from MIO Partners, a subsidiary of McKinsey & Company, where as a Portfolio Manager she managed a similar global macro investment strategy in a dedicated legal entity, and as Head of Asset Allocation she provided counsel on allocation for liquid assets within MIO's portfolio.

Prior to joining MIO, she was a Global Macro Portfolio Manager at SAC Capital Advisors LP. She joined SAC from Soros Fund Management, where she was responsible for global quantitative research, as well as the development and management of global quantitative trading strategies.

She began her career in academia and she was an Associate Professor of Finance at Columbia Business School, which she joined in 1995. She is a Past President of the European Finance Association and was the Chair of the 2008 European Finance Association meetings. A Research Affiliate of the Centre for Economic Policy Research (CEPR) in London for many years, she is a past member of the Academic Advisory Board of the Vienna-based Gutmann Center of Competence in Portfolio Management.

Since 2016, she has been a member of the Board of Directors of Tsakos Energy Navigation (NYSE: TNP).

She earned a BA in Economics from the University of Athens and holds a PhD in Financial Economics from London Business School. She is the recipient of several professional awards and she was included in the 50 Leading Women in Hedge Funds in 2015.

Bill Zarkalis

Executive Director

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

He is a business executive with an international career, having led diverse global teams across all continents while located mostly in the USA and Switzerland. He dedicated 18 years to Dow Chemical Co., where he started in commercial posts, growing in experience through a fast succession of marketing and product management responsibilities, culminating into global business-unit leadership roles. Among others, he served as Vice President of Dow Automotive, M&A Leader for DuPont-Dow Elastomers, Global Business Director for Specialty Plastics & Elastomers, and Global Business Director for Synthetic Latex.

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

He holds a BSc in Chemical Engineering from the National Technical University of Athens and a MA from Pennsylvania State University.

Mona Zulficar

Independent Director – Chairwoman of the Remuneration Committee

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

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

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

She holds a BSc in Economics and Political Science from Cairo University and an LLM from Mansoura University as well as an honorary PhD in law from the University of Zurich.

3.2 Role and competencies of the Board of Directors

The CG Charter, which is available on the Company's website https://www.titan-cement.com/wp-content/uploads/2021/01/TCI-CG-Charter.pdf, defines the terms of reference of the Board of Directors including its role, mission, composition, training and evaluation.

3.3 Structure of the Board of Directors

As at 31 December 2020, the Board was composed of fourteen (14) directors:

- The majority of directors, namely nine (9) out of fourteen (14), including the Chairman, are non-executive directors.
- Eight (8) out of fourteen (14) directors, namely Kyriakos Riris, William Antholis, Andreas Artemis, Harry David, Stelios Triantafyllides, Dimitris Tsitsiragos, Maria Vassalou and Mona Zulficar met on their appointment the independence criteria of article 7:87 of the Belgian Companies and Association Code and also those of Principle 3.5 of the Code.
- Five (5) out of the fourteen (14) Board members, namely Dimitri Papalexopoulos, Michael Colakides, Leonidas Canellopoulos Alexandra Papalexopoulou and Bill Zarkalis are executive directors.
- Three (3) out of fourteen (14) directors are women. Due to the fact that the Company's primary listing on Euronext Brussels took place in August 2019, the Company is required to comply with the gender diversity rule of one-third provided in article 7:86 of the Belgian Companies and Associations Code, by 1 January 2026 at the latest. Nevertheless, the company intends to comply with the above requirement before the end of the above grace period.
- The directors represent four (4) different nationalities (US, Egyptian, Cypriot and Greek).
- The Board meeting attendance at the six scheduled Board meetings was 100%. There were also two unscheduled Board meetings, in the first of which the attendance was 100%, while in the second, where only non-executive directors had been invited to participate together with the managing director and the Chair of the Group Executive Committee, the attendance rate was 10 out of 11. The individual attendance of each Board member is shown in the table included in Section 3.4 ("Functioning of the Board of Directors") below.

Currently, the Board consists of the following fourteen (14) directors:

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

3.4 Functioning of the Board of Directors

During 2020 the Board of Directors held six (6) scheduled meetings on March 19, April 9, May 13, July 29, November 11 and December 16.

Two (2) unscheduled meetings were held on June 24 and July 21.

The following table shows the individual attendance of each Board member at the meetings of the Board and its committees held in 2020:

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

Administrateur	Board of Directors Meetings	Audit and Risk Committee	Remuneration Committee	Nomination Committee
Efstratios-Georgios (Takis) Arapoglou	8/8	-	-	4/4
Kyriacos Riris	8/8	5/5	-	-
Dimitri Papalexopoulos	8/8	-	-	-
Michael Colakides	8/8	-	-	-
William Antholis	8/8	-	3/3	-
Andreas Artemis	8/8	-	-	4/4
Harry David	8/8	5/5	-	-
Leonidas Canellopoulos	7/8*	-	-	-
Alexandra Papalexopoulou	7/8*	-	-	-
Petros Sabatacakis	1/1	-/1	-	-
Stelios Triantafyllides	8/8	-	3/3	-
Dimitris Tsitsiragos	8/8	4/5	-	-
Maria Vassalou	8/8	-	-	4/4
Bill Zarkalis	7/8*	-	-	-
Mona Zulficar	7/8	-	3/3	-

* In the Board meeting of July 21, 2020 only the non-executive directors, the Managing Director and the Chairman of the Group Executive Committee were invited to participate.

3.5 Board evaluation

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

After the completion of more than one year as listed Company primarily on Euronext Brussels with secondary listings on the Athens Exchange and Euronext Paris, the Board decided to carry out a formal Board evaluation for the year 2020 without external facilitation.

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

At the end of each Board member's term, the Nomination Committee evaluates this Board member's presence at the Board or Committee meetings, his or her commitment and constructive involvement in discussions and decision-making in accordance with a pre-established and transparent procedure. The Nomination Committee also assesses whether the contribution of each Board member adapted to changing circumstances.

3.6 Code of Conduct – Conflicts of interest

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

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

Each member of the Board undertakes, both during his or her membership of the Board and afterwards, not to disclose to anyone in any manner any confidential information relating to the business of the Company or companies in which the Company has an interest, unless he or she has a legal obligation to disclose such information.

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

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

All members of the Board are required to inform the Board of conflicts of interests as they arise. In case a director has a direct or indirect financial interest that conflicts with the interests of the Company, he or she is required to inform the other directors before the Board takes a decision and the Board is required to implement the procedures set forth in articles 7:96 and 7:97 of the Belgian Companies and Associations Code. Pursuant to the above articles of BCCA, the following decisions were taken, without the presence of any executive member of the Board:

1. Board decision dated 19.3.2020: Approval of variable remuneration payout for Titan America and the Group.

On 19 March 2020 the board resolved on the variable remuneration for Titan America and the Group. The conflict of interest is related to the fact that the executive members of the Board are potential beneficiaries of the variable remuneration. The executive members withdrew from the meeting.

The non-executive members of the Board discussed the variable remuneration payout for Titan America and the Group, based on the recommendation from the Remuneration Committee. The total remuneration payout will be up to €800,000 in aggregate and is justified by the fact that external factors in the US market outside the local management control (e.g. hurricane impact, no availability of fly ash) affected the achievement of targets set for 2019.

The board of directors (composed of the non-executive members only) approved unanimously the variable remuneration payout for Titan America and the Group as proposed by the Remuneration Committee.

2. Board decision dated 9.4.2020:

Mrs. Mona Zulficar, Chair of the Remuneration Committee, presented to the Board of Directors, the recommendations of the Remuneration Committee on the following matters, namely: a. To approve the variable remuneration payouts (bonuses) for 2019 of the executive members of the Board, the members of the Management Committee and the members of the Group Executive Committee, as included in the Remuneration Report for the year 2019, noting that the relevant variable remuneration payouts which amount in total to €1,194,436 are paid in accordance with the provisions of the 2019 Remuneration Policy and following the appraisal of the performance of each executive director and the achievement of personal and collective targets provided in the Remuneration Policy; b. To approve the long-term incentive awards to be granted in 2020 to the executive members of the Board, the members of the Management Committee and the members of the Group Executive Committee, noting that such long term incentive awards amount in total to 195,160 shares, i.e. €2,010,000, and are granted subject to the achievement of personal and collective targets provided in the new Remuneration Policy that will be submitted for approval in the AGM on 14 May 2020; and c. To approve the proposed extension of the exercise period of the stock options granted in 2014 and 2015, in the framework of the 2014 Restricted Stock Incentive Plan (RSIP), until December 2021 (instead of December 2020) and until December 2022 (instead of December 2021) respectively, noting that the relevant extensions incur no cost to the Company and are granted in order to ensure the fair treatment of all stock option beneficiaries.

The conflict of interest is related to the fact that the executive members of the Board are potential beneficiaries of the variable remuneration payouts for 2020, the long-term incentive awards of 2020 and the extension of the exercise period of stock options mentioned above.

3. Board Decision dated 21.7.2020: Group Organizational Changes

During the Board of Directors of 21 July 2020 Group organizational changes were decided. Executive Board members were asked not to attend the meeting as they are associated with most of the proposed changes and the non-executive Board members should be free to comment without any pressure. Mr. Michael Colakides, Managing Director and Mr. Dimitri Papalexopoulos, who under his capacity as Chairman of the Group Executive Committee was asked to join the Chairman in presenting the proposed organizational changes, withdrew from the meeting before any decision was taken. The following organizational changes were decided, effective as of October 1, 2020 regarding the composition of the Group Executive Committee: Dimitri Papalexopoulos, Chairman; Alexandra Papalexopoulou, Deputy Chair; Michael Colakides, Group CFO and Managing Director of TCI; Bill Zarkalis, Group COO; Yanni Paniaras, Group Executive Director Europe and Sustainability; Fokion Tasoulas, Group Innovation and Technology Director; Christos Panagopoulos, Regional Director Eastern Med; Antonis Kyrkos, Group Transformation and Strategic Planning Director; John Kollas, Group Human Resources Director; Leonidas Canellopoulos, Chief Sustainability Officer. The decisions had no direct financial consequences for the Company and the Group.

4. Board decision dated 11.11.2020: Remuneration of the promoted executives following the Group Organizational Changes decision taken by the Board of Directors on 21.7.2020

The executive members of the Board of Directors withdrew from the meeting because they declared that they had a possible conflict of interest, related to the fact that they are potential beneficiaries of the remuneration packages and severance schemes that have been submitted for approval. On recommendations of the Remuneration Committee following decisions were taken:

a. To approve the proposed changes in the Remuneration packages of the promoted Executive Directors, members of the Group Executive Committee and other executives, noting that, as regards the executive members of the Board of Directors, the relevant changes are in line with the Remuneration Policy and the variable compensation will be paid subject to appraisal of the performance of each executive director and the achievement of personal and collective targets. The additional financial consequences for the Company, should the targets of the executive board members be achieved, will not exceed €380,000;

b. To approve the revision of the severance schemes provided to the members of the Group Executive Committee, noting that, as regards the executive members of the Board who are also members of the Group Executive Committee, the changes are in line with the Remuneration Policy and the additional financial consequences for the Company, with respect of the revision of the severance schemes for the executive board members and the conditional severance scheme set out below, will not exceed €1,600,000; and

c. To approve the provision of a conditional severance scheme to one executive director, noting that such conditional severance scheme will not exceed 18 months' remuneration as provided in the 2020 Remuneration Policy.

The Board has set (a) a Policy for transactions and other contractual relationships between the Company or Group Subsidiaries and Members of the Board or the Management Committee or the Group Executive Committee or other designated persons and (b) a Dealing Code, which is addressed to the Company's directors, managers and officers, as well as to Group's directors, managers, officers and employees who are in possession of inside information (within the meaning of the Regulation (EU) No 596/2014 on market abuse).

Both the Policy for Transactions and the Dealing Code are included (as Appendix 2 and Appendix 8, respectively) in the Company's CG Charter which is available on the Company's website (https://www.titan-cement.com/) at the link: https://www.titan-cement.com/wp-content/uploads/2021/01/TCI-CG-Charter.pdf.

4. Composition and Operation of Board Committees

4.1 Audit and Risk Committee

4.1.1 Composition, Role and Functioning

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

Notwithstanding the relevant expertise of the other members of the Committee, the Committee's Chairman, Mr. Riris, has the necessary expertise with regard to accountancy and auditing.

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

a. Monitoring the financial reporting process;

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

c. Monitoring the internal audit and its effectiveness;

d. Monitoring the statutory audit of the annual and consolidated financial statements, including any follow-up on any questions and recommendations made by the External Auditor;

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

The Audit and Risk Committee held five meetings in 2020: on March 19, April 9, May 13, July 29 and November 10.

The discussions and decisions of the Audit and Risk Committee meeting of March 19, 2020 included the approval of the condensed financial statements for the year ended December 31, 2019 and the press release for the fourth quarter and year end results, the presentation of the Audit plan of the external auditors (PwC), for the year ended December 31, 2019, a separate meeting with the external auditors without the presence of any member of the management team, the amendment of the NAS policy and the inclusion in the "pre-approved other services", subject to approval by management, of tax services, provided they do not have direct effect and they are immaterial in relation to the financial statements and the approval of NAS provided within the period and a meeting with the Head of the Group's Internal Audit, Risk and Compliance department during which the Committee received a summary report and update of the scope and work of the department during the last quarter of 2019.

The discussions and decisions of the Audit and Risk Committee meeting of April 9, 2020 included the stand-alone financial statements for the year ended December 31, 2019 of Titan Cement International S.A., the Integrated Annual Report for the year 2019, the Group liquidity and the loan covenants of the Group, a presentation of the management for planned actions and measures taken as a result of the COVID-19 pandemic, the presentation of the external auditor's report on the stand-alone and group financial statements for the year 2019 (both unqualified). Last, the Audit and Risk Committee, without the presence of any member of the management team, approved the variable compensation (bonus) for the year 2019 of the Head of the Audit, Risk and Compliance department and her long-term incentive awards (stock-options) for the year 2020.

The discussions and decisions of the Audit and Risk Committee meeting of May 13, 2020 included the approval of the unaudited financial statements of the first quarter ended March 31, 2020 and the press release for the same period, the approval of NAS provided in Q1 (following management's approval) and the discussion with the Head of the Group's Internal Audit, Risk and Compliance department of the Internal Audit plan for the year 2020 and the findings of the period.

The discussions and decisions of the Audit and Risk Committee meeting of July 29, 2020 included the approval of the interim condensed financial statements of the half year 2020 and the half year 2020 press release, the approval of NAS provided in Q2 (following management's approval), a discussion with the External Auditors (PwC) on their findings after the completion of their 2019 audit and the discussion with the Head of the Group's Internal Audit, Risk and Compliance department, without the presence of any member of the management team, of the implementation of the Internal Audit plan during Q2, the findings of this period, the compliance and anti-fraud activities performed and other matters.

Finally, the discussions and decisions of the Audit and Risk Committee meeting of November 10, 2020 included the approval of the unaudited financial statements of the Q3 2020 and the 9 months press release, the approval of NAS provided in Q3 (following management's approval), the presentation of the Audit Plan for the year ending December 31, 2020 by the External Auditors (PwC) and the discussion with the Head of the Group's Internal Audit, Risk and Compliance department, without the presence of any member of the management team, of the implementation of the Internal Audit plan during Q3, the findings of this period, the compliance and anti-fraud activities performed, the Q4 Group Internal audit plan and other matters.

External Auditor

The audit of the Company's financial statements was entrusted, by virtue of the Extraordinary General Meeting resolution dated 13 May 2019, to SCRL PriceWaterhouseCoopers, with registered office located at 1932 Sint-Stevens-Woluwe, Woluwedal, 18, represented by Mr. Marc Daelman, for a term of three years, ending on the date of the Annual General Meeting to be held in 2022 related to the approval of the annual accounts of the year ending on December 31, 2021.

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

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

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

The yearly 2020 audit fees for the statutory accounts of Titan Cement International S.A. (TCI) were set at €109,000.

Patras cement plant, Greece

The audit fees for statutory audit and TCI's subsidiaries and affiliates in 2020 amount to €1,207,861 (€1,222,182 in 2019).

Non-audit fees (for TCI, subsidiaries and affiliates) paid or accrued in 2020 amount to €334,637 (€390,530 in 2019) and include:

- Audit related fees (assurance services for TCI, subsidiaries and affiliates) €298,596 (€244,049 in 2019); and
- Tax advisory, other advisory and compliance services €36,041 (€146,481 in 2019).

The rules governing the composition, tasks and method of functioning of the Audit and Risk Committee are laid down in Appendix 3 of the Company's CG Charter ("Terms of Reference of the Audit and Risk Committee"), which is available on the Company's website (https://www.titan-cement.com/) at the link: https://www.titan-cement.com/wp-content/uploads/2021/01/TCI-CG-Charter.pdf.

4.2 Remuneration Committee

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

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

a. 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 on the arrangements concerning early termination;

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

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

The Remuneration Committee held three meetings in 2020 (on March 19, April 3 and October 19, 2020).

The main topics of the meeting of the Remuneration Committee held on March 19, 2020 referred to recommendations of the Committee on:

a. The Remuneration Report for the year 2019;

b. The new Remuneration Policy of the Company (the 2020 Remuneration Policy), which was thereafter submitted to the AGM;

c. The new Long-Term Incentive Plan (LTIP 2020) which was thereafter included in the 2020 Remuneration Policy.

The main topics of the meeting of the Remuneration Committee held on April 3, 2020 referred to recommendations of the Committee on:

a. the variable remuneration payouts for 2019 of the executive members of the Board, the members of the Management Committee and the members of the Group Executive Committee;

b. the long-term incentive awards to be granted in 2020;

c. the vesting of the stock options granted in 2017 in the framework of the RSIP 2017; and

d. the extension of the exercise period of stock options granted in 2014 and 2015 for one year, namely until December 2021 and 2022.

The main topics of the meeting of the Remuneration Committee held on October 19, 2020 referred to recommendations of the Committee on:

a. the remuneration of promoted executive directors, members of the Group Executive Committee and other executives following the Group Organizational changes decided by the Board on July 21, 2020;

b. the severance payment of retiring or departing members of the Management Committee and the Group Executive Committee;

c. the review of the severance schemes of the members of the Group Executive Committee; and

d. the special severance scheme of one executive director.

The rules governing the composition, tasks and method of functioning of the Remuneration Committee are laid down in Appendix 5 of the Company's CG Charter ("Terms of Reference of the Remuneration Committee"), which is available on the Company's website (https://www.titan-cement.com/) at the link: https://www.titan-cement.com/wp-content/uploads/2021/01/TCI-CG-Charter.pdf.

4.3 Nomination Committee

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

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

The main duties of the Nomination Committee include:

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

b. the preparation of proposals for reappointments;

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

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

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

During 2020, the Nomination Committee held four meetings:

The first meeting took place on February 25, 2020 with main agenda the presentation of Mr. Dimitris Tsitsiragos as potential new independent Board candidate and ensuring that Mr. Tsitsiragos fulfils the independence criteria provided in the 2020 CG Code.

The second meeting took place on March 18, 2020 with first item on the agenda to meet in person Mr. Tsitsiragos, who was thereafter unanimously recommended to be co-opted by the Board in place of Mr. Takis-Panagiotis Canellopoulos, subject to the approval by the AGM. The other items on the agenda included a presentation on the management succession planning and on leadership diversity promotion.

The third meeting took place on September 28, 2020 with only item the presentation of Mr. Yanni Paniaras as new executive Board candidate subject to election by the AGM in 2021.

The fourth meeting was held on December 8, 2020 and the agenda was to get prepared for the 2021 AGM and to timely set committee priorities.

The rules governing the composition, tasks and method of functioning of the Nomination Committee, as well as the procedure to be followed by the latter for the appointment and reappointment of Board members, are laid down in Appendix 4 of the Company's CG Charter ("Terms of Reference of the Nomination Committee"), which is available on the Company's website (https://www.titan-cement.com/) at the link: https://www.titan-cement.com/wp-content/uploads/2021/01/TCI-CG-Charter.pdf.

4.4 Group Executive Committee

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

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

The Group Executive Committee held 18 meetings during 2020. A variety of coordination topics were covered, including strategy, quarterly results, Group budget, H&S reviews, sustainability reviews, progress of key projects (CO_2, digitilization), etc.

The rules governing the composition, tasks and method of functioning of the Group Executive Committee, as well as the code of conduct, are laid down in Appendix 7 of the Company's CG Charter ("Terms of Reference of the Group Executive Committee"), which is available on the Company's website (https://www.titan-cement.com/) at the link: https://www.titan-cement.com/wp-content/uploads/2021/01/TCI-CG-Charter.pdf.

4.5 Management Committee

Chair: Michael Colakides, Managing Director
Members: Grigoris Dikaios, Company CFO
Konstantinos Derdemezis, Regional Business Director[1]
Christos Panagopoulos, Regional Business Director

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

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

The rules governing the composition, tasks and method of functioning of the Management Committee, as well as the code of conduct, are laid down in Appendix 6 of the Company's CG Charter ("Terms of Reference of the Management Committee"), which is available on the Company's website (https://www.titan-cement.com/) at the link: https://www.titan-cement.com/wp-content/uploads/2021/01/TCI-CG-Charter.pdf.

[1] Member of the Management Committee until 1 October 2020

5. Diversity and Inclusion

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

Currently, the number of women on the Board is 3 out of 14 and therefore the Company, as already mentioned above in paragraph 3.3, deviates from the rule provided in article 7:86 of the Belgian Code on Companies and Associations according to which at least one third of the members of the Board should be different gender than the other members. However, as mentioned in paragraph 3.3, given that the Company's primary listing on Euronext Brussels was concluded in 2019, the Company is not obliged to comply with the gender diversity rule before 1st January 2026. Nevertheless, the Company intends to comply with this rule before the end of the above grace period and is actively monitoring the addition of two women, one in 2022 and one in 2025.

The Board has also promoted diversity in the composition of the Board Committees, by appointing a woman as Chair of the Remuneration Committee and another woman as a member of the Nomination Committee.

TITAN monitors gender diversity in management at both Group and local levels (see ESG Performance statements, table 2.3 Social Performance Index).

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

Diversity on Board level has also been promoted through a balanced mixture of academic and professional skills. More specifically, the Board includes directors coming from the banking and insurance sector, the corporate/business sector and the legal and audit services sector. As far as residence is concerned, six Board members have their permanent residence in Cyprus, three in the USA, three in Greece, one in Egypt and one in the United Kingdom.

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

The results of diversity promotion in 2020 are published in the ESG Performance review & statements, table 2.3 Social Performance Index.

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

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

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

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

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

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

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

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

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

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

7. Internal Audit

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

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

The Group Internal Audit workforce consists of 17 executives duly trained and having appropriate experience to carry out their work. Two (2) new hires were added early 2020.

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

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

During the year the Audit and Risk Committee received in total 34 internal audit reports. Likewise, the Audit and Risk Committee received all progress reports referring to the most important audit findings in 2020.

As already mentioned in the section referring to the work and function of the Audit and Risk Committee, in all meetings held by the Audit and Risk Committee, the Head of the Group Internal Audit Risk & Compliance participated. The Head of the Group Internal Audit Risk & Compliance had a number of meetings with the Chairman of the Audit and Risk Committee pertaining to the better preparation of the Audit and Risk Committee meetings with regard to the Internal Audit.

Following relevant recommendation of the Audit and Risk Committee, the Board of Directors approved the Internal Audit plan for the year 2021 and specified the functions and areas on which internal audit should primarily focus.

8. Remuneration report 2020

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

8.1 Introduction

TITAN Cement Group delivered strong results in 2020, despite the uncertainty caused by the COVID-19 pandemic. Group consolidated revenue at €1,607.0 million was stable compared to the previous year. Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) posted a solid increase of 7.1% to €286.2 million. This was the highest EBITDA recorded since 2010. Net Profit after Taxes and minorities (NPAT) dropped to €1.5 million (vs. €50.9 million in 2019) as a result of significant non-cash charges taken representing the full write-off of the €46.6 million goodwill of Titan Cement Egypt and the derecognition of €17.3 million of accumulated deferred tax assets, also in Egypt. Had these one-off charges not be taken, NPAT would have been €65.4 million. The impact of the COVID-19 pandemic on our Group was clearly less severe than what was initially expected. Overall construction activity escaped the full brunt of the downturn, being allowed to continue as an essential activity in most of our countries of operation.

Performance in 2020, was supported by resilient sales volumes across most of our markets. In the US, sales were sustained at high levels along all product lines. In Greece, demand showed further recovery. In Southeastern Europe, performance was robust, while Turkey posted strong domestic and export growth, while demand also improved in Brazil. Performance in Egypt was disappointing due to the ongoing challenges of that market. Pricing dynamics in most of our markets benefited from resurgent levels of demand. The favorable energy cost environment combined with successful management of the Group's cost base, enhanced profitability.

Trends in domestic sales volumes were positive across most of our markets. Following the restrictions on activity in the second quarter of the year, construction activity rebounded once lockdown restrictions were eased, testifying to the underlying resilience of market fundamentals across geographies. Group cementitious materials' sales increased by 1% compared to 2019, reaching €17.1 million tons.

8.2 2020 Remuneration Policy

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

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

8.3 Target Pay Mix

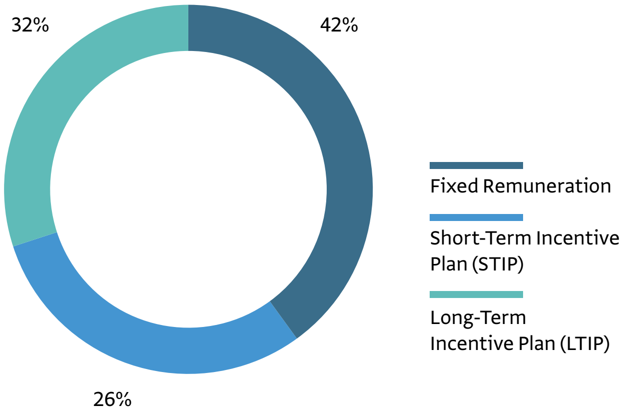
The pie charts represent the fix/variable pay mix for the Executive Directors and the members of the Management Committee (on aggregate target average) in case of 'on-target' performance and reflects the underlying pay-for-performance principles and market-competitive reference of the Remuneration Policy.

The total amount of remuneration of the Executive Directors and the members of the Management Committee is in line with the Remuneration Policy adopted, linked to strategy, mechanisms and relevant performance measures and contributes to the long-term performance of the Company.

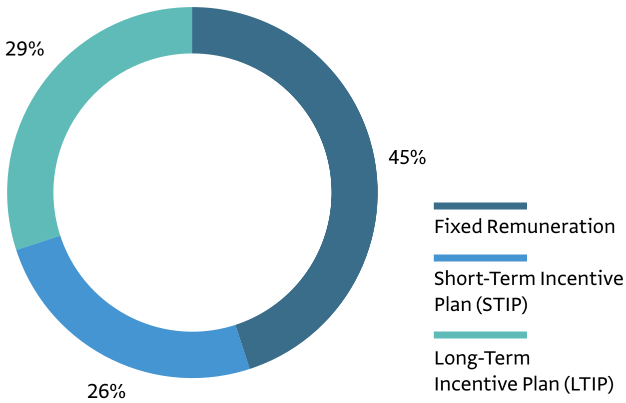
Main principles that govern the Remuneration Policy and contribute to the Company's business strategy and sustainability are:

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

Board Executive Directors (aggregate)



Management Committee (aggregate)



8.4 Labor Market

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

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

The Committee also recommends the levels of remuneration of non-executive directors on the basis of their time commitment and responsibilities.

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

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

8.5 New Deferred Compensation Plan

The DCP design is based on the principles set by the Remuneration Committee in April 2019. As of 2021, the Company intends to implement a Deferred Compensation Plan ("DCP 2021") aiming at further aligning the Senior Executives' long term interests with those of shareholders. Following relevant recommendation of the Remuneration Committee, the Board decided the following:

The DCP will substitute of 20% of LTI of the eligible executives.

Payout will be linked to actual performance against set KPIs as follows: 50% on Total Shareholders' Return (TSR) of the Company's share vs the average TSR performance of the shares of a Peer Index and 50% on a KPI linked to sustainability (net CO_2 emissions / ton of cementitious material).

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

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

The performance period is three years. Flexibility is provided in ways to receive vested benefit (e.g. cash, pension plan contributions).

Payout at threshold performance will be 40% with a maximum of 160% in case of overachievement (stretch) with linear calculation of payout between the levels of achievement.

In addition, the 2020 LTIP (Stock Grant) and two Restricted Stock Option plans (RSIP 2014 and RSIP 2017), are still under implementation.

8.6 Variable pay schemes

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

Element of Remuneration	Overview
Short-Term Incentive Scheme (STIP)	**Target payout:** • Executive Directors of the Board and the Management Committee: up to 100% of Annual Base Salary **Maximum:** • In case of overachievement, the collective part of the STI is capped at 130% of target, the individual part at 150% (in case of extraordinary performance) and the safety part at 200% **Performance Criteria:** • Financial Performance (up to 45%): EBITDA • Individual Performance (up to 55%): combination of objectives and behaviors • Safety (5%): Lost Time Injury Frequency Rate
Long-Term Incentive Plan (LTIP)	A new Long-Term Incentive plan (LTI) applied in 2020 in line with the approved 2020 Remuneration Policy. Awards are granted to the plan participants in the form of a conditional grant of TCI shares. The individual awards granted are based on each participant's position, fixed salary, individual performance and potential for development. The LTI award granted to each participant is approved by the Board of Directors following relevant recommendation by the Remuneration Committee. The award has been defined up to 125% of Annual Base Salary for the Management Committee and the Executive Directors of the Board. The conditional grant of the number of TCI shares is determined based on the value of the TCI share at the time of grant. The value of each "conditionally granted share" is equal to the average TCI share closing price on Euronext Brussels during the last 7 trading days of March of the grant year. The vesting schedule is 50% on year 3, 50% on year 4. Upon the completion of the vesting period, the benefit of the employee is determined based on the value of TCI share at the time of vesting. Upon vesting the Plan provides the flexibility to the eligible Executive, upon her/his request, to receive the vested award as contribution to a company-provided pension plan investing mainly in TCI shares (Fund). Participants are expected to maintain in TCI shares (or Fund(s)) at a minimum 20% of the total awards vested during the last five (5) vesting years (rolling basis). TCI shares, as well as Fund(s) balance, already owned by participants through previous LTI plans will be taken into consideration. **Special Trust Fund Plan (Fund)** Special Trust fund is a fund which invests in TCI shares. LTI participants may elect to receive their LTI award as contributions in the Fund, and therefore their long term interests are still linked to TCI share.
Retirement Allowance	**Type of Plan:** Defined contribution plan **Maximum contribution:** up to 10% of Annual Base Salary **Plan mechanism:** First tier: up to 8% of Annual Base Salary. Second-tier: in addition to the 1st tier 8%, a further up to 2% is offered through matching the employee's contribution by a ratio of 1:2. In the event Executives leave the Company prior to 5 years from the entry to the Program, any contributions by the Company are lost.

No specific clauses and/or arrangements in relation to change in control are applicable. No variable remuneration claw back mechanisms were used during FY2020.

8.7 Non-Executive Directors' remuneration in 2020

As at 31.12.2020 the fees of the Non-Executive Directors for the year 2020, amounted to:

Non-Executive Director	Compensation by the Company		
	Board of	Board	Pro-bono
Efstratios-Georgios (Takis) Arapoglou	€200,000 gross	€15,000 gross	No
Andreas Artemis	€50,000 gross	€10,000 gross	No
William Antholis	€50,000 gross	€8,000 gross	No
Harry David	€50,000 gross	€15,000 gross	No
Kyriacos Riris	€50,000 gross	€20,000 gross	No
Petros Sabatacakis*	€10,417 gross	€3,125 gross	No
Stelios Triantafyllides	€50,000 gross	€8,000 gross	No
Maria Vassalou	€50,000 gross	€10,000 gross	No
Dimitris Tsitsiragos **	€39,483 gross	€18,750 gross	No
Mona Zulficar	€50,000 gross	€12,000 gross	No

* Mr. Petros Sabatacakis was member of the Board of Directors until 19.3.2020

** Mr. Dimitris Tsitsiragos was elected as member of the Board of Directors on 19.3.2020

According to the 2020 Remuneration Policy, non-executive directors do not receive variable compensation linked to results or other performance criteria. As a result, non-executive directors are not entitled to annual bonuses, stock options or performance share units. Neither are they entitled to any supplemental pension scheme.

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

8.8 Remuneration of Executive Directors and members of the Management Committee in 2020

The remuneration of the Executive Directors and the members of the Management Committee was approved by the Board of Directors following relevant recommendation of the Remuneration Committee and is in full compliance with the 2020 Remuneration Policy and thus contributes to the long-term performance of the Company as set above in §8.3.

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

The annual change in the average remuneration, expressed in full time equivalents, of the Company's employees other than the directors, the members of the Management Committee, the other directors and the persons in charge for the daily management for 2020 is 3% (or 85% including new recruitments added to the Company's headcount in 2020). The ratio between the highest remuneration of the management members and the lowest remuneration (in full time equivalent) of the Company's employees is 40 times.

8.9 Executive Directors' and members of the Management Committee remuneration in 2020

Executive Directors of the Board, Management Committee Remuneration packages as of January 1st, 2019												
Name	Year	Annual Base Salary	Board Fees	Allowances & Other Benefits[1]	Annual Variable Compensation[2]	Pension Contribution[3]	Long-Term Incentives (vested in 2020)	Total Annual Compensation	Fixed Compensation	Variable Compensation	Year	Total Annual Compensation
Board Executive Directors												
Colakides Michael, Managing Director	2020	417,900	50,000	34,317	390,166	41,790	141,017	1,075,190	51%	49%	2019	1,124,092
Papalexopoulos Dimitri, Chairman of Group Executive Committee	2020	506,250	30,000	14,482	547,126	50,400	232,936	1,381,193	44%	56%	2019	1,432,979
Papalexopoulou Alexandra, Deputy Chair of Group Executive Committee	2020	372,916	30,000	24,695	347,347	37,125	168,359	980,443	47%	53%	2019	909,587
Canellopoulos Leonidas	2020	156,887	30,000	10,506	69,677	9,368	6,607	283,046	73%	27%	2019	248,366
Canellopoulos Takis-Panagiotis*	2020	43,739	6,250	7,539	0	4,136	23,401	85,065	72%	28%	2019	308,000
Zarkalis Bill** (in €)	2020	571,531	30,000	232,593	522,024	46,040	158,824	1,561,012	56%	44%	2019	1,627,556
Management Committee Members												
Dikaios Grigoris	2020	185,500	0	33,999	72,834	11,130	12,629	316,092	73%	27%	2019	306,617
Derdemezis Kostas***	2020	222,742	0	33,582	171,265	21,505	165,591	614,685	45%	55%	2019	647,087
Panagopoulos Christos	2020	260,400	0	113,696	149,691	24,940	42,840	591,567	67%	33%	2019	581,835

* Amounts refer to period January 1st - March 31, 2020 during which T. Canellopoulos was Board Executive Director.

** Amounts include allowances linked to B. Zarkalis' international assignment in US and part of the Deferred 3-year assignment success bonus linked to 2020. Amounts, paid in $, are converted into euro based on fx rate €/$ of 31/12/2020 for 2020 and on 31/12/2019 for 2019.

*** Amounts refer to period January 1st - October 31, 2020 during which K. Derdemezis was member of the Management Committee.

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

[2] Cash payment.

[3] Defined contribution.

8.10 Share-based Remuneration (for 2020)

Name	Specification of plan	Grant Date	Vesting Date of 2020 Grant	Expiry Date***	Number of Stock grants in 2020	Number of Fund* units grant in 2020	Number of Options forfeited in 2020	Number of Options Vested in 2020	Exercise Price	Number of Options Exercised in 2020
Michael Colakides, Managing Director**	Long-Term Incentive	April 2020	31/3/2024	N/A	-	75,805	-	8,974	-	0
Dimitri Papalexopoulos, Chairman, Group Executive Committee	Long-Term Incentive	April 2020	50% on 31/3/2023 50% on 31/3/2024	N/A	52,430	0	-	14,955	-	0
Alexandra Papalexopoulou, Deputy Chair, Group Executive Committee	Long-Term Incentive	April 2020	50% on 31/3/2023 50% on 31/3/2024	N/A	41,270	0	-	9,573	-	0
Leonidas Canellopoulos, Board Executive Director	Long-Term Incentive	April 2020	50% on 31/3/2023 50% on 31/3/2024	N/A	5,340	0	-	901	€10	379
Takis-Panagiotis Canellopoulos[1], Board Executive Director	Long-Term Incentive	-	-	-	-	-	-	-	-	-
Bill Zarkalis, Board Executive Director	Long-Term Incentive	April 2020	50% on 31/3/2023 50% on 31/3/2024	N/A	52,430	0	-	11,966	€10	26,016
Grigoris Dikaios, CFO**	Long-Term Incentive	April 2020	31/3/2024	N/A	-	5,900	-	840	-	0
Konstantinos Derdemezis[2], Regional Business Director	Long-Term Incentive	-	-	-	-	0	28,270	-	€10	4,191
Christos Panagopoulos, Regional Business Director**	Long-Term Incentive	April 2020	31/3/2024	N/A	-	23,598	-	2,993	€10	2,956

* Fund invests in TCI shares.
** Management Committee members' 2020 LTI amount received as units of Fund which invest mainly in TCI shares.
*** 2020 Grant refers to Stock Grant and therefore expiry date is not applicable.
[1]Up to March 31, 2020.
[2]Up to October 31, 2020.

8.11 2020 performance criteria and outcomes | Short-Term Incentives

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

The emphasis for 2020 was on financial metrics reflecting a focus on profitability and securing strong liquidity, in line with the Company's strategy to balance growth and profitability. These performance criteria are an important measure of the success of the execution of the Company's strategy and, as such, the remuneration is directly linked to long-term value creation by the Company.

The target levels are set in the first quarter of the year. During 2020 because of limited visibility caused by the pandemic, 2020 targets were set in July 2020 based on prevailing visibility at the time. The market was not impacted to the extent forecasted when the targets were set, and the Group supported by a strong performance of almost all regions (East Med being a relative exception) performed better than expected. As a result the Board decided to pay accordingly for the overachievement linked to collective targets. The final assessment is determined at the end of the fiscal year, based on the audited financial results. Any potential payout under the short-term incentive plan occurs annually during the first semester of the next financial year. A minimum level of performance must be achieved before any payment under the plan will be made. Payout is capped for stretch performance.

The final assessment of performance under the short-term incentive plan is done by the Remuneration Committee, which in turn makes the necessary proposal to the Board for decision making.

In 2020, EBITDA at Group level were above target resulting in a 127.5% in respective part of variable pay. It is noted that due to the peculiarities linked to the COVID-19 crisis, the financial metrics set for 2020 are linked 100% to EBITDA.

The Remuneration Committee considered the overall performance and concluded to award the variable pay as above for 2020.

8.12 2020 performance criteria and outcomes | Long-Term Incentives

As already mentioned, two Restricted Stock Option plans (the RSIP2014 and the RSIP2017) are currently under implementation:

The 2014 Stock Options Plan (approved by the AGM of TITAN Cement Company S.A. of 2014)

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

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

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

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

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

The Plan's beneficiaries are entitled to exercise their stock option rights, either in whole or in part, within the first five working days of each month, paying the Company the relevant amounts until the expiration date of their stock options, i.e. until December of the third year after vesting of the stock options. Based on the Board of Directors decision dated April 9, 2020 due to COVID-19 market conditions, it has been approved for the expiration date for the grant of 2014 to be extended for one year to December 2021 and for the grant of 2015 to December 2022.

The 2017 Stock Options Plan (approved by the AGM of TITAN Cement Company S.A. of 2017)

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

The vesting period of the stock options granted in 2017, 2018 and 2019 is three years. As a result, the granted stock options mature in December 2019, December 2020 and December 2021 respectively, provided that the beneficiaries were still employees of the Group. After the completion of the three-year vesting period, the final option rights number which the beneficiaries will be entitled to exercise, shall be determined by the Board of Directors, within the first four months of 2020 (done), 2021 and 2022 respectively and shall depend:

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

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

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

The Plan's beneficiaries are entitled to exercise their stock option rights, either in whole or in part, within the first five working days of each month paying the Company the relevant amounts until the expiration date of their stock options, i.e. until December of the third year after these stock options have been vested.

8.13 Executive Directors' contracts

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

In case of termination of the employment contract of the Managing Director, the Executive Directors and the members of the Management Committee, at the initiative of the Company, severance payment, as provided in the 2020 Remuneration Policy, cannot exceed 18 months' remuneration.

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

Notice periods are according to statutory law provisions.

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

Mr. Takis-Panagiotis Canellopoulos was Executive member of the Board till March 2020. Following this date, he continued his employment with Titan Cement Company S.A. and therefore no severance payment was paid in 2020.

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

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

9.1 Capital Structure – Transfer of Company Shares

As referred above, in Section 2.1, on 31 December 2020, the Company's share capital amounted to €1,159,347,807.86 represented by 82,447,868 shares, without nominal value, with voting rights, each representing an equal share of the capital.

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

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

9.2 Restrictions on voting rights

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

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

9.3 Shares conferring special control rights

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

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

It is known to the Company, following the transparency declaration received on September 7, 2020 and changes in shares that did not require a transparency declaration due to the fact that the 5% threshold was not exceeded either upwards or downwards, that the following shareholders, holding in total 29,416,847, corresponding to 35.68% of the Company's voting rights, are acting in concert: Andreas Canellopoulos, Leonidas Canellopoulos, Nellos-Panagiotis Canellopoulos, Pavlos Kanellopoulos, Takis-Panagiotis Canellopoulos, Trust Neptune, Alexandra Papalexopoulou, Dimitri Papalexopoulos, Eleni Papalexopoulou and E.D.Y.V.E.M. Public Company Ltd.

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

There is no employee scheme with such a mechanism.

9.6 Amendment of the Company's Articles of Association

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

An amendment of the Company's Articles of Association is adopted if it has obtained three-quarters of the votes cast, whereby abstentions are not taken into account either in the numerator or in the denominator.

9.7 Rules governing the appointment and replacement of Board Members

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

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

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

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

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

9.8 Powers of the Board of Directors

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

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

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

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

Shareholders' Meeting of 13 May 2019. This authorization may be renewed in accordance with the relevant legal provisions.

9.9.2 Pursuant to Article 15 of the Company's Articles of Association, the Company may, without any prior authorization of the Shareholders' Meeting, in accordance with articles 7:215ff of the Belgian Companies and Associations Code and within the limits set out in these provisions, acquire, on or outside a regulated market, its own shares, which correspond to maximum 20% of the issued shares, for a price which will respect the legal requirements, but which will in any case not be more than 20% below the lowest closing price in the last thirty trading days preceding the transaction and not more than 20% above the highest closing price in the last thirty trading days preceding the transaction. This authorization is valid for five years from the date of the publication of the completion of the condition precedent of the amendment to the Company's Articles of Association approved by the Extraordinary Shareholders' Meeting of 13 May 2019.

This authorization covers the acquisition on or outside a regulated market by a direct subsidiary within the meaning and the limits set out in article 7:221ff of the Belgian Companies and Associations Code. If the acquisition is made by a direct subsidiary, the dividends attached to the shares held by the subsidiary go to the subsidiary.

The Board of Directors is authorized, subject to compliance with the provisions of the Belgian Companies and Associations Code, to acquire for the Company's account the Company's own shares if such acquisition is necessary to avoid serious and imminent harm to the Company. Such authorization is valid for three years as from the date of publication of the completion of the condition precedent of the amendment of the Company's Articles of Association, approved by the Extraordinary Shareholders' Meeting of 13 May 2019, in the Annexes to the Belgian State Gazette.

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

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

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

It should be noted, though, that the Company has entered into, as it is common, in agreements with a "change of control" clause, specifying the right of the lending bank to request the early repayment of the loan or the exit of the counterparty from a company of the Group, in the event of a change of control in the Company. In particular, a Multicurrency Revolving Facility Agreement up to the amount of €200 million has been entered into among the Group's subsidiary TITAN Global Finance PLC, a syndicate of lending banks, the Company and TITAN Cement Company S.A. as Guarantors.

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

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

10. Shareholder Information and Services

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

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

10.1 Investor Relations Department

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

Investor Relations: ir@titan-cement.com
Investor Relations Director: Afroditi Sylla,
e-mail: syllaa@titancement.com

10.2 Shareholder Services Department

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

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

10.3 Share Facts

10.3.1 Share Basic Data

Sector	5010 – Construction & Materials
Subsector	50101030 – Cement
Type	Common share
Stock Exchange	Euronext (Brussels & Paris), Athens Exchange
Number of shares	82,447,868
ISIN	BE0974338700
CFI code	ESVUFN

10.3.2 Tickers

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

Risk Management

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

In order to effectively identify and mitigate such exposures, the Group manages its risks in accordance with established international practices for industrial companies, embedding key dimensions of Enterprise Risk Management (ERM) into its processes, systems, and governance. In particular, the following five main components of the ERM framework supported by a set of principles, provide 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 planning and performance management cycle of the Group, ensuring a quick and effective response.

Complementing this risk management culture and approach that is integral to the Group's business processes and decision-making (both strategic and operational), the Group undertakes on a regular basis a systematic exercise to assess all material risks faced by the Group that could affect its business model, performance, solvency, or liquidity. This exercise was also performed in 2020 by a risk management committee consisting of senior managers from the Group's Strategic Planning, Legal and Internal Audit, Risk and Compliance departments, which identified the Group's main risks and categorized them as "strategic", "operational", "ESG", and "financial" risks.

These were then assessed along the following three dimensions, in line with industry best practices:

a. Probability: scale from 1 (Rare) to 5 (Almost certain)
b. Impact: scale from 1 (Incidental) to 5 (Extreme)
c. Preparedness: scale from 1 (Low) to 5 (High)

Risks were categorized using established risk taxonomies relevant for the Group's business (provided by consultants and external risk experts). They were then 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 (as defined in the recent Materiality Assessment exercise), the evaluation of risk ownership and the recording of mitigating actions that are adopted or planned. The initial assessment was iterated with input from key Group managers. The risks were then cross-referenced with the final output of the Group's materiality assessment exercise and reviewed by the Group Executive Committee. Finally, the Board validated the relevant risk assessment and monitored TITAN's risk management and internal control systems, reviewing their effectiveness (covering all material controls, including financial, operational, organizational, and compliance controls).

