

# ESG performance statements

TITAN's approach for ESG Performance reporting, and adopted by Antea Cement SH.A

Among voluntary commitments for our reporting approach were: The IIRC principles, UNGC Communication on Progress (CoP), the GCCA Charter and Guidelines, and TCFD recommendations. We also provide the connection of our ESG Performance Statements with the SASB. Last, in 2023, our approach was further expanded for providing the connection of ESG performance indicators with metrics in reference to the GRI Standards for the period 1 January 2023 to 31 December 2023.

## Changes in the structure and content of the 2023 Integrated Annual Report (IAR) ESG Statements

We introduced new KPIs and other disclosures under each focus area:

- Decarbonization and Digitalization: Scope 1 and 2 gross CO2 emissions, encompassing all activities within our operations. Additionally, we've introduced the measurement of Scope 1 net CO2 emissions intensity per revenue (see Table 2.1).

- Growth-enabling work environment: employee voluntary and involuntary turnover, gender pay gap and the share of employees covered by collective bargaining agreements stipulating provisions for working conditions. Additionally, we've implemented comprehensive training hours categorization and introduced DE&I as a subject matter (see Table 2.2).

- Positive local impact: our focus extends to a broader range of environmental protection expenditures and investments including environmental CapEx and environmental OpEx. Training man-hours on environmental issues employees and contractors respectively have been also included in Table 2.3.

- Responsible sourcing: we have expanded our indicators to include water withdrawal in water-stressed areas and hazardous waste management breakdowns by destination and usage. Furthermore, we're now monitoring the adherence of key suppliers to our ESG standards, the number of suppliers with science based targets, suppliers' training hours for TITAN ESG standards, the number of cases on product recalls, and customer satisfaction surveys coverage (see Table 2.4).

- Good governance, transparency, and business ethics: lobbying expenditures and the number of BoD meetings in which Sustainability was included. Additionally, we monitor incidents of corruption and bribery, the number of confirmed information security incidents and anti-bribery and corruption training (see Table 2.5.1).

## Baseline years for KPIs

For monitoring progress on ESG 2025 targets the baseline year, if relevant, is 2020. For CO2 emissions, all SBTi emissions-related targets refer to 2020 as the baseline year.

## Consolidation of data for KPIs

The consolidation of ESG performance indicators (KPIs) was made with 100% contribution for all subsidiaries except Adocim- Tokat operations, for which and in specific for material issues "Future-ready business model in a carbon neutral world", "Environmental positive impact" and "Resource efficiency and recycling and recovery, contributing to circular economy", the consolidation of figures for KPIs followed the contribution of 75% according to the property share of the Parent company.

With regards to "Good governance, transparency, and business ethics" the consolidation of data related to "Compliance and business ethics" followed the above.

The use of "average yearly" exchange rates for all TITAN subsidiaries' currencies in 2023 was in accordance with TITAN's accounting policy for the foreign currency translation, in specifically for the income and expenses for statements of profit or loss and comprehensive income.

## Guidelines for KPIs and other disclosures

Table 2.5.8 "Sector and Other Standards for the Non-financial disclosures in 2023" provides detailed references for guidance documents for the sector (GCCA) and other global institutions (UNCTAD and UNGC) which are incorporated in the reporting approach of TITAN. Connections of KPIs are provided as part of the ESG performance statements for all focus areas: Decarbonization and Digitalization (see Table 2.1), Growth-enabling work environment (Table 2.2), Positive local impact focus area (Table 2.3), Responsible sourcing (Table 2.4), and Good governance, transparency, and business ethics (Tables 2.5.1 and 2.5.9).

# ESG performance statements -Tak

## 1. Material Issues

	TITAN Group	Albania
1	Future-ready business model for a carbon-neutral world	<b>Safe and healthy working environment for our employees and business partners</b>
2	Safe and healthy working environment	<b>Employee engagement, continuous development and wellbeing</b>
3	Good governance, transparency and business ethics	Customer satisfaction
4	Diverse and inclusive workplace	<b>Good governance, transparency, and business ethics</b>
5	Positive local social, economic and environmental impact	Supporting our local communities well-being
6	Innovation with emphasis on digital and decarbonization	<b>Environmental management</b>
7	Continuous development of our people	<b>Responsible, reliable, and sustainable supply chain</b>
8	Reliable and sustainable supply chain	Stakeholder relations and engagement
9	Resource efficiency, recycling and recovery, contributing to circular economy	<b>Climate change and energy</b>
10		<b>Business model innovation</b>
11		

