

Interview with the Chairman of the Group Executive Committee



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

Marcel Cobuz
Chairman of the Group Executive Committee

Can you give us a bird's eye view of TITAN's performance in 2023?

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

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

What makes us even prouder is that TITAN Group became family to more than 1,000 new recruits. Moreover, our best-in-class safety performance and leadership in terms of ESG improved last year. We reduced our direct CO₂ emissions by 10% versus 2020. Top ESG rating providers recognized our accomplishments: Among others, in 2023 MSCI rated us "AA" for the third consecutive year and CDP recognized our climate leadership with a top "A" score.

What were the main factors contributing to the company's performance?

First, our biggest power is our people, whose passion, drive, and dedication are a true inspiration. I am very thankful for everyone's contribution in keeping our operational sites efficient and safe and in serving loyal partners and customers in 25 markets.

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

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

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

bottom-line performance with a lean Corporate adding value to transformational technologies.

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

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

The latest testament to this strategy is the upgrade of our flagship plant in Kamari, Greece, which will allow us to further reduce CO₂ emissions by 150,000 tonnes annually and enhance the plant's ability to use alternative fuels.

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

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

Last but not least, in line with our commitment to net zero by 2050, this year our teams launched the development of "IFESTOS", our pioneering Carbon Capture project in Greece, which represents the largest initiative of its kind in Europe and is partly financed by the EU Innovation Fund. Able to capture 20% of the Group's CO₂ emissions, IFESTOS also supports Greece's green transition efforts.

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

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

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

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

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

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

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

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