Risk Management governance and controls

In TITAN Group, risk is managed at three levels, in line with industry best practices.

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

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

At the senior level, the Board has the overall responsibility for determining the nature and extent of the principal risks that the Group is willing to assume in achieving its strategic objectives. The Board, through all its Committees, discusses and assesses on a regular basis the main areas of risk to which the Group is exposed, identifies new risks, defines the risk appetite of the Group and monitors the effectiveness of the risk management and internal controls. The Board has delegated responsibility for the monitoring of the effectiveness of the Group's risk management and internal control systems to the Audit and Risk Committee.

In parallel, the Group Executive Committee provides strategic direction, an independent view of risks among all operating units, and coordination among them as needed.

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

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

The Group Executive Committee is also responsible for setting Group policies and ensuring that they are implemented throughout the Group. To 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 into the day-to-day operations and the risk management culture is reinforced across the Group.

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

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

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

TITAN's principal risks

Strategic risks

• Climate change mitigation and adaptation

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

Moreover, the surging climate agenda may promote the use of concrete substitutes for construction as more environmentally friendly for end users.

Finally, the possible increase in the frequency of extreme natural events (physical risks such as hurricanes, storm surges, flooding, wildfires, etc.), potentially as a result of climate change, could disrupt our asset base and production and/or distribution capacity.

The Group closely monitors relevant regulatory developments and takes proactive measures to mitigate potential negative consequences. A scenario-modelling approach has been adopted for the examination of possible outcomes (transitional risks) and the identification of appropriate roadmaps of mitigating actions for the safeguarding of the Group's business resilience. Such measures include the reduction of the amount of clinker used in the production of cement, the use of alternative fuels, energy efficiency measures, the development of new products (including low-carbon clinker), and continuous innovation across the value chain. Indeed, the Group is engaging in research collaboration with the scientific community on less carbon-intensive cements and concretes (e.g. using cementitious materials and chemical additives) to develop and promote the use of new "green" concretes and create a level playing field versus other building materials.

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 developing continuously updated emergency plans. The Group also ensures adequate insurance policies against physical damage or temporary loss of business, as well as the ready availability of sufficient liquidity to absorb any potential impacts.

• Industry cyclicality

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

• Market conditions

The Group operates both in mature markets, such as the USA and Western Europe, and in emerging markets, such as Egypt, Turkey, and Brazil. Some of these markets contribute significantly to the Group's revenues and/or profitability. As a result, any future deterioration in the global economic environment, or in any particular market, that contributes significantly to the Group's revenues and profitability could have a material adverse effect on the construction sector, and consequently, on the Group's business, operational results and financial condition.

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

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

• Political and economic uncertainty

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

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

• Global systemic disruption including COVID-19 pandemic risk

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

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

A particular focus on the potential risk assessment of COVID-19 (SARS-CoV-2) was placed in 2020, given the prevalence of the global pandemic. The potential effects of the pandemic assessed early in the course of the health crisis encompassed dimensions such as the health and wellbeing of personnel, disruptions in production capacity of our assets, the drop of demand for the Group's products in particular markets and supply chain disruptions affecting the local and international flows of materials and people. To address such potentially emerging risks a contingency plan was developed, including COVID-specific workplace health protocols and policies, review of production and supply chain processes, safeguarding of critical supplies, dedicated reporting to enhance the ability to detect potential impacts in our markets, and a focused plan to bolster the financial health and resilience of the Group. These measures, which successfully addressed the relevant risks in 2020, are being continuously evaluated and reviewed to enable the Group to adapt to the evolving COVID pandemic.

Financial risks

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

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

• Foreign currency risks

Group exposure in foreign currency derives from existing or expected cash flows and from acquisitions and/or investments denominated in currencies other than the euro. The Group's net foreign currency 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 2020, the Group's ratio of fixed to floating interest rates stood at 93%/7% (31 December 2019: 92%/8%).

• Liquidity and leverage risks

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

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

• Counterparty risks

Counterparty risk relating to financial institutions' inability to meet their obligations towards the Group deriving from placements, investments, and derivatives, is mitigated by pre-set limits on the degree of exposure to each individual financial institution as well as by utilizing the collateral mechanism of credit support agreements (ISDA CSA Agreement). As at 31 December 2020, the majority of Group liquidity was held with investment-grade financial institutions with pre-agreed credit support agreements.

The Group is also exposed to counterparty risks relating to customer receivables. Customer receivables primarily derive from a large, widespread customer base. The financial status of customers is constantly monitored at the business unit level and, where it is deemed necessary, additional security is requested to cover credit exposure. As at 31 December 2020, all outstanding doubtful receivables were adequately covered by relevant provisions.

Environmental, Social and Governance (ESG) Risks

• Health and safety

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

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

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

• Risks related to the environment

The Group's operations are subject to extensive environmental and safety laws and regulations in the USA, the EU, and elsewhere, as interpreted by the relevant authorized agencies and the courts. These may impose increasingly stringent obligations and restrictions regarding, among other things, land use, remediation, air emissions, waste and water, 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 in all its plants management systems to monitor and report their environmental impact. The Group's Environment Policy and environmental management provide targets for the reduction of air emissions, the protection of biodiversity, water and waste management, and quarry rehabilitation. In 2020, there was one case of a significant fine related to non-compliance of TITAN operations with environmental laws[2].

[2] In the USA,32,434 euros were paid by Titan Florida LLC for settlement of violations issued to the Pennsuco cement facility in 2018 for infractions concerning air emissions monitoring and reporting. Titan Florida LLC and in specific Pennsuco has made changes to their internal reporting procedures to avoid any such occurrences in the future.

• Human Resources, Diversity & Inclusion

Cement companies, including TITAN face a multitude of potential risks related to their human resources and talent management. Existing processes to recruit, develop and retain talented individuals and promote their mobility may 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.

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

TITAN is actively pursuing a rich agenda of actions to develop its talent management, including the updating and diffusion of its relevant HR policies (such as its Human Rights and Diversity & Inclusion policies) and people development processes. Relevant measures pursued include employee surveys, focus groups for feedback, training and capability-building programs, adoption of Diversity & Inclusion global best practices, provision of ubiquitous access to the TITAN Group reporting platform EthicsPoint®, and the fostering of a continuous dialogue on industrial relations with all relevant stakeholders.

• Regulatory compliance risk

The Group is subject to many local and international laws and regulations, including those related to competition law, corruption, and fraud, across many jurisdictions of operation and is therefore exposed to changes to those laws and regulations and to the outcome of investigations conducted by governmental, international or other regulatory authorities. Potential breaches of local and international laws and regulations in the areas of competition law, corruption, and fraud, among others, could result in the imposition of significant fines and/or sanctions for non-compliance, and may inflict reputational damage. To address such risks, 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, and relevant reports provided by independent organizations such as Transparency International, are examined. Following the publication of 2020 Transparency

International Corruption Perception Index (see Table 5 in the section "Management Report, ESG Performance Statements"), the perception of corruption follows a negative trend for 50% and a positive trend for 50% of the countries where TITAN currently operates.

Operational Risks

• Production cost (including raw materials and energy)

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

In order to reduce costs and also curtail its environmental footprint, the Group is investing in low energy-requirement equipment and in energy efficiency. Ensuring access to the required quality and quantity of raw materials is an additional priority, which is taken into account when planning a new investment. With regard to existing facilities, care is taken to secure the adequacy of the supply of raw materials during the facilities' entire lifetime.

The Group is investing in the use of alternative raw materials in order to gradually limit its dependence on natural raw materials.

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

Beyond the risks associated with extreme natural events as a potential consequence of climate change described above, the Group is subject to stringent and evolving laws, regulations, standards, and best practices with respect to the environment, relating to, among other things, climate change, noise, air, water, and soil emissions, as well as waste disposal. The costs of complying with these laws and regulations are likely to increase.

With a view to the continuous improvement of the environmental impact of its operations, TITAN applies in all its plants management systems to monitor and report their environmental impact.

• 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 from incidental in a minor location or domain, to a plant-specific event, company-wide attacks and even attacks affecting the broader industry and its external partners (suppliers, banks, customers).

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

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

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

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

• Supply Chain Disruption

The integrity and profitability of the Group's production and customer-facing operations depend on its ability to safeguard critical resources for the uninterrupted manufacturing of its products. Scarcity of natural resources, such as water and aggregates reserves, could have a materially adverse effect on the Group's costs and operational results.

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

To mitigate such risks, the Group constantly evaluates its supply chain resilience, develops strategic options for the provision of its most critical supplies, 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.

ESG performance review

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

ESG performance overview

TITAN's ESG performance overview covers issues identified and prioritized as material to our key stakeholders. Climate and energy, occupational health and safety, people management and development, environmental management, and sustainability of communities remained at the top of the list of the Group material issues. Governance, transparency, and business integrity are also acknowledged among the material and relevant issues for TITAN and its stakeholders. In the 2020 Management Report, the term "non-financial" has been replaced by "ESG" as it is of broader understanding and use by stakeholders and users of the annual report. In addition, a section on TITAN's response to the pandemic has been added as it was among the Group's top priorities during the reporting year.

TITAN's response to COVID-19

In 2020, safeguarding our people and Group operations against COVID-19 was a top priority. In close cooperation with medical specialists, guidelines were quickly prepared, and action plans were implemented at all TITAN sites, engaging employees, contractors, customers, and external service providers.

Following the emergence of the COVID-19 pandemic, TITAN's business units monitored and evaluated the situation continuously. In all operations, risk assessment and contingency plans were designed and enforced, local guidelines were drawn up, hygiene measures were increased, and medical and psychological support were provided by experts or through health care programs. In addition, the Group transitioned swiftly to remote working and virtual meetings by providing the necessary hardware and being proactive in reducing or canceling travel and large meetings and events. Additional protective measures were also taken for people working on-site, such as reducing the number of employees working physically at sites, rearranging shifts, providing temperature scanning, increasing sanitization, facilitating commuting by employees by providing additional buses, promoting social distancing, and offering PCR testing. Changes in the administration of the operations and transportation of employees were customized according to each case.

In the US, under a new emergency sick and quarantine protocol, Titan America provided sick pay to employees diagnosed with COVID-19 and for colleagues who had to quarantine due to potential exposure to the virus. In addition, the cost of COVID tests was borne by the company's medical plan insurer, which encouraged employees to take the test and enabled effective contact tracing. Together, these measures protected the workplace from the spread of infections and prevented operational disruptions.

TITAN has so far managed to deal effectively with the waves of the ongoing pandemic and, by open and intense communication with employees, providing them with regular updates, information, and guidelines. In addition, several business units gathered feedback from employees on the effectiveness of the measures taken, through pulse surveys and relevant initiatives. TITAN Turkey was one of the first companies in the country to be awarded the COVID-19 Safe Production Certificate by the Turkish Standards Institute (TSI).

Furthermore, TITAN invested a significant amount of time and resources in taking dedicated measures in order to minimize the risk of potential supply chain disruptions, both for global and local suppliers, while taking supporting actions aimed to help local partners and contractors sustain their business during the crisis. The response successfully mitigated all potential threats and resulted in no delays in the supply of critical products and services to individual business units.

Climate change

TITAN has long been committed to reducing its operational carbon footprint worldwide and to contributing to the de-carbonization of the construction value chain, thus actively participating in the global collective effort toward a carbon-neutral future. De-carbonization poses risks to the cement industry, primarily through an uneven application of carbon pricing in different regions of the world. At the same time, it also provides opportunities for innovation and growth, as it requires a profound reshaping of the energy and construction materials sectors.

TITAN is committed to the COP21 Paris global goal of keeping the increase in global temperature well below 2°C, and preferably to 1.5°C, compared to pre-industrial levels, and to the UN Sustainable Development Goals 2030. The Group also supports the European Green Deal vision of carbon neutrality by 2050 and endorses the Global Cement and Concrete Association (GCCA) 2050 Climate Ambition, the cement industry's joint effort that provides the roadmap to achieve carbon neutrality.

Climate change mitigation indicators	2020	2019
Group level (cement operations)		
Specific net Scope 1 CO_2 emissions ($kgCO_2$/t cementitious product)	674	677*
Alternative fuel thermal substitution rate (%)	13.1	13.5*
Clinker-to-cement ratio (%)	82.4	82.9

*Note: figures slightly adjusted from last year's disclosures based on updated data

Since 2006, TITAN Group has set reduction targets to address carbon emissions in line with the Kyoto Protocol. Building on the CO_2 reduction already achieved, in 2020, the Group improved its specific emissions (674kg CO_2 per ton of cementitious product), recording a 13.4% reduction compared to 1990 levels. Despite falling short of the 20% reduction target, mainly due to regulatory and market conditions that influence product and fuel mix, the Group remains determined to address the climate change challenge and commits to achieve a level of 500kg CO_2 per ton of cementitious product specific net Scope 1 CO_2 emissions by 2030. Scope 2 emissions were reduced by 5.4% (compared to 2019) in 2020, bringing them to 58.8kg CO_2 per ton of cementitious product. TITAN has already measured Scope 3 indirect emissions at two of its plants in Greece and Serbia, identifying critical areas of carbon emissions in the supply chain. In 2021, it will start to monitor scope 3 emissions at all its cement plants.

In cooperation with local stakeholders, TITAN Group continued to utilize technological advances, developed in-house or by its partners, to maximize the use of available alternative fuels and materials. Alternative fuel utilization slightly decreased, achieving a total substitution rate of 13.1% on thermal basis compared to 13.5% in 2019. Biomass use also remained unchanged, reaching a thermal substitution rate of 3.8%. In 2020, the Group inaugurated a new processing line for alternative fuels at the Pennsuco cement plant in Florida and upgraded alternative fuels feeding installations in several of its cement plants in Europe. The Thessaloniki cement plant in Greece expanded its environmental permit to facilitate the use of Solid Recovered Fuel/Refuse Derived Fuel (SRF/RDF) from municipal solid waste (MSW), while in Bulgaria and the USA, the Group's plants installed equipment, which enables the utilization of natural gas, thereby reducing their carbon footprint. Dried sewage sludge, refinery sludge, tires, SRF/RDF, and agricultural waste were used to substitute conventional solid fuels in several of the Group's plants in 2020. The Group recorded a slight decrease in its thermal basis alternative fuels substitution rate, which reached 13.1% compared to 13.5% in 2019. Two of the Group's plants in Greece – Kamari and Thessaloniki – and the Zlatna Panega plant in Bulgaria managed to increase their use of alternative fuels and are leading examples in the Group for the substitution of fossil fuels. In contrast, the limited availability of suitable streams and the delays in obtaining permits restricted the Group's ability to make more extensive use of alternative fuels in other regions. Similarly, and in collaboration with its clients, the Group product portfolio was further developed to include, as of 2020, significant volumes of low-carbon cements and concrete, with a high content of limestone, fly ash and/or other cementitious materials. In the USA, Type IL cement, which has a higher limestone content, already has good market penetration, while in TITAN Greece received all the necessary cement certifications to facilitate this transition.

Addressing stakeholders' increasing expectations for environmental, social, and governance (ESG) disclosures, the Group further advanced its climate-related disclosures. TITAN responded for the first time to the CDP (formerly Carbon Disclosure Project) climate change and water security questionnaires.

The Group's plants in Greece and Bulgaria, where the EU Emissions Trading Scheme (EU ETS) is in force, are entering Phase IV (2021-2030) with a long position, which should last for at least five years assuming there is no significant change in the EU ETS rules, thus minimizing the Group's financial exposure.

As energy management is closely connected to the sector's de-carbonization roadmap, TITAN is systematically monitoring energy consumption and efficiency. Reduction of electrical consumption was achieved over the last years with the installation of advanced equipment, like low energy vertical roller mills, roller presses, or motors with inverters. In the case of thermal energy, the frequent inspections of equipment and timely maintenance by plant teams, and the replacement or installation of new energy-efficient equipment (e.g., grate coolers and 5-stage preheaters, careful selection of fuels, use of mineralizers as well as optimization of the operations) helps sustain this good performance. In 2016, the Group made its first step in applying energy efficiency management systems in its cement plants.

The Tokat cement plant in Turkey was the first to be certified according to ISO 50001, followed by the Greek cement plants and Roanoke cement plant in the US. TITAN Group continued on the path of expanding the use of energy efficiency management systems. In 2020, the Pennsuco cement plant in Florida successfully completed the process and was granted its ISO 50001 certification. Other TITAN facilities are currently working on the development of such systems, aiming to obtain certification during 2021. The Group's clinker capacity covered with ISO 50001 represents 54.9 % of its total clinker production, exceeding the target of 50.0% set for 2020.

Circular economy

The circular economy, according to which practices, such as reuse, recycling, and recovery of materials and energy, replace the practice of produce-consume-dispose, is crucial to reducing waste, minimizing the need for primary raw materials and landfill while contributing to combating climate change.

Recognizing the circular economy as fundamental for developing a more sustainable business model, TITAN works on adopting and integrating practices in alignment with its principles. Energy efficiency, the conscious use of raw materials, the use of alternative raw materials and fuels and the implementation of efficient waste management systems are proven means of adding value throughout the value chain as well as providing solutions at a local level.

In 2020, TITAN implemented programs to collect ready-mix concrete waste and concrete returns for use as alternative raw materials for clinker, cement, concrete and concrete block production, and as aggregates for pavements and other uses.

ST Equipment & Technology (STET) in the USA, a wholly-owned TITAN subsidiary, develops and supplies specialized processing equipment for the beneficiation of fine particle materials, such as fly ash, industrial minerals and organics. STET develops and promotes the use of waterless, energy-efficient, and low-emission technologies and has committed to the UN Global Compact to replace water-intensive mineral processes.

Waste produced by the Group as part of its everyday activities is collected, stored, and disposed of through authorized contractors for reuse, recycling, or recovery, with the aim to promote higher levels of waste management and to minimize landfill. The recycling of concrete returns diverted from landfill increased by almost 15%. As a result, the percentage of total waste produced that was collected, stored, and channeled, through authorized contractors, for reuse, recycling, or recovery increased to 82.6%, compared to 76.8% in 2019. In 2020, the Pennsuco cement plant in the USA was recognized as the first cement plant in the world to be Total Resource Use and Efficiency (TRUE) Platinum certified for zero waste.

The Group continued its efforts to increase the use of alternative raw materials in clinker, cement, and concrete production and developed new blended cement products to address the current and future needs of its customers. The use of alternative raw materials in the production of clinker and cement slightly decreased in 2020 (6.4% of total consumption), mainly due to the unavailability of such alternative sources in the countries and markets where the Group operates as well as market demands, and regulatory restrictions.

Environmental management

In line with the Group's priority to continuously mitigate the environmental impact of its operations and the increasingly stringent restrictions imposed on land use, rehabilitation, air emissions, waste management and water use, TITAN applies in all its plants management systems to monitor and report environmental impact against specific targets.

For more than 20 years, in line with its environmental policy, the Group discloses measurable qualitative and quantitative targets to monitor its progress. TITAN considers this a significant driver for continuous improvement, strengthening both its operational efficiency and its focus on sustainability. At the same time, TITAN is engaged in a long-term process with experts and stakeholders, seeking meaningful ways to understand society's needs and contribute to a net positive local impact for the communities in which it operates. In 2020, a new online platform was launched in Greece to make air emission data from TITAN's cement plants publicly available on a daily basis. Similar initiatives exist in other regions in which the Group operates.

Over the years, TITAN has devoted considerable human resources and invested heavily in incorporating Best Available Techniques (BAT), reaching and sustaining an advanced environmental performance level. The upgrade and modernization of all existing or acquired plants with new bag filters, hybrid filters, de-NOx equipment (SNCR), the installation of closed storage and the feeding of alternative fuels, water recycling, and wastewater treatment facilities, ensure that TITAN's performance meets existing and potential new regulatory requirements, as well as its own targets, which are often more demanding.

TITAN Group is implementing environmental management systems (EMS) across its operations, realizing solutions that best fit local needs. All Group cement plants have an ISO 14001 environmental management system, except those located in the USA, which have adopted a system that is aligned with local and federal regulatory requirements.

Dust and other air emissions

Apart from greenhouse gas (GHG) emissions that have a global effect, other air emissions and, primarily, dust are among the issues identified as material by TITAN's local stakeholders. In recent years, the Group ran an extensive investment program to install new or upgrade existing dusting equipment in the stacks of kiln lines. TITAN has also invested heavily in technologies that can reduce NOx emissions, like Selective Non-Catalytic Reduction (SNCR) systems and low NOx burners, as well as flame reduction and secondary firing, while applying best practices to abate SOx emissions, where needed. In all TITAN facilities, continuous efforts are made to ensure compliance with the limits stipulated in the environmental permits as well as specific conditions set by the local authorities.

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

The systematic monitoring of fugitive dust emissions safeguards the health of employees and reduces the impact on nearby areas. The Group ensures the proper maintenance and optimal functioning of machinery and equipment and applies rigorous rules on the transport of materials within its plant sites and beyond. Furthermore, air emission dispersion studies, which consider all local characteristics (atmospheric and geomorphological conditions) and are conducted in collaboration with local academics, ensure that the operation of plants does not have any negative impact on adjacent areas.

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

Air emissions (g/t clinker)	2020	2019
Group level (cement operations)		
Specific dust emissions	19.3	14.7
Specific NOx emissions	1,282	1,269
Specific SOx emissions	253	193

Group performance in NOx emissions remained at a level similar to that of 2019, achieving the target set for 2020. Similarly, the performance regarding dust emissions remained positive, meeting the 2020 target, even though dust levels increased compared to 2019 due to the normal efficiency cycle of the dust collection systems. On the other hand, SOx emissions deteriorated compared to 2019, falling slightly short of the relevant target due to variations in the raw material sulfur content and changes in operational conditions.

Biodiversity, quarry rehabilitation, and land stewardship

Recognizing the importance of the preservation of biodiversity on our planet, TITAN takes particular care to mitigate the impact of extraction of raw materials on biodiversity and ecosystems, rehabilitation activities and biodiversity management are key areas of focus for TITAN. The Group has established standard practices for land stewardship, quarry rehabilitation, and biodiversity management at sites of high biodiversity value, in line with the respective GCCA guidelines.

In 2020, TITAN updated its biodiversity risk assessment for all its sites. All Group cement plants and quarries were assessed for their biodiversity status and value with the use of the Integrated Biodiversity Assessment Tool (IBAT, https://ibat-alliance.org/). In total, 14 plants and 70 quarries were assessed, and four sites, in addition to the already known ten cases, were recognized as being in proximity to (or part of) areas of high biodiversity value. Three out of the new four sites are under the full management control of

TITAN. The next step is the further evaluation of the local baseline conditions at those sites in order to determine potential needs to develop appropriate biodiversity management plans, in line with the key principles of the GCCA Sustainability Guidelines for Quarry Rehabilitation and Biodiversity Management.

TITAN's approach to biodiversity and land stewardship involves partnerships with international organizations, associations, and global collaborations. In this respect, TITAN played a leading role in the development of the GCCA policy document "A Commitment to Biodiversity by the Cement and Concrete Industry," which was launched in early 2021. Furthermore, TITAN joined CSR Europe's Biodiversity and Industry Platform, which was launched in 2020 and will continue its activities in 2021. The platform is a cross-sectoral, business-led initiative that aims to demonstrate how companies are driving the biodiversity agenda and to support companies in the practical integration of biodiversity into decision-making processes.

TITAN's ongoing efforts to mitigate the local impacts of the raw material extraction process are reflected in the indicators presented in the following table. The Group has added one more indicator to reflect the progress and results of its rehabilitation activities at all Group quarry sites. The indicator measures the percentage of disturbed (impacted) land area that has been rehabilitated.

Local impact indicators	2020	2019
Active quarry sites with high biodiversity value (number)	10*	10
Active quarry sites with biodiversity management plans (number)	9*	9
Active quarry sites with biodiversity management plans (percentage)	90%*	90%
Active quarry sites with quarry rehabilitation plans (percentage)	88%	90%
Disturbed quarry land areas that have been rehabilitated (percentage)	22.7%	--
Active quarry sites with ISO 14001 or similar (percentage)	79%	77%

* Note: figure reflects the known cases (10) of high biodiversity value, where biodiversity management is applied or is planned to be implemented. The four new sites (three of which under TITAN management control) that were identified from the updated biodiversity risk assessment in 2020 will not be included until further assessment of the biodiversity baseline conditions and value on a local level is completed in 2021.

The percentage of active quarry sites with quarry rehabilitation plans showed a minor decrease, due to the acquisition of a quarry in North Macedonia, which does not yet have in place a plan that meets TITAN's standards. The process of developing rehabilitation plans at the remaining quarries, which have mainly arisen from the most recent acquisitions and the licensing of new areas in the Southeastern Europe and Eastern Mediterranean regions, will be completed in 2021.

The percentage of active quarry sites with biodiversity management plans remained at the same level. Due to the COVID-19 pandemic, it was impossible to complete all the field investigations necessary for a complete biodiversity baseline assessment at the Agrinio quarry in Greece, the only remaining site of high biodiversity value (out of the ten sites known up to 2020) that requires a biodiversity management plan. The assessment and respective plan will be completed in 2021.

Water management

Effective water management in and around TITAN's production sites remains an important aspect of the company's environmental performance and sustainability goals in general. Since 2010, the Group has developed and applied an Integrated Water Management System (IWMS) at all its operations to monitor and optimize water use and to report water data consistently, according to the practices and guidelines of the cement sector.

Water risk assessment constitutes a significant component of TITAN's sustainable management of water resources. In 2020, the water risk assessment of all Group sites was completed using the Aqueduct tool of the World Resources Institute (WRI) and the Water Risk Filter of WWF. A total of 153 sites were assessed, including 13 cement plants (and their attached quarries), two cement grinding plants, 20 quarries for aggregates and industrial minerals, and 118 ready-mix units. The results of this risk assessment identified that 73% of the Group's cement and cement grinding plant sites, 65% of its quarries for aggregates and industrial minerals, and 62% of its ready-mix concrete sites operate in water-stressed areas. The results will be used to enhance company practices for sustainable water management and to develop specific water management plans for sites in water-stressed areas.

In 2020, the total water withdrawal and discharge quantities at Group level increased by 3.8% and 4.9%, respectively, mainly as a result of the increased production needs of Titan America. However, the total water consumption quantity at Group level remained unchanged.

The specific water consumption at the Group cement and cement grinding plants and their attached quarries showed a slight increase of 1.4% in 2020, but the company's performance still remained well within the 2020 target.

Impact on natural resources – Water	2020	2019
Group level (all operations)		
Total water withdrawal, million m^3	41.3	39.8*
Total water discharge, million m^3	30.2	28.8
Total water consumption, million m^3	11.1	11.0*
Group level (cement operations)		
Specific water consumption, lt/t cement	261	257*
Sites with a water recycling system (%)	92%	92%
Water recycled over water demand (%)	67.2%	66.5%*
Group level (aggregates operations)		
Sites with a water recycling system (%)	86%	86%

*Note: figures slightly adjusted from last year's disclosures based on updated data.

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 a result, the specific water consumption at cement plants has significantly decreased, with the Group accomplishing the 2020 target of 300lt per ton of cement. with the Group accomplishing the 2020 target of 300lt per ton of cement.

Research and innovation activities

TITAN invests in research, development, and innovation, with a primary focus on areas related to de-carbonization and digital transformation.

In 2020, the Group continued to quickly adapt to the needs of Industry 4.0, leading with an entrepreneurial spirit and sector-wide innovation generated by TITAN employees. The Group Digital Center of Competence was established to further strengthen TITAN's capacity to support roll-outs of digital and automation projects. This further enhanced the digital transformation of manufacturing operations, in which TITAN reached key milestones related to the operation, analytical monitoring, and maintenance of capital equipment.

In all regions where the Group is active, TITAN continued to participate and contribute to innovation ecosystems that add value to communities and stakeholders. The Group's commitment to scientific partnerships that contribute to the knowledge economy and develop talent has laid the foundations for new strategic collaborations in research and innovation that will commence in 2021. In Europe, the Group remained fully involved in Horizon 2020 and national collaborative programs that foster research and innovation. In 2020, TITAN was recognized as a Key Innovator by the European Commission in its Innovation Radar for contributing to the EU-funded research project RECODE. The project involves the installation of a pilot unit at Kamari cement plant in Greece for the capture of CO_2 and its conversion to value-added chemicals.

The Group's first patent application to the World Intellectual Property Organization (WIPO) was published in 2020. The invention refers to a novel method to produce nanosized particles of clinker ("nanoclinker"), which can be used to manufacture added-value, high-performance construction products.

Health and safety

TITAN envisages a work environment that ensures the health and safety of all employees, contractors, and cooperating third parties. To this end, the Group is constantly increasing health and safety awareness and strengthening its accident prevention and health promotion systems in all its operations.

In Greece, Southeastern Europe, Turkey, and Egypt, 100% of the cement plants and more than 88% of the ready-mix concrete and aggregates plants are ISO 45001 or OHSAS 18001 certified. In a small number of cases, the transition from OHSAS 18001 to ISO 45001 was delayed by the COVID-19 pandemic but is in line with the extension given by the International Accreditation Forum (IAF). In the USA, all TITAN activities conform to the requirements of the relevant OHS organizations.

All cement plants and selected other activities are annually audited by Group Health Safety and Environment (Group HSE), and the ensuing recommendations are implemented by management. In 2020, physical on-site presence was not possible due to the constraints imposed by the pandemic. A technical solution involving on-site cameras with online video and audio streaming was implemented. The last two audits were conducted in January 2021. Regional and business unit organizations also conducted auditing activities in 2020.

Accidents and potentially significant near misses are investigated using Root Cause Analysis or other tools, as appropriate, and the conclusions are used to prevent recurrence.

Organized training activities were by necessity limited and the average training hours decreased to 6.88 (14.1 in 2019) and 10.40 (12.34 in 2019) hours per employee and contractor, respectively. However, the safety training program for the contractors of the Greek cement plants, which had commenced in 2019, was completed in 2020. In total, more than 950 persons were trained by a suitably qualified external body, and approximately 97% of them passed the examination and received certificates.

The Frequency of Lost Time Incidents (LTIFR) for own personnel was reduced from 1.44 in 2019 to 0.57 LTIs per 1,000,000 worked hours, which is the lowest value recorded since 2013. The LTIFR for contractors increased slightly to 1.46 LTIs per 1,000,000 worked hours. Despite the efforts made, regrettably, there were two contractor fatalities (one in Kosovo and one in Egypt) and one employee fatality, in a driving accident, in the USA.

Group Health and Safety Department works together with Group HR in the development and implementation of an integrated approach to Health and Wellbeing across the Group, as explained in the "People management and development" section below.

People management and development

The focus on human capital and corporate social responsibility is one of TITAN's four strategic priorities. The Group's vision to "ensure an engaged workforce, emotionally and mentally," as expressed in the TITAN People Management Framework, outlines the company's people management approach, which is supported by numerous systems, policies, and programs. Safeguarding the health and wellbeing of its people, equipping them with the skills, competencies, and mindsets that they need to be successful in a diverse and inclusive environment are among the Group's key priorities for its employees.

Employee engagement

Engaging with its employees is an on-going process for the Group, incorporating feedback in structured and organized forms. Group and country action plans were developed to address the results of the 2019 Employee Engagement Survey. The action plans were derived following in-depth analysis of the aggregated responses to the survey questions, as well as a series of interviews and deep dives in diverse employee focus groups. Most of the focus groups were conducted after the outbreak of the pandemic, thus ensuring that the Group action plan addressed the needs that emerged both before and after the spread of COVID-19. As a result, the initial four priority areas – Simplify and Accelerate, Performance Management, Diversity and Inclusion, and Communication – were enriched with two additional areas: Wellbeing and Pride to be Part of TITAN. All countries performed similar analyses and deep-dive focus groups with employees, both face-to-face and virtual, and designed local action plans, addressing local strengths and areas for improvement. The outcomes of the Employee Engagement Survey also provided feedback that was used in the materiality assessments at both Group and business unit level.

Diversity and inclusion

In 2020, equality, diversity, and inclusion were identified among the most relevant and important issues for key stakeholders in many of the countries where the Group operates. Following the completion of the 4th cycle of materiality assessment, diversity and inclusion was included in the material issues for 2020–2025. Accordingly, the Group reviewed and updated the definitions given to these terms, and held focus groups and interviews with employees and subject matter experts to develop a comprehensive action plan to improve diversity and inclusion across the Group. As a starting point, a team of experts and managers focused on the review of the Group Code of Conduct, as well as the Group Human Rights and CSR policies, which were updated to incorporate a clearer reference to diversity and inclusion. Finally, in the USA, unconscious bias education was mandated for all people managers while two new Employee Resource Groups were launched, one for TITAN USA's Black and African American community and one for the company's LGBTQ+ community.

Group Wellbeing Framework and Employee Assistance Programs

With the aim to continue building on TITAN's Care Legacy and to apply an integrated, holistic approach to Health and Wellbeing across the Group, the TITAN Health and Wellbeing framework was developed. The framework covers four dimensions of Health and Wellbeing – physical, mental, social, and financial. With initiatives linked to the four dimensions, each business implements various actions to address local priorities.

To help enhance its people's mental and emotional health and wellbeing, TITAN extended the Employee Assistance Program (EAP) to all countries. The EAP is a consulting support service offered to all employees and their families, making available expert advice on personal, family, or work-related issues. In addition, many countries organized virtual events and talks on emotional and mental health topics.

Employment and training

Employment at TITAN Group, as of the end of the year, remained stable. Overall, the Group employee turnover rate decreased slightly compared to 2019 (11.3% in 2020 vs. 12.3% in 2019), while the share of women in employment remained stable. The share of women in management increased to 16.5% in 2020 from 15.5% in 2019, which is mainly attributed to the respective increases in the USA, Turkey, and Bulgaria. In 2020, 58.6%, or 3,144 employees, of the Group were included in annual performance reviews, a figure similar to the equivalent one in 2019.

Almost 86% of employees participated in targeted training and development programs in 2020, an increase of above 3% compared to the 2019 level (82.7%). However, training investment and the total training person-hours recorded by local operations decreased considerably, as did average training hours per employee (14.8 in 2020 compared to 25.4 in 2019). This was a result of the pandemic, which prevented the realization of most classroom-based training programs. The majority of training hours in 2020 recorded by business units was dedicated to Health and Safety, Technical Know-How, Functional Competence, and Compliance. Finally, online learning content was made available to employees who do not have access to the Group HR Management System. Online learning license activation increased by over 20% since 2019, indicating that a growing number of employees are taking advantage of the learning tools offered by the company.

In 2020, TITAN's commitment to supporting youth employment continued, despite the impact of the pandemic, resulting in 251 internships, compared to 396 in 2019.

Finally, the percentage of unionized employees has remained stable.

Sustainability of communities

TITAN's operations have direct and indirect economic, social, and environmental impacts on local communities. TITAN business units seek to facilitate stakeholder dialogue and collaborative actions through community engagement plans, with a focus on the contribution to the sustainability of local communities.

The target set in 2015 to further align the company's community engagement plans to the material issues prioritized throughout the Group was fully accomplished. In 2020, a structured approach of recording initiatives and actions, and conducting a self-assessment for each initiative was introduced in a dedicated Group e-platform organizing our activities and collaborative efforts that vary from country to country depending on maturity and local priorities. The Group will remain focused on strengthening its efforts to achieve authentic and distinctive social engagement and on enhancing its positive impacts through collaborative efforts and the empowerment of local stakeholders. In 2020, the "For my Kosjeric" program, offered by TITAN Cementara Kosjeric, in Serbia, was recognized by external stakeholders as an example of best practice of empowering local communities to meet their own objectives.

TITAN continued to address the need for transparent and open communication with communities throughout the year. In Greece, two new websites were launched to communicate the air emission measurements on a daily basis and provide information on co-processing (the simultaneous recycling of raw materials & energy recovery) (https://coprocessing.titan.gr/). The interactive sites allow visitors to submit specific questions regarding the presented data. This transparent and reliable communication method has contributed to sustaining and enhancing TITAN Greece's engagement with communities and key stakeholders.

In all Southeastern European countries and Egypt, TITAN published annual reports focused on sustainability performance, in line with international and sectoral standards and best practices. In Albania, Bulgaria, Kosovo, North Macedonia, and Serbia, where such corporate reporting is not mandatory, the 2019 annual reports published in 2020 were accompanied by independent assurance according to TITAN reporting standards and the Communication on Progress advanced-level criteria set by the UN Global Compact Network.

In all countries, community outreach programs have contributed to good relations and collaborations, which have long-term positive impacts. One example is the case of the community engagement plan in Kosovo with the Laboratory for the Activation of Businesses (LAB), a private-public foundation established by TITAN and other local stakeholders in 2014, based on international corporate governance standards. LAB has supported the creation and sustainable operation of 100 local businesses in agroforestry, providing new jobs and income to local people, and fresh and high-quality local products for the local market, free heating to local community schools, and training to improve local entrepreneurship. In 2020, a new partner joined LAB, which thereby expanded its scope of operations to the services sector, with the creation of a new training program to offer new jobs to young unemployed people from the local community.

Another notable case is TITAN's partnership with Re-Generation, the largest paid placement, professional, and personal development program in Greece, to launch the innovative Re-Generation Academy for Digital Acceleration| Data Science Lab - Powered by TITAN for young people with an interest in data science, a sector with growing demand. This is a unique initiative in the context of the Group's commitment to helping young people develop the digital skills that are necessary for the transition to the digital era. The first Academy was completed in early 2020, with 95% of the 24 trained data scientists that participated in the program finding employment.

Community Engagement Plans / Positive local impact	2020
Local spend (the ratio of spend to local suppliers over the spend to all suppliers, as a percentage)	66.95%
Number of initiatives and actions for community engagement in all regions	131
Total amount of "social investment" (contribution in cash and in kind and budget for the implementation of these 131 CSR/Community engagement activities)(1)	€1.5m
Number of stakeholders engaged in the above initiatives and actions as active participants (TITAN employees, business partners, NGOs, local authorities, and people from communities)	3,809

Sustainable supply chain

In 2020, TITAN continued its Group Procurement transformation program by seeking to improve procurement efficiency and the sustainability of global procurement categories.

The optimization of the supplier landscape, the establishment and maintenance of long-term value-added supplier relationships, and a holistic review of supplier performance, including sustainability aspects, are key enablers for total cost optimization and the propagation of sustainability practices in the supply chain.

TITAN seeks to maintain and further improve its collaboration with local suppliers and contractors. With the ongoing Group digital transformation process and the unification of digital systems, the local spend calculation of TITAN's global activities can now be tracked in an easier and more accurate manner.

TITAN's effort to update its prequalification process for suppliers through a holistic sustainability review continued in 2020. The process, which started in 2017 in TITAN USA, was extended in 2018 to cover Group category suppliers. The scope was also broadened to include a complete set of sustainability criteria beyond health and safety topics, and, in 2019, the program was expanded to cover the scope of major contractor activities in the Greek operations. TITAN is contemplating the expansion of the coverage of the program to its Brazilian operations in 2021.

Governance, transparency, and ethics

Integrity, incorporating transparency and ethical business practices, is a core value embedded in TITAN's culture and reflected in the way the company performs its business activities, in line with its key governing objectives of sustainability and social responsibility. TITAN's integrated management approach, characterized by open, responsible, and accountable decision-making, ensures that governance and ethics considerations are properly addressed at a Group level.

Consistent with the Group's strong commitment to good governance and transparent business ethics, the Group Compliance and Anti-Fraud function was established in January 2020 as part of the Group's Internal Audit, Risk and Compliance Department, reporting to the Group Audit and Risk Committee. The Group Compliance Officer has the responsibility to monitor compliance issues and risks and coordinate relevant controlling activities.

The development of an integrated Compliance Program in 2020 advances TITAN's efforts to ensure achievement of its compliance objectives, not only with the applicable laws and regulations, but also with the highest global standards and all voluntary commitments that the Group has undertaken in the areas of human rights, sustainability, and social responsibility.

Human rights

Consistent with the United Nations Guiding Principles on Business and Human Rights, TITAN Group is committed to respecting and supporting human rights with regard to its employees, the communities where it operates, and its business partners, as expressed in internally recognized standards, including the UN Universal Declaration of Human Rights.

Since its endorsement of the United Nations Global Compact (UNGC) principles, TITAN has worked at both Group and business unit level to ensure a good understanding of the potential risks related to human rights, both in its operations and in the value chain. The TITAN Group Compliance Program covers all relevant aspects and provides the framework for a more systematic and integrated human rights compliance assessment to be periodically conducted for the Group operations.

The TITAN Group Whistleblowing Policy, communicated across the Group in 2020, aims to empower employees in every country to promote an ethical work culture, by reporting possible misconduct, fraud, or abuse. In 2020, the TITAN Group reporting platform EthicsPoint® was also launched, providing a uniform, anonymous, and strictly confidential channel to report incidents of non-compliance, to which all Group employees have access, as an additional means to ensure that incidents are reported, examined, and resolved with a remedy plan, if and when necessary. It promotes a culture of openness, transparency, and accountability, which is essential to safeguarding good governance and integrity. A five-member Group Supervisory Committee, which includes the Chairman of the Audit and Risk Committee, oversees the investigation and handling of reports while ensuring confidentiality and non-retaliation for whistleblowers. In 2020, 11 cases in total were reported through the EthicsPoint® platform, ten of which were classified as allegations and one as a request for information (see ESG performance statements 2020 for more details). All allegations were thoroughly examined by the respective regional committees, reviewed by the Group Supervisory Committee, and resolved with a remediation plan, as appropriate.

Anti-bribery and corruption

The Group's anti-bribery and corruption policy underlines its zero-tolerance attitude and the commitment to fighting corruption, specifies high-risk areas in which bribery and corruption most likely occur during business activities, and provides guidance on preventive and detective procedures, including risk assessment and due diligence of third parties who perform services for or on behalf of TITAN Group.

TITAN has responded to the need to intensify all relevant initiatives by delegating to the Audit and Risk Committee the responsibility to oversee, among others, the risk of corruption and fraud.

Strengthening its commitment to restrict possible exposure to the risks of fraud and corruption, TITAN has developed a comprehensive Anti-Fraud Program that sets out strategic priorities and activities to deter and detect occupational fraud and corruption throughout the Group and minimize its fraud risk exposure. The Anti-Fraud Program aims to provide a protective shield for the Group's assets and resources, corporate reputation and credibility, cultural strengths, and operational efficiency by establishing an integrated structure of anti-fraud controls and activities that will aid the prevention and detection of occupational fraud as well as the Group's response in such an eventuality. Proactive mechanisms include Fraud Risk Assessment projects and follow-ups on agreed action plans.

TITAN Group Compliance Program and policies

In 2020, the implementation of the Group's Compliance Program was launched as an integrated system of activities, mechanisms, and controls, aiming to provide adequate assurance that compliance risks are identified in a timely manner, properly assessed, and effectively mitigated, thus minimizing the possibility of a significant compliance failure.

The Compliance program facilitates the efforts to maintain and foster a strong compliance culture, ensuring adherence to compliance requirements and promoting consistent and responsible ethical behavior. It is a risk-based program with dynamic elements, incorporating monitoring and oversight, compliance awareness, training, risk assessment, and third-party due diligence components. In 2020, more than 6,300 training hours were dedicated to compliance training as part of Compliance Program training and awareness activities.

TITAN's Code of Conduct and Group Policies, applicable to all Group operations, cover all strategic areas and material issues, convey the principles, rules of conduct, and standards, and provide guidelines to employees and external business collaborators, such as vendors and customers, to ensure compliance with the applicable internal and statutory rules. Group Policies include, but are not limited to:

- Anti-Bribery and Corruption Policy
- Conflict of Interest Policy
- Competition Law Compliance Policy
- Corporate Social Responsibility Policy
- Environmental Policy and Climate Change Mitigation Strategy
- Framework Policy for the Protection of Personal Data
- Human Rights Policy
- Occupational Health and Safety Policy.

In 2020, TITAN continued to review, update, and enrich Group Policies to enhance clarity and address specific topics of increasing importance. New versions of the Code of Conduct, Health and Safety Policy, Competition Law Compliance Policy, Human Rights Policy, and Corporate Social Responsibility Policy, which are more aligned with the Group's developments and commitments and detailed on the matter of diversity and inclusion, were developed. In order to maintain a clear and efficient structure, the Group Policies Repository in the Group Intranet (Connections) was re-organized under a new taxonomy with the following categories: regulatory-driven, sustainability- and social-responsibility driven and operational. The revised Code of Conduct was distributed to all employees.

Interactive e-learning courses on the Code of Conduct and the Anti-Bribery and Corruption Policy, Conflict of Interest Policy, Information Security Policy, and Summary of Data Protection Policy were created and uploaded on the UnITe People Learning Management System (LMS). The courses seek to increase awareness and facilitate deep understanding. In addition, e-learning courses on the Competition Law Compliance Policy and Sanctions Policy are also being to targeted audiences. Upon the completion of the first round of e-learnings, expected in the first quarter of 2021, the second wave of e-learnings will be assigned. Moreover, specific initiatives in each business unit, taking into consideration COVID-19 limitations, are in progress, and so is the translation of relevant material, aiming to enhance TITAN's compliance culture and the awareness of employees who, in their role, do not have access to Information Systems.

Integrating ESG criteria in the Company's remuneration policy

Our company is committed to achieving a reduction of net direct CO_2 emissions from 674 to 500kg/t cementitious product by 2030. This target is in line with limiting global warming to well below 2°C compared to pre-industrial levels, and will be verified by the Science Based Targets Initiative (SBTi). To this effect, a three-year CO_2 target that is compatible with the path to 500 kg CO_2 per ton of cementitious product is included in the performance objectives of the deferred compensation incentive for executive members of the Board and the members of the Executive Committee.

Independent assessment of ESG performance

Improving sustainability performance is an on-going effort linked to monitoring, measuring, and assessing performance with internal and external well-defined criteria. TITAN engages with ESG Rating agencies (namely, Sustainalytics, MSCI, Vigeo Eiris, ISS corporate solutions, and Refinitiv), valuing the assessment and seeking feedback. In addition, by reporting to CDP for the first time in 2020, TITAN took an additional step in responding to the high and growing demand by its stakeholders for environmental disclosure.