### Additional issues material to stakeholders based on the las

		Albania
1		n/a

Level of Material Issues:

**Global Material Issues**  
**Sectoral Material Issues**  
 Local Material Issues

## 2. ESG Key Performance Indicators (KPIs)

### 2.1 Focus area: De-carbonization and Digitalization

Code	ESG Performance Indicators	Unit	2023	2022	2021	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	SDGs and Targets
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#### 2.1.1 Material Issue: Future-ready business model in a carbon-neutral world

##### Cement and cementitious production activities

1.1	Scope 1 gross CO <sub>2</sub> emissions <sup>2</sup>	million t	0.75	0.70	0.79	•	•	•	•	305-1	EM-CM-110a.1	SDG 9.4
1.2	Scope 1 specific gross CO <sub>2</sub> emissions	kg/t cementitious product	642.2	625.3	646.8	•	•		•	305-4		
1.3	Scope 1 gross CO <sub>2</sub> emissions coverage rate	% clinker production	100	100.0	100.0					305-1		
1.4	Scope 1 gross CO <sub>2</sub> emissions covered under limiting regulations	%	0.0	0.0	0.0		•	•			EM-CM-110a.1	
1.5	Scope 1 net CO <sub>2</sub> emissions	million t	0.75	0.70	0.79	•	•	•	•			
1.6	Scope 1 specific net CO <sub>2</sub> emissions	kg/t cementitious product	642.2	625.3	646.8	•	•		•	305-4		
1.7	Scope 1 net CO <sub>2</sub> emissions coverage rate	% clinker production	100	100.0	100.0					305-1		
1.8	Scope 2 CO <sub>2</sub> emissions <sup>3</sup>	million t	0.0	0.0	0.0	•	•	•	•			

Code	ESG Performance Indicators	Unit	2023	2022	2021	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	SDGs and Targets
1.9	Scope 2 specific CO <sub>2</sub> emissions	kg/t cementitious product	2.2	1.5	1.4	•	•		•	305-2		SDG 9.4
1.10	Scope 2 CO <sub>2</sub> emissions coverage rate	% clinker production	100.0	100.0	100.0					305-2		
1.11	Scope 3 CO <sub>2</sub> emissions <sup>4,8</sup>	kt	70.4	85.7	72.8	•			•	305-3		
1.12	Category 1 - Purchased goods and services <sup>9</sup>	kt	10.6	14.0	9.8	•			•			
1.13	Category 3 - Fuel and energy related activities	kt	41.4	54.9	46.9	•			•			
1.14	Category 4 - Upstream transportation and distribution	kt	5.2	4.6	3.6	•			•			
1.15	Category 6 - Business travels	kt	0.0	0.0	0.0	•			•			
1.16	Category 7 - Employee commuting	kt	0.4	0.9	0.7	•			•			
1.17	Category 9 - Downstream transportation and distribution	kt	12.8	11.3	11.9	•			•			
1.18	Scope 3 specific CO <sub>2</sub> emissions <sup>8</sup>	kg/t cementitious product	60.0	76.3	59.9	•			•	305-4		
1.19	Scope 3 CO <sub>2</sub> emissions coverage rate	% clinker production	100.0	100.0	100.0					305-3		
1.20	Conventional fossil fuels substitution rate	% Heat	100.0	100.0	100.0	•	•	•	•	302-3		
1.21	Alternative fuel substitution rate	% Heat	0.0	0.0	0.0	•	•	•	•		EM-CM-130a.1	
1.22	Biomass in fuel mix <sup>5</sup>	% Heat	0.0	0.0	0.0	•	•	•	•		EM-CM-130a.1	

