

**Independent Assurance Statement to the Board of Directors of Titan Cement International S.A.**

**ERM Certification and Verification Services Limited ('ERM CVS') was engaged by Titan Cement International S.A. ('TITAN Group') to provide assurance in relation to the information set out below and presented in TITAN's Integrated Annual Report 2021 for the reporting year ended 31 December 2021 (the 'Report').**

Engagement Summary	
<b>Assurance Scope</b>	<ol style="list-style-type: none"> <li>1. Whether the following disclosures in the Report are fairly presented, in all material respects, with the reporting criteria: <ul style="list-style-type: none"> <li>▪ <i>"Focusing on material issues"</i> in section <i>"Understanding TITAN"</i> on pages 18 to 19.</li> <li>▪ <i>"Making progress towards our ESG targets"</i> in section <i>"Understanding TITAN"</i> on pages 30 to 31</li> <li>▪ The information and 2021 performance data disclosed in section <i>"Management Report; ESG performance overview"</i> on pages 82 to 97</li> <li>▪ The Group data for the non-financial metrics relating to the period January 1 to December 31 2021 indicated within the assurance column in section <i>"Management Report; ESG Performance statements"</i> in tables 2.1 through 2.4 on pages 103 to 123.</li> </ul> </li> <li>2. Whether the relevant 2021 data and disclosures in the Report are aligned with the following GCCA requirements: <ul style="list-style-type: none"> <li>▪ Sustainability Charter (October 2019)</li> <li>▪ Sustainability Framework Guidelines (October 2019)</li> <li>▪ Sustainability Guidelines for co-processing fuels and raw materials in cement manufacturing (October 2019)</li> <li>▪ Sustainability Guidelines for Quarry Rehabilitation and Biodiversity Management (May 2020)</li> <li>▪ Sustainability Guidelines for the monitoring and reporting of: <ul style="list-style-type: none"> <li>– Safety in cement and concrete manufacturing (February 2020) with extended application to concrete and other related activities</li> <li>– CO<sub>2</sub> emissions from cement manufacturing (October 2019)</li> <li>– Emissions from cement manufacturing (October 2019)</li> <li>– Water in cement manufacturing (October 2019)</li> </ul> </li> </ul> </li> <li>3. Whether the Report meets the UN Global Compact criteria relating to a Communication on Progress (COP) Advanced Level.</li> </ol>
<b>Reporting Criteria</b>	<ul style="list-style-type: none"> <li>▪ GCCA requirements for the scope referenced above;</li> <li>▪ UN Global Compact COP Advanced Level; and</li> <li>▪ as presented in notes to Tables 2.1-2.4 as referenced above.</li> </ul>
<b>Assurance Standard and Level of Assurance</b>	<p>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.</p>
<b>Respective Responsibilities</b>	<p>The Board of TITAN Group is responsible for preparing the Report and for the collection and presentation of the disclosures covered by the scope of our engagement. Also for designing, implementing and maintaining effective internal controls over the information and data.</p> <p>ERM CVS' responsibility is to provide an opinion, based on the assurance activities undertaken and exercising our professional judgement, on whether the information covered by the scope of our engagement has been prepared in accordance with the stated reporting criteria. ERM CVS disclaims any liability for any decision a person or entity may make based on this Assurance Statement.</p>

## Our opinion

We have assured selected information in the Report as detailed under 'Assurance Scope' above. In our opinion:

1. The performance disclosures and data in the Report as described under 'Assurance Scope (1)' above are fairly presented, in all material respects, in accordance with the reporting criteria;
2. The relevant 2021 data and disclosures in the Report are aligned with the following GCCA requirements:
  - Sustainability Charter (October 2019)
  - Sustainability Framework Guidelines (October 2019)
  - Sustainability Guidelines for co-processing fuels and raw materials in cement manufacturing (October 2019)
  - Sustainability Guidelines for Quarry Rehabilitation and Biodiversity Management (May 2020)
  - Sustainability Guidelines for the monitoring and reporting of:
    - Safety in cement and concrete manufacturing (February 2020) with extended application to concrete and other related activities
    - CO<sub>2</sub> emissions from cement manufacturing (October 2019)
    - Emissions from cement manufacturing (October 2019)
    - Water in cement manufacturing (October 2019)
3. The Report meets the UN Global Compact criteria relating to a Communication on Progress (COP) Advanced Level.