Kamari cement plant, Greece

ESG performance statements

TITAN Group discloses information related to ESG Performance in alignment with voluntary commitments to the IIRC principles, UNGC, and GCCA based on a long term practice of integration which is referred to as Global Sectoral Approach in this report. Since 2018, in order to further align its disclosures with the SDGs 2030, TITAN incorporated the “Guidance on Core Indicators for entity reporting on the contribution towards the attainment of the Sustainable Development Goals” of the United Nations Conference on Trade and Development (UNCTAD, 2019 edition), and promoted the connection of selected indicators with Targets for the SDGs based on the Guidance. See also pages 14-15 “Delivering Value for All in 2020” and Table 2.1. “Value Creation Core Indicators Index”.

In 2020, TITAN also incorporated the Sustainability Accounting Standards Board (SASB) Framework in the preparation of ESG performance statements, in order to appropriately address the more financially-material ESG disclosures. The SASB Framework was leveraged for the purpose of connecting the SASB Materiality Map® with the 2020 Group’s materiality assessment, and allowed the alignment between the Group and its subsidiaries. In the same direction the Group also started reporting in alignment with the Sustainability Accounting Standard Board (SASB) for the specific requirements of industries mostly relevant to our operations.

For committing on targets 2020 and reporting on progress for all other environmental parameters except CO_2, the base line year is 2003 (when TITAN reported for the first time consolidated non-financial performance indicators). For CO_2 emissions the baseline year for relevant target(s) is 1990 in line with the Kyoto Protocol.

The ESG performance review and statements focus on material issues for TITAN operations and key stakeholders. TITAN’s Global Sectoral Approach encompasses the disclosure of Core Indicators for Value Creation and Governance, Social and Environmental Performance. Indicators (KPIs) are structured under four separate tables in the “ESG performance statements” (Tables 2.1, 2.2, 2.3, and 2.4). TITAN Group ESG Performance Statements are structured according to TITAN's reporting standards that are aligned to global (UNGC, SDGs2030, UNCTAD and SASB) as well as sector specific (GCCA) reporting standards and frameworks. The connection of the TITAN ESG KPIs with the global and sector specific standards is presented in Table 2.5. This includes the connection also with SASB Standards for the first year in 2020, in coherence with the codes of the SASB Accounting Metrics (in brief: metrics) for ensuring clarity and consistency, with reference to Tables 2.2, 2.2.2, 2.3, and 2.4. Table 4 provides a review of TITAN’s 2020 IAR for the adherence to the Global Compact criteria for the Advanced Level Communication on Progress (COP). The connection of TITAN's disclosures with specific SASB metrics for reporting is facilitated also by using Table 4 (COP), and Table 5 (Transparency International - Corruption Perception Index 2020).

Changes in the content and structure of the 2020 Integrated Annual Report:

• Table 2.5 “TITAN Reporting Standards for the ESG Performance disclosures in 2020” (explained above). About the specific alignment of our Environmental and Social performance KPIs with the GGCA Sustainability Charter and Framework Guidelines see Table 2.5.1 “Sector standards for non-financial reporting”.

• New information under the framework of Environmental Performance Indicators regarding Gross direct CO_2 emissions (Scope 1) covered under limiting regulations, Water withdrawal for concrete, Water recycled (all uses), and Quarry land areas rehabilitated from total impacted.

• New information under the framework of Social Performance Indicators regarding Training man-hours on health and safety per contractor, Expenditures for health and safety, and Key operations with community engagement plans related to material issues and Group policies. Also, the Social Performance Indicators Index does not present the ‘granularity’ of data on per-country manner compared to last year, but only the Group total and/or average figures. The purpose was to improve in brevity and simplicity.

The Notes below help the reading of ESG performance statements (about connection with KPIs see Tables 2.2, 2.2.2, 2.3, 2.4, and 2.5).

Assurance: Specific KPIs included in the scope of ERM Certification and Verification Services (ERM CVS) assurance engagement (ERM CVS’ “Independent assurance statement”).

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

GCCA: Specific KPIs calculated according to the sector Guidelines integrated by TITAN, following the GCCA Charter and Framework Guidelines.

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

SASB: TITAN in 2020 started reporting on ESG performance aligned with the Sustainability Accounting Standard Board (SASB).

ESG Performance Statements - Tables

1. Material Issues and Boundaries for reporting ESG Performance

SDGs 2030	Material issues and topics	Boundaries	
		Internal	External
SDG 9 SDG 8 SDG 17	**Financial liquidity and access to funding** Access to bank credit facilities and capital markets financing provides liquidity to meet current obligations and grow business sustainably and potential for growth. • Access to bank credit facilities and capital markets financing is essential to run and grow operations sustainably • Safeguard market presence	TITAN Group	Contractors, suppliers, investors, customes, local communities, governments
SDG 4 SDG 8 SDG 16 SDG 17	**Governance, transparency and ethics** Ensuring good governance integrity and transparency, promoting ethical business practices, lobbying responsibly and engagement with stakeholders do the same. • Procurement practices • Security practices • Human rights grievance mechanism • Anti-corruption • Anti-competitive behavior • Supplier assessment for impact on environment • Supplier human rights assessment	TITAN Group, all TITAN operated sites	Joint venture partners, contractors, security personnel, customers, suppliers, local communities, shareholders, investors, governments, NGOs
SDG 1 SDG 3 SDG 4 SDG 9 SDG 11 SDG 17	**Sustainability of communities** TITAN is working toward building an inclusive relationship, through ongoing engagement with stakeholders at all levels. At site level, building strong relationships with local communities is part of this and is key to value creation for stakeholders. • Indirect economic impacts • Market presence • Compliance • Environmental grievance mechanisms • Grievance mechanisms for impacts on society • Economic performance	TITAN Group, all TITAN operated sites	Contractors, suppliers, customers, local communities and authorities, governments, shareholders, investors, NGOs
SDG 7 SDG 13 SDG 17	**Climate change** TITAN operations and the cement industry as a whole contribute to climate change. Reducing CO_2 emissions in line with the Kyoto Protocol and the Paris Agreement, the European Green Deal vision of carbon neutrality by 2050 and the Global Cement and Concrete Association (GCCA), 2050 Climate Ambition to deliver society with carbon-neutral concrete by 2050 and working with our peers to meet specific targets is a priority for business and society. • Energy • Emissions	Group TITAN, all TITAN operated sites	Shareholders, investors, customers, suppliers, governments, local communities and authorities, academia, NGOs

SDGs 2030	Material issues and topics	Boundaries	
		Internal	External
SDG 12 SDG 13 SDG 17	**Circular economy** A number of resources is used to serve TITAN's purpose, such as raw materials, traditional and alternative fuels, water and energy, and waste materials. A circular economy will enable business and consumption models focused on re-using and recycling use of alternative fuels, Innovation and out-of-the-box thinking. • Effluents and waste • Raw Materials	TITAN Group, all TITAN operated sites, GAEA, STET	Contractors, suppliers, customers, local communities and authorities, academia, regulators, NGOs
SDG 3 SDG 17	**Health and safety** TITAN is committed to provide employees, contractors and any third-party safe and healthy workplace. Health and Safety is crucial for customers and TITAN ensures that products are safe to use and that they are delivered safely to customers. • Occupational health and safety • Customers health and safety	TITAN Group, all TITAN operated sites	Employees families, contractors, Local communities and authorities, suppliers, customers, third parties, governments
SDG 4 SDG 5 SDG 8 SDG 17	**People management and development** Being a responsible employer means providing training and development opportunities, and equal remuneration between men and women, embracing diversity with a work environment free from discrimination or harassment while supporting employees in exercising their right to freedom of association and collective bargaining. It also means ensuring that there is no child labor or compulsory labor in TITAN operations in the supply chain. • Employment • Training and education • Diversity and equal opportunities • Market presence • Labor practices grievance mechanisms • Non-discrimination • Freedom of association and collective bargaining • Child labor and compulsory labor • Ongoing assessment	TITAN Group, all TITAN operated sites	Shareholders, joint ventures partners, contractors, suppliers, local communities, governments, academia, NGOs
SDG 6 SDG 7 SDG 13 SDG 15 SDG 17	**Environmental management** TITAN ensures that it adheres to international best practices and is focused on contributing to improve its performance and keep its license to operate. • Biodiversity • Compliance • Environmental grievance mechanisms • Water • Transport of goods and services	TITAN Group, all TITAN operated sites	Shareholders, join ventures partners, contractors, suppliers, local communities, governments, academia, NGOs

SDGs 2030	Material issues and topics	Boundaries	
		Internal	External
SDG 8 SDG 16 SDG 17	**Social and political risks, and instability** TITAN has plans in place to maintain control and normal operations during political instability, riots, uprisings and various conditions that lead to extreme volatility. We work to safeguard TITAN's local investments by protecting our people, business partners and the communities near our operations. • Local communities	All TITAN operated sites, TITAN Group	Employees families, customers, investors, governments, local communities, NGOs
Other issues			
	Sustainable products and services: We collaborate with stakeholders to develop more sustainable products to create value through our cement such as ProAsh®. • Products and services	TITAN Group, all TITAN operated sites, GAEA, STET	Customers, suppliers, governments, investors, society

Notes

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

Materiality

A matter is material if it is of such relevance and importance[2] that it could substantively influence the assessments of providers of financial capital with regard to the organization's ability to create value over the short, medium and long term. In determining whether or not a matter is material, senior management and those charged with governance should consider whether the matter substantively affects, or has the potential to substantively affect, the organization's strategy, its business model, or one or more of the capitals it uses or affects.

Relevance

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

Conciseness

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

Consistency

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

1. Source: Materiality Background Paper for <IR> (IIRC, 2013). Further information about the IIRC can be found on its website www.theiirc.org
2. TITAN uses the equivalent term "significance".

2. ESG Performance Indicators

TITAN Group ESG performance statements cover four areas: Value creation and distribution to stakeholders (see “Understanding TITAN”, under section “Overview” - Table “Delivering value for all”), Social performance KPIs, Environmental performance KPIs and Governance Core Indicators. The following section 2.1 “Value Creation Core Indicators Index” is inclusive of definitions for terms used in specific for Value creation and distribution to stakeholders, and serves as index of Notes for Table “Delivering value for all”.

2.1 Value Creation Core Indicators Index

Notes

General Note for the consolidation of data

Consolidation (aggregation) of data for the above Value Creation Core Indicators was made with 100.0% contribution for all BUs where TITAN has property share more than 50.0% (in line with the method of full consolidation in the Financials). The contribution of Turkey included Adocim Cemento Beton Sanayi ve Ticaret AS with 100%. See Table 2.2.1, in specific “Adocim all activities”.

Notes for the standards, guidance, and terms used

Most terms related to the Value Creation Core Indicators were adopted from the “Guidance on Core Indicators for entity reporting on the contribution towards the attainment of the Sustainable Development Goals” (in short: UNCTAD Guidance, 2019), and incorporated under the TITAN standards. The related terms are outlined here and connected with the KPIs in the Index above. The figures for the Value Creation Core Indicators are provided in “Understanding TITAN; Delivering value for all”.

Detailed figures are provided in the Report under 'Delivering value for all', see also: Table 2.2 and 2.3.

1. **The economic value created** and distributed to key stakeholders has been calculated using the United Nations - UNCTAD “Guidance on Core indicators for entity reporting on the contribution towards the attainment of the Sustainable Development Goals” (2019 edition).
2. **Gross Value added.** Revenue minus costs of bought-in materials, goods and services (called also: Value Added, according to the UNCTAD Guidance, 2019). TITAN’s approach is based on the verified and disclosed Financial Statements for the same reporting period, acc. to the IFRS.
3. **Net value added**. Revenue minus costs of bought-in materials, goods and services and minus depreciation on tangible assets (UNCTAD Guidance, 2019). TITAN’s approach is based on the verified and disclosed Financial Statements for the same reporting period, acc. to the IFRS.
4. **Total spend to Suppliers, local and international, for goods and services.** According to TITAN Standards and the application of the IFRS, see Financial Statements.
5. **Taxes to national and local authorities.** According to TITAN Standards and the application of the IFRS, see Financial Statements.
6. **Payments in cash, to shareholders and minorities.** According to TITAN Standards and the application of the IFRS, see Financial Statements.
7. **Total spend on donations and social engagement initiatives** Total amount of charitable/voluntary donations and investments of funds (both capital expenditures and operating ones) in the broader community where the target beneficiaries are external to the enterprise incurred in the reporting period, in absolute amount (UNCTAD Guidance, 2019). TITAN discloses this amount as "Donations", as equivalent to "charitable/voluntary donations and investments of funds", and in detail in Table 2.3 based on the verified and disclosed Financial Statements for the same reporting period.
8. **Green investment.** Total amount of expenditures (capital and also operational) for those investments whose primary purpose is the prevention, reduction and elimination of pollution and other forms of degradation to the environment (UNCTAD Guidance, 2019). TITAN discloses the respective figures in detail in Table 2.2 of the ESG Performance Statements.
9. **Salaries (contributions to) pensions, and social benefits, including additional benefits beyond those provided by law.** additional benefits. According to TITAN Standards and the application of the IFRS, see Financial Statements.
10. **Investments in training of direct employees.**Total expenditures including the direct and indirect costs of training for direct employees (including costs such as trainers’ fees, training facilities, training equipment, related travel costs etc.) reported also per employee and per year, and broken down by employee category (UNCTAD Guidance, 2019). TITAN discloses the respective figures in detail in Table 2.3 of the ESG Performance Statements.
11. **Investments for Research and Innovation.** Total amount of expenditures on research and development (R&D) and Innovation by the reporting entity during the reporting period (UNCTAD Guidance, 2019). It includes all expenditures for the R&D and Innovation activities, and projects, and incl. salaries, participations, travelling and other expenses of our employees which are related directly and indirectly, and other expenditures for promoting innovative technologies and products. TITAN uses the verified and disclosed Financial Statements for the same reporting period.
12. **Capital expenditures.** Capital expenditures, commonly known as CapEx, are funds used by a company to acquire, upgrade, and maintain physical assets such as property, buildings, an industrial plant, technology or equipment.

2.1.1. Consolidated Report on Payments to Governments

Group Companies	Country	Payment type	Amount
TITAN CEMENT S.A.	Greece	Quarry Rental Fees/taxes	792,235.72
INTERBETON S.A.	Greece	Quarry Rental Fees	2,220,516.16
		Municipality Taxes	532,003.77
Alexandria Portland Cement Co	Egypt	Clay Tax	2,447,615.00
		Quarry Royalties	1,272,377.00
Beni Suef Cement Co	Egypt	Clay Tax	3,784,563.00
		Quarry Royalties	507,724.00
		Road maintenance	129,211.00
Zlatna Panega Cement AD	Bulgaria	Concession Fees	215,000.00
Cementi Antea Sha	Albania	Extraction Fees	402,109.00
Titan America LLC	USA	Sales / Mitigation Fees	373,163.19
SHARRCEM SH.P.K.	Kosovo	Extraction Royalties	206,903.00
Titan Cementarnica Usje A.D.	North Macedonia	Concession Fees	199,157.00
Titan Cementara Kosjeric A.D.	Serbia	Concession Fees	162,976.00
ADOCIM A.S.	Turkey	Permission/Forestation Fees	260,423.00
		TOTAL	**13,505,976.84**

Note

TITAN Cement International S.A. hereby reports, in accordance with article 3:33 of the Belgian Companies and Associations Code, that TITAN Cement Group has paid to municipal authorities of EU Member States and third countries the total amount of €13,505,976.8 for extractive operations 2020 as specified in the above table.

2.2 Environmental Performance Index

SDGs & Targets	Key Performance Indicators	Units	2020	2019	2018	2017	2016	Assurance	GCCA	UNGC	UNCTAD	SASB
1. All activities - Environmental Performance												
Local Impacts												
Impact on natural raw materials recourses, and waste management												
SDG 12.2	**Natural raw materials extracted (total, wet)**	**million t**	**32.5**	**32.4**	**33.6**	**34.2**	**32.7**			●		
	Raw materials extracted for clinker and cement	million t	17.9	18.5	20.2	21.2	20.0			●		
	Raw materials extracted for aggregates	million t	14.5	13.8	13.5	13.0	12.7			●		
SDG 12.4	**Externally recycled waste materials (total, wet)**	**t**	**273,828**	**236,736**	**200,684**	**259,696**	**426,898**			●	●	
SDG 12.5	Recycled	t	125	53	1,832	4,395	9,682					
	Reused	t	273,193	236,610	198,831	255,218	413,778					
	Recovered	t	510	74	21	83	3,438					
Impact on water recourses												
SDG 6.3	**Water consumption (total)[11]**	**million m^3**	**11.1**	**11.0**	**10.7**	**10.5**	**9.1**	●	●	●		
SDG 6.4	**Water withdrawal (total, by source)[11]**	**million m^3**	**41.3**	**39.8**	**39.2**	**35.4**	**30.5**	●	●	●	●	●
SDG 6.5	Ground water[11]	million m^3	37.8	36.4	35.5	31.4	26.7					
	Municipal water	million m^3	0.9	0.9	1.1	1.3	1.0					
	Rain water	million m^3	0.2	0.2	0.2	0.2	0.2					
	Surface water	million m^3	0.8	0.8	0.9	1.0	1.0					
	Quarry water used (from quarry dewatering)	million m^3	0.1	0.1	0.1	0.1	0.1					
	Ocean or sea water	million m^3	1.3	1.3	1.3	1.3	1.3					
	Waste water	million m^3	0.1	0.1	0.1	0.1	0.1					
	Water discharge (total, by destination)	**million m^3**	**30.2**	**28.8**	**28.5**	**24.9**	**21.3**	●	●	●	●	
	Surface (river, lake)	million m^3	28.7	27.3	27.0	23.5	19.9					
	Sub-surface water (well)	million m^3	0.1	0.1	0.0	0.0	0.0					
	Ocean or sea	million m^3	1.3	1.3	1.3	1.3	1.3					
	Off-site treatment	million m^3	0.1	0.1	0.1	0.1	0.1					

SDGs & Targets	Key Performance Indicators	Units	2020	2019	2018	2017	2016	Assurance	GCCA	UNGC	UNCTAD	SASB
Impact on biodiversity and land stewardship												
SDG 15.3	**Active quarry sites with biodiversity issues**[1,3]		10.0	10	10	10	8		●	●		●
SDG 15.4 SDG 15.5	**Active quarry sites with biodiversity management plans**[2,3]		9	9	9	8	6		●	●		●
SDG 15.9 SDG 15.a	**Active quarry sites with biodiversity management plans**	%	90.0	90.0	90.0	80.0	75.0	●	●	●		●
	Sites with quarry rehabilitation plans[3]	%	88.0	90.0	78.0	81.0	87.0	●	●	●		●
	Quarry land areas rehabilitated from total impacted (cumulative)[3,4]	%	22.7	n/a	n/a	n/a	n/a			●		●
	Active quarry sites (wholly owned) with Environmental Management System (ISO14001 or similar)	%	79.0	77.0	80.0	81.0	93.0			●		●
Fuels and energy												
Impact on energy resources												
	Thermal energy consumption (total)[11]	TJ	41,229	43,102	45,740	50,114	48,295		●	●	●	
	Electrical energy consumption (total)	TJ	6,116	6,328	6,549	6,914	6,768		●	●	●	
2a. Cement Activities – Environmental Performance (acc. to the Sectoral Approach adopted by TITAN)												
Climate change												
Impact on Greenhouse Gas Emissions												
SDG 9.4	**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			●		
	Integrated cement plants with certified Energy Management System (ISO 50001 or similar)	% Clinker Production	54.9	40.5	40.7	6.1	6.7	●		●		
	Gross direct CO_2 emissions (Scope 1, total)[11]	million t	9.9	10.3	11.1	12.1	11.7	●	●	●	●	●
	Gross direct CO_2 emissions (Scope 1) covered under limiting regulations[4]	%	49.9	55.1	56.9	58.6	61.5			●	●	●
	Net direct CO_2 emissions (Scope 1, total)[11]	million t	9.6	10.0	10.8	11.9	11.4	●	●	●	●	
	Specific gross direct CO_2 emissions (Scope 1)[11]	kg/t Cementitious product	697.9	701.1	708.8	716.6	719.6	●	●	●		
	Specific net direct CO_2 emissions (Scope 1)[11]	kg/t Cementitious product	674.0	676.6	686.1	700.3	701.4	●	●	●		
	Indirect CO_2 emissions (Scope 2, total)[5,11]	million t	0.8	0.9	1.0	1.2	1.2	●	●	●	●	

SDGs & Targets	Key Performance Indicators	Units	2020	2019	2018	2017	2016	Assurance	GCCA	UNGC	UNCTAD	SASB
Alternative fuels and materials												
SDG 7.2	**Alternative fuel substitution rate**[11]	**%Heat Basis**	**13.1**	**13.5**	**12.0**	**8.9**	**8.4**	●	●	●	●	●
SDG 7.3	**Biomass in fuel mix**[6,11]	**%Heat Basis**	**3.8**	**4.3**	**3.4**	**2.8**	**2.1**	●	●	●	●	●
SDG 7.a	**Clinker-to-cement ratio**	**%Heat Basis**	**82.44**	**82.87**	**83.68**	**83.78**	**84.46**		●	●		
SDG 12.2	**Thermal energy consumption (total)**											
	Cement and grinding plants and attached quaries[11]	TJ	40,786	42,160	45,176	49,708	47,833	●	●	●	●	●
	Energy efficiency related to clinker production[11]	kcal/kgClinker	834.9	833.5	835.6	847.1	846.7	●	●	●	●	
	Alternative fuels consumption (total)	t	234,451	269,665	244,395	203,170	163,600		●	●	●	●
	Electrical energy consumption (total)											
	Cement and grinding plants and attached quaries[11]	GWh	1,603.5	1,661.3	1,723.9	1,826.0	1,783.4	●	●	●	●	●
Local Impacts												
Impact on natural raw materials recourses												
SDG 12.2	**Materials consumption (total, dry)**	**million t**	**20.6**	**21.1**	**22.5**	**24.4**	**23.3**			●		
	Extracted (natural) raw materials consumption (dry)[11]	million t	19.3	19.6	21.2	23.0	22.2					
	Alternative raw materials consumption (dry)[11]	million t	1.3	1.5	1.2	1.3	1.2					
	Alternative raw materials use (of total raw materials consumed)[11]	**%Dry**	**6.4**	**7.1**	**5.5**	**5.4**	**5.1**		●		●	
	Alternative raw materials rate (based on clinker-to-cement (equivalent) factor)[11]	**%Dry**	**7.2**	**8.1**	**6.4**	**6.3**	**6.0**	●	●	●	●	
Impact on water recourses												
SDG 6.4	**Water consumption (total)**[11]	**million m^3**	**3.7**	**3.7**	**4.0**	**4.3**	**3.8**	●	●	●		
SDG 6.5	**Water recycled (total)**[4]	**million m^3**	**15.5**	**15.1**	**17.7**	**18.5**	**18.5**		●	●	●	●
	Specific water consumption[11]	**lt/t Cementitious product**	**260.5**	**255.7**	**256.5**	**259.3**	**241.2**	●	●	●	●	
		lt/t$_{Cement}$	**260.8**	**257.3**	**259.2**	**269.8**	**252.2**	●	●	●	●	

SDGs & Targets	Key Performance Indicators	Units	2020	2019	2018	2017	2016	Assurance	GCCA	UNGC	UNCTAD	SASB
Other air emissions												
SDG 3.9	**Overall coverage rate**	%	**65.4**	**74.1**	**79.8**	**78.1**	**82.8**	●	●	●		●
SDG 9.4	**Coverage rate continuous measurement**	%	**77.7**	**78.6**	**81.0**	**82.1**	**53.8**	●	●	●		●
	Dust emissions (total)	t	**225.4**	**177.5**	**155.9**	**277.9**	**320.8**	●	●	●		●
	Specific dust emissions	g/tClinker	**19.3**	**14.7**	**12.1**	**19.8**	**23.8**	●	●	●		●
	Coverage rate for dust emissions	%	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	●	●	●		●
	NOx emissions (total)	t	**14,962.1**	**15,316.6**	**16,880.8**	**18,863.1**	**23,063.4**	●	●	●		●
	Specific NOx emissions	g/tClinker	**1,282.4**	**1,268.6**	**1,307.0**	**1,345.3**	**1,708.6**	●	●	●		●
	Coverage rate for NOx emissions	%	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	●	●	●		●
	SOx emissions (total)	t	**2,953.0**	**2,334.9**	**2,632.4**	**2,738.4**	**2,717.9**	●	●	●		●
	Specific SOx emissions	g/tClinker	**253.1**	**193.4**	**203.8**	**195.3**	**201.4**	●	●	●		●
	Coverage rate for SOx emissions	%	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	●	●	●		●
	TOC emissions (total)	t	435.3	682.2	546.9	710.7	610.3		●	●		●
	Specific TOC emissions	g/tClinker	37.3	56.5	42.3	50.7	45.2		●	●		●
	Coverage rate for TOC emissions	%	90.9	98.9	100.0	100.0	100.0		●	●		●
	PCDD/F emissions (total)	mg	211.3	152.5	227.7	343.4	163.3		●	●		●
	Specific PCDD/F emissions	ng/tClinker	18.1	12.6	17.6	24.5	12.1		●	●		●
	Coverage rate for PCDD/F emissions	%	96.8	100.0	100.0	89.3	100.0		●	●		●
	Hg emissions (total)	kg	360.3	494.5	492.8	478.0	768.0		●	●		●
	Specific Hg emissions	mg/tClinker	30.9	41.0	38.2	34.1	56.9		●	●		●
	Coverage rate for Hg emissions	%	100.0	97.0	100.0	96.0	90.3		●	●		●
	Cd and Tl emissions (total)	kg	166.5	221.3	267.2	241.3	350.4		●	●		●
	Specific (Cd and Tl) emissions	mg/tClinker	14.3	18.3	20.7	17.2	26.0		●	●		●
	Coverage rate for (Cd and Tl) emissions	%	77.7	75.1	81.0	78.1	82.8		●	●		●
	Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V emissions (total)	kg	2,092.6	2,101.1	2,479.6	3,758.1	4,838.6		●	●		●
	Specific (Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V)	mg/tClinker	179.4	174.0	192.0	268.0	358.5		●	●		●
	Coverage rate for (Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V) emissions	mg/tClinker	77.7	75.1	81.0	78.1	82.8		●	●		●

SDGs & Targets	Key Performance Indicators	Units	2020	2019	2018	2017	2016	Assurance	GCCA	UNGC	UNCTAD	SASB
2b. Ready Mix Concrete Activities – Environmental Performance												
Climate change												
Impact on energy recourses												
SDG 9.4	Energy efficiency related to concrete production	kWh/ m^3Concrete	3.5	3.7	3.8	3.2	3.7			•	•	
Local Impacts												
Impact on natural raw recourses												
SDG 12.2	Recycled/reused concrete (internally and externally)	%Returned concrete	90.3	86.6	86.9	87.7	86.6			•	•	
Impact on water recourse												
SDG 12.2	Total water withdrawal	million m^3	3.0	3.0	2.9	3.0	2.7			•	•	
	Specific water withdrawal	lt/m^3Concrete	577.8	599.3	589.7	555.5	599.4			•	•	
3. All Activities- Detailed disclosures concerning materials, fuels, and wastes												
Impact on natural raw materials (extracted)												
SDG 12.2	**Raw materials consumed in total, for clinker and cement production (dry)[11]**	t	19,251,498	19,593,979	21,225,412	23,042,010	22,153,556			•	•	
Substitution of natural raw materials by alternative materials (byproducts)												
SDG 12.4	**Alternative materials consumed in total, for clinker and cement production (dry)[11]**	t	1,309,939	1,493,110	1,231,546	1,317,648	1,194,837			•	•	•
Impact on fuels and energy resources												
SDG 7.2 SDG 12.2	**Fuel mix, energy consumption for clinker and cement production**	%Heat Basis	100.0	100.0	100.0	100.0	100.0			•		•
	Conventional fossil fuels[11]	%Heat Basis	86.9	86.5	88.0	91.1	91.6			•		•
	Coal, anthracite, and waste coal[11]	%Heat Basis	33.0	42.8	32.6	29.3	31.3					
	Petroleum coke[11]	%Heat Basis	44.8	38.5	51.2	57.3	53.2					
	Lignite	%Heat Basis	1.7	1.6	1.0	1.6	0.7					
	Other solid fossil fuel[11]	%Heat Basis	1.8	1.4	1.4	1.0	0.9					
	Natural gas	%Heat Basis	5.0	1.0	0.5	0.6	0.9					
	Heavy fuel (ultra)	%Heat Basis	0.3	0.6	0.8	0.7	2.1					
	Diesel oil	%Heat Basis	0.4	0.6	0.5	0.6	2.5					
	Gasoline, LPG (Liquified petroleum gas or liquid propane gas)	%Heat Basis	0.0	0.1	0.1	0.1	0.1					

SDGs & Targets	Key Performance Indicators	Units	2020	2019	2018	2017	2016	Assurance	GCCA	UNGC	UNCTAD	SASB
SDG 7.2	**Alternative fossil and mixed fuels**[11]	**%Heat Basis**	**13.0**	**13.1**	**11.5**	**8.3**	**7.6**		●	●	●	●
SDG 13.1	Tyres	%Heat Basis	3.0	3.1	2.8	2.1	1.7					
SDG 12.2	RDF	%Heat Basis	3.6	3.9	1.7	0.8	0.4					
	Impregnated saw dust	%Heat Basis	0.8	0.7	0.7	0.5	0.5					
	Mixed industrial waste	%Heat Basis	1.2	1.4	1.8	1.0	0.8					
	Other fossil based and mixed wastes[11]	%Heat Basis	4.4	4.0	4.5	3.9	4.2					
	Biomass fuels	**%Heat Basis**	**0.1**	**0.4**	**0.5**	**0.6**	**0.8**		●	●	●	●
	Dried sewage sludge	%Heat Basis	0.02	0.0	0.0	0.1	0.1					
	Wood, non-impregnated saw dust	%Heat Basis	0.01	0.3	0.4	0.5	0.5					
	Agricultural, organic, diaper waste, charcoal	%Heat Basis	0.02	0.0	0.0	0.0	0.2					
	Other	%Heat Basis	0.00	0.0	0.0	0.1	0.0					

Management of waste (produced on site)

SDGs & Targets	Key Performance Indicators	Units	2020	2019	2018	2017	2016	Assurance	GCCA	UNGC	UNCTAD	SASB
SDG 12.4	**Waste management (total, wet)**	**t**	**331,709**	**308,218**	**258,032**	**321,240**	**528,177**			●	●	●
SDG 12.5	Non-hazardous waste	t	331,201	307,241	255,943	320,436	527,436					
	Hazardous waste	t	508	977	2,089	803	740					
	Waste management, break down by destination-usage (wet)	**%By mass**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**			●	●	●
	Reuse	%By mass	0.0	0.0	0.7	1.4	1.8					
	Recycle	%By mass	82.4	76.8	77.1	79.4	78.3					
	Recovery (including energy recovery)	%By mass	0.2	0.0	0.0	0.0	0.7					
	Incineration	%By mass	0.0	0.0	0.0	0.0	0.0					
	Landfill	%By mass	17.3	23.1	22.1	19.0	19.1					
	Other (incl. storage)	%By mass	0.1	0.1	0.1	0.1	0.1					

SDGs & Targets	Key Performance Indicators	Units	2020	2019	2018	2017	2016	Assurance	GCCA	UNGC	UNCTAD	SASB
4. Cement Activities - Avoided Impact (acc. to TITAN's Approach for avoided emissions, consumption of natural resources and landfilling)												
Climate change												
SDG 9.4	**Avoided net direct CO_2 emissions[7,11]**	**million t**	**29.3**	**27.8**	**26.3**	**24.9**	**23.6**			●	●	
Local Impacts												
SDG 3.9 SDG 9.4	**Avoided dust emissions[8]**	**t**	**60,700**	**56,600**	**52,310**	**47,680**	**42,765**	●		●	●	
	Avoided NOx emissions[8]	**t**	**261,235**	**241,555**	**221,025**	**199,555**	**176,785**	●		●	●	
	Avoided SOx emissions[8]	**t**	**37,290**	**35,350**	**32,630**	**29,855**	**26,720**	●		●	●	
SDG 6.4	**Avoided water consumption[9,11]**	**million m^3**	**32.5**	**29.1**	**25.5**	**21.8**	**18.0**			●	●	
SDG 3.9 SDG 12.2 SDG 12.5	**Avoided consumption of natural resources and landfilling of alternative materials and fuels[9,11]**	**million t**	**25.7**	**24.1**	**22.4**	**21.0**	**19.5**			●	●	
5. All Activities - Investments for the Environment												
SDG 7.b SDG 9.4	**Environmental expenditures across all activities[10]**	**million €**	**22.2**	**26.6**	**29.1**	**27.6**	**53.5**			●	●	
	Environmental management	million €	13.9	16.8	16.3	15.8	19.6					
	Reforestation	million €	0.3	0.5	0.5	0.5	0.3					
	Rehabilitation	million €	0.7	0.6	0.5	0.5	0.9					
	Environmental training and awareness building	million €	0.3	0.2	0.2	0.2	0.2					
	Application of environmental friendly technologies	million €	4.2	6.4	9.6	8.7	30.4					
	Waste management	million €	2.7	2.1	1.9	2.0	2.0					

Notes

General note on data consolidation

Consolidation (aggregation) of data for the key indicators of the Group environmental performance was made on the basis of the percentage of property share for each of the subsidiaries, where TITAN holds a property share of more than 50.0%, also called share of equity for the purposes of non-financial data consolidation. The indicators were calculated according to the share of equity held by the Group at the end of 2020. Performance of previous years was recalculated to reflect changes in share of equity in 2020. A detailed list of TITAN's share of equity in all subsidiaries of the Group is provided in Table 2.2.1.

Notes on external verification, standards, and guidance

● Assurance: Specific KPIs denoted in this Table are included in the scope of ERM Certification and Verification Services (ERM CVS) assurance engagement (ERM CVS' "Independent assurance statement").
● Standards: For the reporting standards under TITAN's Global Sectoral Approach, namely GCCA, UNGC, UNCTAD, and SASB, and connection with the KPIs in this Table, please refer to Table 2.5.
● Guidance: TITAN follows the GCCA Sustainability Framework Guidelines, and the Sustainability Guidelines for the monitoring and reporting of: CO_2 emissions from cement manufacturing, co-processing fuels and raw materials, monitoring and reporting of emissions, monitoring and reporting of water in cement manufacturing, and quarry rehabilitation and biodiversity management (for all documents the reference is the latest edition of 2019 or 2020). The above Guidelines had superseded in 2020 the previous – and respective – Guidelines of the WBCSD/CSI, which were the guidance for measuring, reporting and verifying environmental performance until (and including) year 2018. For the Sector standards, see details in Table 2.5.1.

Notes on specific environmental performance indicators

1. Active quarries within, containing or adjacent to areas designated for their high biodiversity value. See also Table 2.2.2
2. Sites with high biodiversity value where biodiversity management plans are actively implemented. See also Table 2.2.2
3. Coverage includes all quarries attached to cement plants and quarries for aggregates production.
4. New indicators

● Quarry land areas rehabilitated from total impacted (cumulative)
Coverage includes all quarries under TITAN management control. This KPI is calculated as the percentage of the impacted/disturbed quarry areas that has been rehabilitated (total and cumulative), aggregated at Group level. Under TITAN approach, this KPI is complementary to the KPIs under the topic of Impact on biodiversity and land stewardship in this Table, namely: "Sites with quarry rehabilitation plans" and "Active quarry sites with biodiversity management plans". Also, this KPI covers the requirement for reporting according to SASB Standards on "Biodiversity Impacts", metric EM-CM-160a.2 "Terrestrial acreage disturbed, percentage of impacted area restored". The total (cumulative) area of disturbed land reached 36,2 million m2 in 2020, first year of disclosing such data.
● Gross direct CO2 emissions (Scope 1) covered under limiting regulations
This KPI is calculated as the total amount of gross Scope 1 emissions that are covered under emissions-limiting regulations divided by the total amount of gross Scope 1 emissions, aggregated at Group level. In combination with KPI "Gross direct CO2 emissions (Scope 1, total)", this KPI covers the requirement for reporting according to SASB Standards on "Greenhouse Gas Emissions", metric EM-CM-110a.1 "Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations".
● Water recycled (total)
This KPI is calculated in line with GCAA Sustainability Guidelines for the monitoring and reporting of water in cement manufacturing. In combination with KPI "Water withdrawal (total, by source)", this KPI covers the requirement for reporting according to SASB Standards on "Water Management" metrics EM-CM-140a.1 "(1) Total fresh water withdrawn, (2) percentage recycled, (3) percentage in regions with High or Extremely High Baseline Water Stress". For the latter, TITAN sites operating in water stressed areas were identified (73% of cement and grinding plants, 65% of quarries, and 62% of ready mix sites), based on the results of the water risk assessment, made in 2020 with the use of the Aqueduct tool of the World Resources Institute (WRI).

5. Indirect CO_2 emissions are related to emissions released for the production of the electrical energy consumed at TITAN's facilities. For their calculation, we use emission factors provided by the supplier of the electrical energy or other publicly available data sources.
6. Biomass rate corresponds to the percentage of total thermal energy consumption that comes from renewable energy sources.
7. Avoided CO2 emissions is the total accumulated quantity for the period between the specific year and the base year which in the case of CO2 emissions is 1990 in accordance to the Kyoto protocol. The base year performance for specific net direct net direct CO2 emissions was 778.3kg/tCementitious product, adjusted for the equity of year 2020.
8. Avoided air emissions are the total accumulated quantities (for each specific emission separately) for the period between the specific year and the base year which in the case of air emissions is 2003, the year of publishing the first sustainability report of TITAN Group. The base year performance for specific dust emissions was 370.3g/tClinker, for specific NOx emissions was 2,969.2g/tClinker and for specific SOx emissions was 418.8g/tClinker, adjusted for the equity of year 2020.
9. Avoided natural resources consumption is the total accumulated quantity (for water and raw materials/fuels separately) for the period between the specific year and the base year which in the case of natural resources is 2003, the year of publishing the first sustainability report of TITAN Group. The base year performance for specific water consumption was 503.9lt/tCement, adjusted for the equity of year 2020. 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.
10. The definition of Environmental expenditures across all activities is equivalent to the definition of Green Investment. See Notes of sub-section 2.1. Value Creation Core Indicators Index.
11. 2019 figures adjusted based on updated information received after the publication of 2019 IAR.

2.2.1 TITAN Group Basis for Calculating Environmental Performance Indicators, using the Share of equity[1]

Region	Country	Activity	2020	2019
USA	USA	All	100.00%	100.00%
Greece and Western Europe	Greece	All	100.00%	100.00%
Southeastern Europe	Albania	All	100.00%	100.00%
	Bulgaria	All	100.00%	100.00%
	North Macedonia	All	100.00%	100.00%
	Kosovo	All	100.00%	100.00%
	Serbia	All	100.00%	100.00%
Eastern Mediterranean	Egypt	All	100.00%	100.00%
	Turkey	Adocim all activities	75.00%	75.00%
		Marmara grinding plant	100.00%	100.00%

Note

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

2.2.2 TITAN Group Quarry Sites with High Biodiversity Value

Site	Country	Raw Material use	Location	Status	Biodiversity Management Plan	Notes
Pennsuco Quarry	USA	Cement & Aggregates	Miami 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 & East) Quarries	Greece	Cement	Apsalos, Pella	Inside NATURA 2000 area for protection of terrestrial ecosystems (SPA)	YES	
Aspra Homata I + II Quarries	Greece	Cement	Apsalos, Pella	Inside NATURA 2000 area for protection of terrestrial ecosystems (SPA)		
Rethimno Quarry	Greece	Aggregates	Rethimno, Crete Island	Inside area for protection of terrestrial ecosystems on national level	YES	
Leros Quarry	Greece	Aggregates	Leros Island	Inside area for protection of terrestrial ecosystems on national level	YES	Biodiversity Study completed in 2018, followed by BMP.
Agrinio Quarry	Greece	Aggregates	Agrinio, Aitoloaka-rnania	Inside area for protection of terrestrial ecosystems on national level	NO	Biodiversity Study ongoing, to complete in 2021.

Notes

1. The above Table is complementary to the Table 2.2, and in specific for the KPIs:
• Number of active quarries within, containing or adjacent to areas designated for their high biodiversity value.
• Number of quarries with high biodiversity value where biodiversity management plans are actively implemented.
• Percentage of quarries with high biodiversity value where biodiversity management plans are actively implemented.
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). Four new sites (three of which under TITAN full management control), in addition to the known cases listed in the above Table, that were recognized from this high-level assessment as being in proximity to (or part of) areas of high biodiversity value are not disclosed in this list yet, until further assessment of the biodiversity baseline conditions is completed in 2021, in line with the key principles of the GCCA Sustainability Guidelines for Quarry Rehabilitation and Biodiversity Management (May 2020).
3. The above Table includes the needed disclosures for supporting TITAN's performance monitoring and reporting according to the sectoral commitments (GCCA Sustainability Guidelines for Quarry Rehabilitation and Biodiversity Management, May 2020). Also this information for the environmental management plan(s) concerning Biodiversity in specific, combined with the disclosures under the section 'ESG Performance overview' of this report, cover the requirements for reporting according to the SASB Standards for 'Biodiversity Impacts' and in more specific the metric EM-CM-160a.1 'Description of environmental management policies and practices for active sites'.