Code	ESG Performance Indicators	Unit	2023	2022	2021	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
1.23	Fuel mix, energy consumption for clinker and cement production	% Heat	100.0	100.0	100.0		•		•		SDG 7.2
<b>1.24</b>	<b>Conventional fossil fuels</b>	<b>% Heat</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>		•		•		SDG 12.2
1.25	Coal, anthracite, and waste coal	% Heat	23.47	2.6	72.5		•		•		SDG 13.1
1.26	Petroleum coke	% Heat	53.49	79.5	0.0		•		•		
1.27	Lignite	% Heat	1.03	0.6	0.0		•		•		
1.28	Other solid fossil fuel	% Heat	21.71	16.6	27.2		•		•		
1.29	Natural gas	% Heat	0	0.0	0.0		•		•		
1.30	Heavy fuel (ultra)	% Heat	0.3	0.6	0.2		•		•		
1.31	Diesel oil	% Heat	0	0.0	0.1		•		•		
1.32	Gasoline, LPG (Liquified petroleum gas or liquid propane gas)	% Heat	0	0.0	0.0		•		•		
<b>1.33</b>	<b>Alternative fossil and mixed fuels</b>	<b>% Heat</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	•	•	•	•		
1.34	Tyres	% Heat	0.0	0.0	0.0	•	•	•	•		
1.35	RDF	% Heat	0.0	0.0	0.0	•	•	•	•		
1.36	Impregnated saw dust	% Heat	0.0	0.0	0.0	•	•	•	•		
1.37	Mixed industrial waste	% Heat	0.0	0.0	0.0	•	•	•	•		
1.38	Other fossil based and mixed wastes (solid)	% Heat	0.0	0.0	0.0	•	•	•	•		
<b>1.39</b>	<b>Biomass fuels</b>	<b>% Heat</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	•	•	•	•		
1.40	Dried sewage sludge	% Heat	0.0	0.0	0.0	•	•	•	•		
1.41	Wood, non-impregnated saw dust	% Heat	0.0	0.0	0.0	•	•	•	•		
1.42	Agricultural, organic, diaper waste, charcoal	% Heat	0.0	0.0	0.0	•	•	•	•		
1.43	Other	% Heat	0.0	0.0	0.0	•	•	•	•		
1.44	Alternative fuels consumption (total)	t	0	0	0	•	•	•	•	EM-CM-130a.1	
1.45	Clinker to cement ratio	%	73.5	73.9	77.7	•	•		•		
1.46	Moderate carbon products <sup>6</sup>	% cement production	99.4	95.1	80.6				•		
1.47	Green (lower carbon) products <sup>1,7</sup>	% cement production	25.1	24.3	26.1				•		

## Notes

### Notes for specific KPIs

1. New indicator. More details you may find in the section "TITAN's approach for ESG Performance reporting" section.
2. Direct CO<sub>2</sub> emissions related to the operation of TITAN's clinker, cement, and cementitious production facilities.
3. Indirect CO<sub>2</sub> emissions related to emissions released for the production of the electrical energy consumed at TITAN's clinker, cement and cementitious production facilities. For their calculation, we use emission factors provided by the supplier of the electrical energy (market based) or other publicly available data sources (location based).
4. Indirect CO<sub>2</sub> emissions related to the emissions of the supply chain.
5. % of energy originated from biomass over the total thermal energy consumption.
6. Moderate carbon products refer to produced cement types with a carbon footprint that is at least 10.0% lower than that of a typical OPC type as well as any cementitious product sold to be used as cement or concrete additive.
7. Green (lower carbon) products refer to produced cement types with a carbon footprint that is at least 25.0% lower than that of a typical OPC type as well as any cementitious product sold to be used as cement or concrete additive.
8. Scope 3 analysis covers 6 (out of 15) categories, namely purchased goods and services, fuel and energy-related activities, upstream transportation and distribution, business travel, employee commuting and downstream transportation and distribution, that are considered relevant to cement activities according to the GCCA analysis.
9. Scope 3 Category 1 emissions do not include emissions related to services like data services, professional services, maintenance services, catering services, security services, cleaning services, etc. as there are not considered to contribute significantly to the overall Scope 3 emissions while reliable relevant information are not readily available.

### Connection of KPIs with the SASB Standards

Connection of ESG performance indicators with metrics according to SASB Standards, specifically:

- EM-CM-110a.1 under the topic "Greenhouse Gas Emissions" for Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations.
- EM-CM-130a.1 under the topic "Energy Management" for total energy consumed, percentage grid electricity, percentage alternative, and percentage renewable.



