

Message from the Chairman of the Group Executive Committee



Dear Shareholders and Stakeholders,

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

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

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

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

Addressing climate change remained at the top of our sustainability agenda, as we were among the first cement companies worldwide with decarbonization targets validated by the Science Based Targets initiative (SBTi). Ahead of COP26, we signed the “Business Ambition for 1.5°C” Commitment letter, joining a number of leading companies seeking to keep warming to 1.5°C and reach net-zero emissions by 2050. To improve our disclosure of climate-related risks, we started implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). And we were recognized by the CDP as a global

climate leader for our transparency and actions to mitigate climate change and transition to a net-zero economy. Our net CO₂ emissions declined in line with our 2030 goals, as we ramped up our consumption of alternative fuels and accelerated the transition to greener products. The investment for a pre-calcliner at our Kamari plant in Greece, which will enable the utilization of greater quantities of waste-derived fuels, is progressing according to schedule. Meanwhile, since September, approximately half of Titan America's cement output consists of the lower-carbon Type IL cement.

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

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

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

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

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

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

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

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

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

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

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

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



Dimitri Papalexopoulos
Chairman of the Group Executive Committee