2.3 Social Performance Index

SDGs & Targets	ESG Performance Indicators	2020	2019	2018	2017	2016	Assurance	GCCA	UNGC	UNCTAD	SASB
Health and safety											
	All activities performance acc. to the TITAN Global Sectoral Approach, Group total										
SDG 3.6	Employee fatalities	1	0	0	0	0	●	●	●	●	
SDG 3.8	Employee fatality rate	1.85	0.00	0.00	0.00	0.00	●	●	●	●	
SDG 4.3	Contractors fatalities	2	0	2	0	0	●	●	●	●	
SDG 8.8	Third-party fatalities	0	0	0	0	1	●	●	●	●	
	Employee Lost Time Injuries (LTIs)	6	16	17	27	22	●	●	●	●	
	Employee Lost Time Injuries Frequency Rate (LTIFR)	0.57	1.44	1.54	2.41	1.92	●	●	●	●	●
	Employee lost working days	228	637	615	1,220	897	●	●	●		
	Employee Lost Time Injuries Severity Rate	21.5	57.4	55.7	109.0	78.2	●	●	●	●	
	Contractors Lost Time Injuries (LTIs)	10	10	9	7	7	●	●	●	●	
	Contractors Lost Time Injuries Frequency Rate (LTIFR)	1.46	1.35	1.12	0.82	0.73	●	●	●	●	●
	All activities performance leading indicators, Group total										
	Near misses	3,467	3,746	2,169	1,185	1,304			●		●
	Training man-hours on health and safety per employee[1]	6.88	14.10	12.98	12.32	12.35			●	●	
	Training man-hours on health and safety per contractor[1]	10.40	12.34	14.88	11.73	11.54			●	●	
	Expenditures for Health and Safety (Euros). Group Total[2]	8,501,138	n/a	n/a	n/a	n/a			●	●	
	Cement operations performance acc. to the TITAN Global Sectoral Approach, Group total										
	Employee fatalities	0	0	0	0	0	●	●	●	●	
	Employee fatality rate	0.00	0.00	0.00	0.00	0.00	●	●	●	●	
	Contractors fatalities	2	0	2	0	0	●	●	●	●	
	Third-party fatalities	0	0	0	0	0	●	●	●	●	
	Employee Lost Time Injuries (LTIs)	2	10	8	16	11	●	●	●	●	
	Employee Lost Time Injuries Frequency Rate (LTIFR)	0.33	1.59	1.25	2.41	1.54	●	●	●	●	●
	Employee lost working days	176	440	416	1,014	313	●	●	●		
	Employee Lost Time Injuries Severity Rate	29.2	69.9	65.0	152.8	43.8	●	●	●	●	
	Contractors Lost Time Injuries (LTIs)	8	8	6	6	2	●	●	●	●	

SDGs & Targets	ESG Performance Indicators	Greece and Western Europe	USA	SEE	EM	Assurance	GCCA	UNGC	UNCTAD	SASB
	Health and safety data by region, 2020 Performance									
SDG 3.6	Employee fatalities	0	1	0	0		•	•	•	
SDG 3.8	Employee fatality rate	0.00	4.28	0.00	0.00		•	•	•	
SDG 4.3	Contractors fatalities	0	0	1	1		•	•	•	
SDG 8.6	Third-party fatalities	0	0	0	0		•	•	•	
SDG 8.8	Employee Lost Time Injuries (LTIs)	1	2	3	0		•	•	•	
SDG 10.3	Employee Lost Time Injuries Frequency Rate (LTIFR)	0.49	0.39	1.48	0.00		•	•	•	•
	Employee lost working days	19	0	209	0		•	•		
	Employee Lost Time Injuries Severity Rate	9.36	0.00	102.89	0.00		•	•	•	
	Contractors Lost Time Injuries (LTIs)	2	0	5	3		•	•	•	
	Contractors Lost Time Injuries Frequency Rate (LTIFR)	0.00	0.00	9.45	7.97		•	•	•	•
	Health and safety data by activity, 2020 Performance	**Cement**	**Aggregates**	**Ready Mix**	**Other**					
	Employee fatalities	0	0	1	0		•	•	•	
	Employee fatality rate	0.00	0.00	6.55	0.00		•	•	•	
	Contractor fatalities	2	0	0	0		•	•	•	
	Third-party fatalities	0	0	0	0		•	•	•	
	Employee Lost Time Injuries (LTIs)	2	0	4	0		•	•	•	
	Employee Lost Time Injuries Frequency Rate (LTIFR)	0.33	0.00	1.21	0.00		•	•	•	•
	Employee lost working days	176	0	52	0		•	•		
	Employee Lost Time Injuries Severity Rate	29.18	0.00	15.70	0.00		•	•	•	
	Contractor Lost Time Injuries (LTIs)	8	0	2	0		•	•	•	
	Contractor Lost Time Injuries Frequency Rate (LTIFR)	1.37	0.00	5.02	0.00		•	•	•	•

SDGs & Targets	ESG Performance Indicators	2020	2019	2018	2017	2016	Assurance	GCCA	UNGC	UNCTAD	SASB
Employment											
SDG 5.4	**Average employment, Group total[3]**	**5,363**	**5,382**	**5,424**	**5,552**	**5,612**			●		
SDG 5.4	**Number of employees as of 31 December 2020, Group total**	**5,359**	**5,400**	**5,365**	**5,432**	**5,482**			●		
SDG 8.5	**Employee turnover (%), Group average**	**11.31%**	**12.33%**	**11.03%**	**13.94%**	**13.57%**			●		
SDG 8.6	**Employees left. Group total**	**606**	**666**	**592**	**757**	**744**			●		
SDG 8.8	**Employee new hires (%), Group average**	**11.18%**	**14.24%**	**10.27%**	**13.02%**	**10.40%**			●		
SDG 10.3	**Employee new hires, Group total**	**599**	**769**	**551**	**707**	**570**			●		
	New hires per age group								●		
	Under 30	145	204	157	200	168					
	Between 30-50	345	417	294	367	282					
	Over 50	109	148	100	140	120					
	New hires per gender								●		
	Females	80	119	77	123	72					
	Males	519	650	474	584	498					
	Employment per age group[2]								●		
	Under 30	362	388	n/a	n/a	n/a					
	Between 30-50	2,808	2,896	n/a	n/a	n/a					
	Over 50	2,191	2,118	n/a	n/a	n/a					
	Employment per type[4]								●		
	Full time	5,231	5,297	5,342	5,461	5,526					
	Part Time	48	42	28	35	27					
	Temporary	80	61	54	56	59					
	Employment per category[4]								●		
	Managers	649	641	481	473	464					
	Senior managers	121	114	121	126	121					
	Administration/technical	1,459	1,460	1,616	1,654	1,655					
	Semi skilled/unskilled	3,130	3,185	3,214	3,294	3,372					
	Employment per gender[4]								●		
	Females	663	657	641	653	641					
	Males	4,696	4,743	4,783	4,899	4,971					
	Share of women in employment, Group average[4]	**12.37%**	**12.17%**	**11.82%**	**11.76%**	**11.42%**			●		
	Share of women in management, Group average[4]	**16.49%**	**15.50%**	**16.53%**	**15.69%**	**16.24%**			●	●	
	Share of women in Senior Management, Group average[4]	**14.05%**	**14.91%**	**19.01%**	**16.67%**	**17.69%**			●	●	
	Employees from local community, Group average[4,5]	**83.16%**	**83.32%**	**80.79%**	**80.00%**	**81.20%**			●		
	Unionized employees, Group total[6]	**33.48%**	**33.85%**	**30.94%**	**34.81%**	**40.93%**			●		

SDGs & Targets	ESG Performance Indicators	2020	2019	2018	2017	2016	Assurance	GCCA	UNGC	UNCTAD	SASB
	People Development										
SDG 4.3	**Training investment per (trained) employee (euros), Group average[2,4]**	105	202	205	157	226			•	•	
SDG 4.4	**Training investment (euros), Group total[2]**	485,331	900,495	1,035,398	871,992	1,269,410			•	•	
SDG 5.1 SDG 5.5	**Training investment per gender (euros), Group total[2,4]**								•	•	
SDG 8.5	Females	112,819	209,268	187,153	191,633	200,687					
SDG 10.2	Males	372,512	691,659	848,245	680,359	1,068,723					
SDG 10.3	**Trained employees, Group total[4]**	4,606	4,465	5,064	4,717	4,824			•		
SDG 16.5	**Share of trained employees (in total workforce), Group average[4]**	85.95%	82.69%	93.36%	84.96%	85.96%			•		
	Share of trained female employees (in total female employees). Group average[4]	93.21%	95.13%	97.50%	94.03%	95.63%			•		
	Trained employees per category, Group total[4]										
	Managers	651	538	643	595	644					
	Senior managers	106	133	142	178	130					
	Administration/technical	1,408	1,824	2,007	1,852	1623					
	Semi skilled/unskilled	2,441	1,970	2,272	2,092	2427					
	Trained employees per age group, Group total[4]								•		
	Under 30	318	461	510	444	432					
	Between 30-50	2,631	2,644	2,982	2,725	2,867					
	Over 50	1,657	1,360	1,572	1,548	1,525					
	Training hours, Group total	79,350	137,272	138,114	155,587	158,210	•		•	•	
	Average training hours per employee (over the total number of direct employees), and breakdown per gender, Group total[4]	14.81	25.42	25.46	28.02	28.19	•		•	•	
	Average female	18.06	35.32	35.66	37.00	36.00	•				
	Average male	14.35	24.05	24.10	27.00	27.00	•				

SDGs & Targets	ESG Performance Indicators	2020	2019	2018	2017	2016	Assurance	GCCA	UNGC	UNCTAD	SASB
	Training hours per subject, Group total								●		
SDG 4.3	Company on-boarding[2]	942	6,414	n/a	n/a	n/a	●				
SDG 4.4	Compliance	6,359	1,191	1,430	308	64	●			●	
SDG 5.1	CSR and Sustainability	525	970	955	211	55	●			●	
SDG 5.5	Digital[2]	2,767	11,767	n/a	n/a	n/a	●				
SDG 8.5	Environment	2,115	3,722	3,136	4,801	3,647	●				
SDG 10.2	Foreign languages	2,837	3,113	3,929	6,772	12,493	●				
SDG 10.3	Functional competence	4,994	3,512	23,152	27,725	18,517	●				
SDG 16.5	Generic competence	2,947	6,302				●				
	Health and safety	36,912	76,372	69,591	68,200	69,317	●				
	Managerial skills	3,615	10,297	15,223	19,883	23,248	●				
	Other	3,620	1,276	2,440	4,716	8,885	●				
	Security	586	407	761	754	653	●				
	Technical know-how	11,132	11,931	17,497	22,217	21,331	●				
Stakeholder Engagement											
SDG 2.1	**Donations (euros), Group total[2]**	2,125,725	2,532,248	2,263,920	2,083,370	2,643,703			●	●	
SDG 2.3	**Donations in cash (euros), Group total[2]**	1,560,093	2,020,330	1,626,390	1,498,483	1,053,426			●	●	
SDG 4.3	**Donations in kind (euros), Group total[2]**	565,633	511,918	637,530	584,887	1,590,278			●	●	
SDG 4.4	**Internships, Group total**	251	396	477	910	730			●		
SDG 9.3	**New entry level jobs from internships/traineeships, Group total**	15	24	23	24	62			●		
	Key operations with Community Engagement Plans related to material issues and Group policies[2,7]	14 of 14	6 of 14	3 of 14	n/a	n/a	●		●	●	
	Local Spend (%), Group average[2]	66.95%	65.35%	n/a	n/a	n/a			●	●	

Notes

General Note for the consolidation of data

General Note for the consolidation of data

Consolidation (aggregation) of data for the above Social Performance Indicators was made with 100.0% contribution for all subsidiaries, where TITAN holds percentage of property share of more than 50.0%, also called share of equity for the purposes of ESG performance statements data consolidation. A detailed list of TITAN Group subsidiaries and TITAN's share of equity is provided in Table 2.3.1..1.

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

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

● Standards: For the reporting standards under TITAN's Global Sectoral Approach, namely the GCCA, UNGC, UNCTAD, and SASB, and connection with the KPIs in this Table, please refer to Table 2.5.

● Guidance: TITAN follows the GCCA Sustainability Framework Guidelines, and the Sustainability Guidelines for the monitoring and reporting of safety in cement and concrete manufacturing (last edition in February 2020). This document has been agreed within the GCCA to have extended application to concrete and other related activities.

Notes on specific KPIs

1. The KPI was calculated for closing of the reporting period 2020 in accordance with the practice for all Safety data, being the use of "Average Employment" (see Note 3). This is consistent with all years prior to 2020.

2. Relevant information is not available for the specific years denoted as 'n/a'.
For the definitions related to "Training Investment", "Donations", and "Local Spend", see the terms under the subsection 2.1. Value Creation Core Indicators Index.
In specific for the new KPI ''Expenditures for Health and Safety'': TITAN launched a Group-level approach and methodology for the first time in 2020, following the UNCTAD "Guidance on Core indicators for entity reporting on the contribution towards the attainment of the Sustainable Development Goals" (2019), and building on bench strength and the technical capacity of internal systems. The efforts were coordinated by the Group Health & Safety Dpt., and the project was rolled-out in all BUs across the Group with consistent rules. Data collection covered 4 categories of expenditures: (1) Consumables (PPEs etc.), (2) Training on Occupational H&S, and awareness building, (3) Facilities (spend in infrastructure), and (4) H&S Management. The information was secured with the use of the Group internal data collection system. Comparable figures for this KPI are not available for years before 2020.

3. The calculation of the"Average Employment" was made according to Belgian Law (sec. 165 XIVB of RD of 30 January 2001).

4. KPIs calculated on the basis of "Average Employment" data for years 2016-2018. As of 2019, the specific KPIs are calculated on the basis of the Number of employees as of 31 December. Figures for the KPI "Share of trained female employees (in total female employees)" which were calculated above 100% (because of the Turnover for Females, or other reasons) needed to be reported as 100%.

5. Specific information not available for the operations of TITAN in USA. The percentages for the Group Average are calculated excluding the employment of TITAN in USA.

6. Specific information provided by the Adocim BU under confidentiality for the names of employees.

7. The KPI "Key operations with Community Engagement Plans related to material issues and Group policies" was incorporated for the first time in the KPIs Index in this report. In 2020 TITAN progressed with the recording of all important information about initiatives and actions for community engagement on Group level, across all BUs and in a consistent manner. The BUs were guided and facilitated to provide their self-assessment for each of the initiatives and actions, and following TITAN's principles and guiding criteria. This work was piloted as a project in 2020 using the Group internal data collection system. Figures for previous years are in accordance to disclosures inside the TITAN IAR 2019, and TITAN IAR 2018.

2.4 Governance Core Indicators

SDGs 2030 and targets	Governance Core Indicators	Notes	Performance 2020	Reporting Standards
	Board of Directors			
SDG 5.5	Number and percentage of female board members		Number of females: 3 Contribution to the total: 21%	UNGC & UNCTAD 5.5.2.
SDG 16.7	Board members by age range			UNGC
	Under 30		0	
	Between 30-50		1	
	Over 50		13	
SDG16.6	Number of independent board members		8	UNGC & UNCTAD 16.6
	Number of board meetings and attendance rate	1	6 scheduled meetings and 2 unscheduled. The attendance rate in 7 out of 8 meetings (6 scheduled and 1 unscheduled) was 100%. In the 2nd unscheduled meeting, where only the non-executive directors, the Managing Director and the Chairman of the Group Executive Committee were invited to participate, the attendance rate was 10 out of 11.	
	Number of meetings of audit committee and attendance rate	2	5 audit and risk commitee meetings with participation of all 3 members in 4 meetings and 2 members in one meeting.	
	Compensation: total and compensation per board member and executive	3	The detailed figures, as compensation for each Board member, will be provided in the Corporate Governance Statement for 2020.	
	Other disclosures related to Governance			
SDG16.5	Amount of fines paid or payable due to convictions (in euros)	4	0	UNGC, UNCTAD 16.5.2 and SASB
	Average number of hours of training on anti-corruption issues, per year per employee	5	1.19	UNGC and UNCTAD 16.5.2

Notes

Note for the standards, guidance, and terms used

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

Notes for specific Governance core indicators

1. Number of board meetings during the reporting period and number of Board members who participate at each Board meeting during the reporting period divided by the total number of directors sitting on the Board multiplied by the number of Board meetings during the reporting period.
2. Number of board meetings during the reporting period and number of Audit committee members who participate at each Audit committee meeting during the reporting period divided by the total number of members sitting on the Audit committee multiplied by the number of Audit committee meetings during the reporting period.
3. Total annual compensation (including base salary and variable compensation) for each executive and non-executive director.
4. Total monetary value of paid and payable corruption-related fines imposed by regulators and courts in the reporting period. This disclosure covers the requirements for reporting according to the SASB Standards for 'Pricing Integrity & Transparency' and in more specific the metric (KPI) EM-CM-520a.1. 'Total amount of monetary losses as a result of legal proceedings associated with cartel activities, price fixing, and anti-trust activities'.
5. Average number of hours of training in anti-corruption issues per employee per year (as total hours of training in anti-corruption issues in the reporting period, divided by the total number of trained employees). TITAN categorizes as such training the subjects under the subjects of: "Compliance" (see Table 2.3, for the KPI "Training hours per subject, Group total"). In more specific the trainings for Group Policies on Human Rights, Code of Conduct, and other related to areas of anti-corruption and anti-bribery, also grievance mechanisms (TITAN ETHICS POINT), and without consideringn this list as exhaustive.

Table 2.5 TITAN Reporting Standards for the ESG Performance disclosures in 2020

Areas of ESG Performance	Reporting Standards			
	GCCA	UNGC	UNCTAD	SASB
Environment (Connection with KPIs in Table 2.2)				
Local Impacts				
Impact on natural raw materials recourses		●	●	
Substitution of natural raw materials by alternative materials (byproducts)	●	●	●	
Impact on water recourses	●	●	●	EM-CM-140a.1
Avoided consumption of water		●	●	
Impact on biodiversity and land stewardship	●	●		EM-CM-160a.1 EM-CM-160a.2
Air emissions	●	●		EM-CM-120a.1
Avoided emissions to air (dust, SOx, and NOx)		●		
Management of waste		●	●	EM-CM-150a.1
Impact on fuels and energy resources	●	●	●	EM-CM-130a.1
Climate change				
Impact on green house gas emissions	●	●	●	EM-CM-110a.1
Alternative fuels and materials	●	●	●	EM-CM-110a.2
Impact on energy recourses	●	●	●	
Avoided CO_2 emissions		●	●	
Investments for the Enrironment ('Green Investment')		●	●	
Social (Connection with KPIs in Table 2.3)				
Health and safety	●	●	●	EM-CM-320a.1
Employment		●	●	
People Development		●	●	
Stakeholder Engagement		●	●	
Governance (Connection with disclosures in Table 2.4)		●	●	EM-CM-520a.1
References to the TITAN Group Global Compact Advanced Communication on Progress Review (COP) Connection with disclosures in Table 4 "2020 TITAN Group Global Compact Advanced Communication on Progress Review (CoP)", and Table 5 "Transparency International - Corruption Perception Index 2020"	●	●	●	EM-MM-210a.1 EM-MM-210a.2 EM-MM-210a.3 EM-MM-310a.1 EM-MM-310a.2 EM-MM-510a.2

Notes for the standards used

GCCA: TITAN follows the GCCA Sustainability Framework Guidelines, and the Sustainability Guidelines for the monitoring and reporting of: safety in cement and concrete manufacturing, CO_2 emissions from cement manufacturing, co-processing fuels and raw materials, monitoring and reporting of emissions, monitoring and reporting of water in cement manufacturing, and quarry rehabilitation and biodiversity management (for all documents the reference is to last edition in 2019 or 2020). The above Guidelines had superseded in 2020 the previous – and respective – Guidelines of the WBCSD/CSI, which were the guidance for measuring, reporting and verifying environmental performance until (and including) year 2018. For the Sector standards see details in Table 2.5.1.

UNGC: TITAN follows the reporting requirements for meeting the criteria of the UN Global Compact relating to a Communication on Progress (COP) Advanced Level. See details in Table 4.

UNCTAD: TITAN has adopted under its reporting framework the applicable KPIs according to the Guidance of the United Nations – UNCTAD "Guidance on Core indicators for entity reporting on the contribution towards the attainment of the Sustainable Development Goals" (latest publication in 2019), as supplementary to the above Reporting Standards S1 and S2.

SASB: In 2020, TITAN also incorporated the Sustainability Accounting Standards Board (SASB) Framework in the preparation of non-financial disclosures, in order to appropriately address the more financially-material ESG issues. The SASB Framework was leveraged for the purpose of connecting the SASB Materiality Map® with the 2020 Group's materiality assessment, and allowed the alignment between the Group and its subsidiaries. In the same direction the Group also started reporting in alignment with the Sustainability Accounting Standard Board (SASB) for the specific requirements of industries mostly relevant to our operations, namely the Construction Materials industry and the Metals & Mining industry.

Table 2.5.1. Sector Standards for the Non-financial disclosures in 2020

Sector Association or Initiative	Guidelines and other documents of reference	Published
GCCA	Sustainability Charter	Latest edition in 2019 or 2020
	Sustainability Framework Guidelines	
	Sustainability Guidelines for the monitoring and reporting of safety in cement and concrete manufacturing. This document has been agreed within the GCCA to have extended application to concrete and other related activities [Pillar 1]	
	Sustainability Guidelines for the monitoring and reporting of CO_2 emissions from cement manufacturing [Pillar 2]	
	Sustainability Guidelines for the monitoring and reporting of water in cement manufacturing [Pillar 4]	
	Sustainability Guidelines for the monitoring and reporting of emissions from cement manufacturing [Pillar 4]	
	Sustainability Guidelines for co-processing fuels and raw materials in cement manufacturing [Pillar 5]	
	Sustainability Guidelines for quarry rehabilitation and biodiversity management [Pillar 4]	
(Previously) WBCSD/CSI	Guidelines for Environmental and Social Impact Assessment (ESIA)	2016
	Recommended Good Practices for: (a) Contractor Safety, and (b) Driving Safety	2009

Notes

1. The GCCA has built its Sustainability Charter around five (5) Sustainability Pillars: 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
2. TITAN was actively participant in five (5) Working Groups under the framework of activities of the GCCA in 2020: WG1. Health and safety in the cement and concrete industries, WG2. Thought leadership and policy for cement and concrete, WG4. 2050 concrete roadmap, WG5. Innovation in cement and concrete, and WG6. Good practices and benchmarking.

3. Group Policies and Management Systems Related to ESG Performance

3.1 Group Policies

Policies related to ESG Performance	Albania	Bulgaria	Egypt	Greece	Kosovo	North Macedonia	Serbia	Turkey	USA
Human Rights Policy	● ● ●	●	● ● ●	● ●	● ● ●	● ● ●	● ●	● ●	● ●
Anti-bribery and Corruption Policy	●	● ●	● ● ●	● ● ●	● ●	● ● ●	● ●	● ●	● ●
People Management Framework	● ●	●	● ● ●	● ●	● ● ●	● ●	●	●	● ●
CSR Policy	● ● ●	● ●	● ● ●	● ● ●	● ● ●	● ● ●	● ● ●	●	● ●
Code of Conduct	● ● ●	● ●	● ● ●	● ● ●	● ● ●	● ● ●	● ●	●	● ●
Environmental Policy and Climate Mitigation Strategy	● ● ●	● ● ●	● ● ●	● ● ●	● ● ●	● ● ●	● ● ●	● ● ●	● ● ●
Occupational Health and Safety Policy	● ● ●	● ● ●	● ● ●	● ● ●	● ● ●	● ● ●	● ● ●	● ● ●	● ● ●
Confict of Interest Policy	● ● ●	● ●	●	● ● ●	● ●	● ● ●	● ●	●	● ●

● Policy dissemination (translated and communicated in local languages)

● ● Policy implementation (training required with high level of coverage for employees)

● ● ● Policy assessment

3.2 Group Management Systems

Area	Albania	Bulgaria	Egypt	Greece	Kosovo	North Macedonia	Serbia	Turkey	USA
H&S	OHSAS 18001 All operations (except 1 terminal)	ISO 45001 All operations	ISO 45001 All integrated cement plants	ISO 45001 All operations (except 2 terminals)	ISO 45001 All operations	ISO 45001 All operations	OHSAS 18001 All operations	OHSAS 18001 (1) integrated cement plant, (1) grinding cement plant and (1) RMC unit	All operations conform with the regulatory framework of MSHA and OSHA
Environment	ISO 14001 All operations (except 1 terminal)	ISO 14001 All operations	ISO 14001 All integrated cement plants	ISO 14001 All operations (except 2 terminals)	ISO 14001 All operations	ISO 14001 All operations	ISO 14001 All operations	ISO 14001 (1) integrated cement plant, (1) grinding cement plant and (1) RMC unit	All operations conform with the regulatory framework of EPA
Quality	ISO 9001 All operations	ISO 9001 All operations	ISO 9001 All integrated cement plants	ISO 9001 All operations	ISO 9001 All operations	ISO 9001 All operations	ISO 9001 All operations	ISO 9001 All operations (except 1 terminal)	Quality ASHTO All operations
Energy		ISO 50001 All RMC units Energy audits (1) integrated cement plant		ISO 50001 All integrated cement plants, Energy audits All RMC units All aggregates quarries				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

4. 2020 TITAN Group Global Compact Advanced Communication on Progress Review (CoP)

The contents of TITAN Group 2020 Integrated Annual Report also serve as a progress report on implementation of the ten principles of the UN Global Compact and the Sustainable Development Goals. Since 2015, TITAN communicates performance to stakeholders also aligned with SDGs 2030 and key performance indicators in the ESG Performance statements are accordingly to codified serve understanding of TITAN's contribution to sustainable development.

Scope	Principle	Criteria for GC Advanced Level	TITAN Approach	TITAN Reference
Implementing the Ten Principles into Strategies and Operations		**Criterion 1** The CoP describes mainstreaming into corporate functions and business units **Criterion 2** The CoP describes value chain implementation	TITAN's commitment to responsible business is embedded into governing objective and business practice, articulated in TITAN's Code of Conduct and Group Policies for Human Rights, Occupational Health and Safety, Environmental Policy and Climate Mitigation Strategy, Anti-Corruption and Bribery	IAR 2020 Understanding TITAN and Management report. In specific: Message from the Chairman of the BoD, Message from the Chairman of the Group Executive Committee, Corporate governance and risk management, ESG performance overview, and ESG performance statements: Table 1, Table 2.1, Table 2.1.1, Table 2.2, Table 2.3, Table 2.5, Table 3.1 , and Table 3.2. TITAN Website: Sustainability, and Corporate Governance/Group Policies
Human Rights Management Policies & Procedure	**Principle 1** Businesses should support and respect the protection of internationally proclaimed human rights **Principle 2** Businesses should make sure they are not complicit in human rights abuse	**Criterion 3** The CoP describes robust commitments, strategies or policies in the area of human rights **Criterion 4** The CoP describes effective management systems to integrate the human rights principles **Criterion 5** The CoP describes effective monitoring and evaluation mechanisms of human rights integratio	TITAN's Human Rights Policy (updated in 2020) is in line with the UN Guiding Principles on Business and Human Rights (2011). The policy explicitly addresses the provisions of the International Bill of Human Rights (consisting, in addition to the Universal Declaration of Human Rights), of the International Covenant on Economic, Social and Cultural Rights) and the principles concerning fundamental rights set out in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. We set targets to improve continuously our performance particularly in the areas identified and prioritized as more material for our stakeholders.	IAR 2020 Understanding TITAN and Management report. In specific: Message from the Chairman of the BoD, Message from the Chairman of the Group Executive Committee, Corporate governance and risk management, ESG performance overview, and ESG performance statements: Table 1, Table 2.2, Table 2.3, Table 3.1, and Table 3.2. Additional Notes to the ESG performance statements: 1. TITAN received no fines for non-compliance with human rights-related laws and regulations in 2020. 2. Unions, where established, operate freely according to each country's laws and regulations. 3. Sustainability clauses referring to respect of human rights are included in all tenders for global suppliers and contracts for local suppliers. 4. Security is fundamental for a safe working environment, protection of assets and intellectual property. Third parties providing or interested to provide security services must ensure that their employees are trained appropriately and respect the international standards and principles. 5. A Group-level grievance mechanism is in place to facilitate reporting of potential violations of Group Code of Conduct and respective policies. 6. All operations certified according to ISO 14001 and ISO 9001 (see Table 3.2) apply mechanisms to record feedback and complaints by key external stakeholders. TITAN Website: Sustainability, and Corporate Governance/Group Policies

Scope	Principle	Criteria for GC Advanced Level	TITAN Approach	TITAN Reference
Rubust labor Management Policies & Procedures	**Principle 3** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining **Principle 4** The elimination of all forms of forced and compulsory labor **Principle 5** The effective abolition of child labor **Principle 6** The elimination of discrimination in respect of employment and occupation	**Criterion 6** The CoP describes robust commitments, strategies or policies in the area of labor **Criterion 7** The CoP describes effective management systems to integrate the labor principles **Criterion 8** The CoP describes effective monitoring and evaluation mechanisms of labor principles	TITAN's People Management Framework safeguards common standards throughout the Group operations and enables the implementation of the Group Human Rights Policy in accordance with international standards and the UN Guiding Principles for Business and Human Rights. The TITAN Group Occupational Health and Safety Policy provides the framework to implement TITAN's ambition and long-term targets for health and safety at work. Equal opportunities and work-life balance are ensured with the provision of job opportunities and career development, flexible working options for female employees and various additional benefits for employees' families.	IAR 2020 Understanding TITAN and Management report. In specific: Message from the Chairman of the BoD, Message from the Chairman of the Group Executive Committee, Overview (Our business approach in a changing global landscape, Materiality assessment and stakeholder engagement), Corporate governance and risk management (Corporate governance statement), ESG performance overview, and ESG performance statements: Table 1, Table 2.1, Table 2.3, Table 2.5, Table 3.1, and Table 3.2. Additional Notes to the ESG performance statements: 1. TITAN received no fines for non-compliance with labor laws in 2020. 2. Regular meetings with union representatives are conducted with the management throughout the year. Main topics cover among else wages and additional benefits, proposals to improve health and safety conditions at work and other topics raised by employees. Health and Safety Councils or Committees comprising of management and employee representatives are formed at plant level to ensure employee engagement in efforts to improve health and safety performance. 3. A health surveillance program focused on potential impacts like noise, dust and crystalline silica is implemented according to TITAN Group Guidelines. 4. Collective bargaining agreements are applicable to TITAN employees in all countries that such agreements exist. The continuous increase of employment for TITAN operations in countries with limited union presence (compared to other countries with extensive union presence) has led to a trend of relevant decrease of the number of TITAN employees covered by collective bargaining agreements during the last 5 years. In 2020 this percentage reached 52%, slightly decreased compared to 53% in 2019. The breakdown by employees in USA (TITAN America) and other countries is 8% vs. 72%. TITAN keeps annual records of number and duration of strikes and lockouts inside internal data collection systems (zero cases recorded in 2020). These disclosures cover the requirements for reporting according to the SASB Standards for 'Labor Relations' and in more specific the metrics (KPIs) EM-MM-310a.1 and EM-MM-310a.2. TITAN Website: Sustainability, and Corporate Governance/Group Policies

Scope	Principle	Criteria for GC Advanced Level	TITAN Approach	TITAN Reference
Robust environmental management policies and procedures	**Principle 7** Business should support a precautionary approach to environmental challenges **Principle 8** Undertake initiatives to promote greater environmental responsibility and **Principle 9** Encourage the development and diffusion of environmentally friendly technologies	**Criterion 9** The CoP describes robust commitments, strategies or policies in the area of environmental stewardship **Criterion 10** The CoP describes effective management systems to integrate the environmental principles **Criterion 11** The CoP describes effective monitoring and evaluation mechanisms for environmental stewardship	TITAN early recognized that Climate Change is a major challenge with planetary impacts and also corporate risks, and committed to playing its part in developing practical solutions at national, regional and global level. The Environmental Policy and Climate Change Mitigation Strategy of TITAN (published in 2018) reflects our commitment to sustainable development and our approach towards addressing the challenges and opportunities of climate change. As a heavy industry also focus on assessing and reducing environmental impacts at each facility while increasing the positive impact through on-going collaborative efforts, extensive use of Best Available Techniques, innovation and adoption of best practice. Environmental due diligence is conducted by internal and external experts on operating facilities and new projects.	IIAR 2020 Understanding TITAN and Management report. In specific: Message from the Chairman of the BoD, Message from the Chairman of the Group Executive Committee, Overview (Our business approach in a changing global landscape, Delivering value for all, Materiality assessment and stakeholder engagement), Corporate governance and risk management, ESG performance overview (Climate change, Circular economy, Environmental management, Dust and other air emissions, Biodiversity, quarry rehabilitation, and land stewardship, Water management), Performance highlights (Regional performance), ESG performance overview, and ESG performance statements: Table 1, Table 2.2, Table 2.2.1, Table 2.2.2, Table 2.3, Table 2.5, Table 3.1, Table 3.2. Additional Notes to the ESG performance statements: 1. In 2020 one case of significant fine recorded, related to noncompliance of TITAN's operations with environmental laws: In the USA 32,434 euros paid by Titan Florida LLC for settlement of violations issued to Pennsuco cement facility in 2018, in specific for infractions concerning air emissions monitoring and reporting. Titan Florida LLC and in specific Pennsuco cement plant has made changes to their internal reporting procedures to avoid any such occurrences in the future. Whereas: TITAN considers 'significant fine' any fine over 10,000 euros. 2. Other cases of fines in 2020 related to noncompliance of TITAN's operations with environmental laws, but not considered significant: In the USA 2,966 euros paid by Roanoke Cement Company LLC for 2019 citation concerning emissions to air, 5,562 euros paid by Titan Virginia Ready Mix LLC for 2019 citation concerning untreated concrete solids, and a total of 11,816 euros paid by Titan Florida LLC for 2019 citations in two cases, concerning unauthorized or untreated discharges of water and maintenance deficiencies of facility grounds (in each case the fine was below 10,000 euros). TITAN Website: Sustainability, and Corporate Governance/Group Policies

Scope	Principle	Criteria for GC Advanced Level	TITAN Approach	TITAN Reference
Robust anti-corruption management policies and procedures	**Principle 10** Business should work against corruption in all its forms, including extortion and bribery	**Criterion 12** The CoP describes robust commitments, strategies, or policies in the area of anti-corruption **Criterion 13** The CoP describes effective management systems to integrate the anti-corruption principle **Criterion 14** The CoP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption	TITAN acknowledges the risk of bribery and corruption and accordingly endorsed the Global Compact collaborative efforts for the 10th principle. The following TITAN Group policies provide relevant guidance to all employees, underline the principle of non-tolerance, and mandate the BUs to follow regular training to employees: Group Anti-Bribery and Corruption Policy, Conflict of Interest Policy, and Group Code of Conduct	IAR 2020 Understanding TITAN and Management report. In specific: Message from the Chairman of the BoD, Message from the Chairman of the Group Executive Committee, Overview , Corporate governance and risk management, ESG performance overview, and ESG performance statements: Table 1, Table 2.1.1, Table 2.3, Table 2.4, Table 2.5, Table 3.1, Table 3.2, and Table 5. Additional Notes to the ESG performance statements: 1. TITAN received no fines for non-compliance with anti-corruption laws and regulations, and no incidents of legal action for anti-competitive behavior, anti-trust or monopoly practices recorded during 2020 (zero respective fines). 2. TITAN continues to engage with governments and take public positions on different business issues through business associations and business driven initiatives such as the UN Global Compact and the Global Cement and Concrete Association (GCCA). 3. In 2020 the Group launched a platform of common use by all countries, providing access to anonymous reporting of incidents to all Titan employees, called 'TITAN ETHICS POINT'. In 2020 eleven (11) cases in total were reported through ETHICS POINT platform, 10 of which classified as cases of allegations and one as inquiry. All cases of allegations were thoroughly examined by the respective regional committees and reviewed by the Group Supervisory Committee. Out of these 10 cases, 3 were found fully or partially substantiated and 7 were unsubstantiated. For each of the substantiated cases an action plan for remediation was implemented. In more specific, two cases with action plans related to the area 'People, Diversity and Workplace Respect', and one case related to 'Business Integrity'. 4. Mechanisms for supporting our communities and local stakeholders to report incidents operate in all countries, while guidance and technical infrastructure is provided to BUs. In more specific TITAN follows the good practice of recording cases of incidents from local communities (as 'complaints' or 'grievance') through an internal data collection system. 5. TITAN's Code of Conduct ensures transparency regarding relations with political institutions. In 2020, TITAN America contributed with the total amount of 29,337 euros various political organizations in support of local elections in Virginia and Florida. From the total amount spend in 2020, 13,446 euros was offered to support political institutions and candidates in Virginia, and 15,891 euros was offered to support political institutions and candidates in Florida. TITAN Website: Sustainability, and Corporate Governance/Group Policies

Scope	Principle	Criteria for GC Advanced Level	TITAN Approach	TITAN Reference
Taking action in support of broader UN goals and issues	The ten principles of the United Nations Global Compact	**Criterion 15** The CoP describes core business contributions to UN goals and issues **Criterion 16** The CoP describes strategic social investments and philanthropy **Criterion 17** The CoP describes advocacy and public policy engagement **Criterion 18** The CoP describes partnerships and collective action	TITAN was among the first 500 signatories of the UN Global Compact initiative and remains a participant at both global and local levels with active engagement in local UNGC Networks in Greece, Serbia and N. Macedonia. TITAN is also member of CSR Europe since 2004 and an elected Board member since 2019. At local member, TITAN is a founding and active member in CSR Hellas, CSR Albania and CSR Kosovo, as well as in the Hellenic Business Council for Sustainable Development where TITAN Greece holds the President's position. As of 2018, TITAN is a member of the Global Cement and Concrete Association (GCCA).	IAR 2020 Understanding TITAN and Management report. In specific: Message from the Chairman of the BoD, Message from the Chairman of the Group Executive Committee, Overview (Our business approach in a changing global landscape, Delivering value for all, Materiality assessment and stakeholder engagement), ESG performance overview (Health and safety, People management and development, Sustainability of communities, Sustainable supply chain, Research & Development), and ESG performance statements: Table 1, Table 2.2, Table 2.3, Table 2.5, Table 3.1, and Table 3.2. TITAN Website: Sustainability, and Corporate Governance/Group Policies
Corporate sustainability governance and leadership	The Ten principles of the United Nations Global Compact	**Criterion 19** The CoP describes CEO commitment and leadership **Criterion 20** The CoP describes Board adoption and oversight **Criterion 21** The CoP describes stakeholder engagement	Corporate social responsibility is one of TITAN's corporate values and underlines its enduring commitment to engage with stakeholders for sustainable development. TITAN CSR policy focus on understanding material issues for key stakeholders and delivering value for all, using available resources.	IAR 2020 Understanding TITAN and Management report. In specific: Overview (Our business approach in a changing global landscape, Delivering value for all, Materiality assessment and stakeholder engagement), ESG performance overview, and ESG performance statements: Table 1, Table 2.3, Table 2.4, Table 3.1, and Table 3.2. Notes - See Criteria 1-18 - Independent Auditors' Assurance Statement Non-financial performance review according to the UNGC criteria (see criteria 2-14) TITAN Website: Sustainability, and Corporate Governance/Group Policies

Scope	Principle	Criteria for GC Advanced Level	TITAN Approach	TITAN Reference
Business and peace	The Ten principles of the United Nations Global Compact	**Criterion22** The CoP describes policies and practices related to the Company's core business operations in high-risk conflict-affected areas stewardship	TITAN Group has no core business operations in countries or areas identified as high-risk conflict-affected	IAR 2020 Understanding TITAN and Management report. In specific: Message from the Chairman of the BoD, Message from the Chairman of the Group Executive Committee, Overview (Our business approach in a changing global landscape, Delivering value for all, Materiality assessment and stakeholder engagement), Corporate governance and risk management, Performance highlights (Regional performance), ESG performance overview, and ESG performance statements: Table 1, Table 3.1, and Table 3.2. General Notes - See above, criteria 1-21 Additional Notes to the ESG performance statements: 1. TITAN does not operate in or near areas of conflict, according to data of the Uppsala Conflict Data Program UCDP - see the web site: Uppsala Conflict Data Program (uu.se). 2. In specific for Egypt and Turkey TITAN has completed an analysis of Materiality Assessment in 2020, including a focus country research in each counrty by third party, which concluded that no such matters of conflicts have emerged in 2020 in or/and near our operations, or/and near our operations' quarry raw materials reserves areas. 3. TITAN followed a thorough process of addressing Material Issues in all countries of operations in 2020, under the Materiality Analysis and Assessment for all BUs. This process enabled the engagement of TITAN's management in each country, and the due diligence on BUs level with respect to human rights and indigenous peoples' rights. 4. TITAN launched in 2020 a dedicated Group e-platform to record our community initiatives and actions as well as to facilitate their self-assessment and align with our priorities. In all countries where we operate community outreach programs have contributed to the engagement, with long-term positive impacts. The above disclosures (Notes 1-4) cover the requirements for reporting according to the SASB Standards for 'Security, Human Rights & Rights of Indigenous Peoples' and in more specific the metrics (KPIs) EM-MM-210a.1, EM-MM-210a.2, and EM-MM-210a.3. 5. Concerning the SASB Standards under the area of 'Business Ethics & Transparency' and in specific the metric (KPI) 'EM-MM-510a.2' see Table 5. "Transparency International - Corruption Perception Index 2020". TITAN Website: Sustainability, and Corporate Governance/Group Policies

5. Transparency International - Corruption Perception Index 2020

Countries with TITAN key operations sorted by Transparency International CP Index 2020

Country	CPI 2020 rank	CPI 2019 rank	Change in rank1
USA	25	23	▲
Greece	59	60	▼
Bulgaria	69	74	▼
Turkey	86	91	▼
Brazil	94	106	▼
Serbia	94	91	▲
Albania	104	106	▼
Kosovo	104	101	▲
North Macedonia	111	106	▲
Egypt	117	106	▲

Notes

1. According to the above Table there were no operations of TITAN's subsidiaries in countries with lower ranking th in 2020. There were in total 58 countries which ranked lower, in positions between 123 and 179 in 2020. This disclc covers the requirements for reporting according to the SASB Standards for 'Business Ethics & Transparency' and in specific the metric (KPI) EM-MM-510a.2 'Production in countries that have the 20 lowest rankings in Transparency International’s Corruption Perception Index'.

2. Symbols for the change in rank explained:

▼ Improving conditions in the country reflected by the decrease of rank

▲ Deteriorating conditions in the country reflected by the increase of rank

Financial review

An overview of our financial performance and our financial statements.

Zlatna Panega cement plant, Bulgaria


TITAN

Financial performance overview

Review of the year 2020

TITAN Cement Group delivered strong results in 2020, despite the uncertainty caused by the COVID-19 pandemic. Group consolidated revenue at €1,607.0 million was stable compared to the previous year. Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) posted a solid increase of 7.1% to €286.2 million. This was the highest EBITDA recorded since 2010. Net Profit after Taxes and minorities (NPAT) dropped to €1.5 million (vs. €50.9 million in 2019) as a result of significant non-cash charges taken representing the full write-off of the €46.6 million goodwill of Titan Cement Egypt and the derecognition of €17.3 million of accumulated deferred tax assets, also in Egypt. Had these one-off charges not be taken, NPAT would have been €65.4 million. The impact of the COVID-19 pandemic on our Group was clearly less severe than what was initially expected. Overall construction activity escaped the full brunt of the downturn, being allowed to continue as an essential activity in most of our countries of operation.

Performance in 2020, was supported by resilient sales volumes across most of our markets. In the US, sales were sustained at high levels along all product lines. In Greece, demand showed further recovery. In Southeastern Europe, performance was robust, while Turkey posted strong domestic and export growth, while demand also improved in Brazil. Performance in Egypt was disappointing due to the ongoing challenges of that market. Pricing dynamics in most of our markets benefited from resurgent levels of demand. The favorable energy cost environment combined with successful management of the Group's cost base, enhanced profitability.

The strengthening of the Euro in 2020 mainly against the US$ and the Egyptian pound impacted results with FX losses of €13.2 million, while net finance costs were significantly lower at €52.7 million (€10.9 million lower than 2019).

Trends in domestic sales volumes were positive across most of our markets. Following the restrictions on activity in the second quarter of the year, construction activity rebounded once lockdown restrictions were eased, testifying to the underlying resilience of market fundamentals across geographies. Group cementitious materials' sales increased by 1% compared to 2019, reaching 17.1 million tons. Ready-mix concrete sales increased by 3% in 2020, reaching 5.4 million m3 on the back of stronger sales in Greece, Southeast Europe, the Eastern Mediterranean and Brazil. Aggregates' sales volumes increased by 5% year on year, reaching 20 million tons, mainly due to growth in the Greek market. Aggregates' sales in the US, which is a key contributor in the aggregates segment, remained stable at high levels.

Regional review of the year 2020

TITAN's US Operations had a strong year. Our markets demonstrated resilience as construction was allowed to continue as an essential activity. Cement, Aggregates and Ready-mix sales were sustained at high levels. Block sales volumes grew due to the strength of the residential sector, while fly ash continued to suffer from supply constraints.

Cement consumption in Florida benefitted from increased housing demand, offset somewhat by a downturn in non-residential construction, which was penalized by the struggling tourism and service industries. In the Mid-Atlantic, improved results in the first and fourth quarters drove strong results supported by favorable weather, strong residential demand, and cement intensive public works projects. Cement consumption in the New York Metropolitan area, the initial coronavirus epicenter, experienced a downturn and a negative economic impact.

Overall, in US$ terms, 2020 revenue increased from 2019, reaching $1.07 billion. In Euro terms, revenue declined by 1.5% to €937.7 million and EBITDA reached €176.1 million, a decline of 1.8% compared to 2019 (stable in US$ terms).

In Greece, 2020 was a year of improved performance. Demand in the domestic market increased. Municipal infrastructure works, projects in logistics, and the residential housing segment drove demand for building materials. On the other hand, tourism activity, which started at the same strong pace as in 2019, with investments in new facilities, experienced a slowdown as the pandemic hit the sector hard. On the export front, the Group constrained production to strengthen its inventory of CO_2 emission rights and reduced clinker exports. Overall export volumes recorded a small decline in 2020 and earnings performance was hampered by the unfavorable US$ vs. Euro exchange rate.

At the same time, results were enhanced by increased operational efficiencies from digital optimization projects, lower fuel prices and an increase in alternative fuel utilization.

As such, total revenue for Greece and W. Europe in 2020 increased by 0.7% to €246.6 million. EBITDA increased by €5.3 million to €17.2 million.

In Southeastern Europe, the construction market, after an abrupt slowdown in Q2 at the start of the pandemic, swiftly recovered to record strong Q3 and Q4 sales bouncing back to net growth for the region in 2020. The year ended with a particularly strong and weather supported last quarter. Resilient pricing and domestic volume momentum, counterbalanced a reduction in exports from the region. Margins improved, thanks to a recovery from the previously low prices and operational profitability was further ameliorated by a reduction of fuel costs, on top of efficiency improvements and cost containment measures.

As a result, revenue in the region increased to €271.0 million and EBITDA grew by 24.6% to €96.2 million.

Conditions in the Eastern Mediterranean remained challenging amidst a fragile economic environment.

In Egypt, pre-existing structural market limitations were further exacerbated by the government's imposition of a six-month suspension of residential construction permits. As a result, the market remained subdued for most of the year with cement consumption declining by about 6.5% versus 2019. The receding in restrictions in Q4 resulted in a pick-up in demand in Q4. Due to the oversupply in the market, prices remained stagnant at low levels leading to negative results. The prevailing challenges in the Egyptian market and the continuing loss making results led to a reassessment of the Group's profitability prospects in Egypt. As a result of this exercise, it was decided to write off the €46.6 million of the total goodwill of the Egyptian operations and also to derecognize €17.3 million of deferred tax assets.

In Turkey, Adocim's sales capitalized on sharply growing demand from private housing and public infrastructure projects. The depreciation of the Turkish lira against the Euro by 26.7%, was not fully offset by increases in domestic prices. Adocim strongly increased its export activity which led to an improvement of overall profitability. While production costs increased, mainly due to higher fuel prices resulting from the Turkish lira's depreciation, Adocim's competitive production cost base and low gearing, placed it at an advantageous competitive position to mitigate the challenges.

Total revenue in the Eastern Mediterranean reached €151.7 million, an increase of 1.0% year on year, while at EBITDA level, the Group recorded a €3.3 million loss compared to losses of €1.2 million in 2019.

The Brazilian cement market enjoyed growth for a second year in a row. Cement demand grew by 10.7% in 2020 with cement consumption reaching 60.5 million tons. The north and northeast, the markets of our joint venture Apodi, grew at 14%. Apodi increased its sales volumes by continuing to penetrate the bulk segment, through a focus on the pre-cast industry, the expansion of Fortaleza's airport and subway, highway and dam projects etc. Driven by increased demand and prices, net profit attributable to the Group reached €2.6 million compared to a €1.0 million loss in 2019, despite a 33.6% y-o-y devaluation of the Brazilian Real.

Financing and Investments

In 2020, the Group generated higher operating free cash flow that reached €225.3 million, an increase of €50.2 million compared to 2019. Cash flow generation benefited from higher EBITDA levels, tighter capital expenditures and reduced working capital requirements. Group capital expenditures during the year amounted to €84.3 million compared to €109.3 million in 2019.

Year-end net debt declined to €684.4 million (2019: €839.6 million) and was reflective of the strong operating cash flow. This decline of €155.2 million in net debt enabled the Net Debt / EBITDA ratio to improve to 2.35x as defined by loan agreements.

In July 2020, Titan Global Finance issued €250 million notes, due in 2027, with an annual coupon of 2.75%. The proceeds were used to purchase, prior to maturity, €109 million of the €300 million bond issue maturing in June 2021 and for general corporate purposes, including the repayment of bank debt. The Group's next important maturity is in June 2021 for the remaining €163.5 million notes.

In March 2020, the Group activated its share buy-back program. In total 786,278 shares, representing 0.95% of TCI's share capital were repurchased on Euronext Brussels and the Athens Stock Exchange (ATHEX) for a total consideration of €8.8 million. As at 31.12.2020, Titan Cement International SA and its 100% direct subsidiary Titan Cement Company SA held in aggregate 5,512,502 shares of the Company, representing 6.69% of the Company's voting rights.

Resolutions of the Board of Directors

• Return of Capital

Following the authorization granted to the Board of Directors by the Extraordinary Meeting of the company's Shareholders on the 13th of May 2019, the Board of Directors of Titan Cement International SA decided the return of capital of €0.40 per share to all the Shareholders of the Company. All shareholders who are recorded as shareholders on Thursday, 29 April 2021, at 12.00 midnight (CEST) (record date) will be entitled to receive the capital return. Shareholders will receive the payment of the capital return on Friday, 2 July 2021, through their custodians, banks and securities brokers.