Code	ESG Performance Indicators	Unit	2023	2022	2021	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	SDGs and Targets
<b>2.2.2 Material issue: Diverse and inclusive workplace</b>												
2.25	Average employment <sup>6</sup>	#	192	188	192		•			2-7b		SDG 5.4
2.26	Number of employees by year end,	#	194	189	190		•					SDG 8.5
	<b>Employee turnover / gender, avg.</b>	%		11.64	6.84		•					SDG 8.6
2.27	Females	%	13	9.09	41.18					401-1		SDG 8.8
2.28	Males	%	8	11.98	3.47							SDG 10.3
	<b>Employee turnover / age<sup>2,7</sup></b>											
2.29	Under 30 <sup>2</sup>	%	31.25	22.73	30.77					401-1		
2.30	Between 30-50 <sup>2</sup>	%	68.75	77.27	69.23							
2.31	Over 50 <sup>2</sup>	%	0.00	0	0.00							
2.32	Employees left <sup>7</sup>	#	16.00	22	13		•					
	<b>Employees left / age</b>											
2.33	Under 30	#	5.00	5	4					401-1		
2.34	Between 30-50	#	11.00	17	9							
2.35	Over 50	#	0.00	0	0							
	<b>Employees left / gender</b>											
2.36	Females	#	3.00	2	7					401-1		
2.37	Males	#	13.00	20	6							
2.38	Employee new hires, avg. <sup>7</sup>	%	10.82	12.17	6.84		•					
2.39	Employee new hires <sup>7</sup>	#	21.00	22	13		•					
	<b>Employee new hires / gender<sup>7</sup></b>											
2.40	Females	#	5.00	7	3		•			401-1		
2.41	Males	#	16.00	15	10		•					



Code	ESG Performance Indicators	Unit	2023	2022	2021	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	SDGs and Targets
<b>New hires / age<sup>7</sup></b>												
2.42	Under 30	#	14	14	7		•			401-1		SDG 5.4 SDG 8.5
2.43	Between 30-50	#	7	7	6		•					SDG 8.6
2.44	Over 50	#	0	1	0		•					SDG 8.8
<b>Employment / type<sup>7</sup></b>												SDG 10.3
2.45	Full time	#	193	188	189		•			2-7f		
2.46	Part Time	#	1	1	1		•					
2.47	Temporary	#	0	0	0		•					
<b>Employment / category<sup>7</sup></b>												
2.48	Senior managers	#	3	3	3		•			2-7		
2.49	Managers	#	23	24	22		•					
2.50	Administration/technical	#	75	68	70		•					
2.51	Semi-skilled/unskilled	#	93	94	95		•					
<b>Employment / age</b>												
2.52	Under 30	#	39	36	33					2-7		
2.53	Between 30-50	#	106	108	115							
2.54	Over 50	#	49	45	42							
<b>Employment / gender<sup>7</sup></b>												
2.55	Females	#	24	22	17		•			2-7		
2.56	Males	#	170	167	173		•					

Code	ESG Performance Indicators	Unit	2023	2022	2021	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
2.57	Share of women in employment, avg. <sup>7</sup>	%	12.37	11.64	8.95		•				
2.58	Share of women in management, avg. <sup>7</sup>	%	12.5	11.11	4.00		•	•			
2.59	Share of women in Senior Management, avg. <sup>7</sup>	%	0	0.00	0.00		•	•			
2.60	Number of employees with disabilities, Group <sup>1,2</sup>	#	2	2	2						
2.61	Number of parental leaves <sup>1,2</sup>	#	4	3	0						

### **2.2.3 Material issue: Continuous development of our people**

2.62	Training investment / (trained) employee, avg. <sup>3,7</sup>	€	938	287	205.00		•	•			
2.63	Training investment <sup>3</sup>	€	72,748	54,513	40,240		•	•			SDG 4.3 SDG 4.4 SDG 5.1
<b>Training investment / gender<sup>7</sup></b>											
2.64	Females	€	14,897	6,471	2,020		•	•			SDG 5.5
2.65	Males	€	57,852	48,042	38,220		•	•			SDG 8.5
2.66	Trained employees, total <sup>7</sup>	#	194	190	196		•				SDG 10.2
2.67	Share of trained employees, avg. <sup>7</sup>	%	100	100.00	100.00		•				SDG 10.3 SDG 16.5
2.68	Share of trained female employees (in total female employees), avg. <sup>7</sup>	%	100	100.00	100.00		•				
<b>Trained employees / category<sup>7</sup></b>											
2.69	Senior Managers	#	3	3	3						
2.70	Managers	#	23	27	23						
2.71	Administration/technical	#	75	75	74						
2.72	Semi-skilled/Unskilled	#	93	85	96						
<b>Trained employees / age group</b>											
2.73	Under 30	#	41	37	36		•				
2.74	Between 30-50	#	108	117	123		•				
2.75	Over 50	#	45	36	37		•				