## Our reasonable assurance activities

We planned and performed our work to obtain sufficient and appropriate evidence to support our opinion, and to reduce the risk of a material error or omission in the assured information to low, but not absolute. Our assurance procedures included, but were not restricted to, the following activities:

- A review of external media reports to identify relevant sustainability issues for TITAN Group in the reporting period;
- A review of the suitability of the reporting criteria and related internal reporting processes, including conversion factors, estimates and assumptions used;
- A virtual meeting with TITAN Group's Head Office in Athens, Greece to understand any (planned) changes to TITAN Group's sustainability strategy, the Report and related reporting systems and processes, internal controls and responsibilities in 2021;
- Virtual visits to TITAN Group's cement operations in Greece (Patras) and Albania (ANTEA), and RMC operations in Greece (Drepano) to verify the source data underlying the 2021 data for the information in our assurance scope and to review local environmental and safety management, procurement procedures, labour and human rights and stakeholder/community engagement. TITAN Group explained that the two cement operations contributed circa 14.4% of the Group's cement production and circa 15% of net CO<sub>2</sub> emissions for the reporting year;
- Virtual meeting with TITAN Group's cement operations in Egypt (Beni Suef) to verify source data and review management procedures for reported Scope 3 GHG emissions;
- An assessment of the reports and conclusions of accredited third-party verification bodies relating to the verification of Scope 1 GHG emissions that fall within the scope of the EU emissions trading scheme (EU ETS). These provided coverage of an additional circa 22.5% of TITAN Group's net CO<sub>2</sub> emissions (excluding Patras to avoid double counting with sites visited);
- An analytical review and substantive testing (on a sample basis) of the 2021 data submitted by all sites included in the consolidated corporate data for the selected disclosures, and follow-up and close out of our queries;
- Substantive procedures relating to the consolidation of the 2021 data for the selected disclosures;
- A second virtual meeting over two-days with TITAN Group's Head Office in Athens, Greece to:
  - review activities across the business during 2021 regarding stakeholder engagement and in relation to TITAN Group's identified material issues;
  - test the effectiveness of internal controls in relation to the accuracy and completeness of the 2021 corporate consolidated data for the indicators in the scope of our engagement;
  - collect additional evidence through an extensive series of interviews with management representatives (including the Chief Sustainability Officer, ESG department, Environment, Safety, Human resources, Finance, Procurement, Legal and Internal Audit), and reviewed further evidence in underlying management and reporting systems such as the Global HR Management System and documents including the minutes of meetings of governance bodies; and

- A review of the presentation of information relevant to the scope of our work in the Report to ensure consistency with our findings.

#### **The limitations of our engagement**

We do not express any opinion on any other information in the Report or on TITAN Group's website for the current reporting period, or on the baseline values used for presenting performance against targets. We do not provide any assurance on prospective information including ambitions, plans, expectations or the achievability of targets.

For previous periods (2016-2020) we refer to our Assurance Statements in the Integrated Annual Reports for those years in order to understand the scope, activities and related opinions. The reliability of the assured 2021 data is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information so it is important to understand our assurance opinion in this context.

Our independent assurance statement provides no assurance on the maintenance and integrity of TITAN Group's website, including controls used to achieve this or, in particular, whether any changes may have occurred to the information since it was first published.

#### **Force Majeure – COVID-19**

As a result of travel restrictions arising from the current global pandemic, we were unable to carry out our assurance activities as originally planned and agreed with TITAN Group. In-person visits to operations and the head office were replaced with remote reviews via teleconference and video calls for this year's assurance engagement. Whilst we believe these changes do not affect our reasonable assurance opinions above, we draw attention to the possibility that if we had undertaken in-person visits, we may have identified errors and omissions in the assured information that we did not discover through the alternative approach.

#### **Ethics, independence, competence and quality control**

ERM CVS is a member of the ERM Group and all employees are subject to ERM's Global Code of business conduct and ethics. ERM CVS is accredited by the United Kingdom Accreditation Service (UKAS) and our operating system is designed to comply with ISO 17021:2011.

We have policies and procedures in place covering quality, independence and competency. In line with established best practice for non-financial assurance, this engagement was undertaken by a team of assurance, EHS and sustainability professionals. The work that ERM CVS conducts for clients is solely related to independent assurance activities and auditor training. Our established management processes are designed and implemented to ensure the work we undertake with clients is free from organisational and personal conflicts of interest or bias.

ERM CVS and the staff that have undertaken this assurance engagement provide no consultancy related services to Titan Cement International S.A. in any respect.



Gareth Manning  
Partner, Corporate Assurance

**1 April 2022**



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