• Cancellation of own shares

The Board also decided the cancellation of 4,122,393 own shares representing 5% of the Company's voting rights. The cancellation is expected to be completed by the end of the 2nd trimester, according to the procedure provided by Belgian law.

Outlook

Market fundamentals remain promising, and the key drivers of demand are in place to support operational growth in 2021. At the same time, intermittent waves of COVID-19 across many countries are triggering corresponding government measures which impact economic activity.

In the US, the effects of the pandemic are expected to ease in 2021 as vaccine distribution accelerates. Benefitting from a combination of pent-up demand and an additional round of anticipated federal fiscal stimulus, the US economy is poised to rebound sharply and reach pre-pandemic levels. TITAN America's solid backlogs point to continuing healthy activity levels and profitability.

In Greece, similar trends to those witnessed thus far should continue in 2021. Housing-related construction together with many peripheral infrastructure works such as highways, ports in the wider periphery and projects in the Attica capital region, supported by the existing financing mechanisms, should fuel demand.

In Southeastern Europe, the region is expected to continue performing solidly. Our cluster of operations, brings the benefits of network effects to the Group, and across most of the regional markets, the fundamentals of demand are in place to maintain performance at high levels.

In Egypt, we anticipate a pick up in demand and an increase of cement consumption, despite the fact that the market which faces structural issues and government's actions have so far exacerbated rather than contributed to a solution of the problem. The country harbors very promising underlying fundamentals for cement growth with a consistently positive GDP growth, one of the highest birth rates in the region and a strong trend of urbanization.

In Turkey, construction is anticipated to sustain its positive trend, amidst an uncertain economic outlook. Due to the prevailing economic situation, personal investments continue flowing into real estate while infrastructure spending such as new transportation projects, will support further growth in cement consumption.

In Brazil, the National Union of Cement Industry expects that in 2021 cement demand will remain at the high level achieved in 2020.

TITAN Cement Group, underscoring its enduring commitment to sustainability and value creation for all, released its Environmental, Social and Governance (ESG) targets for 2025 and beyond. The targets include an updated, more ambitious, CO_2 reduction goal for 2030 at -35% compared to 1990 levels, aligned with the vision of the European Green Deal to achieve climate neutrality by 2050.

TITAN has set 20 targets that focus on four pillars, which are defined as material by its stakeholders, all underpinned by good governance, transparency and business ethics:

- De-carbonization and digitalization, aiming to transform our business, focusing on resilience, innovation and on building solutions to serve our customers more efficiently as we move towards a carbon-neutral, digital world
- Growth-enabling work environment, aiming to cultivate an inclusive culture with equal opportunities for all our people to grow professionally within a safe and healthy work environment
- Positive local impact, aiming to enable our business operations and our people worldwide to contribute to the prosperity of our local communities with respect to their social and environmental concerns
- Responsible sourcing, aiming to empower our business ecosystems to incorporate sustainability considerations in their business decisions and daily behaviors, while using natural resources responsibly

Treasury shares

Following the decision of the Extraordinary General Meeting of Shareholders dated 13 May 2019 which authorized the Board of Directors to acquire and dispose Company's own shares in accordance with the provisions of article 7:215 ff of the Belgian Companies and Associations Code, the Board of Directors decided on 19 March 2020 to activate a buy- back program as of 20 March 2020, for up to one million shares of the Company and up to the amount of €10 million, having a duration of two months. The Company kept the market fully informed of the progress of the relevant transactions as provided by the applicable regulations.

In implementation of this program, during the period from March 20, 2020 until June 4, 2020, the Company acquired directly 321,225 own shares and indirectly through its subsidiary Titan Cement Company SA 465,053 shares, representing 0.39% and 0.56% respectively of the share capital of the Company. The total value of these transactions amounted to €8.8 million.

As at 31.12.2020 the Company holds 321,225 own shares representing 0.39% of the Company's share capital and Titan Cement Company SA (Titan SA), a direct subsidiary of the Company, holds 5,191,277 shares of the Company, representing 6.30% of the Company's voting rights.

Sale of treasury stock in the framework of Stock Option Plans

Titan S.A., a direct subsidiary of the Company, sold in 2020 to Titan Group employees, in implementation of existing stock option plans, 77,916 shares of the Company, representing approximately 0.09% of the share capital of the Company, for a total amount of €779,160 (i.e.€10/ Company share).

Going concern disclosure

The Board of Directors having taken into account:

a. the Company's financial position;

b. the risks facing the Company that could impact on its business model and capital adequacy; and

c. the fact that no material uncertainties are identified to the Company's ability to continue as a going concern in the foreseeable future and in any event over a period of at least twelve months from the date of approval of the Financial Statements

state that they consider it appropriate for the Company to continue to adopt the going concern basis in preparing its Financial Statements and that no material uncertainties are identified to the Company's ability to continue to adopt the going concern basis in preparing its Financial Statements in the foreseeable future and in any event over a period of at least twelve months from the date of approval of the Financial Statements for the fiscal year 2020.

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 2020

The Board of Directors considers that the Annual Report and the Financial Accounts for the fiscal year 2020, 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 8th of April 2021.

Chairman of the Board of Directors

Efstratios-Georgios Arapoglou

Managing Director and Group CFO

Michael Colakides

Company CFO

Grigorios Dikaios

Financial Consolidation Director

Athanasios Danas

Consolidated Income Statement

(all amounts in Euro thousands)	Notes	Year ended 31 December 2020	2019
Revenue	3	1,607,033	1,609,778
Cost of sales	5	-1,297,550	-1,315,866
Gross profit		**309,483**	**293,912**
Other operating income	4.i	7,552	9,682
Administrative expenses	5	-142,660	-145,188
Selling and marketing expenses	5	-24,241	-25,289
Net impairment losses on financial assets	20	-1,985	-1,667
Other operating expenses	4.i	-1,485	-4,282
Operating profit before impairment losses on goodwill	3	**146,664**	**127,168**
Impairment losses on goodwill	13	-46,614	-
Operating profit	3	**100,050**	**127,168**
Other income	4.ii	100	14
Net finance costs	6.i, 6.ii	-52,683	-63,590
Loss from foreign exchange differences	6.iii	-13,216	-592
Share of profit of associates and joint ventures	15	3,200	1,366
Profit before taxes		**37,451**	**64,366**
Income tax	8	-35,899	-11,211
Profit after taxes		**1,552**	**53,155**
Attributable to:			
Equity holders of the parent		1,518	50,905
Non-controlling interests		34	2,250
		1,552	**53,155**
Basic earnings per share (in €)	9	**0.0197**	**0.6452**
Diluted earnings per share (in €)	9	**0.0196**	**0.6385**

The primary financial statements should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income

(all amounts in Euro thousands)	Notes	Year ended 31 December 2020	2019
Profit after taxes		**1,552**	**53,155**
Other comprehensive income:			
Items that may be reclassified to income statement			
Exchange (losses)/gains on translation of foreign operations		-121,042	14,090
Currency translation differences on transactions designated as part of net investment in foreign operation		-5,058	10,284
Losses on cash flow hedges		-48	-
Income tax relating to these items	18	1,150	-2,314
Items that will not be reclassified to income statement			
Asset revaluation surplus	12	256	172
Effect due to changes in tax rates	18	-	35
Re-measurement losses on defined benefit plans	25	-1,538	-748
Share of other comprehensive losses of associates and joint ventures		-15	-28
Income tax relating to these items	18	332	123
Other comprehensive (loss)/income for the year net of tax		**-125,963**	**21,614**
Total comprehensive (loss)/income for the year net of tax		**-124,411**	**74,769**
Attributable to:			
Equity holders of the parent		-117,590	73,039
Non-controlling interests		-6,821	1,730
		-124,411	**74,769**

The primary financial statements should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

(all amounts in Euro thousands)		31/12/2020	31/12/2019
Assets	*Notes*		
Property, plant and equipment	*11*	1,529,243	1,694,725
Investment properties	*12*	11,720	11,628
Goodwill	*13*	268,013	344,523
Intangible assets	*14*	84,279	85,170
Investments in associates and joint ventures	*15*	85,610	113,858
Derivative financial instruments	*36*	2,291	-
Receivables from interim settlement of derivatives	*36*	-	12,937
Other non-current assets	*17*	16,957	15,436
Deferred tax assets	*18*	15,201	13,939
Total non-current assets		**2,013,314**	**2,292,216**
Inventories	*19*	248,586	283,519
Receivables and prepayments	*20*	185,247	186,565
Income tax receivable		4,744	5,657
Derivative financial instruments	*36*	16,462	1,245
Receivables from interim settlement of derivatives	*36*	4,142	3,829
Cash and cash equivalents	*21*	206,438	90,388
Total current assets		**665,619**	**571,203**
Total Assets		**2,678,933**	**2,863,419**
Equity and Liabilities			
Equity and reserves attributable to owners of the parent	*22,23*	1,242,693	1,375,165
Non-controlling interests	*15.3*	23,990	34,626
Total equity (a)		**1,266,683**	**1,409,791**
Long-term borrowings	*32*	628,172	776,694
Long-term lease liabilities	*33*	38,821	46,126
Derivative financial instruments	*36*	-	11,084
Payables from interim settlement of derivatives	*36*	2,291	-
Deferred tax liability	*18*	102,078	96,319
Retirement benefit obligations	*25*	34,234	35,268
Provisions	*26*	49,550	39,456
Non-current contract liabilities	*27*	1,991	-
Other non-current liabilities	*27*	9,864	47,193
Total non-current liabilities		**867,001**	**1,052,140**
Short-term borrowings	*32*	205,656	90,140
Short-term lease liabilities	*33*	18,194	17,030
Derivative financial instruments	*36*	5,113	2,692
Payables from interim settlement of derivatives	*36*	12,957	1,092
Trade and other payables	*28*	278,370	260,009
Current contract liabilities	*28*	8,215	13,580
Income tax payable		4,054	3,251
Provisions	*26*	12,690	13,694
Total current liabilities		**545,249**	**401,488**
Total liabilities (b)		**1,412,250**	**1,453,628**
Total Equity and Liabilities (a+b)		**2,678,933**	**2,863,419**

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	Preferred shares	Share options
Balance at 1 January 2019	**265,869**	**22,826**	**26,113**	**3,742**
Change in accounting policy	-	-	-	-
Restated balance at 1 January 2019	**265,869**	**22,826**	**26,113**	**3,742**
Profit for the year	-	-	-	-
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Change of parent company to Titan Cement International	893,479	-7,505	-26,113	-
Issuance costs	-	-9,347	-	-
Deferred tax on treasury shares held by subsidiary	-	-	-	-
Taxes and expenses relevant to share capital decrease	-	-	-	-
Dividends distributed (note 10)	-	-	-	-
Purchase of treasury shares (note 22)	-	-	-	-
Sale - disposal of treasury shares for option plan (note 22)	-	-	-	-
Share based payment transactions (note 24)	-	-	-	2,094
Non-controlling interest's participation in share capital increase of subsidiary	-	-	-	-
Acquisition of non-controlling interest	-	-	-	-
Transfer among reserves (note 23)	-	-	-	-932
Balance at 31 December 2019	**1,159,348**	**5,974**	**-**	**4,904**
Balance at 1 January 2020	**1,159,348**	**5,974**	**-**	**4,904**
Profit for the year	-	-	-	-
Other comprehensive loss	-	-	-	-
Total comprehensive (loss)/income for the year	-	-	-	-
Deferred tax on treasury shares held by subsidiary	-	-	-	-
Distribution of reserves (note 10)	-	-	-	-
Dividends distributed	-	-	-	-
Purchase of treasury shares (note 22)	-	-	-	-
Sale - disposal of treasury shares for option plan (note 22)	-	-	-	-
Share based payment transactions (note 24)	-	-	-	1,720
Deferred tax adjustment due to change in income tax rates on revaluation reserves (note 18)	-	-	-	-
Acquisition of non-controlling interest	-	-	-	-
Transfer among reserves (note 23)	-	-	-	-1,317
Balance at 31 December 2020	**1,159,348**	**5,974**	**-**	**5,307**

The primary financial statements should be read in conjunction with the accompanying notes.

Ordinary treasury shares	Preferred treasury shares	Other reserves (note 23)	Retained earnings	Total	Non-controlling interests	Total equity
-109,930	**-2,954**	**738,487**	**449,980**	**1,394,133**	**77,157**	**1,471,290**
-	-	-	-4,448	-4,448	-	**-4,448**
-109,930	**-2,954**	**738,487**	**445,532**	**1,389,685**	**77,157**	**1,466,842**
-	-	-	50,905	50,905	2,250	**53,155**
-	-	22,134	-	22,134	-520	**21,614**
-	**-**	**22,134**	**50,905**	**73,039**	**1,730**	**74,769**
-3,096	3,096	-902,726	-401	-43,266	-	**-43,266**
-	-	-	-	-9,347	-	**-9,347**
-	-	6,256	-	6,256	-	**6,256**
-	-	-	-1,259	-1,259	-	**-1,259**
-	-	-	-12,694	-12,694	-979	**-13,673**
-6,713	-142	-	-	-6,855	-	**-6,855**
2,600	-	-	-1,551	1,049	-	**1,049**
-	-	-	-	2,094	-	**2,094**
-	-	-	-	-	2,227	**2,227**
-	-	26,851	-50,388	-23,537	-45,509	**-69,046**
-	-	2,051	-1,119	-	-	-
-117,139	**-**	**-106,947**	**429,025**	**1,375,165**	**34,626**	**1,409,791**
-117,139	**-**	**-106,947**	**429,025**	**1,375,165**	**34,626**	**1,409,791**
-	-	-	1,518	**1,518**	34	**1,552**
-	-	-119,108	-	-119,108	-6,855	**-125,963**
-	-	**-119,108**	**1,518**	**-117,590**	**-6,821**	**-124,411**
-	-	5,294	-	5,294	-	**5,294**
-	-	-15,414	-	-15,414	-	**-15,414**
-	-	-	-	-	-2,238	**-2,238**
-8,816	-	-	-	-8,816	-	**-8,816**
1,835	-	-	-1,056	779	-	**779**
-	-	-	-	1,720	-	**1,720**
-	-	1,117	-	1,117	372	**1,489**
-	-	951	-513	438	-1,949	**-1,511**
-	-	-32,207	33,524	-	-	-
-124,120	**-**	**-266,314**	**462,498**	**1,242,693**	**23,990**	**1,266,683**

Consolidated Cash Flow Statement

(all amounts in Euro thousands)		Year ended 31 December	
	Notes	2020	2019
Cash flows from operating activities			
Profit after taxes		**1,552**	**53,155**
Depreciation, amortization and impairment of assets	*29*	186,181	139,965
Interest and related expenses	*29*	48,397	58,463
Other non-cash items	*29*	67,999	33,639
Changes in working capital	*29*	5,473	-1,045
Cash generated from operations		**309,602**	**284,177**
Income tax paid		-10,176	-9,817
Net cash generated from operating activities (a)		**299,426**	**274,360**
Cash flows from investing activities			
Payments for property, plant and equipment	*11,12*	-76,787	-100,477
Payments for intangible assets	*14*	-7,509	-8,836
Payments for share capital increase in associates and joint ventures		-355	-312
Payments for acquisition of subsidiaries, net of cash acquired	*16*	-330	-
Proceeds from sale of PPE, intangible assets and investment property	*29*	3,110	6,824
Proceeds from dividends		2,449	3,335
Interest received		559	1,713
Net cash flows used in investing activities (b)		**-78,863**	**-97,753**
Net cash flows after investing activities (a)+(b)		**220,563**	**176,607**
Cash flows from financing activities			
Proceeds from non-controlling interest's participation in subsidiary's share capital increase/establishment		-	2,227
Acquisition of non-controlling interests		-21,795	-20,376
Net payment due to TCI acquiring 100% of Titan Cement	*22*	-	-42,872
Issuance costs	*22*	-	-9,347
Payments due to share capital decreases		-	-1,266
Dividends paid and share capital returns		-17,615	-13,690
Payments for shares purchased back	*22*	-8,816	-6,855
Proceeds from sale of treasury shares	*22*	779	1,049
Interest and other related charges paid	*34*	-49,917	-63,914
Proceeds from borrowings and derivative financial instruments	*34*	478,398	366,086
Payments of borrowings and derivative financial instruments	*34*	-459,932	-455,180
Principal elements of lease	*34*	-15,967	-15,936
Net cash flows used in financing activities (c)		**-94,865**	**-260,074**
Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)		**125,698**	**-83,467**
Cash and cash equivalents at beginning of the year	*21*	90,388	171,000
Effects of exchange rate changes		-9,648	2,855
Cash and cash equivalents at end of the year	*21*	**206,438**	**90,388**

The primary financial statements should be read in conjunction with the accompanying notes.

Contents

1. Corporate information and summary of significant accounting policies

TITAN Cement International S.A. (the Company or TCI) is a société anonyme incorporated under the laws of Belgium. The Company's corporate registration number is 0699.936.657 and its registered address is Rue de la Loi 23, 7th floor, box 4, 1040 Brussels, Belgium, while it has established a place of business in the Republic of Cyprus in the address Arch. Makariou III, 2-4 Capital Center, 9th floor, 1065, Nicosia, Cyprus. The Company's shares are traded on Euronext Brussels, with a parallel listing on Athens Stock exchange and Euronext Paris.

The Company and its subsidiaries (collectively the Group) are engaged in the production, trade and distribution of a wide range of construction materials, including cement, concrete, aggregates, cement blocks, dry mortars and fly ash. The Group operates primarily in Greece, the Balkans, Egypt, Turkey, the USA and Brazil.

Information on the Group's structure is provided in note 16.

These consolidated financial statements were authorized for issue by the Board of Directors on 8 April 2021.

Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union and interpretations (IFRIC) issued by the IFRS Interpretations Committee.

The preparation of financial statements, in conformity with IFRS, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in significant accounting estimates and judgments in note 2.

They have also been prepared on historical cost basis, except for investment properties, certain financial assets and liabilities (including derivative instruments) and plan assets of defined benefit pension plans measured at fair value. The consolidated financial statements are presented in euros and all values are rounded to the nearest thousand (€000), except when otherwise indicated.

In addition, they have been prepared with the same accounting policies of the prior financial year, except for the adoption of new or revised standards, amendments and/or interpretations that are mandatory for the periods beginning on or after 1 January 2020 and the adoption of hedge accounting requirement of IFRS 9.

The Group had applied IFRS 9, on 1 January 2018, except for hedge accounting. Until 2019, the Group neither had applied hedge accounting, nor it chose application of hedge accounting under the new standard. It continued to apply its accounting policy for hedge accounting under the provision of IAS 39. However, given a new hedge relationship that arose in 2020, the Group decided to commence the hedge accounting requirements of IFRS 9 (note 1.27 and note 35).

1.1.1 The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2020 and have been endorsed by the European Union:

Amendments to References to the Conceptual Framework in IFRS Standards (effective 1 January 2020). The revised Conceptual Framework includes a new chapter on measurement; guidance on reporting financial performance; improved definitions and guidance—in particular the definition of a liability; and clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting.

Amendments to the definition of material in IAS 1 and IAS 8 (effective 1 January 2020). The amendments clarify the definition of material and make IFRSs more consistent. The amendment clarifies that the reference to obscuring information addresses situations in which the effect is similar to omitting or misstating that information. It also states that an entity assesses materiality in the context of the financial statements as a whole. The amendment also clarifies the meaning of "primary users of general purpose financial statements" to whom those financial statements are directed, by defining them as 'existing and potential investors, lenders and other creditors' that must rely on general purpose financial statements for much of the financial information they need. The amendments are not expected to have a significant impact on the preparation of financial statements.

Amendments to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform (effective 1 January 2020). The amendments require qualitative and quantitative disclosures to enable users of financial statements to understand how an entity's hedging relationships are affected by the uncertainty arising from interest rate benchmark reform. These amendments have no impact on the consolidated financial statements of the Group as it does not have any interest rate hedge relationships.

Amendments to the guidance of IFRS 3 Business Combinations that revises the definition of a business (effective 1 January 2020). The new guidance provides a framework to evaluate when an input and a substantive process are present (including for early stage companies that have not generated outputs). To be a business without outputs, there will now need to be an organised workforce. The changes to the definition of a business will likely result in more acquisitions being accounted for as asset acquisitions across all industries, particularly real estate, pharmaceutical, and oil and gas. Application of the changes would also affect the accounting for disposal transactions.

1.1.2 The following new amendments have been issued, is not mandatory for the first time for the financial year beginning 1 January 2020 but have been endorsed by the European Union:

Amendment to IFRS 16 Leases COVID-19-Related Rent Concessions (effective 01/06/2020, with early application permitted). If certain conditions are met, the Amendment would permit lessees, as a practical expedient, not to assess whether particular COVID-19-related rent concessions are lease modifications. Instead, lessees that apply the practical expedient would account for those rent concessions as if they were not lease modifications.

Amendments to IFRS 4 Insurance Contracts – deferral of IFRS 9 (effective 01/01/2021). This amendment changes the fixed expiry date for the temporary exemption in IFRS 4 Insurance Contracts from applying IFRS 9 Financial Instruments, so that entities would be required to apply IFRS 9 for annual periods beginning on or after 1 January 2023.

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 2020 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 2022), 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. The IASB has issued an exposure draft to defer the effective date to 1 January 2023. 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.

IFRS 17 'Insurance contracts' (effective 1 January 2023). This standard replaces IFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features. On 17 March 2020, IASB decided to defer the effective date to annual reporting periods beginning on or after 1 January 2023. The endorsement includes the amendments issued by the Board in June 2020, which are aimed at helping companies implement the Standard and making it easier for them to explain their financial performance.

Amendments to IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets as well as Annual Improvements (effective 01/01/2022). The package of amendments includes narrow-scope amendments to three Standards as well as the Board's Annual Improvements, which are changes that clarify the wording or correct minor consequences, oversights or conflicts between requirements in the Standards.

- Amendments to IFRS 3 Business Combinations update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
- Amendments to IAS 16 Property, Plant and Equipment prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets specify which costs a company includes when assessing whether a contract will be loss-making.
- Annual Improvements make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2 (effective 01/01/2021). These amendments address issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. The amendments are effective for annual periods beginning on or after 1 January 2021, with earlier application permitted.

The Group will adopt the amendments on the required effective date. Currently, it is in the process of assessing the impact of these amendments in its financial statements. It has monitored the output from the various industry working groups managing the transition to new benchmark interest rates, including the announcements made by the IBOR regulators. Its aim is to understand where IBOR exposures are within the business and prepare its smooth transition to alternative benchmark rates. The Group will finalize its transition and fall back plans by the end of 2021. However, it expects that the adoption of the amendments will have no material impact to the Group's financial statements.

Borrowings

On 31.12.2020, the total amount of the Group's borrowings is €834 mil. (note 32), from which €758 mil. are bonds of fixed interest rate. The Group also has a floating interest rate revolving facility agreement with available commitment of €220 mil., which already includes adequate fall back provisions for a cessation of the referenced benchmark interest rate. On 31.12.2020, the outstanding balance of this facility is nil. Moreover, it has local floating rate debt in Albania, Egypt and Turkey. None of these debt agreements include floating interest rates that are based on IBORs. Finally, the Group's subsidiary in USA, Titan America LLC, maintains committed and uncommitted credit facilities with banks of nil outstanding balance on 31.12.2021. The facilities provide for loans at variable interest rates based on Libor and they include adequate fall back provisions.

Derivatives

On 31.12.2020, the Group has recognized the following derivatives in the statement of financial position (note 35):

1) Various short-term EUR/USD forward contracts, in order to hedge foreign currency risk,
2) Cross currency interest rate swaps, in order to hedge foreign currency exposure and exchange fixed Euro rates to fixed USD rates and
3) An energy swap transaction, in order to hedge fluctuations of natural gas prices.

None of the aforementioned derivatives are subjects to IBOR reform.

Leases
On 31.12.2020, the total amount of the Group's lease liabilities is €57 million. (note 33).

None of the Group's lease contracts are based on IBORs and, as a result, there will be no impact on the Group's lease liability balances.

Receivables
On 31.12.2020, the Group, through its subsidiary Titan America LLC in USA, incorporates in its statement of financial position the amount of €23 million, as interest-bearing notes receivable (note 20). The sale agreement of these notes is Libor linked and it has already included fall back provisions for the replacement rate.

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.

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. Intra-group transactions, balances and unrealised gains/losses on transactions between group companies are eliminated.

1.2.2 Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as transactions with the owners in their capacity as owners. The difference between consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Any profit or loss and any item of the Statement of Other Comprehensive Income is allocated between the share-holders of the parent and the non-controlling interest, even if the allocation results in a deficit balance of the non-controlling interest.

1.2.3 Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount 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.

1.2.6 Commitments to purchase interests held by non-controlling interests

As part of the acquisition process of certain entities, the Group has granted third party shareholders the option to require the Group to purchase their shares subject to predetermined conditions (a "put" option). These shareholders could be either international institutions, or private investors who are essentially financial or industrial investors or former shareholders of the acquired entities.

When the Group writes a put option on shares in a subsidiary that are held by non-controlling interests, then it applies the following policy for the recognition of put options:

- Non-controlling interest is still attributed its share of profit and losses (and other changes in equity).
- The non-controlling interest is reclassified as a financial liability at each reporting date, as if the acquisition took place at that date.

Any difference between the fair value of the liability under the put option at the end of the reporting period and the non-controlling interest reclassified is calculated based on the current policy of the Group for acquisitions of non-controlling interests.

If the put option is ultimately exercised, the amount recognized as the financial liability at that date will be extinguished by the payment of the exercise price. If the put option expires unexercised, the position will be unwound such that the non-controlling interest at that date is reclassified back to equity and the financial liability is derecognized.

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 shall be 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 shall be recognized in other comprehensive income and included in "currency translation differences reserve on transactions designated as part of net investment in foreign operation" in other reserves. Where settlement of these intragroup long term loans and receivables is planned or is likely to occur in the foreseeable future, then these transactions cease to form part of the net investment in the foreign operation. The exchange differences arising up to that date are recognized in other comprehensive income and after that date, they are recognized in profit or loss. On disposal of the net investment in a foreign operation, the accumulated in other reserves exchange differences are reclassified from equity to profit or loss.

Translation differences on non-monetary financial assets and liabilities, such as equity investments held at fair value are included in the income statement. Translation differences on non-monetary financial assets, such as equities classified at fair value through other comprehensive income, are included in other comprehensive income.

Group companies
The financial statements of all Group entities (none of which operate in a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet.
- Income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions).
- 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.

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 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 1.20). 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:

Buildings	Up to 50 years
Plant and machinery	Up to 40 years
Motor vehicles	5 to 20 years
Office equipment furniture and fittings (including computer equipment and software integral to the operation of the hardware)	2 to 10 years
Minor value assets	Up to 2 years

Land on which quarries are located is depreciated on a depletion basis. This depletion is recorded as the material extraction process advances based on the unit-of-production method. Other land is not depreciated.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount (refer to note 1.8 - Impairment of non-financial assets other than Goodwill).

An item of PPE and any significant part initially recognized is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss.

Interest costs on borrowings specifically used to finance the construction of PPE are capitalised during the construction period if recognition criteria are met (refer to note 1.29).

1.5 Investment properties

Investment property is property held for long-term rental yields or for capital appreciation or both and that is not occupied by any of the subsidiaries of the Group. Owner-occupied properties are held for production and administrative purposes. This distinguishes owner-occupied property from investment property.

Investment property is measured initially at cost, including related transaction costs and where applicable borrowing costs (refer to 1.29).

After initial recognition investment property is carried at fair value. Fair value reflects market conditions at the reporting date and is determined internally on an annual basis by management or external valuators. The best evidence of fair value is provided by current prices in an active market for similar property in the same location and condition and subject to the same lease terms and other conditions (comparable transactions). When such identical conditions are not present, the Group takes account of, and makes allowances for, differences from the comparable properties in location, nature and condition of the property or in contractual terms of leases and other contracts relating to the property.

A gain or loss arising from a change in the fair value of investment property is recognized in the period in which it arises in the income statement within "other income" or "other expense" as appropriate.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure other than those a rational market participant would take into account when determining the value of the property.

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the income statement within the gain or loss from fair value adjustment on investment property. Investment properties are derecognised when they have been disposed.

If an investment property becomes owner-occupied, it is reclassified as PPE. Its fair value at the date of reclassification becomes its deemed cost for subsequent accounting purposes.

If an item of owner-occupied property becomes an investment property because its use has changed, IAS 16 is applied up to the date of transfer, since investment property is measured at fair value. The property is fair valued at the date of transfer and any revaluation gain or loss, being the difference between fair value and the previous carrying amount, is accounted for as a revaluation surplus or deficit in equity in accordance with IAS 16. Revaluation surplus is recognized directly in equity through other comprehensive income, unless there was an impairment loss recognized for the same property in prior years. In this case, the surplus up to the extent of this impairment loss is recognized in profit or loss and any further increase is recognized directly in equity through other comprehensive income. Any revaluation deficit is recognized in profit or loss.

1.6 Goodwill and intangible assets (other than goodwill)

1.6.1 Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the aggregate of the consideration transferred and the amount 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 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. Goodwill is monitored at the operating segment level.

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 cash-generating-unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

1.6.2 Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs (note 1.7), are not capitalised and expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

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 capitalised on the basis of costs incurred to acquire and bring to use the specific software when these are expected to generate economic benefits beyond one year. Costs associated with developing or maintaining computer software programs are recognized as an expense as incurred.

The amortization methods used for the Group's intangibles are as follows:

	Amortization Method	Useful Lives
Patents, trademarks and customer relationships	straight-line basis	up to 20 years
Licenses (mining permits)	straight-line basis / depletion method	shorter of: the permit period and the estimated life of the underlying quarry unit-of-production method
Development costs (quarries under operating leases)	note 1.7	note 1.7
Computer software	straight-line basis	3 to 7 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 derecognised.

1.7 Deferred stripping costs

Stripping costs comprise the removal of overburden and other waste products. Stripping costs incurred in the development of a quarry before production commences are capitalised as follows:

Where such costs are incurred on quarry land that is owned by the Group, these are included within the carrying amount of the related quarry, under PPE and subsequently depreciated over the life of the quarry on a units-of-production basis. Where such costs are incurred on leased quarries, these are included under 'Development expenditure' under Intangible assets and amortized over the shorter of the lease term and the useful life of the quarry.

1.8 Impairment of non-financial assets other than Goodwill

Assets that have an indefinite useful life (land not related to quarries) are not subject to 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 (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. An asset's recoverable amount is the higher of an asset or cash generating units (CGU) fair value less costs of sell and its value-in-use.

1.9 Leases

1.9.1 Lessees

Leases are recognized as a right-of-use (ROU) asset and a corresponding lease liability at the date at which the leased asset is available for use. Each lease payment is allocated between the lease liability and interest, which is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The ROU asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The Group presents ROU assets that do not meet the definition of investment property in the account "property, plant and equipment", in the same line item as it presents underlying assets of the same nature that it owns. ROU assets that meet the definition of investment property are presented with investment property.

The lease liability is initially measured at the commencement date at the present value of the lease payments during the lease term that are not yet paid. It is discounted by using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate (IBR). The IBR is the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of a similar value in a similar economic environment with similar terms and condition.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is re-measured when there is a modification that is not accounted for as a separate lease; a change in future lease payments arising from a change in an index or rate; a change in the estimate of the amount expected to be payable under a residual value guarantee; and if the Group changes its assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments)
- Variable lease payments that are based on an index or a rate
- Amounts expected to be payable by the lessee under residual value guarantees
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option
- Payments of penalties for terminating the lease if the lessee will exercise that option

The ROU asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain re-measurements of the lease liability. When ROU asset meets the definition of investment property is initially measured at cost, and subsequently measured at fair value, in accordance with the Group's accounting policy.

The initial measurement of the ROU asset is comprised by:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs, and
- Restoration costs

For short term leases and 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.

1.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method.

The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity), but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Appropriate allowance is made for damaged, obsolete and slow moving items. Write-downs to net realisable value and inventory losses are expensed in cost of sales in the period in which the write-downs or losses occur.

1.11 Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognized initially at the amount of consideration that is unconditional and subsequently measured at amortized cost using the effective interest method, less loss allowance.

1.12 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments of three months or less from the date of acquisition, and bank overdrafts, if they exist. Bank overdrafts are included within borrowings in current liabilities in the balance sheet. The components of cash and cash equivalents have a negligible risk of change in value.

1.13 Share capital

Any excess of the fair value of the consideration received over the par value of the shares issued is recognized as “share premium” in shareholders’ equity. Incremental external costs directly attributable to the issue of new shares or share options are shown in equity as a deduction, net of tax, from the proceeds.

Where the Company or its subsidiaries purchases the Company’s own equity share capital (treasury shares), the consideration paid including any attributable incremental external costs net of income taxes is deducted from total shareholders’ equity until they are cancelled or sold. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributed incremental transaction costs and the related income tax effect, is included in shareholders’ equity.

1.14 Borrowings

Borrowings are recognized initially at fair value, net of transaction 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 capitalised 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.

1.15 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 realised or the related deferred income tax liability is settled.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

1.16 Employee benefits

1.16.1 Pension and other retirement obligations

The Group operates various pension and other retirement schemes, including both defined benefit and defined contribution pension plans in accordance with the local conditions and practices in the countries in which it operates. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognized in the statement of financial position in respect of defined benefit pension or retirement plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Past service costs are recognized in profit or loss on the earlier of:

• The date of the plan amendment or curtailment, and

• The date that the Group recognizes restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation:

Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements under other operating expenses/income

Net interest expense or income under finance expenses

Re-measurements, comprising of the actuarial gains and losses, the effect of the asset ceiling, excluding net interest (not applicable to the Group) and the return on plan assets (excluding net interest), are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. Once the contributions have been paid, the Group has no further payment obligations. The regular contributions constitute net periodic costs for the year in which they are due and as such are included in staff costs.

1.16.2 Termination benefits

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

The Group 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 terminations benefits.The obligating event is the termination and not the service. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

1.16.3 Profit sharing and bonus plans

A liability for employee benefits in the form of profit sharing and bonus plans is 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.

1.16.4 Share-based payments

Share-based compensation benefits are provided to members of senior management via Group share schemes that cover several subsidiaries.

Equity-settled transactions

The fair value of options granted under the Share Option Programs is 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.

1.17 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.

1.18 CO_2 Emission rights

Emission rights are accounted for under the net liability method, based on which the Group recognizes a liability for emissions when the emissions are made and are in excess of the allowances allocated. 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. Emission rights purchases in excess of those required to cover its shortages are recognized as intangible asset. Proceeds from the sale of granted emission rights are recorded as a reduction to cost of sales.

1.19 Provisions

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 is measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due the passage of time is recognized as a finance expense.

1.20 Site restoration, quarry rehabilitation and environmental costs

Companies within the Group are generally required to restore the land used for quarries and processing sites at the end of their producing lives to a condition acceptable to the relevant authorities and consistent with the Group's environmental policies. Provisions for environmental restoration are 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.

1.21 Revenue

Revenue is the amount of consideration expected to be received in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (value-added tax, other sales taxes etc.).

Revenue is recognized when (or as) a performance obligation is satisfied by transferring the control of a promised good or service to the customer. A customer obtains control of a good or service if it has the ability to direct the use of and obtain substantially all of the remaining benefits from that good or service. Control is transferred over time or at a point in time.

Revenue from the sale of goods is 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.

1.22 Dividend distribution

Dividend to the Company's shareholders is recognized in the financial statements in the period in which the Board of Directors' proposed dividend is ratified at the Shareholders' Annual General Meeting.

1.23 Segment information

Segment information is presented on the same basis as the internal information provided to the chief operating decision maker. The chief operating decision maker is the person (or the group of persons) that allocates resources to and assesses the operating results of the segments.

For management purposes, the Group is structured in five operating segments: Greece and Western Europe, North America, South Eastern Europe, Eastern Mediterranean and Joint Ventures. Each region has a regional Chief Executive Officer (CEO) who reports to the Group's CEO. In addition, the Finance Department is organized also by region for effective financial controlling and performance monitoring.

1.24 Financial assets

Classification and measurement

The Group classify their financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through OCI or through profit or loss) and,
- Those to be measured at 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 measure 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').

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 de-recognition is recognized directly in the income statement.

II. Debt instruments at FVOCI, with gains or losses recycled to profit or loss on de-recognition. Financial assets in this category are debt instruments that meet the SPPI criterion and are held within a business model both to collect cash flows and to sell. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are 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 de-recognition. This category only includes equity instruments, which the Group intends to hold for the foreseeable future and which the Group (or the Company) has irrevocably elected to so classify upon initial recognition or transition. Equity instruments at FVOCI are not subject to any impairment accounting. Dividends from such investments continue to be 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.

1.25 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset recognized amounts, and there is an intention to settle on the net basis the liability or realise the asset and settle the liability simultaneously. The legally enforceable right to offset should not depend on future events but it should apply in the ordinary course of business. However, it should be allowed for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

1.26 Impairment of financial assets

The Group record an allowance for expected credit losses (ECLs) for all financial assets not held at FVPL.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For contract assets, trade receivables and lease receivables, the Group have applied the standard's simplified approach and have calculated ECLs based on lifetime expected credit losses.

For other financial assets, the ECL is based on the 12-month ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

1.27 Derivative financial instruments and hedging activities

Initially, derivatives are recognized at fair value at commencement date and subsequently, they are re-measured at their fair value at each reporting date. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in other comprehensive income (OCI) and later is reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is "an economic relationship" between the hedged item and the hedging instrument.
- The effect of credit risk does not "dominate the value changes" that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

1.27.1 Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The gain or loss relating both to the effective and ineffective portion of interest rate swaps hedging fixed rate borrowings is recognized in the income statement within "Finance income/expense".

1.27.2 Cash flow hedges

The effective portion of gains or losses from measuring cash flow hedging instruments is recognized in OCI and accumulated in reserves, in the account "hedging reserve from cash flow hedges". The gain or loss relating to the ineffective portion is recognized immediately in the income statement within "Finance income/ expenses".

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is 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.

1.27.3 Net investment hedge

Hedges of net investments in foreign entities are accounted for similarly to cash flow hedges. Where the hedging instrument is a derivative, any gain or loss on the hedging instrument relating to the effective portion of the hedge is 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 do not qualify for hedge accounting

Certain derivative transactions, do not qualify for hedge accounting under rules in IFRS. Any gains or losses arising from changes in the fair value of financial instruments that are not part of a hedging relationship are included in finance income / (expenses), or gain / (loss) from foreign exchange differences in the income statement for the period in which they arise, depending on their nature.

1.28 De-recognition of financial assets and liabilities

1.28.1 Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the assets, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. A respective liability is also recognized.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

1.28.2 Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of income.

1.29 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the respective assets until such as the asset is substantially ready for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the profit of loss in the period in which they are occurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

1.30 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

1.31 Exceptional items

Exceptional items 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. Examples of exceptional items include gains/losses on disposal of non-current assets, restructuring costs and other unusual gains or losses.

2. Significant accounting estimates and judgments

The preparation of the financial statements requires management to make estimations and judgments that affect the reported disclosures. On an ongoing basis, management evaluates its estimates, which are presented below.

Estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

These management's estimation and assumptions form the basis for making judgments about the carrying value of assets and liabilities that are not readily available from other sources. The resulting accounting estimates will, seldom equal the related actual results by definition. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

2.1 Impairment of goodwill

Impairment tests for goodwill use the recoverable amounts of cash-generating units that are determined based on value-in-use calculations (note 13). These calculations require the use of estimates, which mainly relate to future earnings and discount rates.

2.2 Income taxes

Group entities are subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

2.3 Deferred tax assets

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies (note 8).

2.4 Useful lives and residual values

PPE are depreciated over their estimated useful lives. The actual lives of the assets are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product lifecycles, life-of-mine and maintenance programmes are taken into account.

2.5 Leases

The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and ROU assets recognized.

2.6 Allowance for trade receivable

The Group's management periodically reassess the allowance for trade receivables using parameters such as its credit policy, reports from its legal counsel on recent developments of the cases they are handling, and its estimates about the impact of other factors affecting the recoverability of the receivables (note 20).

2.7 Provision for environmental rehabilitation

The Group recognizes provision for environmental rehabilitation that is re-estimated on an annual basis. It reflects the present value of the expected restoration costs, using estimated cash flows and is calculated based on the area of the land disturbed at the reporting date and the cost of rehabilitation per metric unit of land at the level of the broader area of interest. Given the complexity of the calculations and the significant assumptions therein, management provides its best estimate in relation to the present value of the aforementioned liability.

2.8 Business combinations

On the acquisition of a company or business, a determination of the fair value and the useful lives of tangible and intangible assets acquired is performed, which requires the application of judgement. Future events could cause the assumptions used by the Group to change which could have an impact on the results and net position of the Group (note 1.2).

2.9 Fair value of share-based payments

Fair values used in calculating the amount to be expensed as a share-based payment is subject to a level of uncertainty. The Group is required to calculate the fair values of the equity-settled instruments granted to employees in terms of the share option schemes. These fair values are calculated by applying a valuation model, which is in itself judgmental, and takes into account certain inherently uncertain assumptions (note 1.16.4 and note 24).

2.10 Interest in unconsolidated entities

In 2014, the Group's subsidiary in USA, Titan America LLC (TALLC), entered into an agreement with a Special Purpose Entity ("SPE") under which trade accounts receivable of TALLC's operation units are aggregated and sold to the SPE in exchange for cash and interest-bearing notes receivable. Management determined that the most relevant activity of the SPE is the management of impaired trade accounts receivable, as this activity has the greatest impact on credit losses incurred, and hence, the variability of the SPE's returns. The entities most exposed to variable returns are: (i) TALLC, which holds the most subordinated interest in the SPE, as well as the third most subordinated interest, and (ii) an unrelated party (the "Control Party"), which holds the second most subordinated interest and retains the right to manage the impaired accounts receivable and substantive rights to replace TALLC as servicer of the assets sold to the SPE. As a result, the Group decided not to consolidate the SPE.

2.11 Derecognition of trade accounts receivable transferred to the SPE

TALLC sells its qualifying trade accounts receivable to the SPE in exchange for cash and interest-bearing notes receivable and consequently it transfers its rights to receive the cash flows from these trade accounts receivable. Credit losses within the SPE are shared among the lenders to the SPE based on the seniority of their loans to the SPE (note 2.10). Based on the current level of bad debts in the entity and an associated analysis of the risks and rewards of receivables transferred to the SPE, TALLC has concluded that it is appropriate to derecognize the receivables at the time of sale.

On 31 December 2020, the interest-bearing notes receivables from the SPE are recognized in the line "Notes receivable" of the note 20 and approximately amounted to €23 million.

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 Commitee 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 2020				
	Greece and Western Europe	North America	South Eastern Europe	Eastern Mediterranean	Total
Gross revenue	310,828	937,697	270,952	151,748	1,671,225
Inter-segment revenue	-64,192	-	-	-	-64,192
Revenue from external customers	**246,636**	**937,697**	**270,952**	**151,748**	**1,607,033**
Earnings before interest, taxes, depreciation, amortization and impairment (EBITDA)	17,164	176,115	96,202	-3,250	286,231
Depreciation, amortization and impairment of tangible and intangible assets	-22,345	-71,366	-26,206	-19,650	-139,567
Operating profit before impairment losses on goodwill	-5,181	104,750	69,996	-22,901	146,664
ASSETS					
Property, plant & equipment	293,729	597,424	286,841	351,249	1,529,243
Intangible assets and goodwill	35,035	200,647	60,180	56,430	352,292
Other non-current assets	35,004	8,465	8,847	1,275	53,591
Current assets	199,570	289,218	101,015	75,816	665,619
Total assets of segments excluding joint ventures	**563,338**	**1,095,754**	**456,883**	**484,770**	**2,600,745**
Investment in joint ventures (note 15.2)					78,188
Total assets					**2,678,933**
LIABILITIES					
Non-current liabilities	204,919	350,594	97,938	213,550	867,001
Current liabilities	94,968	288,569	49,055	112,657	545,249
Total liabilities	**299,887**	**639,163**	**146,993**	**326,207**	**1,412,250**
Capital expenditures (note 11,12,14)	15,675	46,317	14,227	8,077	84,296
Impairment of property, plant and equipment (note 11)	-		-992	-	-992
Impairment of Goodwill (note 13)	-	-	-	-46,614	-46,614
Allowance for doubtful debtors (note 20)	-766	-461	-611	-147	-1,985
Investment in associates (note 15)	3,523	134	3,765	-	7,422
Non-qualified deferred compensation plans (note 17,25)	-	2,572	-	-	2,572
Non-current assets excluding financial instruments, deferred tax assets and post employment benefit assets	336,954	798,205	354,889	407,679	1,897,727

Summarised financial information of the joint ventures, based on their IFRS financial statements, is disclosed in note 15.2.

Capital expenditures consist of additions of property, plant and equipment, intangible assets and investment property.

Impairment charges are included in the income statement.

Revenue consists of the sale of goods and services. There are sales between operating segments. Total assets and capital expenditures are presented in the operating segment of the company that owns the assets.

3.Operating segment information (continued)

Information by business activities

(all amounts in Euro thousands)	For the year ended 31 December 2020			
	Cement	Ready mix concrete, aggregates and building blocks	Other	Total
Revenue	896,137	705,138	5,758	1,607,033

The cement activity includes cement and cementitious materials.

The business activities that are common to all segments of the Group are the production and trade of cement, ready-mix concrete, aggregates and transportation services.

Greece and Western Europe segment is also engaged in the production and trade of dry mortars and the Regulatory Electricity Market. North America segment includes the production and trade of building blocks and the processing of fly ash. Finally, South Eastern Europe and Eastern Mediterranean segments are engaged in the processing of alternative fuels.

Other activities include transportation services and the activity of Regulatory Electricity Market in Greece. None of these activities have the prerequisite magnitude to be presented separately.
At Group level, Revenue is derived from a set of customers none of which separately represents greater than or equal to 10%.

Information by operating segment

(all amounts in Euro thousands)	For the year ended 31 December 2019				
	Greece and Western Europe	North America	South Eastern Europe	Eastern Mediterranean	Total
Gross revenue	315,626	952,120	262,588	150,308	1,680,642
Inter-segment revenue	-70,735	-109	-20	-	-70,864
Revenue from external customers	**244,891**	**952,011**	**262,568**	**150,308**	**1,609,778**
Earnings before interest, taxes, depreciation, amortization and impairment (EBITDA)	11,853	179,314	77,191	-1,225	267,133
Depreciation, amortization and impairment of tangible and intangible assets	-22,001	-73,450	-25,869	-18,645	-139,965
Operating profit before impairment losses on goodwill	-10,148	105,864	51,322	-19,870	127,168
ASSETS					
Property, plant & equipment	302,096	676,645	301,001	414,983	1,694,725
Intangible assets and goodwill	34,899	213,040	60,449	121,305	429,693
Other non-current assets	22,463	22,331	9,015	8,991	62,800
Current assets	175,106	194,218	112,954	88,925	571,203
Total assets of segments excluding joint ventures	**534,564**	**1,106,234**	**483,419**	**634,204**	**2,758,421**
Investment in joint ventures (note 15)					104,998
Total assets					**2,863,419**
LIABILITIES					
Non-current liabilities	273,292	546,408	61,365	171,075	1,052,140
Current liabilities	105,014	117,338	32,750	146,386	401,488
Total liabilities	**378,306**	**663,746**	**94,115**	**317,461**	**1,453,628**
Capital expenditures (note 11,12,14)	22,876	62,352	14,272	19,124	118,624
Impairment of property, plant and equipment (note 11)	-201	-538	-1,508	-	-2,247
Allowance for doubtful debtors (note 20)	-412	-1,012	-309	66	-1,667
Investment in associates (note 15)	3,209	1,404	4,247	-	8,860
Non-qualified deferred compensation plans (note 17, 25)	-	3,826	-	-	3,826
Non-current assets excluding financial instruments, deferred tax assets and post employment benefit assets	344,957	891,089	369,564	536,288	2,141,898

Capital expenditures consist of additions of property, plant and equipment, intangible assets and investment properties.

Impairment charges are included in the income statement.

3. Operating segment information (continued)

Information by business activities

(all amounts in Euro thousands)	For the year ended 31 December 2019			
	Cement	Ready mix concrete, aggregates and building blocks	Other	Total
Revenue	909,318	695,756	4,704	1,609,778

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)	2020	2019
Operating profit before impairment losses on goodwill	**146,664**	**127,168**
Impairment losses on goodwill	-46,614	-
Operating profit	**100,050**	**127,168**
Other income	100	14
Net finance costs	-52,683	-63,590
Loss from foreign exchange differences	-13,216	-592
Share of profit of associates (note 15.1)	611	2,413
Share of profit/(loss) of joint ventures (note 15.2)	2,589	-1,047
Profit before taxes	**37,451**	**64,366**

4. Other income and expenses

i) Other operating income and expenses

(all amounts in Euro thousands)	2020	2019
Scrap sales	237	428
Compensation income	-	1,580
Income from subsidies	-	130
Income from services	1,375	4,123
Rental income	4,087	2,624
Gains on disposal of PPE, intangible assets and investment property (note 29)	1,094	-
Other income	759	797
Other income total	**7,552**	**9,682**
Losses on disposals of PPE, intangible assets and investment property (note 29)	-	-804
Fair value loss from investment property (note 12)	-94	-140
Restructuring cost	-531	-1,801
Other expenses	-860	-1,537
Other expenses total	**-1,485**	**-4,282**

The restructuring cost relates to voluntary retirement incentive programs in all Group operating segments.

ii) Other income

(all amounts in Euro thousands)	2020	2019
Income from participations and investments	100	14
Other income	**100**	**14**

5. Expenses by nature

(all amounts in Euro thousands)	2020	2019
Staff costs and related expenses (note 7)	-312,056	-318,227
Raw materials and consumables used	-421,729	-402,749
Energy cost	-204,269	-243,498
Changes in inventory of finished goods and work in progress	-12,096	1,057
Distribution expenses	-178,932	-179,135
Third party fees	-129,896	-133,791
Depreciation, amortization and impairment of tangible, intangible assets and government grants (note 11,14,27)	-139,567	-139,965
Other expenses	-65,906	-70,035
Total expenses by nature	**-1,464,451**	**-1,486,343**
Included in:		
Cost of sales	-1,297,550	-1,315,866
Administrative expenses	-142,660	-145,188
Selling and marketing expenses	-24,241	-25,289
	-1,464,451	**-1,486,343**

6. Net finance costs and foreign exchange differences

(all amounts in Euro thousands)	2020	2019
i) Finance income		
Interest income and related income	636	1,696
Finance income	**636**	**1,696**
ii) Finance expenses		
Interest expense and related expenses	-46,222	-57,163
Finance costs of actuarial studies (note 25)	-308	-516
Unwinding of discount of rehabilitation and other provisions (note 26)	-730	-664
Interest expense on lease liabilities	-2,811	-2,996
Fair value losses on derivatives	-3,248	-3,947
Finance expense	**-53,319**	**-65,286**
iii) Loss from foreign exchange differences		
Net exchange (losses)/gains	-46,458	11,952
Fair value gains/(losses) on derivatives	33,242	-12,544
Losses from foreign exchange differences	**-13,216**	**-592**

7. Staff costs

(all amounts in Euro thousands)	2020	2019
Wages, salaries and related expenses	281,134	286,021
Social security costs	27,254	27,014
Fair value of share options granted to directors and employees (note 29)	1,720	2,094
Other post retirement and termination benefits - defined benefit plans (note 4,6,25)	2,787	5,415
Total staff costs	**312,895**	**320,544**

The average number of Group employees for the fiscal year 2020 was 5,363 (2019: 5,382).

8. Income tax expense

(all amounts in Euro thousands)	2020	2019
Current tax	10,380	7,035
Deferred tax (note 18)	23,883	2,221
Non deductible taxes and differences from tax audit	1,636	1,955
	35,899	**11,211**

The tax on Group profit differs from the amount that would arise had the Group companies used the nominal tax rate of the country in which they operate as follows:

(all amounts in Euro thousands)	2020	2019
Profit before tax	**37,451**	**64,366**
Tax calculated at the domestic rates applicable to profits	11,606	11,998
Tax adjustments in respect of:		
Income not subject to tax	-1,182	-254
Expenses not deductible for tax purposes	7,727	3,095
Effect of change in Greek tax rate	-	592
Utilization of prior years unrecognized losses	-15	-682
Effect of unrecognized deferred tax asset on tax carry forward losses	5,148	-
Effect of de-recognition of net operating loss carryforwards	12,198	-
Tax incentives	-3,374	-3,527
Base Erosion and Anti-Abuse Tax	1,757	1,584
Change in recognition of net operating loss carryforwards	862	-1,111
Other	1,172	-484
Effective tax charge	**35,899**	**11,211**

Deferred tax assets are recognized for the carryforwards of unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilized. The calculation of the tax carry-forward receivable to be recognized requires management judgment in assessing future profitability and recoverability (note 2.3).

On 31 December 2020, certain Group entities had tax carry forward losses of €115.5 million (2019: €235 million). These entities have recognized deferred tax assets amounting to €21.8 million (2019: €60.1 million), attributable to losses amounting to €86.2 million (2019: €230.7 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 €29.3 million tax carry forward losses, no deferred tax asset has been recognized, since they did not meet the recognition criteria according to IAS 12 and may be carried forward indefinitely.

At the end of 2020, management revised the business plans of two Egyptian subsidiaries, Alexandria Portland Cement Co. S.A.E and Beni Suef Cement Co.S.A.E.. Following its revision, it adjusted the deferred tax asset on tax losses by the amount of €12.2 million, since the future taxable profits may be not sufficient to recover the total amount of the tax losses.

The Group's subsidiary in USA, Titan America LLC on 31.12.2020 has a deferred tax balance of €6.1 million (2019: €29.6 million), after the utilization of net operating loss carryforwards of €79.9 million. The remaining net operating loss carryforwards of €15.3 million which expires in the years 2034 - 2036 is expected to be utilised within 2021.

9.Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to shareholders for the year by the weighted average number of shares in issue during the year, excluding shares purchased by the Group and held as treasury shares.

(all amounts in Euro thousands unless otherwise stated)	2020	2019
Net profit for the year attributable to equity holders of the parent	1,518	50,905
Weighted average number of ordinary shares in issue	77,133,713	78,902,574
Basic earnings per ordinary share (in €)	**0.0197**	**0.6452**

The diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. There is one category of dilutive potential ordinary shares: share options. For the share options, calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued, assuming the exercise of the share options. The difference is added to the denominator as an issue of ordinary shares for no consideration. No adjustment is made to net profit (numerator).

(all amounts in Euro thousands unless otherwise stated)	2020	2019
Net profit for the year attributable to equity holders of the parent	1,518	50,905
Weighted average number of ordinary shares for diluted earnings per share	77,133,713	78,902,574
Share options and awards	256,516	827,404
Total weighted average number of shares in issue for diluted earnings per share	77,390,229	79,729,978
Diluted earnings per ordinary share (in €)	**0.0196**	**0.6385**

10. Dividends and return of capital

For the year ended 31.12.2020

Following the authorization granted to the Board of Directors by the Extraordinary Meeting of the company's Shareholders on the 13th of May 2019, the Board of Directors of Titan Cement International SA decided on the 22nd of March 2021 the return of capital of €0.40 (40 cents) per share to all the Shareholders of the Company on record on the 29th of April 2021.

For the year ended 31.12.2019

Following the authorization granted to the Board of Directors by the aforementioned Extraordinary Meeting, the Board of Directors of Titan Cement International SA had decided the return of capital of €0.20 (20 cents) per share to all the Shareholders of the Company on record on 14 May 2020.

11. Property, plant and equipment

(all amounts in Euro thousands)	Year ended 31 December 2019							
	Land	Quarries	Buildings	Plant & equipment	Motor vehicles	Office furniture, fixtures and equipment	Assets under construction	Total
Opening balance	**246,167**	**137,694**	**214,119**	**874,130**	**62,015**	**12,667**	**88,649**	**1,635,441**
Additions	27	4,992	362	7,128	352	614	79,679	93,154
Interest capitalization	-	-	-	-	-	-	389	389
Disposals (NBV)	-2,089	-100	-307	-1,826	-320	-51	-112	-4,805
Reclassification of assets from/to other PPE categories	6,594	6	7,261	58,161	22,716	3,157	-97,895	-
Transfers from/to other accounts	103	-	446	973	-19	-6	-871	626
Depreciation charge (note 29)	-4,210	-10,129	-12,058	-74,581	-14,662	-3,567	-	-119,207
Impairment of PPE (note 29)	-1,508	-	-	-196	-5	-	-538	-2,247
Exchange differences	8,556	2,342	1,673	16,563	1,059	90	3,608	33,891
Ending balance	**253,640**	**134,805**	**211,496**	**880,352**	**71,136**	**12,904**	**72,909**	**1,637,242**

Right of use assets

Opening balance	-	-	-	**1,073**	**11,378**	-	-	**12,451**
Change in accounting policy	12,744	-	16,370	19,523	4,711	180	-	53,528
Additions	705	-	4,382	-98	2,334	-	-	7,323
Disposals (NBV)	-	-	-339	-2,404	-80	-	-	-2,823
Depreciation charge (note 29, 33)	-1,353	-	-3,621	-4,842	-4,258	-122	-	-14,196
Exchange differences	242	-	384	405	169	-	-	1,200
Ending balance	**12,338**	-	**17,176**	**13,657**	**14,254**	**58**	-	**57,483**
At 31 December 2019								
Cost	325,954	231,755	466,977	1,968,709	279,722	62,742	73,450	3,409,309
Accumulated depreciation	-55,397	-96,950	-237,727	-1,068,372	-194,327	-49,768	-	-1,702,541
Accumulated losses of impairment of PPE	-4,579	-	-578	-6,328	-5	-12	-541	-12,043
Net book value	**265,978**	**134,805**	**228,672**	**894,009**	**85,390**	**12,962**	**72,909**	**1,694,725**

11. Property, plant and equipment (continued)

(all amounts in Euro thousands)	Year ended 31 December 2020							
	Land	Quarries	Buildings	Plant & equipment	Motor vehicles	Office furniture, fixtures and equipment	Assets under construction	Total
Opening balance	**253,640**	**134,805**	**211,496**	**880,352**	**71,136**	**12,904**	**72,909**	**1,637,242**
Additions	41	1,747	309	3,402	227	668	56,071	62,465
Provisions for restoration	191	826	98	6,680	-	-	-432	7,363
Additions due to acquisition	-	-	133	29	-	-	-	162
Interest capitalization	-	-	-	-	-	-	1,008	1,008
Disposals (NBV)	-793	-	-123	-108	-72	-31	-	-1,127
Reclassification of assets from/to other PPE categories	784	338	5,674	39,306	3,329	2,361	-51,590	202
Transfers from/to other accounts	13	-	45	-206	-31	-146	515	190
Depreciation charge (note 29)	-3,789	-9,911	-11,774	-74,363	-14,603	-4,267	-	-118,707
Impairment of PPE (note 29)	-944	-	-42	-6	-	-	-	-992
Exchange differences	-16,422	-9,099	-14,890	-58,814	-4,514	-359	-6,498	-110,596
Ending balance	**232,721**	**118,706**	**190,926**	**796,272**	**55,472**	**11,130**	**71,983**	**1,477,210**

Right of use assets

Opening balance	**12,338**	**-**	**17,176**	**13,657**	**14,254**	**58**	**-**	**57,483**
Additions	2,294	-	6,487	3,515	2,026	-	-	14,322
Disposals (NBV)	-	-	1	-790	-100	-	-	-889
Reclassification of assets from ROU's to PPE	-	-	-	-75	-127	-	-	-202
Depreciation charge (note 29, 33)	-1,472	-	-4,493	-4,319	-4,554	-36	-	-14,874
Exchange differences	-1,125	-	-955	-915	-812	-	-	-3,807
Ending balance	**12,035**	**-**	**18,216**	**11,073**	**10,687**	**22**	**-**	**52,033**

At 31 December 2020								
Cost	305,220	217,785	452,991	1,897,048	260,036	62,441	72,478	3,267,999
Accumulated depreciation	-55,200	-99,079	-242,910	-1,083,204	-193,873	-51,277	-	-1,725,543
Accumulated losses of impairment of PPE	-5,264	-	-939	-6,499	-4	-12	-495	-13,213
Net book value	**244,756**	**118,706**	**209,142**	**807,345**	**66,159**	**11,152**	**71,983**	**1,529,243**

11. Property, plant and equipment (continued)

Disposal of assets

During 2020, the Group received €3,110 thousand (2019: €6,824 thousand) from the disposal of tangible assets with total net book value of €2,016 thousand (2019: €7,628 thousand). Thus, the Group recognized €1,094 thousand gains (2019: €804 thousand losses) on disposal of PPE in the consolidated income statement (note 4).

Impairments of property, plant and equipment

In 2020, the Group recorded impairment losses of €992 thousand, that were presented in the cost of sales in the consolidated income statement. Specifically, the amount of €944 thousand was recorded for a plot of land, €42 thousand for buildings and €6 thousand for machineries in Bulgaria. On 31.12.2020, their recoverable amount was estimated to be €1,516 thousand.

In 2019, the Group recorded impairment losses of €2,247 thousand, that were presented in the cost of sales in the consolidated income statement. Specifically, the amount of €1,508 thousand was recorded for a plot of land in Bulgaria. On 31.12.2019, its recoverable amount was estimated to be €1,465 thousand. Moreover, an impairment loss of €538 thousand was recognised for an asset under construction in North America with zero recoverable amount at the end of 2019. Finally, the amount of €200 thousand impairment was recorded in Greece for two machineries, whose recoverable values were estimated to zero.

Property, plant and equipment pledged as security

On the Turkish subsidiaries Adocim Cimento Beton Sanayi ve Ticaret A.S. and Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S. assets, there are mortgages of €33.6 million and €4.6 million respectively, securing bank credit facilities. As at 31.12.2020, utilization under these credit facilities amounted to €4.1 million and nil respectively.

12. Investment property

Property that is leased among Group subsidiaries is not included in investment property but in property, plant and equipment in the Group statement of financial position. Investment property is measured at fair value by external, independent, certified valuators, members of the institute of the certified valuators and certified from the European Group of Valuers' Associations (TEGoVA) & RICS (Royal Institution of Chartered Surveyors).

(all amounts in Euro thousands)	2020	2019
Opening balance	**11,628**	**12,202**
Net loss from measurement at fair value (note 4)	-94	-140
Transfer from own-used property after revaluation	256	172
Transfer to property, plant and equipment	-58	-575
Exchange differences	-12	-31
Ending balance	**11,720**	**11,628**

(all amounts in Euro thousands)	2020	2019
Rental income derived from investment property	428	366
Direct operating expenses (including repair and maintenance) that did not generate rental income	-63	-15
Net profit arising from investment properties carried at fair value	-94	-140

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, quartetly or yearly. Lease payments for some contracts include Consumer Price Index (CPI) increases, but there are no other variable lease payments that depend on an index or rate.

Minimum lease payments receivable on leases of investment properties are as follows:

(all amounts in Euro thousands)	2020	2019
Within one year	467	424
Between 1 and 2 years	408	352
Between 2 and 3 years	313	344
Between 3 and 4 years	242	299
Between 4 and 5 years	153	168
Later than five years	544	609
	2,127	**2,197**

13. Goodwill

(all amounts in Euro thousands)	Initial goodwill	Goodwill impairment	Total goodwill
Balance at 1 January 2019	**356,187**	**-17,787**	**338,400**
Exchange differences	6,164	-41	6,123
Balance at 31 December 2019	**362,351**	**-17,828**	**344,523**
Balance at 1 January 2020	**362,351**	**-17,828**	**344,523**
Additions due to acquisition	6	-	6
Impairment (note 29)	-	-46,614	-46,614
Exchange differences	-29,705	-197	-29,902
Balance at 31 December 2020	**332,652**	**-64,639**	**268,013**

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. In specific circumstances, when recent results of a CGU do not reflect historical performance and most external economic variables provide confidence that a reasonably determinable improvement is expected in the mid-term, management uses cash flow projections over a period up to 10 years, to reflect sufficiently the cyclical nature of the industry.

The calculation of value-in-use for the Group's evaluated CGUs is most sensitive to the following assumptions:

Sales volumes:

Volume assumptions are provided by local management and reflect its best estimates taking into consideration: past performance, local market growth estimates, infrastructure projects, etc. Sales volume growth rates are also based on published industry research and take into account demographic trends including population growth, household formation, and economic output (among other factors) in the countries where the Group operates.

Selling prices:

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.

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 sales volumes, capacity utilization, EBITDA margin and sustainable CAPEX in order 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. Input 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 2020

(all amounts in Euro thousands)	Carrying amount of goodwill	Perpetual Growth rates	Discount rates
North America	178,246	2%-3%	3.8%-5.1%
Bulgaria	45,440	1.3%	3%
Egypt	-	7.3%	17.60%
Turkey	27,238	9.5%	15.9%
Other	17,089	0.8%-2.4%	2.2%-6.9%
Total	**268,013**		

Key assumptions used for value in use calculations in respect of goodwill 2019

(all amounts in Euro thousands)	Carrying amount of goodwill	Perpetual Growth rates	Discount rates
North America	194,694	2% - 3%	4.50%
Bulgaria	45,440	1%	2.50%
Egypt	50,149	8%	17.50%
Turkey	37,135	9.50%	16%
Other	17,105	1%- 3.5%	3% - 7.2%
Total	**344,523**		

In Egypt, pre-existing structural market limitations were further exacerbated by the government's imposition of a six-month suspension of residential construction permits. As a result, the market remained subdued for most of the year with cement consumption declining by about 6.5% versus 2019. Due to the oversupply in the market, prices remained stagnant at low levels leading to negative results. The prevailing challenges in the Egyptian market and the continuing loss making results led to a reassessment of the Group's profitability prospects in Egypt. On 31.12.2020, the Group initially estimated the recoverable amount of the CGU at €392 million, but after stressing the assumptions of the valuation model, the resulting value for the CGU was lower at €304 million. As a result of this, it was decided to write off the €46.6 million of the total goodwill of the Egyptian operations. No class of asset other than goodwill was impaired. In 2019, no goodwill impairment charge was recognized. Impairment losses on goodwill are charged to the income statement.

Sensitivity of recoverable amounts

On 31.12.2020, the Group analyzed the sensitivities of the recoverable amounts to the reasonably change in key assumptions. For Goodwill allocated to North America which accounts for more than 50% of the Group's goodwill, there was significant headroom and no reasonably possible change in assumptions would lead to impairment. With respect to Turkey additional sensitivity have been performed in order to assess the changes in the perpetuity growth rate or in the operational plan as the basis for cash flow estimates or the discount rate, which would cause the carrying amount to be equal to the recoverable amount.

- Reduction of perpetuity growth rate by: 3.8%
- Increase in the Discount rate by: 1.85%
- Decrease in the operating results (EBITDA) for each year of planning as well as in the terminal value of around 6%

For the remaining CGUs the sensitivity analysis did not show a situation in which the carrying value of the CGU would exceed their recoverable amount.

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 2019	**27,945**	**16,411**	**6,707**	**1,443**	**4,258**	**10,057**	**66,821**
Additions	9,640	-	-	75	86	8,346	18,147
Reclassification of assets from/to other intangible assets categories	-	-	-	15	101	-116	-
Transfers from other accounts	-	-	-	15	111	1,058	1,184
Amortization charge (note 29)	-1,069	-885	-1,656	-349	-576	-	-4,535
Exchange differences	1,992	597	740	20	182	22	3,553
Balance at 31 December 2019	**38,508**	**16,123**	**5,791**	**1,219**	**4,162**	**19,367**	**85,170**
Balance at 1 January 2020	**38,508**	**16,123**	**5,791**	**1,219**	**4,162**	**19,367**	**85,170**
Additions	72	-	-	63	137	7,237	7,509
Additions due to acquisition	-	-	-	-	5	-	5
Reclassification of assets from/to other intangible assets categories	-	-	-	2,950	111	-3,061	-
Transfers from other accounts	-	-	-	260	-2	-190	68
Amortization charge (note 29)	-1,112	-916	-1,710	-918	-544	-	-5,200
Exchange differences	-1,597	-1,162	-283	-15	-128	-88	-3,273
Balance at 31 December 2020	**35,871**	**14,045**	**3,798**	**3,559**	**3,741**	**23,265**	**84,279**

15. Investments in associates, joint ventures and subsidiaries

15.1 Investment in associates

The Group financial statements incorporate the following companies with the equity method of consolidation:

a) Karierni Materiali Plovdiv AD with ownership percentage 48.711% (31.12.2019: 48.711%), Karierni Materiali AD with ownership percentage 48.764% (31.12.2019: 48.764%). The aforementioned companies are based in Bulgaria and operate in the aggregates business.
b) Ecorecovery S.A. with ownership percentage 48% (31.12.2019: 48%). Ecorecovery is based in Greece and it processes, manages and trades solid waste for the production of alternative fuels.
c) ASH Venture LLC with ownership percentage 33% (31.12.2019: 33%) which beneficiates, markets and sells fly ash. ASH Venture LLC is based in USA.
None of the aforementioned companies is listed on a public exchange market.

Based on their contribution in its profit before taxes, the Group decided that each one of the aforementioned associates is individually immaterial and thus it discloses in aggregate its interests in these associates as follows:

(all amounts in Euro thousands)	2020	2019
Summarized statement of financial position as at 31 December		
Non-current assets	26,617	33,980
Current assets	7,087	8,615
Total assets	**33,704**	**42,595**
Non-current liabilities	1,879	2,318
Current liabilities	7,198	8,268
Total liabilities	**9,077**	**10,586**
Equity	**24,627**	**32,009**
Group's carrying amount of the investment	**7,422**	**8,860**
Summarized income statement and statement of comprehensive income for the year ended 31 December		
Revenue	**20,306**	**27,094**
Profit after taxes	1,049	6,172
Other comprehensive losses for the year	-30	-57
Total comprehensive income for the year net of tax	**1,019**	**6,115**
Reconciliation of summarized financial information		
Carrying amount of the investment as at 1st of January	**8,860**	**9,432**
Profit for the year	611	2,413
Other comprehensive losses for the year	-15	-28
Share capital increase	355	312
Dividends received	-2,348	-3,321
Foreign exchange differences	-41	52
Carrying amount of the investment as at 31st of December	**7,422**	**8,860**

15.Investments in associates, joint ventures and subsidiaries (continued)

15.2 Investment in joint ventures

On 31 December 2020, the Group incorporated in its financial statements the following joint ventures with the equity method of consolidation.

a) Companhia Industrial De Cimento Apodi with ownership percentage 50% (31.12.2019: 50%). Apodi is based in Brazil and operates in the production of cement.
b) Apodi Distribuição e Logistica Ltda with ownership percentage 50% (31.12.2019: 50%). The Apodi Distribuição e Logistica Ltda is a trading company based in Brazil.

None of the aforementioned companies is listed on a public exchange market.

Summarised financial information of the joint ventures, based on their IFRS financial statements, and reconciliation with carrying amount of the investment in consolidated financial statements are set out below:

(all amounts in Euro thousands)	Companhia Industrial De Cimento Apodi - Consolidated *	
	2020	2019
Summarized statement of financial position as at 31 December		
Non-current assets	126,497	185,310
Other current assets	34,130	34,283
Cash and cash equivalents	10,866	1,336
Total assets	**171,493**	**220,929**
Long-term borrowings	52,461	85,804
Other non-current liabilities	701	987
Short-term borrowings	40,653	34,998
Other current liabilities	19,477	24,985
Total liabilities	**113,292**	**146,774**
Equity	**58,201**	**74,155**
	1.1 - 31.12.2020	1.1 - 31.12.2019
Summarized income statement and statement of comprehensive income		
Revenue	**70,727**	**77,772**
Depreciation, amortization and impairments of assets	-8,548	-10,561
Finance income	779	2,926
Finance expense	-8,319	-10,872
Income tax	-	739
Profit/(loss) after taxes	5,176	-2,095
Total comprehensive profit/(loss) for the year net of tax	**5,176**	**-2,095**
Earnings before interest, taxes, depreciation, amortization and impairment (EBITDA)	**19,409**	**13,805**
	2020	2019
Reconciliation of summarized financial information		
Carrying amount of the investment as at 1st of January	**104,998**	**108,135**
Profit/(loss) for the year	2,589	-1,047
Foreign exchange differences	-29,399	-2,090
Carrying amount of the investment as at 31st of December	**78,188**	**104,998**

** Consolidated figures before elimination with the broader Group*

15. Investments in associates, joint ventures and subsidiaries (continued)

15.3 Subsidiaries with significant percentage of non-controlling interests

On 31.12.2020, the Group non-controlling interest was €24.0 million of which €19.1 million derived from Adocim Cimento Beton Sanayi ve Ticaret A.S., €0.6 million from Alexandria Portland Cement Co. S.A.E., €3.0 million from Usje Cementarnica AD and €1.1 million from Cement Plus LTD.

Non-controlling interest on 31.12.2019 was €34.6 million of which €26.9 million derived from Adocim Cimento Beton Sanayi ve Ticaret A.S., €2.7 million from Alexandria Portland Cement Co. S.A.E., €3.8 million from Usje Cementarnica AD and €1.2 million from Cement Plus LTD.

The following table summarizes the financial information of subsidiary Adocim Cimento Beton Sanayi ve Ticaret A.S. in which the non-controlling interests held significant portion (note 16).

(all amounts in Euro thousands)	Adocim Cimento Beton Sanayi ve Ticaret A.S.*	
	2020	2019
Summarized statement of financial position as at 31 December		
Non-current assets	97,229	135,558
Current assets	19,076	19,978
Total assets	**116,305**	**155,536**
Non-current liabilities	17,266	25,324
Current liabilities	22,471	22,802
Total liabilities	**39,737**	**48,126**
Equity	**76,568**	**107,410**
Attributable to:		
Equity holders of the parent	**57,426**	**80,557**
Non-controlling interests	**19,142**	**26,853**
	1.1 - 31.12.2020	1.1 - 31.12.2019
Summarized income statement and statement of comprehensive income		
Revenue	**40,984**	**23,532**
Loss after taxes	-4,594	-7,589
Other comprehensive losses for the year	-27,742	-10,606
Total comprehensive losses for the year net of tax	**-32,336**	**-18,195**
Total comprehensive losses attributable to non-controlling interests	-8,084	-4,549
Summarized cash flow information		
Cash flows from operating activities	842	4,536
Cash flows from investing activities	-1,457	-2,013
Cash flows from financing activities	-105	-733
Net (decrease)/increase in cash and cash equivalents	**-720**	**1,790**
Cash and cash equivalents at beginning of the period	1,952	191
Effects of exchange rate changes	-358	-29
Cash and cash equivalents at end of the year	**874**	**1,952**

** Consolidated figures before elimination with the broader Group*

16. Principal subsidiaries, associates and joint ventures

Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	2020 % of investment (*) Direct	2020 % of investment (*) Indirect	2019 % of investment (*) Direct	2019 % of investment (*) Indirect
Full consolidation method						
Titan Cement International S.A.	Belgium	Investment holding company	Parent company		Parent company	
Titan Cement Company S.A	Greece	Cement producer	100.000	-	100.000	
Aitolika Quarries S.A.	Greece	Quarries & aggregates	-	63.723	-	63.723
Albacem S.A.	Greece	Trading company	-	100.000	-	100.000
Interbeton Construction Materials S.A.	Greece	Ready mix & aggregates	-	100.000	-	100.000
Intertitan Trading International S.A.	Greece	Trading company	-	100.000	-	100.000
Gournon Quarries S.A.	Greece	Quarries & aggregates	-	100.000	-	100.000
Quarries of Tagaradon Community S.A.	Greece	Quarries & aggregates	-	67.587	-	67.587
Vahou Quarries S.A.	Greece	Quarries & aggregates	-	100.000	-	100.000
Sigma Beton S.A.	Greece	Quarries & aggregates	-	100.000	-	100.000
Titan Atlantic Cement Industrial & Commercial S.A.	Greece	Investment holding company	-	100.000	-	100.000
Titan Cement International Trading S.A.	Greece	Trading company	-	100.000	-	100.000
Brazcem Participacoes S.A.	Brazil	Investment holding company	-	100.000	-	100.000
Double W & Co OOD	Bulgaria	Port	-	99.989	-	99.989
Granitoid AD	Bulgaria	Trading company	-	99.760	-	99.760
Gravel & Sand PIT AD	Bulgaria	Quarries & aggregates	-	99.989	-	99.989
Trojan Cem EOOD (1)	Bulgaria	Trading company	-	95.000	-	94.959
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
Alvacim Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
East Cement Trade Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Feronia Holding Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Iapetos Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
KOCEM Limited	Cyprus	Investment holding company	-	100.000	-	100.000
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 (2)	Cyprus	Investment holding company	100.000	-	-	-
Alexandria Portland Cement Co. S.A.E (1)	Egypt	Cement producer	-	99.601	-	98.724
Beni Suef Cement Co.S.A.E. (1)	Egypt	Cement producer	-	99.602	-	98.724
GAEA -Green Alternative Energy Assets (1)	Egypt	Alternative fuels	-	99.992	-	99.975
Titan Beton & Aggregate Egypt LLC (1)	Egypt	Quarries & aggregates	-	99.608	-	98.760
Sharr Beteiligungs GmbH	Germany	Investment holding company	-	100.000	-	100.000
Arresa Marine Co	Marshall Islands	Shipping	-	100.000	-	100.000
Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S.	Turkey	Processing and trading of cement	-	100.000	-	100.000
Adocim Cimento Beton Sanayi ve Ticaret A.S.	Turkey	Cement producer	-	75.000	-	75.000
Titan Cement U.K. Ltd	U.K.	Import & distribution of cement	-	100.000	-	100.000
Titan Global Finance PLC	U.K.	Financial services	100.000	-	-	100.000
Alexandria Development Co.Ltd	U.K.	Investment holding company	-	100.000	-	100.000
Titan Egyptian Inv. Ltd	U.K.	Investment holding company	-	100.000	-	100.000
Carolinas Cement Company LLC	U.S.A.	Own/develop real estate	-	100.000	-	100.000
Essex Cement Co. LLC	U.S.A.	Trading company	-	100.000	-	100.000
Markfield America LLC	U.S.A.	Insurance company	-	100.000	-	100.000
Massey Sand and Rock Co	U.S.A.	Quarries & aggregates	-	100.000	-	100.000
Mechanicsville Concrete LLC	U.S.A.	Ready mix	-	100.000	-	100.000
Metro Redi-Mix LLC	U.S.A.	Ready mix	-	100.000	-	100.000
Miami Valley Ready Mix of Florida LLC	U.S.A.	Ready mix	-	100.000	-	100.000

16. Principal subsidiaries, associates and joint ventures (continued)

			2020		2019	
			% 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
Standard Concrete LLC	U.S.A.	Trading company	-	100.000	-	100.000
ST Mid-Atlantic LLC	U.S.A.	Processing of fly ash	-	100.000	-	100.000
ST Equipment & Technology LLC	U.S.A.	Sales of fly ash processing equipment	-	100.000	-	100.000
ST Equipment & Technology Trading Compa	U.S.A.	Trading company	-	100.000	-	100.000
Summit Ready-Mix LLC	U.S.A.	Ready mix	-	100.000	-	100.000
Titan Florida LLC	U.S.A.	Cement producer	-	100.000	-	100.000
Titan Mid-Atlantic Aggregates LLC	U.S.A.	Quarries & aggregates	-	100.000	-	100.000
Titan Virginia Ready Mix LLC	U.S.A.	Ready mix	-	100.000	-	100.000
Titan America LLC	U.S.A.	Investment holding company	-	100.000	-	100.000
Trusa Realty LLC	U.S.A.	Real estate brokerage	-	100.000	-	100.000
Cementara Kosjeric AD	Serbia	Cement producer	-	100.000	-	100.000
Stari Silo Company DOO	Serbia	Trading company	-	100.000	-	100.000
TCK Montenegro DOO	Montenegro	Trading company	-	100.000	-	100.000
Esha Material DOOEL	North Macedonia	Quarries & aggregates	-	100.000	-	100.000
GAEA Zelena Alternative Enerjia DOOEL	North Macedonia	Alternative fuels	-	100.000	-	100.000
ID Kompani DOOEL (2)	North Macedonia	Trading company	-	95.002	-	-
MILLCO-PCM DOOEL	North Macedonia	Renting and leasing of machines, equipment and material goods	-	100.000	-	100.000
Opalit DOOEL (2)	North Macedonia	Quarries & aggregates	-	95.002	-	-
Rudmak DOOEL	North Macedonia	Trading company	-	100.000	-	100.000
Usje Cementarnica AD (1)	North Macedonia	Cement producer	-	95.000	-	94.959
Vesa DOOL	North Macedonia	Trading company	-	100.000	-	100.000
Cement Plus LTD	Kosovo	Trading company	-	64.999	-	64.999
Esha Material LLC	Kosovo	Quarries & aggregates	-	100.000	-	100.000
Kosovo Construction Materials L.L.C.	Kosovo	Quarries & aggregates	-	100.000	-	100.000
Sharrcem SH.P.K.	Kosovo	Cement producer	-	100.000	-	100.000
Alba Cemento Italia, SHPK	Albania	Trading company	-	100.000	-	100.000
Antea Cement SHA	Albania	Cement producer	-	100.000	-	100.000
GAEA Enerjia Alternative e Gjelber Sh.p.k.	Albania	Alternative fuels	-	100.000	-	100.000
Aeas Netherlands B.V. (3)	Holland	Investment holding company	-	-	-	100.000
Colombus Properties B.V.	Holland	Investment holding company	-	100.000	-	100.000
Salentijn Properties1 B.V.	Holland	Investment holding company	-	100.000	-	100.000
Titan Cement Netherlands BV	Holland	Investment holding company	-	100.000	-	100.000
Equity consolidation method						
Companhia Industrial De Cimento Apodi S.A.	Brazil	Cement producer	-	50.000	-	50.000
Apodi Concretos Ltda	Brazil	Ready mix	-	50.000	-	50.000
Apodi Distribuição e Logistica Ltda	Brazil	Trading company	-	50.000	-	50.000
ASH Venture LLC	U.S.A.	Processing of fly ash	-	33.000	-	33.000
Ecorecovery S.A.	Greece	Engineering design services for solid and liquid waste facilities	-	48.000	-	48.000
Nordeco S.A. (3)	Greece	Engineering design services for solid and liquid waste facilities	-	-	-	47.464
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) Change in percentage ownership

2) On 4 November 2020, the Group's subsidiary in North Macedonia, Usje Cementarnica A.D., acquired the company ID Kompani DOOEL and its subsidiary Opalit DOOEL, with a consideration transferred of €350 thousand and a recognition of nil goodwill. Both companies are based in North Macedonia and their main activities are the operation of quarry and the production of aggregates. The new subsidiaries were incorporated in the consolidated financial statements with the full method from the date of acquisition.
Moreover, on 2 October 2020, the Titan Cement International S.A. acquired the company Tithys Holdings Limited with a consideration transferred of €4 thousand. The aforementioned company was incorporated in the consolidated financial statements with the full method of consolidation.

3) On 31 March 2020, the Group's subsidiary in Greece, Nordeco S.A., merged with Ecorecovery S.A. and on 1 September 2020, the hodling company, Aeas Netherlands B.V., merged with Titan Cement Netherlands B.V..

17. Other non-current assets

(all amounts in Euro thousands)	2020	2019
Utility deposits	2,759	2,842
Excess benefit plan assets (note 25)	2,572	3,826
Other non-current assets	11,626	8,768
	16,957	**15,436**

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)	2020	2019
Deferred tax assets to be recovered:		
after more than 12 months	-91,911	-121,618
within 12 months	-13,244	-11,977
Deferred tax liabilities to be used:		
after more than 12 months	174,069	189,496
within 12 months	17,963	26,479
Deferred tax liability (net)	**86,877**	**82,380**

The movement in the deferred income tax account after set-offs is as follows:

(all amounts in Euro thousands)	2020	2019
Opening balance, net deferred liability	**82,380**	**85,699**
Income statement charge (note 8)	23,883	2,221
Change in accounting policy	-	-1,454
Tax charged to equity through other comprehensive income	-1,482	2,156
Tax charged to equity	-5,294	-6,256
Deferred tax adjustment due to change in income tax rates	-1,489	-
Exchange differences	-11,121	14
Ending balance, net deferred liability	**86,877**	**82,380**

18. Deferred income taxes (continued)

(all amounts in Euro thousands)	2020	2019
Analysis of deferred tax liabilities (before set - offs)		
Property, plant and equipment	131,322	150,046
Mineral deposits	17,223	20,127
Intangible assets	38,952	38,292
Unrealized foreign exchange differences	2,596	5,694
Investments	-	157
Receivables and prepayments	351	351
Trade and other payables	-	9
Prepaid expenses	1,468	1,113
Other	120	186
	192,032	**215,975**
Analysis of deferred tax assets (before set - offs)		
Intangible assets	-78	-290
Investments & other non-current receivables	-1,068	-3,215
Treasury Shares	-11,550	-6,256
Unrealized foreign exchange differences	-13,442	-9,051
Inventories	-3,029	-1,578
Post-employment and termination benefits	-7,480	-7,922
Receivables and prepayments	-6,155	-7,222
Tax losses carried forward (note 8)	-21,782	-60,086
Interest expense tax carried forward	-3,769	-3,914
Deferred income	-930	-681
Long-term debt/lease obligations	-10,675	-12,896
Provisions and accrued expenses	-23,509	-18,644
Trade and other payables	-87	-107
Other	-1,601	-1,733
	-105,155	**-133,595**
Net deferred tax liability	**86,877**	**82,380**
Deferred tax assets (after set - offs)	15,201	13,939
Deferred tax liabilities (after set - offs)	102,078	96,319
Net deferred tax liability	**86,877**	**82,380**

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

18. Deferred income taxes (continued)

The movement in deferred tax assets and liabilities (prior to offsetting balances within the same tax jurisdiction) during the year is as follows:

(all amounts in Euro thousands)	January 1, 2020	Credit to equity	Deferred tax adjustment due to change in income tax rates	Debit/(Credit) to net profit	Debit/(Credit) to equity through statement OCI	Exchange differences	December 31, 2020
Deferred tax liabilities (before set - offs)							
Property, plant and equipment	150,046	-	-1,489	-3,576	-	-13,659	131,322
Mineral deposits	20,127	-	-	-1,292	-	-1,612	17,223
Intangible assets	38,292	-	-	3,809	-	-3,149	38,952
Unrealized foreign exchange differences	5,694	-	-	-2,851	-	-247	2,596
Investments	157	-	-	-154	-	-3	-
Receivables and prepayments	351	-	-	-	-	-	351
Trade and other payables	9	-	-	-9	-	-	-
Prepaid expenses	1,113	-	-	481	-	-126	1,468
Other	186	-	-	-22	-	-44	120
	215,975	**-**	**-1,489**	**-3,614**	**-**	**-18,840**	**192,032**
Deferred tax assets (before set - offs)							
Intangible assets	-290	-	-	208	-	4	-78
Investments & other non-current receivables	-3,215	-	-	2,142	-	5	-1,068
Treasury Shares	-6,256	-5,294	-	-	-	-	-11,550
Unrealized foreign exchange differences	-9,051	-	-	-4,240	-1,151	1,000	-13,442
Inventories	-1,578	-	-	-1,560	-	109	-3,029
Post-employment and termination benefits	-7,922	-	-	630	-331	143	-7,480
Receivables and prepayments	-7,222	-	-	867	-	200	-6,155
Tax losses carried forward (note 8)	-60,086	-	-	34,648	-	3,656	-21,782
Interest expense tax carried forward	-3,914	-	-	145	-	-	-3,769
Deferred income	-681	-	-	-329	-	80	-930
Long-term debt/lease obligations	-12,896	-	-	1,253	-	968	-10,675
Provisions and accrued expenses	-18,644	-	-	-6,442	-	1,577	-23,509
Trade and other payables	-107	-	-	19	-	1	-87
Other	-1,733	-	-	156	-	-24	-1,601
	-133,595	**-5,294**	**-**	**27,497**	**-1,482**	**7,719**	**-105,155**
Net deferred tax liability	**82,380**	**-5,294**	**-1,489**	**23,883**	**-1,482**	**-11,121**	**86,877**

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, 2019	Change in accounting policy	Credit to equity	Debit/(Credit) to net profit	Debit/(Credit) to equity through statement OCI	Exchange differences	December 31, 2019
Deferred tax liabilities (before set - offs)							
Property, plant and equipment	145,648	-1,454	-	1,671	-35	4,216	150,046
Mineral deposits	20,723		-	-976	-	380	20,127
Intangible assets	35,186	-	-	2,462	-	644	38,292
Unrealized foreign exchange differences	3,262	-	-	-106	2,314	224	5,694
Investments	379	-	-	-225	-	3	157
Receivables and prepayments	351	-	-	-	-	-	351
Trade and other payables	4	-	-	4	-	1	9
Prepaid expenses	1,044	-	-	49	-	20	1,113
Other	435	-	-	-258	-	9	186
	207,032	**-1,454**	**-**	**2,621**	**2,279**	**5,497**	**215,975**
Deferred tax assets (before set - offs)							
Intangible assets	-1,782	-	-	1,496	-	-4	-290
Investments & other non-current receivables	-3,575	-	-	360	-	-	-3,215
Treasury Shares	-	-	-6,256	-	-	-	-6,256
Unrealized foreign exchange differences	-9,367	-	-	1,482	-	-1,166	-9,051
Inventories	-3,267	-	-	1,713	-	-24	-1,578
Post-employment and termination benefits	-7,572	-	-	92	-123	-319	-7,922
Receivables and prepayments	-9,227	-	-	2,006	-	-1	-7,222
Tax losses carried forward (note 8)	-63,066	-	-	6,092	-	-3,112	-60,086
Interest expense tax carried forward	-2,328	-	-	-1,584	-	-2	-3,914
Deferred income	-749	-	-	81	-	-13	-681
Long-term debt/lease obligations	-2,933	-	-	-9,726	-	-237	-12,896
Provisions and accrued expenses	-15,795	-	-	-2,255	-	-594	-18,644
Trade and other payables	-115	-	-	8	-	-	-107
Other	-1,557	-	-	-165	-	-11	-1,733
	-121,333	**-**	**-6,256**	**-400**	**-123**	**-5,483**	**-133,595**
Net deferred tax liability	**85,699**	**-1,454**	**-6,256**	**2,221**	**2,156**	**14**	**82,380**

19. Inventories

(all amounts in Euro thousands)	2020	2019
Inventories		
Raw materials-maintenance stores	179,360	190,156
Provision for obsolete raw materials & maintenance stores	-9,639	-1,757
Finished goods	81,293	97,901
Provision for obsolete finished goods	-2,428	-2,781
	248,586	**283,519**
Analysis of provision for impairment of inventories		
Balance at 1 January	**4,538**	**7,199**
Charge for the year (note 29)	9,197	1,179
Unused amounts reversed (note 29)	-984	-884
Utilized	-730	-2,880
Reclassification from/to PPE	135	-90
Exchange differences	-89	14
Balance at 31 December	**12,067**	**4,538**

The Group's subsidiaries have not pledged their inventories as collateral.

20. Receivables and prepayments

(all amounts in Euro thousands)	2020	2019
Trade receivables	108,814	111,657
Cheques receivables	25,381	25,736
Allowance for doubtful debtors	-26,231	-25,543
Total trade receivables	**107,964**	**111,850**
Creditors advances	6,303	5,839
V.A.T. and other tax receivables	11,465	11,470
Prepayments	13,080	12,464
Notes receivable	22,808	23,460
Receivables from authorities	12,329	11,444
Other receivables	13,338	12,037
Allowance for doubtful debtors	-2,040	-1,999
Total other receivables	**77,283**	**74,715**
	185,247	**186,565**

Trade receivables are non-interest bearing and are normally settled on 30-170 days.

The Group applies the IFRS 9 simplified approach for measuring expected credit losses. The approach uses a lifetime expected loss allowance for all trade and other receivables.

On that basis, an impairment analysis is performed at the end of the year, using provisional rates that are based on days past due for groupings of various customer segments with similar characteristics. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions, forecasts of future economic conditions, in addition with specific information for individual receivables.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in the income statement.

Moreover, the Group hold collaterals amounting to €30,720 thousand (31.12.2019: €32,878 thousand) (note 30).

20. Receivables and prepayments (continued)

As at 31 December 2020, the balances of trade receivables and impairment are as follows:

(all amounts in Euro thousands)	Trade receivables	Impairments
Current	69,168	1,963
More than 30 days past due	26,663	1,625
More than 60 days past due	8,041	738
More than 120 days past due	30,323	21,905
	134,195	**26,231**

As at 31 December 2019, the balances of trade receivables and impairment are as follows:

(all amounts in Euro thousands)	Trade receivables	Impairments
Current	67,340	1,138
More than 30 days past due	31,154	1,383
More than 60 days past due	5,667	467
More than 120 days past due	33,232	22,555
	137,393	**25,543**

(all amounts in Euro thousands)	Expected credit loss rate	Trade receivables	Impairments
As at 31 December 2020			
Not credit-impaired	4%	103,872	4,326
Credit-impaired	72%	30,323	21,905
		134,195	**26,231**
As at 31 December 2019			
Not credit-impaired	3%	104,161	2,988
Credit-impaired	68%	33,232	22,555
		137,393	**25,543**

Allowance for doubtful and other debtors analysis	2020	2019
Balance at 1 January	**27,542**	**28,533**
Charge for the year (note 29)	2,835	2,612
Unused amounts reversed (note 29)	-850	-945
Utilized	-755	-2,685
Reclassification from other receivables/payables	96	-
Exchange differences	-597	27
Balance at 31 December	**28,271**	**27,542**

The individually impaired receivables mainly relate to wholesalers, which are in unexpectedly difficult economic situation. It was assessed that a portion of the receivables is expected to be recovered.

21. Cash and cash equivalents

(all amounts in Euro thousands)	2020	2019
Cash at bank and in hand	70	50
Short-term bank deposits	206,368	90,338
	206,438	**90,388**

Short-term bank deposits comprise primarily of current accounts and time deposits. The effective interest rates on these short-term bank deposits are based on floating rates and are negotiated on a case by case basis.

22. Share capital and premium

(all amounts are shown in Euro thousands unless otherwise stated)	Ordinary shares		Preference shares		Share premium	Re-organization reserve (note 23)	Non- Distributable and Distributable reserve (note 23)	Total	
	Number of shares	€'000	Number of shares	€'000	€'000	€'000	€'000	Number of shares	€'000
Shares issued and fully paid									
Balance at 1 January 2019	**77,063,568**	**265,869**	**7,568,960**	**26,113**	**22,826**	**-**	**-**	**84,632,528**	**314,808**
New parent TCI existing shares	5,555	100	-	-	-	-	-	5,555	100
Shares tendered during sell out and squeeze out	-2,114,301	-	-75,914	-	-	-42,965	-	-2,190,215	-42,965
Preference shares exchanged due to tender offer	7,493,046	-	-7,493,046	-26,113	-	26,113	-	-	-
Issuance costs	-	-	-	-	-9,347	-	-	-	-9,347
Change of parent company to Titan Cement International	-	1,194,348	-	-	-22,826	-1,171,522	-	-	-
Change of nominal value	-	-15,321	-	-	15,321	-	-	-	-
Transfer to reserve	-	-285,648	-	-	-	-	285,648	-	-
Balance at 31 December 2019	**82,447,868**	**1,159,348**	**-**	**-**	**5,974**	**-1,188,374**	**285,648**	**82,447,868**	**262,596**
Distribution of reserves (note 10)	-	-	-	-	-	-	-16,441	-	-16,441
Balance at 31 December 2020	**82,447,868**	**1,159,348**	**-**	**-**	**5,974**	**-1,188,374**	**269,207**	**82,447,868**	**246,155**

(all amounts are shown in Euro thousands unless otherwise stated)	Ordinary shares		Preference shares		Total	
	Number of shares	€'000	Number of shares	€'000	Number of shares	€'000
Treasury shares						
Balance at 1 January 2019	**4,361,171**	**109,930**	**197,310**	**2,954**	**4,558,481**	**112,884**
Treasury shares purchased	342,979	6,713	7,520	142	350,499	6,855
Treasury shares sold	-104,840	-2,600	-	-	-104,840	-2,600
Change of parent company to Titan Cement International	204,830	3,096	-204,830	-3,096	-	-
Balance at 31 December 2019	**4,804,140**	**117,139**	**-**	**-**	**4,804,140**	**117,139**
Treasury shares purchased	786,278	8,816	-	-	786,278	8,816
Treasury shares sold	-77,916	-1,835	-	-	-77,916	-1,835
Balance at 31 December 2020	**5,512,502**	**124,120**	**-**	**-**	**5,512,502**	**124,120**

On 16 April 2019, Titan Cement International (the Company or TCI) submitted a voluntary offer to the shareholders of Titan Cement Company S.A. (Titan S.A.), the Group's former parent company, for the exchange of all ordinary and preference shares issued by Titan S.A. with new shares of TCI, at an exchange ratio of one new ordinary share issuable by TCI for each Titan S.A. share.

Following the successful outcome of its voluntary tender offer, the Company acquired on 19 July 2019 approximately 93.00% (71,672,737 shares) and 92.36% (6,990,335 shares) of the ordinary and preference shares of Titan S.A respectively and became the Group's ultimate parent company.

Additionally, on 23 July 2019, the TCI's shares listed on Euronext Brussels, with a secondary listing on Athens Stock exchange and Euronext Paris. Transactions costs of €9.3 million incurred relating mainly to payments to legal, regulatory and other professional advisers for the issuance of new shares and their listing in Brussels Stock Exchange. These costs are deducted from the Share Premium.

Finally, on 19 August 2019, the Company completed its squeeze out rights and acquired 100% of the ordinary and preference shares of Titan S.A. that it did not acquire upon completion of the voluntary tender offer. Out of the remaining of 5,390,831 ordinary shares (7.00% interest) and 578,625 preference shares (7.64% interest) of Titan S.A., 3,276,530 ordinary shares and 502,711 preference shares were exchanged for an equal number of TCI shares while 2,114,301 ordinary shares and 75,914 preference shares were acquired for a cash consideration of €43 million.

After the above changes, and including 4,804,140 ordinary shares held as treasury shares, the share capital on 31 December 2019 amounts to €1,159.3 million and is comprised of 82,447,868 shares without nominal value. All these transactions were a reorganisation of the Group that did not change the substance of the reporting Group.

The average ordinary shares stock price of Titan Cement International S.A. for the period 1.1.2020 - 31.12.2020 was €12.62. The closing stock price on 31 December 2020 was €13.86.

Following the decision of the Extraordinary General Meeting of Shareholders dated 13 May 2019 which authorized the Board of Directors to acquire and dispose Company's own shares in accordance with the provisions of article 7:215 ff of the Belgian Companies and Associations Code, the Board of Directors decided on 19 March 2020 to activate a buy- back program as of 20 March 2020, for up to one million shares of the Company and up to the amount of €10 million, having a duration of two months. The Company kept the market fully informed of the progress of the relevant transactions as provided by the applicable regulations.

In implementation of this program, during the period from March 20, 2020 until June 4, 2020, the Company acquired directly 321,225 own shares and indirectly through its subsidiary Titan Cement Company S.A. 465,053 shares, representing 0.39% and 0.56% respectively of the share capital of the Company. The total value of these transactions amounted to €8,811,922.39. On 31.12.2020 the Company holds 321,225 own shares representing 0.39% of the Company's share capital and Titan Cement Company S.A. (Titan SA), a direct subsidiary of the Company, holds 5,191,277 shares of the Company, representing 6.30% of the Company's voting rights.

Titan S.A., a direct subsidiary of the Company, sold in 2020 to Titan Group employees, in implementation of existing stock option plans, 77,916 shares of the Company, representing approximately 0.09% of the share capital of the Company, for a total amount of €779,160 (i.e.€10/Company share).

23. Other reserves

(all amounts in Euro thousands)

	Legal reserve	Special reserve	Non-Distributable reserve	Distributable reserve	Re-organization reserve (note 22)	Contingency reserves	Tax exempt reserves under special laws	Revaluation reserve	Actuarial differences reserve	Hedging reserve from cash flow hedges	Currency translation differences on derivative hedging position	Foreign currency translation reserve	Total other reserves
Balance at 1 January 2019	**96,687**	**574,018**	**-**	**-**	**-**	**335,405**	**24,608**	**38,563**	**-1,409**	**-**	**41,115**	**-370,500**	**738,487**
Other comprehensive income/(loss)	-	-	-	-	-	-	-	199	-655	-	-	22,590	22,134
Deferred tax on treasury shares held by subsidiary	-	-	-	-	-	-	-	6,256	-	-	-	-	6,256
Change of parent company to TCI	-	-	84,994	200,654	-1,188,374	-	-	-	-	-	-	-	-902,726
Acquisition of non-controlling interest	2,786	303	-	-	-	-	1,821	19,443	-	-	-	2,498	26,851
Transfer from retained earnings	1,651	-	-	-	-	-	-	-	-	-	-	-	1,651
Transfer among reserves	-90	63,496	-	-	-	-62,520	28	-261	-	-	-	-253	400
Balance at 31 December 2019	**101,034**	**637,817**	**84,994**	**200,654**	**-1,188,374**	**272,885**	**26,457**	**64,200**	**-2,064**	**-**	**41,115**	**-345,665**	**-106,947**
Balance at 1 January 2020	**101,034**	**637,817**	**84,994**	**200,654**	**-1,188,374**	**272,885**	**26,457**	**64,200**	**-2,064**	**-**	**41,115**	**-345,665**	**-106,947**
Other comprehensive income/(loss)	-	-	-	-	-	-	-	243	-1,221	-36	-	-118,094	-119,108
Distribution of reserves (note 10)	-	-	-	-15,414	-	-	-	-	-	-	-	-	-15,414
Deferred tax on treasury shares held by subsidiary	-	-	-	-	-	-	-	5,294	-	-	-	-	5,294
Deferred tax adjustment due to change in income tax rates on revaluation reserves (note 18)	-	-	-	-	-	-	-	1,117	-	-	-	-	1,117
Acquisition of non-controlling interest	229	26	-	-	-	-	7	1,815	-	-	-	-1,126	951
Transfer to retained earnings	-	-26,091	-	-1,027	-	-	-869	-5,524	-	-	-	-	-33,511
Transfer among reserves	-	-	3,876	-3,876	-	1,317	-	-	-	-	-	-13	1,304
Balance at 31 December 2020	**101,263**	**611,752**	**88,870**	**180,337**	**-1,188,374**	**274,202**	**25,595**	**67,145**	**-3,285**	**-36**	**41,115**	**-464,898**	**-266,314**

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 Greek tax legislation, are exempt from income tax, provided that they are not distributed to the shareholders. The distribution of the remaining aforementioned reserves can be carried out after the approval of the shareholders at the Annual General Meeting and the payment of the applicable tax. Depending on whether they are capitalized or distributed, some of these reserves have different tax charge. The Group has no intention to distribute the remaining amount of these reserves and consequently, has not calculated the income tax that would arise from such distribution.

The "Distributable reserve" of €200 million was introduced with the reduction of TCI share capital after the completion of the share exchange transaction (note 22). This reserve may be distributed in the future subject to the approval of the respective authoritative 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 its subsidiary Titan Cement Company S.A.

The "Revaluation Reserves" include, among others, €51.5 million (2019: €53 million) as the fair value of tangible and intangible assets that the Group had in Egypt through its participation in the joint venture Lafarge-Titan Egyptian Investments Ltd, until it fully acquired the joint venture and €11.6 million (2019: €6.3 million) deferred tax on treasury shares held by Titan Cement Company S.A.

The "Actuarial Differences Reserve" records the re-measurement gains and losses (actuarial gains and losses) arising from the actuarial studies performed by the Group's subsidiaries for various benefit, pension or other retirement schemes (note 24).

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 subsidiary Titan Egyptian Investment Ltd (TEIL) decided to renew the loan of €76.9 million that had entered into with its subsidiary in Egypt, Alexandria Portland Cement Co. S.A.E. (APCC) 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 2020, this reserve has a debit balance of €28.4 million (2019: €26.0 million).

The "Currency Translation Differences on Derivative Hedging Position Reserve" illustrates the exchange differences arising from the translation into euro of loans in foreign currency, which have been designated as net investment hedges for certain Group subsidiaries abroad. It also illustrates the exchange differences arising from the valuation of financial instruments used as cash flow hedges for transactions in foreign currencies.

24. Share-based payments

Share options and other share-based awards are granted to members of senior management. Movements in the number of share options and awards outstanding are as follows:

	2020 plan	2017 scheme	2014 scheme
Balance at 1 January 2019	-	**658,970**	**406,725**
Granted	-	601,710	-
Exercised	-	-	-104,515
Non vested	-	-	-53,968
Cancelled	-	-13,280	-11,291
Balance at 31 December 2019	-	**1,247,400**	**236,951**
Granted	616,980	-	-
Exercised	-	-18,548	-59,693
Non vested	-	-128,265	-
Cancelled	-116,460	-41,172	-6,901
Balance at 31 December 2020	**500,520**	**1,059,415**	**170,357**

Share options and awards outstanding at the end of the year have the following terms:

	2020 plan	2017 scheme		2014 scheme	
Exercise price	€ 0	€ 10		€ 10	
	2020	2020	2019	2020	2019
Expiration date					
2020	-	-	-	-	7,477
2021	-	-	-	6,594	39,926
2022	-	-	-	163,763	189,548
2023	250,260	108,531	255,620	-	-
2024	250,260	380,950	397,740	-	-
2025	-	569,934	594,040	-	-
	500,520	**1,059,415**	**1,247,400**	**170,357**	**236,951**

2014 Programme

On 20 June 2014, the General Meeting of TITAN Cement Company S.A. approved the introduction of a new, three-year (2014-2016) Stock Option Programme. According to this Programme, the Board of Directors can grant option up to 1,000,000 ordinary shares at a sale price €10.00 per share. Beneficiaries of the Stock Option Plan were the executive members of the Board of Directors of TITAN Cement Company S.A., the managers and the employees with the same rank in affiliated companies inside and outside Greece, as well as a limited number of additional employees who stand out on a continuous basis for their good performance and have a high potential for advancement.

The vesting period of the stock options that were granted in 2014, 2015 and 2016 was three years. Therefore, the relevant option rights became mature in December of 2016, 2017 and 2018 respectively, provided that the beneficiaries were still employees of the Group. After the completion of the three-year vesting period, the final option rights number, which the beneficiaries would be entitled to exercise, should be determined by the Board of Directors of TITAN Cement Company S.A. within the first four months of 2017, 2018 and 2019 respectively and depends:

a) By 50% on the average three year Return on Average Capital Employed (ROACE) compared to the target of each year period, as this will be determined by the Board of Directors before granting the relevant option rights.

b) By 50% on the overall performance of TITAN Cement Company S.A. common share compared to the average overall performance of the shares of predefined international cement producing companies.

The Beneficiaries shall be entitled to exercise their stock option rights, either in whole or in part, within the first five working days of each month, paying the relevant amounts until the expiration date of their stock options, i.e. until December of the third year after these stock options have been vested.

The options granted under the 2014 Programme have been accounted for in terms of the requirements of IFRS 2 “Share based payments”. The number of Share Options that were granted was: 250,190 during 2014, 313,080 during 2015 and 303,150 during 2016.

The fair value of the options granted in 2014 was €7.39 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €25.32, the employee forfeiture rate 9.2%, the volatility of the share price estimated at 47.2%, the dividend yield of 0.376% and the yield of the 3 year EU Benchmark (Deutsche Bund) Government bond yield rate of 0.083%.

The fair value of the options granted in 2015 was €4.14 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €19.55, the employee forfeiture rate 9.2%, the volatility of the share price estimated at 40.61%, the dividend yield of 0.59% and the yield of the 1 year EURIBOR rate of 0.166%.

24. Share-based payments (continued)

2014 Programme (continued)

The fair value of the options granted in 2016 was €5.17 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €20.38, the employee forfeiture rate 9.2%, the volatility of the share price estimated at 42.80%, the dividend yield of 0.87% and the yield of the 1 year EURIBOR rate of -0.15%.

On 31 December 2020, the number of the cancelled share options that were granted during 2014, 2015 and 2016 was 4,300, 12,060 and 14,370 respectively. Out of the options that were granted in 2014, the share options that were not vested amounted to 125,378. Out of the options that were granted in 2015, the share options that were not vested amounted to 161,305 and out of the options that were granted in 2016 the share options that were not vested amounted to 53,968.

Out of the share options that were granted during 2014, 27,400 vested and cancelled while 6,594 remain unexercised and they can be exercised exceptionally until the end of 2021. The remaining 86,518 share options were exercised by 78 Group executives. Out of the share options that were granted during 2015, 38,327 vested and cancelled while 32,832 remain unexercised and they can be exercised exceptionally until the end of 2022. The remaining 68,556 share options were exercised by 63 Group executives. Out of the share options that were granted during 2016, 10,734 vested and cancelled while 130,931 remain unexercised. The remaining 93,147 share options were exercised by 42 Group executives.

The Extraordinary General Meeting of Shareholders of the new Parent Company Titan Cement International S.A. approved on May 13, 2019 , subject to Completion of the share exchange Tender Offer between Titan Cement International SA and TITAN Cement Company S.A., the amendment of the existing stock option plans, namely to replace the stock options on Titan Cement Company S.A. shares by stock options on shares of Titan Cement International, without otherwise amending the terms and conditions of the plans. Titan Cement Company still has the obligation to settle the share-based payment transaction.

As a result, two plans (2014 and 2017) are currently under implementation by stock options on shares of Titan Cement International owned by its subsidiary Titan Cement Company S.A. During 2020, the Beneficiaries were provided with shares of Titan Cement International owned by its subsidiary Titan Cement Company. The sale price of common treasury share (over-the-counter transaction) equaled to €10.00 per share. The total share price amounted to €779 thousand. The loss caused by this transaction amounted to €1,056 thousand, recognised in equity.

2017 Programme

On 12 May 2017, the General Meeting of TITAN Cement Company S.A. approved the introduction of the current three-year Stock Option Programme. According to this Programme, the Board of Directors can grant option up to 1,000,000 ordinary shares of the Company at a sale price equal to €10.00 per share. Beneficiaries of the Stock Option Plan are the executive members of the Board of Directors, the managers and the senior employees of the Company and its affiliated companies inside and outside Greece.

The vesting period of the stock options that were granted in 2017, 2018 and 2019 shall be three years. Therefore, the relevant option rights shall become mature in December of 2019, 2020 and 2021 respectively, provided that the beneficiaries are still employees of the Group. After the completion of the three-year vesting period, the final option rights number that the beneficiaries will be entitled to exercise will be determined within the first four months of 2020, 2021 and 2022 respectively and depend:

a) by 50% on the average three year Return on Average Capital Employed (ROACE) of the Group against the target for each three-year period and

b) by 50% on the overall performance of TITAN stock compared to the average performance of the shares of the predefined international cement producing companies.

The Beneficiaries shall be entitled to exercise their stock option rights, either in whole or in part, within the first five working days of each month, paying the relevant amounts until the expiration date of their stock options, i.e. until December of the third year after these stock options have been vested.

The options granted under the 2017 Programme have been accounted for in terms of the requirements of IFRS 2 “Share based payments”.

The number of Share Options that were granted during 2017 was 263,680.

The fair value of the options granted in 2017 was €6.6 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €25.8, the employee forfeiture rate 4.5%, the volatility of the share price estimated at 42.82%, the dividend yield of 0.9% and the yield of the 1 year EURIBOR rate of -0.127%.

On 1 June 2018, 402,370 share options were granted to Group executives under the three-year Stock Option Programme of 2017. The exercise price of the options is €10.0. The fair value of the options granted in 2018 was €5.99 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €21.00, the employee forfeiture rate 2.5%, the volatility of the share price estimated at 42.71%, the dividend yield of 0.86% and the yield of the 1 year EURIBOR rate of -0.184%.

On June 7 2019, 601,710 share options were granted to Group Executives under the three- years Stock Option Programme of 2017. The exercise price is €10.00. The fair value of the options granted was €4.13 per option, determined using the Binomial Method and the Monte Carlo Simulation model. The significant inputs used were the share price at the grant date of € 17.72, the employee forfeiture rate 2.7%, the volatility of the share price estimated at 40.49%, the dividend yield of 0.92% and the yield of the 1 year EURIBOR rate of -0.175%.

24. Share-based payments (continued)

2017 Programme (continued)

On 31 December 2020, the number of the cancelled share options that were granted during 2017 is 8,336, the share options that were not vested amounted to 128,265 and 108,531 share options remained unexercised. The remaining 18,548 share options were exercised by 16 Group executives. The number of the cancelled share options that were granted during 2018 is 21,420 and the respective amount for the share options granted in 2019 is 31,776.

2020 Plan

On 13 May 2019, the Extraordinary General Meeting of TCI approved a new long-term incentive plan. One year after, on 14 May 2020, the Annual General Meeting of TCI included it in the Remuneration Policy.

Participants of the plan are the executive members of the Board of Directors of TCI, the executives of TCI, as well as executives, in other companies of Titan Cement Group. The awards may also be granted selectively to a limited number of employees who stand out on a continuous basis for their outstanding performance and high potential for development.

Under the plan, participants are granted awards for nil consideration in the form of a conditional grant of TCI shadow shares in April (or later) of each year. The awards have no dividend or voting rights.

The number of the shadow shares granted to each participant is determined by the award amount and the value of the shadow share. The value of the shadow share is equal to the average TCI share closing price on Euronext Brussels during the last seven trading days of March of the grant year.

The vesting period of the awards is as follows:
a) 50% at the completion of a three-year period and
b) 50% at the completion of a four-year period

The awards vest at the designated dates, provided that the participants are still working in TCI or in any other employer company of the Group, or are still serving as an executive Director in the Board of Directors of TCI.

Upon vesting, participants may select to receive their vested awards in TCI shares, or in contributions to a fund, or in cash. In any case, the fair value of the cash alternative is the same as the share alternative. Thus, the Group accounts for the plan as a cash-settled transaction by recognising a liability for the fair value of the services it receives from the participants.

On 31 December 2020, the number of the awards granted was 616,980, but 116,460 of them were cancelled. The fair value of the award was calculated based on the closing price of the TCI share, €13.86 in Brussels, adjusted for future dividend payments and the forfeiture rate. The calculation of the unforfeited awards resulted in the recognition of an expense of €1.4 million against a liability, which had a carrying amount of €1.4 million at year end.

25. Retirement and termination benefit obligations

Greece

Greek labor legislation requires that the payment of retirement and termination indemnities is based on the number of years of service to the Company by the employees and on their final remuneration. The Group grants retirement indemnities which exceed the legal requirements. These retirement indemnities are unfunded and the liabilities arising from such obligations are actuarially valued by an independent firm of actuaries. The last actuarial valuation was undertaken in December 2020. The principal actuarial assumptions used were a discount rate of 0.3% (2019: 0.8%), future salary increases of 1.7% (2019: 1.7%) and pension regulated by Laws 2112/1920 and 4093/2012.

USA

The Group's U.S. subsidiaries operate defined benefit plans and other post-retirement benefit plans. The method of accounting for the latter, as well as the valuation assumptions and the frequency of valuations are similar to those used for defined benefit plans.

All of the Group's U.S. subsidiaries' defined benefit pension plans and all but one of its other post-retirement plans have been frozen as to new participants and credited service. One post-retirement benefit plan exists (for certain active and former employees) whereby eligible retirees receive benefits consisting primarily of assistance with medical insurance costs between the dates of early retirement and Medicare eligibility.

On 31 December 2020 the plan assets of the Group's subsidiaries in the US have invested approximately 60% (2019: 58%) in equity instruments quoted in US and international stock markets and 40% (2019: 42%) in fixed investments (US and international bonds). The discount rate that has been adopted for the study of the pension plans of the Group's subsidiaries in the U.S. was 2.30% (2019: 3.20%).

Non-qualified deferred compensation plan

This plan is intended to constitute an unfunded plan of deferred compensation for a selected group of highly compensated employees under the Employee Income Security Act of 1974 ("ERISA"). For this purpose the Group's U.S. subsidiary created an irrevocable trust to facilitate the payment of deferred compensation to participants under this plan. Under this plan the participants are eligible to defer from 0% to 20% of eligible compensation for the applicable plan year. On 31 December 2020 and 2019, plan assets totaled €2,572 thousand and €3,826 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 2020 or 2019.

25. Retirement and termination benefit obligations (continued)

The amounts relating to defined benefit pension plans and other post retirement and termination benefits (defined benefit plans) recognized in the statement of comprehensive income in the account other expenses are as follows:

(all amounts in Euro thousands)	2020	2019
Current service cost	1,015	3,091
Interest cost	650	904
Provision of past service cost for the following year due to the voluntary resignation plans	125	1,280
Interest income	-342	-388
	1,448	**4,887**
Additional post retirement and termination benefits paid out, not provided for	933	7
Post retirement and termination benefits paid out, not provided for due to the voluntary resignation plans	406	521
	2,787	**5,415**
Amounts recognized in profit before interest, taxes, depreciation, amortization and impairment	2,479	4,899
Amounts recognized in finance cost (note 6)	308	516
Amounts recognized in the income statement	**2,787**	**5,415**
Actuarial losses recognized in other comprehensive income	1,538	748
Amount charged to statement of total comprehensive income	**4,325**	**6,163**
Present value of the liability at the end of the period	47,149	49,902
Minus fair value of US plans assets	-12,915	-14,634
	34,234	**35,268**

Change in the present value of the defined benefit obligation

(all amounts in Euro thousands)	2020	2019
Opening balance	**35,268**	**32,741**
Total expense	2,787	5,415
Re-measurement losses recognized immediately in other comprehensive income	1,538	748
Exchange differences	-554	134
Benefits paid during the year	-4,805	-3,770
Ending balance	**34,234**	**35,268**

Changes in the fair value of US plan assets:

(all amounts in Euro thousands)	2020	2019
Fair value of plan assets at the beginning of the period	14,634	13,162
Expected return	1,333	1,833
Company contributions	117	325
Administrative expenses	-178	-232
Benefits paid	-1,758	-693
Exchange difference	-1,233	239
Fair value of plan assets at the end of the period	**12,915**	**14,634**

25. Retirement and termination benefit obligations (continued)

A quantitative sensitivity analysis for significant assumptions is shown below:

(all amounts in Euro thousands)	Year ended 31 December 2020		Year ended 31 December 2019	
Assumptions	1.0% increase	1.0% decrease	1.0% increase	1.0% decrease
Impact on the net defined benefit obligation:				
Discount rate	-1,240	2,030	-3,786	4,507
Salary	3,115	-2,666	3,013	-2,579
Health care costs	91	-79	98	-83
Impact on the current service costs:				
Discount rate	-151	188	-117	145
Salary	203	-165	162	-133
Healthcare costs	3	-2	4	-3

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:

	2020	2019
Not later than 1 year	3,146	3,088
Later than 1 year and not later than 5 years	8,515	8,576
Later than 5 years and not later than 10 years	10,720	10,685
Beyond 10 years	28,930	30,475
Total expected payments	**51,311**	**52,824**

The components of actuarial losses that re-calculated and recognized immediately in the other comprehensive income for the years ended December 31, 2020 and 2019 are as follows:

	2020	2019
Due to experience	24	-1,111
Due to assumptions (financial)	2,743	3,430
Due to assumptions (demographic)	-203	-124
Re-measurement losses on DBO	**2,564**	**2,195**
Re-measurement gains on plan assets	-1,026	-1,447
Re-measurement losses for the period	**1,538**	**748**

26. Provisions

(all amounts in Euro thousands)		1 January 2020	Reclassifi-cations	Additions for the year	Unused amounts reversed	Unwinding of discount	Utilized	Exchange differences	31 December 2020
Provisions for restorations	a	21,717	-	9,541	-426	612	-733	-1,022	29,689
Insurance reserves	b	13,379	-	2,881	-	-	-	-1,154	15,106
Provisions for other taxes	c	3,596	-	655	-293	-	-372	-195	3,391
Litigation provisions	d	843	-	5	-198	-	-221	-13	416
Other provisions	e	13,615	-	8,316	-3,608	118	-4,309	-494	13,638
		53,150	**-**	**21,398**	**-4,525**	**730**	**-5,635**	**-2,878**	**62,240**

(all amounts in Euro thousands)		1 January 2019	Reclassifi-cations	Additions for the year	Unused amounts reversed	Unwinding of discount	Utilized	Exchange differences	31 December 2019
Provisions for restorations	a	18,052	2,527	1,756	-1,160	664	-288	166	21,717
Insurance reserves	b	-	10,864	2,307	-	-	-	208	13,379
Provisions for other taxes	c	5,185	-	192	-	-	-2,089	308	3,596
Litigation provisions	d	5,770	-	13	-48	-	-5,222	330	843
Other provisions	e	11,132	-2,527	9,087	-930	-	-3,338	191	13,615
		40,139	**10,864**	**13,355**	**-2,138**	**664**	**-10,937**	**1,203**	**53,150**

(all amounts in Euro thousands)	2020	2019
Non-current provisions	49,550	39,456
Current provisions	12,690	13,694
	62,240	**53,150**

a. The provisions for restorations are the present value of the estimated costs to reclaim quarry sites and other similar post-closure obligations. In 2020, the Group's subsidiary in USA, Titan America LLC (TALLC), changed its estimation and increased the provisions of restorations by the amount of €6.8 million due to increased fixed asset removal obligation associated with the long-term industrial use of one of its cement plant sites. It is expected that the amount of restoration provisions will be used over the next 1 to 50 years.

b. The insurance reserves represent the expected costs of claims payments related to risk and workers' compensation claims, in addition to sponsored health insurance costs. The reserves have been recognised as a provision during 2019. Previously, they were reported as other liabilities.

c. The provision of other taxes represents future obligations for taxes such as stamp duties, sales tax, employee payroll tax etc. It is expected that this amount will be fully utilized in the next five years.

d. The litigation provisions have been established with respect to claims made against certain companies in the Group by third parties, mainly against the subsidiaries in Egypt. These claims concern labor compensations, labor cases for previous years' benefits and dues and claims for shares revaluation. It is expected that this amount will be utilized mainly in the next twelve months.

e. The other provisions are comprised of amounts relating to risks none of which are individually material to the Group. It is expected that the remaining amounts will be used over the next 1 to 20 years.

27. Other non-current liabilities and non-current contract liabilities

(all amounts in Euro thousands)	2020	2019
Government grants	3,693	3,899
Consideration for acquisition of non-controlling interest	-	41,453
Liability of long-term incentive plan	1,394	-
Other non-current liabilities	4,777	1,841
	9,864	**47,193**
Analysis of Government grants:		
Non - current	3,693	3,899
Current (note 28)	69	69
	3,762	**3,968**
Opening balance	**3,968**	**4,673**
Transfer to other non current liabilities	-	-485
Amortization (note 29)	-206	-220
Ending balance	**3,762**	**3,968**

Government grants relating to capital expenses 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)	2020	2019
Deferred Income	1,991	-
Non-current contract liabilities	**1,991**	-

28. Trade payables, other liabilities and current contract liabilities

(all amounts in Euro thousands)	2020	2019
Trade payables	175,360	184,713
Other payables	16,281	16,234
Consideration for acquisition of non-controlling interest	41,453	20,360
Accrued expenses	26,264	23,046
Social security	3,430	3,586
Dividends payable	364	331
Government grants (note 27)	69	69
Other taxes	15,149	11,670
Trade and other payables	**278,370**	**260,009**

Other payables include liabilities relating to transportation of cement and raw materials, as well as employee benefit payables.
Trade payables are non-interest bearing and are normally settled in 10-180 days.
Other payables are non-interest bearing and have an average term of one month.

(all amounts in Euro thousands)	2020	2019
Customer down payments/advances	6,445	10,558
Deferred Income	1,770	3,022
Current contract liabilities	**8,215**	**13,580**

The amount of €9,989 thousand, which was included in the contract liability balance at the beginning of 2020, is recognised in revenue.

29. Cash generated from operations

(all amounts in Euro thousands)	2020	2019
Profit after taxes	1,552	53,155
Adjustments for:		
Taxes (note 8)	35,899	11,211
Depreciation (note 11)	133,581	133,403
Amortization of intangibles (note 14)	5,200	4,535
Amortization of government grants received (note 27)	-206	-220
Impairment of assets (note 11,13)	47,606	2,247
Net (profit)/loss on disposals of tangible and intangable assets (note 4)	-1,094	804
Provision for impairment of debtors charged to income statement (note 20)	1,985	1,667
Cost of inventory obsolescence (note 19)	8,213	295
Provision for restoration (note 26a)	1,937	1,260
Provision for litigation (note 26d)	-193	-35
Other provisions (note 26e)	4,826	8,157
Provision for retirement and termination benefit obligations (note 25)	1,448	4,887
Decrease of investment property (note 12)	94	140
Dividend income	-100	-14
Finance income (note 6)	-636	-1,696
Interest expense and related expenses (note 6)	49,033	60,159
(Gains)/losses on financial instruments (note 6)	-29,994	16,491
Losses/(gains) from foreign exchange differences (note 6)	46,458	-11,952
Share stock options (note 7)	1,720	2,094
Share in gain of associates and joint ventures (note 15)	-3,200	-1,366
Changes in working capital:		
Decrease in inventories	13,472	10,280
(Increase)/decrease in trade and other receivables	-11,821	7,586
Decrease in operating long-term receivables and payables	135	5,931
Increase/(decrease) in trade payables	3,687	-24,842
Cash generated from operations	**309,602**	**284,177**

In the cash flow statement, proceeds from the disposals of tangible and intangible assets, and investment property are as follows:

Net book amount	2,016	7,628
Net gains/(losses) on disposals (note 4)	1,094	-804
Net proceeds from disposals	**3,110**	**6,824**

30. Contingencies and commitments

Contingent liabilities

(all amounts in Euro thousands)	2020	2019
Bank guarantee letters	16,606	18,614
Other	-	130
	16,606	**18,744**

Litigation matters

A. Privatization cases

1. In 2011, two former employees of Beni Suef Cement Company SAE (BSCC) filed an action before the Cairo Administrative Court, seeking the nullification of the privatization of BSCC that took place in 1999, when BSCC was sold to Financière Lafarge after a public auction, before being subsequently acquired by Titan Group. The Administrative Court of Cairo rejected in 2014 the plaintiffs' claim in connection with BSCC's privatization, however ruled that BSCC was under the obligation to re-instate all employees, the employment of whom had been terminated, including employees who had left BSCC in the framework of voluntary staff reduction programs. Both the plaintiffs and BSCC have appealed the ruling issued by the first instance Court before the Supreme Administrative Court, which on 19 January 2015 suspended the case until the Supreme Constitutional Court of Egypt issues a final ruling on the constitutionality of Law no. 32/2014. The case is still suspended and no further action has been taken until now. The view of BSCC's lawyers is that the plaintiffs' action is devoid of any legal or factual ground.

30. Contingencies and Commitments (continued)

A. Privatization cases (continued)

2. In June 2013 another action was filed before the Administrative Court of Cairo, seeking, as in the above case, the nullification of BSCC's privatization. The Administrative Court of Cairo issued on 25 June 2015 a first instance ruling referring the case to the Investment Circuit no. 7, which subsequently referred the case to the commissioners' panel where no hearing date has been scheduled until now. The view of BSCC's lawyers is that the action is devoid of any legal or factual ground.

3. In 2012, an ex-employee of Alexandria Portland Cement Company SAE (APCC) brought an action before the Administrative Court of Alexandria against the President of the Republic of Egypt, the Prime Minister, the Minister of Investments, the Minister of Industry, the Governor of Alexandria, the Manager of the Mines and Salinas Project in Alexandria and the Manager of the Mines and Quarries Department in Alexandria (but not against APCC), seeking the nullification of the privatization of APCC through its sale in 1999 to Blue Circle Cement Group, before APCC was subsequently acquired by Titan Group. The claim was suspended by the Administrative Court of Alexandria initially until 28 May 2016 and subsequently until 15 October 2016, provided that by such date the Supreme Constitutional Court of Egypt would have ruled on the constitutionality of the above Law no. 32/2014. The case was subsequently referred to the Administrative Court of Cairo, Investment Circuit no.1 but no hearing has been scheduled until now. The view of APCC's lawyers is that the action is devoid of any legal and factual ground.

4. In May 2013, a new action was filed by three ex-employees of APCC seeking, as in the above case, the nullification of the sale of APCC to Blue Circle Cement Group. The case has been repeatedly adjourned and, as in the above cases, no judgment will be handed down from the competent Administrative Court until the Supreme Constitutional Court of Egypt decides on the constitutionality of Law no. 32/ 2014. The view of APCC's lawyers is that the action is devoid of any legal and factual ground.

5. Sharr Beteiligungs GmbH (SharrB), a Titan Group entity based in Germany, filed in February 17, 2020 a claim in arbitration, seeking the arbitral tribunal's confirmation that it has satisfied its commitment to implement investments estimated at €35 million within five years, pursuant to Section 5.01(a) of the Share Purchase Agreement entered into between the Privatization Agency of Kosovo (PAK) and SharrB on 9 December 2010 (SPA). The parties concluded the SPA in the context of PAK's privatization process, through which SharrB acquired a cement plant in Kosovo (Sharr Cement Plant) by acquiring the local operating company, Ndërmarrja e Re SharrCem SH.P.K. (SharrCem).

Under the SPA, SharrB committed to make investments estimated at €35 million over a five-year period. SharrB duly complied with its obligation, by investing a total of €35.1 million by the end of 2015. As a testament to its continued dedication to developing SharrCem, SharrB has invested another €12.3 million since then, above and beyond any contractual obligation. PAK claims that SharrB invested some €25.6 million, leaving a shortfall of about €9.4 million. Throughout the investment period 2011-2015, SharrB submitted annual investment reports to PAK. All of these were accepted without any comment by PAK. SharrB commenced the arbitration proceedings to vindicate its performance of the SPA by way of declaratory relief, and also to obtain redress for PAK's other breaches of the SPA. The hearing was held throughout the first week of March (1/3 - 5/3) 2021. The view of the SharrB's lawyers is that the company has a strong case and good chances of succeeding in this arbitration.

B. Other cases

1. In 2007, BSCC obtained the license for the construction of a second production line at the company's plant in Beni Suef through a bidding process run by the Egyptian Trading and Industrial Authority (IDA) for a license fee of EGP 134.5 million (€7 million)*. IDA subsequently unilaterally raised the license fee to EGP 251 million (€13 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 (€26)*, or, alternatively, that the price be set at EGP 134.5 million (€7 million)*, as had been originally determined through the bidding process. The Administrative Court dismissed BSCC's action and BSCC filed an appeal before the High Administrative Court in June 2018. Until today, no appeal hearing has been scheduled.

BSCC has also lodged an action against IDA requesting the calculation of the payable interest, which is accruing on the EGP 251 million (€13 million)* fee that IDA is claiming, on the basis of the legal interest of 4% per annum and not on the basis of the CBE interest (varying from 9% to 19%) as calculated by IDA.

In June 2018, BSCC and IDA entered into an agreement, pursuant to which BSCC paid to IDA the amount of EGP 251 million (€13 million) for the value of the license plus the amount of EGP 24.9 million (€1.3 million) as down payment for interest, calculated on the basis of the CBE interest. Moreover, BSCC has already fully paid in 2018 and 2019 the remaining amount of interest amounting to EGP 240.3 million (€12.5 million), under the express agreement that, in case the Egyptian Courts accept the appeal of BSCC on the value of the license and/or the action of BSCC on the calculation of the payable interest, IDA will pay back to BSCC the relevant amounts. The view of BSCC's lawyers is that there is high probability that the High Administrative Court will adopt the price of EGP 134.5 million (€7 million)* for the license. Likewise, the view of BSCC's lawyers is that there is very high probability that BSCC's action on the calculation of the payable interest will be accepted by the Court.

BSCC recorded an increase of intangible assets amounted to EGP 251 million (€13 million)*, in order to recognize the license claimed by IDA. In 2019, recognised additionally as capital expenditure the amount of EGP 166.6 million (€8.7 million)*, that represented interest asked by IDA. The total amount recognised in intangible assets as license for the construction of a second production line at the company's plant is EGP 417.6 million (€21.7 million)* and the total amount of interest expenses, that it was charged in 2018 income statement, amounted to EGP 98.7 million (€5.1 million)*.

** Foreign currencies presented to Euro, using 31/12/2020 currency tranlation rates*

30. Contingencies and Commitments (continued)

Contingent tax liability

The financial years, referred to in note 37, have not been audited by the tax authorities and therefore the tax obligations of the Company and its subsidiaries for those years have not yet been finalized.

Contingent assets

(all amounts in Euro thousands)	2020	2019
Bank guarantee letters for securing trade receivables (note 20)	23,493	24,332
Other collaterals against trade receivables (note 20)	7,227	8,546
	30,720	**32,878**
Collaterals against other receivables	920	1,427
	31,640	**34,305**

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)	2020	2019
Property, plant and equipment	1,425	1,835

Purchase commitments

Energy supply contracts (Gas, electricity, etc.)

(all amounts in Euro thousands)	2020	2019
	651	2,145

In addition to the aforementioned purchase commitments, the Group's US subsidiaries entered a contract to purchase raw materials and manufacturing supplies as part of their on-going operations in Florida. This includes a contract to buy construction aggregates through a multi-year agreement at prevailing market prices. Moreover, Titan Ametica LLC (TALLC) entered into a take-or-pay natural gas agreement with the local utility that requires TALLC to pay the utility €9.5 million over a maximum period of 6 years. On 31.12.2020, TALLC had paid €280 thousand under the agreement.

Simultaneously, TALLC entered into a base 1-year supply agreement with a natural gas marketer for a total of 2,543 MMBtu's over the contract period. On 31.12.2020, there is committed volume of 2,208 MMBtu's remaining through October 2021 under the contract (see also note 35).

31. Related party transactions

The Group may enter into various transactions with related parties. During 2020 and 2019, the Group did not record material transactions with related parties.

Directors	2020	2019
Executive members on the Board of Directors	5	6
Non-executive members on the Board of Directors	9	9

Key management compensation	2020	2019
Short-term employee benefits	5,690	5,019
Share-based payments	952	2,198
Post-employment benefits	246	233
	6,888	**7,450**

32. Borrowings

(all amounts in Euro thousands)	2020	2019
Current		
Bank borrowings	2,968	54,780
Bank borrowings in non euro currency	33,789	31,497
Debentures	163,133	-
Interest payable	5,766	3,863
	205,656	**90,140**
Non-current		
Bank borrowings	-	80,806
Bank borrowings in non euro currency	32,911	49,249
Debentures	595,261	646,639
	628,172	**776,694**
Total borrowings	**833,828**	**866,834**

Maturity of non-current borrowings:

	2020	2019
Between 1 and 2 years	22,058	301,300
Between 2 and 3 years	2,639	125,492
Between 3 and 4 years	354,592	833
Between 4 and 5 years	-	349,069
Over 5 years	248,883	-
	628,172	**776,694**

On 9 July 2020, the offering of a total nominal amount of €250 million guaranteed notes due 2027, with a 2.75 per cent coupon per annum, which was issued by Titan Global Finance PLC (the “Issuer”), a subsidiary of Titan Cement International S.A. (TCI), and guaranteed by TCI and Titan Cement Company S.A. was completed. The notes are traded on the Global Exchange Market (GEM), the exchange – regulated market of the Irish Stock Exchange.

Part of the notes' proceeds was used by the Issuer for: 1) purchase €109.3 million of its outstanding 3.50% guaranteed notes due June 2021 (the "2021 Notes") prior to maturity pursuant to the tender offer memorandum dated on 29 June 2020 and 2) general corporate purposes, including repayment of bank debt.

The outstanding amount of the 2021 Notes on the date of the tender offer memorandum was €287.8 million following a buy back of €12.2 million on 26 May 2020. Taking into account the tendered amount, the outstanding amount of the 2021 Notes on 9 July 2020 was €178.5 million. On 21 July 2020, Titan Global Finance PLC (TGF) bought an additional amount of €15 million of the 2021 Notes. After all the aforementioned transactions, the outstanding amount of the 2021 Notes was €163.5 million.

In July 2020, TGF obtained a bilateral revolving facility agreement of the amount of €20 million maturing in January 2022, guaranteed by TCI. On 31 December 2020, TGF had €220 million long term committed un-utilized credit facilities.

In July 2020, TGF's bank loan of €50 million obtained in 2019 by a Brazilian Bank expired and was fully repaid accordingly.

In December 2020, TCI became the direct parent of TGF, after the transfer of TGF's shares from Titan Cement Company S.A. (Greece) to TCI (Belgium).

The weighted average effective interest rates that affect the Income Statement are as follows:

	2020	2019
Borrowings (USD)	2.86%	4.29%
Borrowings (EGP)	12.51%	17.86%
Borrowings (BGN)	2.07%	2.18%
Borrowings (LEK)	3.38%	3.45%
Borrowings (TRY)	14.32%	24.97%
Borrowings (€)	2.38%	2.91%

Bank borrowings in foreign currencies:

(all amounts per currency thousands)	Amounts in Euro equivalent	
	2020	2019
USD	378,800	402,467
TRY	9,218	10,772
EGP	37,001	59,594
LEK	20,699	9,914

The Group has the following undrawn borrowing facilities:

(all amounts in Euro thousands)	2020	2019
Floating rate:		
- Expiring within one year	297,859	250,792
- Expiring beyond one year	237,730	237,945

33. Leases

Group as a lessee

The Group has various lease contracts for offices, terminals, machinery, vehicles, computer hardware and other equipment. Rental contracts are typically made for fixed periods of 1 to 30 years, but may have extension or termination options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. There are leases with fixed increases and others where the increase is based on changes in price indices.

The consolidated statement of financial position includes the following balances related to lease contracts:

Balances of right-of-use assets (note 11)

(all amounts in Euro thousands)	2020	2019
Land	12,035	12,338
Buildings	18,216	17,176
Plant & equipment	11,073	13,657
Motor vehicle	10,687	14,254
Office furniture, fixtures and equipment	22	58
	52,033	**57,483**

Balances of lease liabilities

(all amounts in Euro thousands)	2020	2019
Long-term lease liabilities	38,821	46,126
Short-term lease liabilities	18,194	17,030
	57,015	**63,156**

The maturity analysis of lease liabilities is disclosed in note 35.

The following amounts that related to leases are recognised in the consolidated income statement:

(all amounts in Euro thousands)	2020	2019
Depreciation charge of ROU assets (note 11)	14,874	14,196
Interest expense (included in finance cost)	2,811	2,996
Expense relating to short-term leases	1,379	2,081
Expense relating to low-value leases that are not shown as short-term leases	399	685
Expenses relating to variable lease payments not included in lease liabilities	994	184

The total cash outflow for the leases in 2020 was €18,739 thousand (2019: €18,885 thousand).

Extension and termination options

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise extension options and the extension options are only included in the lease term if the lease is reasonably certain to be extended. Extension option which are reasonably certain to be exercised mainly concern assets which are of strategic importance for the operations of the Group and are not easily replaceable, without incurring significant relocation costs and disruption of the business such as terminals, ready-mix sites and heavy equipment. The assessment of reasonably certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and is within the control of the lessee (note 2.5).

On 31.12.2020, the undiscounted potential future cash flows of €36,237 thousand were not included in the lease liability due to it not being reasonably certain that the leases will be extended. The timing of these payments would be as follows:

(all amounts in Euro thousands)	2020	2019
Within 10 years	9,320	8,922
From 10 to 20 years	17,278	18,400
In more than 20 years	9,639	12,520
	36,237	**39,842**

Discount rate

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the leases in the Group, the lessee's incremental borrowing rate (IBR) is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms and conditions. In order to determine IBR, the Group usually uses third party financing that it is received by the individual lessee and makes adjustments to reflect changes in financing conditions, since third party financing was received. Also, it makes judgements specific to the lease, such as term, country, currency and security.

34. Changes in liabilities arising from financing activities

(all amounts in Euro thousands)	Long-term borrowings	Short-term borrowings	Lease liabilities	Derivatives and interim settlements	Total
Year ended 31 December 2019					
Opening balance	**736,073**	**203,689**	**11,873**	**-889**	**950,746**
Cash flows	69,730	-210,854	-15,936	-18,732	-175,792
Acquisition of leases	-	-	6,848	-	6,848
Change in accounting policy	-	-	59,231	-	59,231
Changes in fair value	-	-	-	16,491	16,491
Transfer among financial liabilities	-39,496	39,496	-	-	-
Charged in the finance expenses	2,397	58,086	-	-	60,483
Other changes	-	-227	-298	-556	-1,081
Currency translation differences on transactions designated as part of net investment in foreign operation	-3,072	-7,212	-	-	-10,284
Exchange differences	11,062	7,162	1,438	543	20,205
Ending balance	**776,694**	**90,140**	**63,156**	**-3,143**	**926,847**
Year ended 31 December 2020					
Opening balance	**776,694**	**90,140**	**63,156**	**-3,143**	**926,847**
Cash flows	140,938	-216,389	-15,967	30,021	-61,397
Acquisition of leases	-	-	13,979	-	13,979
Changes in fair value	-	-	-	-29,994	-29,994
Transfer among financial liabilities	-286,421	286,421	-	-	-
Charged in the finance expenses	1,809	48,487	-	-	50,296
Cash flow hedge	-	-	-	48	48
Currency translation differences on transactions designated as part of net investment in foreign operation	1,200	3,858	-	-	5,058
Exchange differences	-6,048	-6,861	-4,153	534	-16,528
Ending balance	**628,172**	**205,656**	**57,015**	**-2,534**	**888,309**

35. Financial risk management objectives and policies

Financial Risk Factors

The Group, by nature of its business and geographical positioning, is exposed to financial risks. The Group's overall financial risk is managed by Group Finance and Treasury units, aiming to minimize the potential unfavorable impact arising from the markets' fluctuations on Group's financial performance. The Group does not engage in speculative transactions or transactions which are not related to its commercial, investing or borrowing activities.

a) Liquidity risk

The Group, in addition to its operating cash flows, maintains sufficient cash and other liquid assets, as well as extensive committed credit lines with several international banks to ensure the fulfilment of its financial obligations. Group Treasury controls Group funding as well as the management of liquid assets.

The table below summarizes the maturity profile of financial and lease liabilities at 31 December 2020 & 2019 based on contractual undiscounted payments.

(all amounts in Euro thousands)	Year ended 31 December 2020					
	< 1 month	1 to 6 months	6 to 12 months	1 to 5 years	>5years	Total
Borrowings	655	200,199	13,327	441,712	254,038	909,930
Lease liabilities (note 33)	2,079	6,760	9,663	29,722	17,551	65,774
Derivative financial instruments	1,224	-	3,889	-	-	5,113
Payables from interim settlement of derivatives	12,957	-	-	2,291	-	15,248
Other non-current liabilities	-	-	-	4,777	-	4,777
Trade and other payables	127,241	128,291	4,190	-	-	259,722
	144,156	**335,249**	**31,069**	**478,502**	**271,589**	**1,260,564**
	Year ended 31 December 2019					
Borrowings	2,587	34,228	69,723	818,942	-	925,480
Lease liabilities (note 33)	1,837	7,009	8,107	36,152	22,519	75,624
Derivative financial instruments	2,692	-	-	11,084	-	13,776
Payables from interim settlement of derivatives	1,092	-	-	-	-	1,092
Other non-current liabilities	-	-	-	43,294	-	43,294
Trade and other payables	135,832	87,751	21,101	-	-	244,684
	144,040	**128,988**	**98,931**	**909,472**	**22,519**	**1,303,950**

Borrowings include the floating and fixed rate outstanding principal at year-end plus accrued interest up to maturity and the amounts that are described as "less than 1 month" are on demand short-term uncommitted facilities and interest accruals.

b) Market risk

Market risk comprises three main types of risk: currency risk, price risk, such as commodity risk and interest rate risk.

Group exposure to exchange rate (FX) risk derives from existing or expected cash flows denominated in currencies other than the Euro (imports / exports) and from international investments.

FX risks are managed using natural hedges, FX derivatives / swaps and FX forwards. Borrowings denominated in the same currency as the assets that are being financed and these create a natural hedge for investments in foreign subsidiaries exposed to FX conversion risk.

However, part of the financing of Group activities in the USA, Egypt, Albania and Turkey, is in different currencies (Euro) than their functional ones. Their refinancing in local currencies, along with FX hedging transactions, are examined at regular intervals.

In August 2018, Titan America LLC (TALLC) entered into new cross currency interest rate swap agreements (CCS) that expire in November 2024. The derivatives hedge the interest payments and the foreing currency exposure created by the new €150 million 7-year, fixed rate loan that TALLC borrowed from TGF in December 2017.

During the year 2020, TALLC entered into various short-term forward contracts, in order to hedge foreign currency risk arising from financial liabilities in Euro. Particularly, TALLC has rollovered the hedges of EUR/USD forward contracts of €228.8 million loan agreements with maturity January 2021.

On 31.12.2020, the total net balance of the aforementioned CCS and short-term forwards, which is calculated by taking into account the fair values and the interim settlemens of all derivatives contracts, was equal to an asset of €2,581 thousand (31.12.2019: €3,143 thousand) (note 36).

35. Financial risk management objectives and policies (continued)

Sensitivity analysis in foreign exchange rate changes

The following table demonstrates the sensitivity of the Group's profit before tax and the Group's equity to reasonable changes in the USA Dollar, Serbian Dinar, Egyptian Pound, British Pound, Turkish Lira, Albanian Lek and Brazilian Real floating exchange rates, with all other variables held constant:

(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 2020	USD	5%	3,803	24,179
		-5%	-3,441	-21,876
	RSD	5%	964	1,373
		-5%	-872	-1,242
	EGP	5%	-2,141	12,446
		-5%	1,937	-11,260
	GBP	5%	195	287
		-5%	-176	-260
	TRY	5%	-352	4,492
		-5%	318	-4,064
	ALL	5%	449	3,557
		-5%	-407	-3,218
	BRL	5%	156	5,882
		-5%	-141	-5,321
Year ended 31 December 2019	USD	5%	3,822	23,574
		-5%	-3,458	-21,329
	RSD	5%	778	1,374
		-5%	-703	-1,243
	EGP	5%	-1,587	16,122
		-5%	1,436	-14,587
	GBP	5%	64	243
		-5%	-58	-220
	TRY	5%	-613	6,231
		-5%	554	-5,638
	ALL	5%	254	3,245
		-5%	-230	-2,936
	BRL	5%	-72	8,076
		-5%	66	-7,307

Note: Calculation of "Effect on Profit before tax" is based on year average FX rates; calculation of "Effect on Equity" is based on year end FX rate changes.

In October 2020, TALLC entered into a base 1-year natural gas purchase contract for a total of 2,543 MMBtu's through October 2021. The purchase price is comprised of floating NYMEX and fixed Basis components. In December 2020, it also entered into a natural gas forward purchase contract to fix a portion of the monthly NYMEX component of its natural gas costs for the duration of the 1-year purchase contract.

TALLC designated a cash flow hedge relationship between the purchase and the forward contract. At the inception of the hedging relationship, TALLC formally documented the risk management objective and strategy for undertaking the hedge. On 31.12.2020, TALLC, and therefore the Group, had recognized a fair value loss of €47 thousand in other comprehensive income, with no amounts that were related to the hedge recognized in the consolidated income statement.

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 2020, the Group's ratio of fixed to floating interest rates, taking into account outstanding cross currency swaps and interest rate swaps, stood at 93%/7% (31 December 2019: 92%/8%).

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 2020	EUR	1.0%	14
	USD	1.0%	-
	BGN	1.0%	-
	EGP	1.0%	374
	ALL	1.0%	209
	TRY	1.0%	14
Year ended 31 December 2019	EUR	1.0%	-
	USD	1.0%	2,279
	BGN	1.0%	-
	EGP	1.0%	604
	ALL	1.0%	101
	TRY	1.0%	37

Note: Table above excludes the positive impact of interest received from deposits.

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.

c) Credit Risk

The Group has no significant concentrations of credit risk. Trade accounts receivable consist mainly of a large, widespread customer base. All Group companies monitor the financial position of their debtors on an on-going basis.

When considered necessary, additional collateral is requested to secure credit. Provisions for impairment losses are made for special credit risks. As at 31 December 2020, there are no outstanding doubtful significant credit risks which are not already covered by a provision for doubtful receivables.

Credit risk arising from financial institutions' inability to meet their obligations towards the Group deriving from placements, investments and derivatives, is mitigated by pre-set limits on the degree of exposure to each individual financial institution as well as by utilizing the collateral mechanism of credit support agreements (CSA Agreements). These pre-set limits are set in accordance to the Group Treasury policies. At 31 December 2020, the Group's majority financial assets and derivative financial instruments were held with investment grade financial institutions with pre-agreed credit support agreements.

As at 31 December 2020, the Group's cash and cash equivalents were held at time deposits and current accounts in financial institutions that most of them are highly rated. Note 21 includes an analysis on cash & cash equivalents.

d) Capital management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its operations and maximize shareholder value.

The Group manages its capital structure conservatively with the leverage ratio, as this is shown from the relationship between total liabilities and total equity as well as net debt and earnings before interest, taxes, depreciation, amortization and impairment (EBITDA). Titan's policy is to maintain leverage ratios in line with an investment grade profile.

The Group includes within net debt, interest bearing loans, borrowings and lease liabilites, less cash and cash equivalents.

(all amounts in Euro thousands)	2020	2019
Long-term borrowings (note 32)	628,172	776,694
Long-term lease liabilities (note 33)	38,821	46,126
Short-term borrowings (note 32)	205,656	90,140
Short-term lease liabilities (note 33)	18,194	17,030
Debt	**890,843**	**929,990**
Less: cash and cash equivalents (note 21)	206,438	90,388
Net Debt	**684,405**	**839,602**
Earnings before interest, taxes, depreciation, amortization and impairment (EBITDA)	**286,231**	**267,133**
Total liabilities	**1,412,250**	**1,453,628**
Total equity	**1,266,683**	**1,409,791**

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	
	2020	2019	2020	2019
Financial assets				
At amortised cost				
Other non-current financial assets	6,275	5,521	6,275	5,521
Trade receivables	107,964	111,850	107,964	111,850
Cash and cash equivalents	206,438	90,388	206,438	90,388
Other current financial assets	36,831	34,309	36,831	34,309
Fair value through profit and loss				
Derivative financial instruments - non current	2,291	-	2,291	-
Receivables from interim settlement of derivatives - non current	-	12,937	-	12,937
Other non-current financial assets	181	181	181	181
Derivative financial instruments - current	16,462	1,245	16,462	1,245
Receivables from interim settlement of derivatives - current	4,142	3,829	4,142	3,829
Other current financial assets	30	30	30	30
Financial liabilities				
At amortised cost				
Long term borrowings	628,172	776,694	645,374	801,245
Other non-current financial liabilities	16	41,470	16	41,470
Short term borrowings	205,656	90,140	208,137	90,140
Other current financial liabilities	256,486	241,344	256,486	241,344
Fair value through other comprehensive income				
Derivative financial instruments - current	47	-	47	-
Fair value through profit and loss				
Derivative financial instruments - non current	-	11,084	-	11,084
Payables from interim settlement of derivatives - non current	2,291	-	2,291	-
Derivative financial instruments - current	5,066	2,692	5,066	2,692
Payables from interim settlement of derivatives - current	12,957	1,092	12,957	1,092

Note: Derivative financial instruments consist of fx forwards, cross currency interest rate swaps (CCS), interest rate swaps (IRS), natural gas forwards and interim settlements for derivatives that consist of cash, which covers fluctuations in the market value of the aforementioned derivatives.

The management assessed that the cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Offsetting derivative financial instruments with interim settlement of derivatives

On 31.12.2020, the Group subsidiary in U.S.A., Titan America LLC (TALLC), has in force cross currency interest rate swap agreements (CCS) and EUR-USD forward contracts in order to hedge foreign currency risk or/and interest rate risk created by loans with the Group subsidiary Titan Global Finance PLC.

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 representing in the statements of financial position as at 31.12.2020 and 31.12.2019, in order to summarize the total net position of the Group.

(all amounts in Euro thousands)	Asset /(Liability)		
	Fair value of derivatives	Interim settlement of derivatives	Net balance
Balance at 31 December 2020			
Forwards - expired in 2021	15,238	-11,977	**3,261**
Natural gas forwards - expired in 2021	-47	-	**-47**
Cross currency swaps - expired in 2024	-1,551	871	**-680**
	13,640	-11,106	**2,534**
Balance at 31 December 2019			
Forwards - expired in 2020	-1,447	2,737	**1,290**
Cross currency swaps - expired in 2024	-11,084	12,937	**1,853**
	-12,531	15,674	**3,143**

36. Financial instruments and fair value measurement (continued)

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.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

(all amounts in Euro thousands)	Fair value		Fair value hierarchy
	2020	2019	
Assets			
Investment property	11,720	11,628	Level 3
Other financial assets at fair value through profit and loss	211	211	Level 3
Derivative financial instruments	18,753	1,245	Level 2
Receivables from interim settlement of derivatives	4,142	3,829	Level 2
Liabilities			
Long-term borrowings	612,463	671,189	Level 2
Long-term borrowings	32,911	130,056	Level 3
Short-term borrowings	170,196	-	Level 2
Short-term borrowings	37,941	90,140	Level 3
Derivative financial instruments	5,113	13,776	Level 2
Payables from interim settlement of derivatives	15,248	1,092	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 2020.

The fair value of level 3 investment property is estimated by the Group by external, independent, certified valuators. The fair value measurement of the investment property has been mainly conducted in accordance with the comparative method, or the current market values of similar properties. The main factors that were taken into consideration, are the property location, the surface area, the local urban planning, the bordering road networks, the regional infrastructure, the property maintenance status and merchantability, the technical construction standards in the case of buildings and the impact of environmental issues if any.

The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than a forced liquidation or sale. The following methods and assumptions were used to estimate the fair values:

For long and short term borrowings in level 2, the evaluation of their fair value is based on parameters such as interest rates, specific country risk factors, or price quotations at the reporting date. Specifically, they are used quoted market prices, or dealer quotes for the specific or similar instruments.

For the majority of the borrowings in level 3, the fair values are not materially different from their carrying amounts, since the interest payable on those borrowings is either close to current market rates, or the borrowings are of a short-term nature.The fair values of non-current borrowings in level 3 are based on discounted cash flows using a borrowing rate that is prevailed in current market condition.

Level 2 derivative financial instruments comprise fx forwards, cross currency interest rate swaps, interest rate swaps and natural gas forwards. The Group use a variety of methods and make assumptions that are based on market conditions existing at each reporting date. The aforementioned contracts have been fair valued using: a) forward exchange rates that are quoted in the active market and b) forward interest rates extracted from observable yield curves.

Level 3 other financial assets at fair value through profit and loss refer mainly to investments in foreign property funds in which the Group owns an insignificant percentage. Their valuation is made based on their financial statements, which present the assets at fair value.

37. Fiscal years unaudited by tax authorities

(1)	Titan Cement Company S.A	2015-2020		Stari Silo Company DOO	2008-2020
(1)	Albacem S.A.	2015-2020		Cementara Kosjeric AD	2009-2020
(1)	Interbeton Construction Materials S.A.	2015-2020		TCK Montenegro DOO	2007-2020
(1)	Intertitan Trading International S.A.	2015-2020		Double W & Co OOD	2018-2020
(1)	Vahou Quarries S.A.	2015-2020		Granitoid AD	2007-2020
(1)	Gournon Quarries S.A.	2015-2020		Gravel & Sand PIT AD	2005-2020
(1)	Quarries of Tagaradon Community S.A.	2015-2020		Zlatna Panega Beton EOOD	2008-2016
(1)	Aitolika Quarries S.A.	2015-2020		Zlatna Panega Cement AD	2010-2020
(1)	Sigma Beton S.A.	2015-2020		Titan Investment EAD	2017-2019
(1)	Titan Atlantic Cement Industrial and Commercial S.A.	2015-2020		Cement Plus LTD	2014-2020
(1)	Titan Cement International Trading S.A.	2015-2020		Rudmak DOOEL	2006-2020
	Titan Cement International S.A.	2019-2020		Esha Material LLC	2016-2020
	Aemos Cement Ltd	2012-2018		Esha Material DOOEL	2016-2020
	Alvacim Ltd	2013-2020		ID Kompani DOOEL	2015-2020
	Iapetos Ltd	2012-2020		Opalit DOOEL	2020
	Themis Holdings Ltd	2012-2020		Usje Cementarnica AD	2009-2020
	Feronia Holding Ltd	2012-2020		Titan Cement Netherlands BV	2010-2020
	Vesa DOOL	2006-2020		Alba Cemento Italia, SHPK	2015-2020
	Trojan Cem EOOD	2010-2020		Antea Cement SHA	2020
(2)	Titan Global Finance PLC	2019-2020		Sharr Beteiligungs GmbH	2014-2020
	Salentijn Properties1 B.V.	2007-2020		Kosovo Construction Materials L.L.C.	2010-2020
	Titan Cement Cyprus Limited	2017-2020		Sharrcem SH.P.K.	2017-2020
	KOCEM Limited	2012-2020		Alexandria Development Co.Ltd	2019-2020
	Fintitan SRL	2015-2020		Alexandria Portland Cement Co. S.A.E	2010-2020
	Cementi Crotone S.R.L.	2013-2020		Beni Suef Cement Co.S.A.E.	2011-2020
	Cementi ANTEA SRL	2010-2020		East Cement Trade Ltd	2006-2020
	Colombus Properties B.V.	2010-2020		Titan Beton & Aggregate Egypt LLC	2009-2020
	Brazcem Participacoes S.A.	2016-2020		Titan Egyptian Inv. Ltd	2019-2020
	Adocim Cimento Beton Sanayi ve Ticaret A.S.	-		Green Alternative Energy Assets EAD	2012-2020
	Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S.	-		GAEA Zelena Alternative Enerjia DOOEL	2013-2020
	Aeas Netherlands B.V.	2010-2020		GAEA Enerjia Alternative e Gjelber Sh.p.k.	2015-2020
	Titan Cement U.K. Ltd	2015-2020		GAEA -Green Alternative Energy Assets	2016-2020
(3)	Titan America LLC	2017-2020	(3)	Arresa Marine Co	-
	Separation Technologies Canada Ltd	2016-2020		Tithys Holdings Limited	2020

(1) For the fiscal years 2015-2019 Certified Auditors Accountants tax audited the above companies and issued tax certificates without qualifications, according to the article 65A, par. 1 of L. 4174/2013.
(2) As per UK tax legislation, HMRC could address any enquiry only for the years 2019 – 2020 which remain open to enquiry without the need for a discovery assessment.
(3) Companies operating in the U.S.A. are incorporated in the Titan America LLC subgroup (note 16).
(4) Under special tax status.

38. Reclassifications

In order the consolidated income statement of 2019 to be comparable with the corresponding income statement of 2020, the following reclassification took place: 1) "net finance costs" increased by €3,947 thousand and 2) "loss from foreign exchange differences" decreased by €3,947 thousand. The changes were made without impacted the Group's "profit before taxes" and "profit after taxes".

Moreover, the following reclassifications were made in the consolidated statement of financial position on 31.12.2019: 1) the amount of €4,353 thousand was transferred from "property, plant and equipment" to "intangible assets", 2) the amount of €7,869 thousand was transferred from "other non-current liabilities" to non-current "provisions", 3) the amount of €5,510 thousand was transferred from "trade and other payable" to current "provisions" and 4) the amount €3,863 of "interest payable" was incorporated into the account "short-term borrowings". All these changes were made in order the consolidated statement of financial position on 31.12.2019 to be comparable with the statement of financial position on 31.12.2020 without changing prior year's net assets, non-controlling interest, revenue, profit before or after taxes.

39. COVID-19 implications

On 11 March 2020, the World Health Organization declared the COVID-19 outbreak to be a pandemic in recognition of its spread across the globe. With the rapid development of the Coronavirus disease outbreak, the world economy entered into a period of unprecedented health care crisis that has already caused considerable global disruption in business activities and everyday life.

In this specific context, the Group's priority has been first of all to safeguard its people and its operations against COVID-19. In close cooperation with medical specialists, guidelines were quickly prepared, and action plans were implemented at all Group's sites, engaging employees, contractors, customers, and external service providers. In all operations, risk assessment and contingency plans were enforced, local guidelines were drawn up, hygiene measures were increased, and medical and psychological support were provided. Furthermore, the Group transitioned swiftly to remote working and being proactive in reducing or cancelling travel and large meetings and events. Additional protective measures were also taken for people working on-site, such as reducing the number of employees working physically at sites, rearranging shifts, providing temperature scanning, increasing sanitization and offering PCR testing.

Subsequently, the Group re-examined its estimations and assumptions used in various accounting analyses to include the uncertainty caused by the COVID-19 pandemic. With the updated accounting estimates and management judgements, the Group performed at the year-end the impairment test of goodwill, measured the net realizable value of inventories, tested the collectability of financial assets and calculated the recoverability of deferred tax assets.

For the purpose of goodwill impairment testing, the Group used adjusted cash flows projections based on revised financial budgets to calculate the value-in-use and thus the recoverable amount of its cash generated units (note 13). This year-end goodwill impairment testing process resulted in no impairment of goodwill that was related to uncertainty caused by the COVID-19 disease.

For the purpose of measuring net realizable value of inventories, the Group calculated the allowance for obsolete or slow-moving inventory based on consistently applied write off rules and concluded that none of the allowance recognised in 2020 consolidated income statement was related to the economic consequences of the pandemic.

For reassessing trade and other receivables allowances, the Group used provisional rates based on, among others, revised forecasts of future economic conditions, in addition with specific information for individual receivables. The reassessment showed that the recoverability of the receivables was not affected significantly due to the revision of the near-future economic projections.

For deferred tax assets, the Group reviewed forecasted taxable profits (note 8) and concluded that deferred tax assets should not be reduced as a result of the pandemic's economic implications.

Finally, a governmental measure applicable in the USA allowed the Group's subsidiary, Titan America LLC (TALLC), to accelerate the refund of €3.8 mil. of outstanding alternative minimum tax credits. Originally, these tax credits would have been refunded in equal payments in 2021 and 2022, but are now expected to be fully refunded in 2021. Another measure in USA has allowed TALLC to defer certain payroll taxes amounted to €2.9 mil.. Payment of all deferred 2020 funds will occur equally in December 2021 and December 2022.

The impact of the COVID-19 pandemic on the Group was clearly less severe than what was initially expected. Overall construction activity escaped the full brunt of the downturn, being allowed to continue as an essential activity in most of the Group's operating countries.

40. Events after the reporting period

On 22.3.2021, the Board of Directors decided the cancellation of 4,122,393 own shares representing 5% of the Company's voting rights. The cancellation is expected to be completed by the end of the 2nd quarter of 2021, according to the procedure provided by Belgian law.

Parent Company Separate Summarized Financial Statements

Income Statement

(all amounts in Euro thousands)	Year ended 31 December	
	2020	2019
Operating income	4,296	1
Operating charges	-9,457	-6,876
Operating loss	**-5,161**	**-6,875**
Financial result	1,799	-1,481
Profit/(loss) for the period before taxes	**-3,362**	**-8,356**
Income taxes	-1	-1
Profit/(loss) for the period	**-3,363**	**-8,357**

This is an abbreviated version of the parent company's Financial Statements. A full version of the accounts (included the auditors report), that will be filled with the BNB/NBB, is available on the Company's website www.titan-cement.com and can be obtained free of charge.

Statutory Balance Sheet After Appropriation

(all amounts in Euro thousands)	December 31, 2020	December 31, 2019
Assets		
Fixed assets		
Formation expenses	6,062	7,722
Intangible assets	41	
Tangible assets	225	129
Financial fixed assets		
Participating interests	1,443,069	1,503,182
Other financial fixed assets	27	15
Total financial fixed assets	**1,443,096**	1,503,197
Total fixed assets	**1,449,424**	**1,511,048**
Current assets		
Amounts receivable within one year	4,614	40
Treasury shares	3,585	
Cash at bank and in hand	267	418
Deferred charges and accrued income	119	160
Total current assets	**8,585**	**618**
Total assets	**1,458,009**	**1,511,666**
Equity and liabilities		
Equity		
Capital	1,159,348	1,159,348
Share premium	15,320	15,320
Reserves	135,648	135,648
Retained (losses)/earnings	-11,720	-8,357
Total equity	**1,298,595**	**1,301,959**
Provisions and deferred taxes	**329**	**1,861**
Amounts payable		
Amounts payable after more than one year		
Financial debt	-	56,000
Other amounts payable	100,709	133,510
Total amounts payable after more than one year	**100,709**	**189,510**
Amounts payable within one year		
Financial debt	19,780	83
Trade debts	3,505	777
Taxes, remunerations and social security	1,148	922
Other amounts payable	33,870	16,490
Total amounts payable within one year	**58,303**	**18,272**
Accruals and deferred income	72	64
Total amount payables	**159,084**	**207,846**
Total equity and liabilities	**1,458,009**	**1,511,666**

This is an abbreviated version of the parent company's Financial Statements. A full version of the accounts (included the auditors report), that will be filled with the BNB/NBB, is available on the Company's website www.titan-cement.com and can be obtained free of charge.

Declaration by the persons responsible

The Board of Directors hereby declares that, to the best of their knowledge:

a. The financial statements, prepared in accordance with International Reporting Standards (IFRS), give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer and of the entities included in the consolidation;

b. The management report includes a fair review of the development and performance of the business and the position of the issuer and of the entities included in the consolidation, together with a description of the main risks and uncertainties that these entities face.

For the Board of Directors,

8/4/2021

Chairman of the Board of Directors	Managing Director- Group CFO
Efstratios- Georgios (Takis) Arapoglou	Michael Colakides

STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING TITAN CEMENT INTERNATIONAL SA ON THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

We present to you our statutory auditor's report in the context of our statutory audit of the consolidated accounts of Titan Cement International SA (the "Company") and its subsidiaries (jointly "the Group"). This report includes our report on the consolidated accounts, as well as the other legal and regulatory requirements. This forms part of an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting *d.d.* 13 May 2019, following the proposal formulated by the board of directors. Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2021. We have performed the statutory audit of the Company's consolidated accounts for the second consecutive year.

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 2020, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, and which is characterised by a consolidated statement of financial position total of EUR 2,678,933 thousand and a profit for the year attributable to equity holders of the parent of EUR 1,518 thousand.

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 2020, 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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BELFIUS BE92 0689 0408 8123 - BIC GKCC BEBB

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 goodwill, intangible assets, investments in Joint Ventures and PP&E</u>

Description of the key audit matter

Titan Cement International Group carries significant values of property plant and equipment (PP&E), goodwill, intangible assets and investments in joint ventures on the balance sheet amounting to EUR 1,529 million, 268 million, 84 million and 78 million respectively as at 31 December 2020 as detailed in disclosure notes 11, 13, 14 and 15.

As required by the International Accounting Standard ('IAS 36'), as endorsed by the EU, the Group is required to test the amount of goodwill and indefinite useful life intangible assets for impairment at least annually. IAS 36 also requires that assets subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. International Accounting Standard ('IAS 28') states that investments in joint ventures are assessed for impairment where indicators of impairment are present. The recoverable amount of the joint venture is determined in accordance with IAS 36.

Goodwill, intangible assets, investment in joint ventures and property, plant and equipment are allocated to cash generating units (CGUs). Management determines the recoverable amount for each CGU as the higher of fair value less costs to sell and value in use. The calculation of the recoverable amount of each CGU requires judgements applied by Management.

We consider this matter to be of most significance because of the complexity of the assessment process and significant judgments in respect of assumptions about the future results of the business and the discount rates applied to future cash flow forecasts. The most important assumptions relate to the discount rate, sales volume and selling price evolutions, perpetual growth rates and operating margins. We focused on the Egypt, Turkey and Brazil CGUs because they are most sensitive to changes in key assumptions.

Following management's assessment, an impairment loss on goodwill of EUR 46,6 million was recognised in the consolidated income statement as at 31 December 2020 in relation to the Egypt CGU (note 13).

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 locally industry trends and assumptions made in the prior years and agreed them to approved financial budgets.

We critically assessed and checked the assumptions related to the long-term growth rates, by comparing them to industry forecasts and historical growth rates.

We compared operating margin, working capital- and CAPEX percentages with past actuals.

We compared the weighted average cost of capital ("WACC") to the cost of capital and debt of the Group and comparable companies, as well as considering territory specific factors.

We tested the calculation method used and the accuracy thereof.

We evaluated the impact of alternative scenarios about discount rates, growth rates, selling prices and gross margins on the recoverable amount of each CGU. We found that sufficient headroom remained between the carrying value and the recoverable amount for all CGUs with the exception of Egypt for which a goodwill impairment loss has been recognised accordingly.

Based on the procedures performed we considered management's key assumptions to be within a reasonable range and disclosures in the financial statements to be adequate.

Responsibilities of the board of directors for the preparation of the consolidated accounts

The board of directors is responsible for the preparation of consolidated accounts that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determine 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.

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Statutory auditor's responsibilities for the audit of the consolidated accounts

Our objectives are to obtain reasonable assurance about whether the consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated accounts.

In performing our audit, we comply with the legal, regulatory and normative framework applicable to the audit of the consolidated accounts in Belgium. A statutory audit does not provide any assurance as to the Group's future viability nor as to the efficiency or effectiveness of the board of directors' current or future business management at Group level. Our responsibilities in respect of the use of the going concern basis of accounting by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;

- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated accounts, including the disclosures, and whether the consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation;

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated accounts of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors’ report on the consolidated accounts and the other information included in the integrated annual report on the consolidated accounts.

Statutory auditor’s responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors’ report on the consolidated accounts and the other information included in the integrated annual report on the consolidated accounts and to report on these matters.

Aspects related to the directors’ report on the consolidated accounts and to the other information included in the annual report on the consolidated accounts

In our opinion, after having performed specific procedures in relation to the directors’ report on the consolidated accounts, this directors’ report is consistent with the consolidated accounts for the year under audit and is prepared in accordance with article 3:32 of the Companies' and Associations' Code.

In the context of our audit of the consolidated accounts, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report on the consolidated accounts and the other information included in the annual report on the consolidated accounts is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you.

The non-financial information required by virtue of article 3:32, §2 of the Companies' and Associations' Code is included in the directors' report on the consolidated accounts which is part of the section "Management Report; ESG Performance statements" of the integrated annual report. The Company has prepared the non-financial information, based on the UN Global Compact Communication on Progress Guidelines, the Charter and Guidelines of the Global Cement and Concrete Association and the UN SDGs 2030. However, in accordance with article 3:80, §1, 5° of the Companies' and Associations' Code, we do not express an opinion as to whether the non-financial information has been prepared based on the UN Global Compact Communication on Progress Guidelines, the Charter and Guidelines of the Global Cement and Concrete Association and the UN SDGs 2030 as disclosed in the directors' report on the consolidated accounts.

Statement related to independence

- Our registered audit firm and our network did not provide services which are incompatible with the statutory audit of the consolidated accounts, and our registered audit firm remained independent of the Group in the course of our mandate.
- The fees for additional services which are compatible with the statutory audit of the consolidated accounts referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemized in the notes to the consolidated accounts.

Other statements

- This report is consistent with the additional report to the audit committee referred to in article 11 of the Regulation (EU) N° 537/2014.

Sint-Stevens-Woluwe, 9 April 2021

The statutory auditor
PwC Reviseurs d'Entreprises SRL / PwC Bedrijfsrevisoren BV
Represented by

Marc Daelman
Réviseur d'Entreprises / Bedrijfsrevisor

Independent Assurance Statement to the Board of Directors of Titan Cement International S.A.

ERM Certification and Verification Services Ltd. (ERM CVS) was engaged by Titan Cement International S.A. (TITAN Group) to provide assurance in relation to the information set out below and presented in TITAN's Integrated Annual Report 2020 (the Report).

<table>
<tr><th colspan="2">Engagement Summary</th></tr>
<tr><td>Assurance Scope</td><td>
1. Whether the following disclosures in the Report are fairly presented, in all material respects, with the reporting criteria:
o "Materiality assessment and stakeholder engagement" in section "Understanding TITAN" on pages 16-17.
o "Performance towards our 2020 sustainability targets" in section "Understanding TITAN" on page 25
o The information and 2020 performance data disclosed in section "Management Report; ESG performance overview" on pages 72 to 79
o The Group data for the non-financial metrics relating to the period January 1 to December 31 2020 indicated within the assurance column in section "Management Report; ESG Performance statements" in the tables: 2.2. "Environmental Performance Index" and 2.3. "Social Performance Index" on pages 86 to 101.
2. Whether the relevant 2020 data and disclosures in the Report are aligned with the following GCCA requirements:
• Sustainability Charter (October 2019)
• Sustainability Framework Guidelines (October 2019)
• Sustainability Guidelines for co-processing fuels and raw materials in cement manufacturing (October 2019)
• Sustainability Guidelines for Quarry Rehabilitation and Biodiversity Management (May 2020)
• Sustainability Guidelines for the monitoring and reporting of:
o Safety in cement and concrete manufacturing (February 2020) with extended application to concrete and other related activities
o CO_2 emissions from cement manufacturing (October 2019)
o Emissions from cement manufacturing (October 2019)
o Water in cement manufacturing (October 2019)
3. Whether the Report meets the UN Global Compact criteria relating to a Communication on Progress (COP) Advanced Level
</td></tr>
<tr><td>Reporting Criteria</td><td>GCCA requirements for the scope referenced above
UN Global Compact COP Advanced Level
And as presented in Table 2.5 "TITAN Reporting Standards for the ESG Performance disclosures in 2020" in the section "Management Report; ESG Performance statements"</td></tr>
<tr><td>Assurance Standard and Level of Assurance</td><td>International Standard on Assurance Engagements ISAE 3000 (Revised) 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board (IAASAB) of the International Federation of Accountants (IFAC). This standard requires that we comply with ethical, competence and quality requirements, and plan and perform the assurance engagement to obtain a reasonable level of assurance.</td></tr>
<tr><td>Respective Responsibilities</td><td>The Board of TITAN is responsible for preparing the Report and for the collection and presentation of the disclosures covered by the scope of our engagement. Also for designing, implementing and maintaining effective internal controls over the information and data.

ERM CVS' responsibility is to provide an opinion, based on the assurance activities undertaken and exercising our professional judgement, on whether the information covered by the scope of our engagement has been prepared in accordance with the stated criteria. ERM CVS disclaims any liability for any decision a person or entity may make based on this Assurance Statement.</td></tr>
</table>

Our opinion

We have audited selected ESG information in TITAN's Integrated Annual Report 2020 as detailed under 'Assurance Scope' above. In our opinion:

1. The ESG performance disclosures and data in the Report as described under 'Assurance Scope (1)' above are fairly presented, in all material respects, in accordance with the reporting criteria;
2. The relevant 2020 data and disclosures in the Report are aligned with the following GCCA requirements:
   - *Sustainability Charter (October 2019)*
   - *Sustainability Framework Guidelines (October 2019)*
   - *Sustainability Guidelines for co-processing fuels and raw materials in cement manufacturing (October 2019)*

- *Sustainability Guidelines for Quarry Rehabilitation and Biodiversity Management (May 2020)*
- *Sustainability Guidelines for the monitoring and reporting of:*
    - *Safety in cement and concrete manufacturing (February 2020) with extended application to concrete and other related activities*
    - *CO_2 emissions from cement manufacturing (October 2019)*
    - *Emissions from cement manufacturing (October 2019)*
    - *Water in cement manufacturing (October 2019)*

3. The Report meets the UN Global Compact criteria relating to a Communication on Progress (COP) Advanced Level.

Our reasonable assurance activities

We planned and performed our work to obtain sufficient and appropriate evidence to support our opinion, and to reduce the risk of a material error or omission in the assured information to low, but not absolute. Our assurance procedures included, but were not restricted to, the following activities:

- A review of external media reports to identify relevant sustainability issues for TITAN in the reporting period;
- A review of the suitability of the reporting criteria and related internal reporting processes, including conversion factors, estimates and assumptions used;
- An initial webex with TITAN Head Office in Athens, Greece to understand any (planned) changes to TITAN's sustainability strategy, the Report and related reporting systems and processes, internal controls and responsibilities in 2020;
- Virtual visits to TITAN cement operations in Greece (Kamari) and Serbia (Kosjerić) to verify the source data underlying the 2020 data for the information in our assurance scope and to review local environmental and safety management, procurement procedures, labour and human rights and stakeholder/community engagement. These two sites contributed c.16% of the Group's cement production and c.16% of net CO_2 emissions for the reporting year;
- An assessment of the reports and conclusions of accredited third-party verification bodies relating to the verification of Scope 1 GHG emissions that fall within the scope of the EU emissions trading scheme (EU ETS). These provided coverage of an additional c.16% of TITAN Group's net CO_2 emissions (excluding Kamari to avoid double counting with sites visited);
- An analytical review and substantive testing (on a sample basis) of the 2020 data submitted by all sites included in the consolidated corporate data for the selected disclosures, and follow up and close out of our queries;
- Substantive procedures relating to the consolidation of the 2020 data for the selected disclosures;
- A second webex over two-days with TITAN Head Office in Athens, Greece to:
    - review activities across the business during 2020 regarding stakeholder engagement and in relation to TITAN's identified material issues;
    - test the effectiveness of internal controls in relation to the accuracy and completeness of the 2020 corporate consolidated data for the indicators in the scope of our engagement;
    - collect additional evidence through an extensive series of interviews with management representatives (including the Chief Sustainability Officer, ESG department, Environment, Safety, Human resources, Finance, Procurement, Legal and Internal Audit), and reviewed further evidence in underlying management and reporting systems such as the Global HR Management System and documents including the minutes of meetings of governance bodies;
- A review of the presentation of information relevant to the scope of our work in the Report to ensure consistency with our findings.

The limitations of our engagement

We do not express any opinion on any other information in the Report or on TITAN's website for the current reporting period, or on the baseline values used for presenting performance against the 2020 targets. We do not provide any assurance on prospective information including ambitions, plans, expectations or their achievability.
For previous periods (2016-2019) we refer to our Assurance Statements in the Integrated Annual Reports for those years in order to understand the scope, activities and related opinions. The reliability of the assured 2020 data is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information so it is important to understand our assurance opinion in this context.
Our independent assurance statement provides no assurance on the maintenance and integrity of TITAN's website, including controls used to achieve this or, in particular, whether any changes may have occurred to the information since it was first published.

Force Majeure – COVID-19:
As a result of travel restrictions arising from the current global pandemic, we were unable to carry out our assurance activities as originally planned and agreed with TITAN. In-person visits to operations and the head office were replaced with remote reviews via teleconference and video calls for this year's assurance engagement. Whilst we believe these changes do not affect our reasonable assurance opinions above, we draw attention to the possibility that if we had undertaken in-person visits we may have identified errors and omissions in the assured information that we did not discover through the alternative approach.

Ethics, independence, competence and quality control

ERM CVS is a member of the ERM Group and all employees are subject to ERM's Global Code of business conduct and ethics. ERM CVS is accredited by the United Kingdom Accreditation Service (UKAS) and our operating system is designed to comply with ISO 17021:2011
We have policies and procedures in place covering quality, independence and competency. In line with established best practice for non-financial assurance, this engagement was undertaken by a team of assurance, EHS and sustainability professionals. The work that ERM CVS conducts for clients is solely related to independent assurance activities and auditor training. Our established management

processes are designed and implemented to ensure the work we undertake with clients is free from organisational and personal conflicts of interest or bias.
ERM CVS and the staff that have undertaken this assurance engagement provide no consultancy related services to Titan Cement International S.A. in any respect.

Beth C.B. Wyke

Beth Wyke
Partner, Head of Corporate Assurance
1 April 2021

ERM Certification and Verification Services, London
www.ermcvs.com; Email: post@ermcvs.com

Glossary

Financial

CAPEX is defined as acquisitions of property, plant and equipment, right of use assets, investment property and intangible assets.

EBITDA corresponds to operating profit before impairment losses on goodwill plus depreciation, amortization and impairment of tangible and intangible assets and amortization of government grands.

Net debt corresponds to the sum of long-term borrowings and lease liabilities, plus short-term borrowings and lease liabilities (collectively gross debt), minus cash and cash equivalents.

NPAT is defined as profit after tax attributable to equity holders of the parent.

Operating free cash flow is defined as cash generated from operations minus payments for CAPEX.

Operating profit before impairment losses on goodwill is defined as profit before income tax, share of gain or loss of associates and joint ventures, gains or losses from foreign exchange differences, net finance costs, other income or loss and impairment losses on goodwill.

Operating profit is defined as profit before income tax, share of gain or loss of associates and joint ventures, gains or losses from foreign exchange differences, net finance costs and other income or loss.

ESG performance

Aqueduct: The World Resource Institute's (WRI) Aqueduct Water Risk Atlas is a publicly-available online global database of local-level water risk indicators and a global standard for measuring and reporting geographic water risk. The World Resources Institute is a global, independent, non-partisan and non-profit research organization, with mission to move human society to live in ways that protect Earth's environment and its capacity to provide for the needs and aspirations of current and future generations.

COP: The Communication on Progress is intended as a mechanism to inform, in a standardized format of an annual report, company stakeholders (e.g., investors, consumers, civil society, and governments) on progress made in implementing the Ten Principles of the United Nations Global Compact.

CSR Europe: The leading European business network for Corporate Sustainability and Responsibility. The network supports businesses and industry sectors in their transformation and collaboration towards practical solutions and sustainable growth. The ambition is the systemic change; therefore, following the SDGs, the network seeks to co-build with the European leaders and stakeholders an overarching strategy for a Sustainable Europe 2030.

GCCA: The Global Cement and Concrete Association is a CEO-led industry initiative established in 2018, representing the global voice of the sector. The GCCA took over the role of the former CSI Project of the WBCSD and has carried, since 1 January 2019, the work programs and sustainable development activities of the CSI, with key objectives to develop and strengthen the sector's contribution to sustainable construction across the value chain, and to foster innovation in collaboration with industry, associations and key experts-stakeholders.

IBAT: The Integrated Biodiversity Assessment Tool, developed through a partnership of global conservation leaders including BirdLife International, Conservation International and IUCN, provides key decision-makers with access to critical information on biodiversity priority sites, to inform decision-making processes and address potential impacts.

IIRC: The International Integrated Reporting Council is a global coalition of regulators, investors, companies, standard setters, the accounting profession, academia and NGOs. The coalition promotes communication about value creation as the next step in the evolution of corporate reporting.

IIUCN: The International Union for Conservation of Nature is a membership Union composed of both government and civil society organizations, with mission to influence, encourage and assist societies to conserve the integrity and diversity of nature and to ensure that any use of natural resources is equitable and ecologically sustainable.

RECODE: Pilot project where TITAN engages with the European Union and collaborates with international stakeholders from the industry and academia, the aim being to advance in climate change-related innovation, and explore technical solutions for reducing CO_2 emissions, while developing more sustainable products.

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.

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.

TCFD: Established by the Financial Sustainability Board in 2016, the Task Force on Climate-related Financial Disclosures is a market- driven coalition with the mission to develop voluntary, consistent climate-related financial risk disclosures for use by companies in providing information to stakeholders (like investors, lenders and insurers).

UNCTAD: The United Nations Conference on Trade and Development is a United Nations body responsible for dealing with economic and sustainable development issues with a focus on trade, finance, investment and technology, in particular for helping developing countries to participate equitably in the global economy.

UNGC: The United Nations Global Compact is a voluntary initiative based on CEO commitments to implement universal sustainability principles ('Ten Principles') and to take steps to support UN goals. 'Ten Principles' are derived from the

Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

WBCSD: The World Business Council for Sustainable Development is a global, CEO-led organization of over 200 leading businesses working together to accelerate the transition to a sustainable world, helping member companies to become more successful and sustainable by focusing on the maximum positive impact for shareholders, the environment and societies.

WRI: The World Resources Institute is a global, independent, non-partisan and non-profit research organization, with mission to move human society to live in ways that protect Earth's environment and its capacity to provide for the needs and aspirations of current and future generations.

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