Code	ESG Performance Indicators	Unit	2023	2022	2021	GCCA	UNGC	UNCTAD	TCFD	SASB	SDGs and Targets
2.76	Training hours	#	10922	7,725	5,416		•	•			
2.77	Average training hours / employee (over the total number of direct employees), and breakdown per gender <sup>4</sup>	h/person	56	40	29.00		•	•			SDG 4.3 SDG 4.4 SDG 5.1 SDG 5.5
2.78	Average female	#	85	57	24.00						SDG 8.5
2.79	Average male	#	52	38	29.00						SDG 10.2 SDG 10.3 SDG 16.5
	<b>Training hours / subject</b>										
2.80	Company onboarding	#	0	6	0						
2.81	Compliance	#	798	544	709			•			
2.82	Sustainability	#	74	4	137			•			
2.83	Decarbonization <sup>1,2</sup>	#	0	31							
2.84	Digital & IT <sup>2</sup>	#	477	3	144						
2.85	Environment	#	498	121	359						
2.86	Foreign languages	#	778	496	122						
2.87	Functional competence	#	393	948	70						
2.88	Generic competence	#	12	9	590						
2.89	Health and Safety	#	3837	2,585	2,107						
2.90	Managerial skills	#	2234	2,207	170						
2.91	Other	#	76	197	149						
2.92	Security	#	40	27	0						
2.93	Technical know-how	#	1707	549	859						
2.94	Share of employees with performance evaluation, avg.	%	99	99	99.00						
2.95	Share of female employees with performance evaluation, avg. <sup>2</sup>	%	96	95	94.00						

## Notes

### Notes for specific KPIs

1. New indicator. More details you may find in the section "TITAN's approach for ESG Performance reporting" and in the below:

• "Decarbonization" was introduced as a new subject area and presented separately in this report for the first time, whereas in the past respective subjects to GHG emissions were covered under Environment.

2. Relevant information is not available for the specific years denoted as 'n/a'.

3. For the definition see Table 2.5.10 "Value Creation Indicators".

4. Figure(s) for 2022 adjusted to include previously unreported data.

5. The KPI was calculated for closing of the reporting period 2023 in accordance with the practice for all Safety data, being the use of "Average Employment" (see Note 6 below). This is consistent with all years prior to 2023. As exception, the KPI for "Performance by activity" was calculated by using the figures of "Number of employees by year end", due to different data consolidation criteria and methodology, but with insignificant impact on the results.

6. The calculation was made according to Belgian Law (sec. 165 XIVB of RD of 30 January 2001).

7. KPIs calculated on the basis of "Average Employment" data for year 2018. Since 2019 the specific KPIs have been calculated on the basis of the number of employees as of 31 December for each year. 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% (adjusted to 100% of female employees).

8. The methodology for calculating the KPI of unadjusted gender pay gap followed the requirements of the EU Commission Delegated Regulation 2023/2772, in specifically ESRS S1. TITAN's approach ensured coverage of all Group employees.

9. With regards to training hours: In training hours we include instructor-led training (classroom training), online items, and blended programs (a mix of online and classroom). Also we leverage our external platform (LinkedIn learning) which is integrated into the system of Success Factors and enables us to track user's activity. In 2023 we introduced DE&I as a material area for training, because of increased attention and efforts to raise the level of awareness across countries of operations, and to signify the importance of DE&I for TITAN. The training programs for DE&I were included under the subject area "Generic competence", and the respective number of training hours as a separate KPI. The total of all training hours is calculated by adding together the figures for all subject areas, and excluding the subject DE&I, to avoid double counting, since the respective hours are already part of the subject area "Generic competence".

### Reference to GRI Standards

GRI 2-7 Employees; GRI 2-30 Collective bargaining agreements; GRI 201-2 Financial implications and other risks and opportunities due to climate change; GRI 401 Employment; GRI 401-1 New employee hires and employee turnover; GRI 403-5 Worker training on occupational health and safety; GRI 403-6 Promotion of worker health; GRI 403-9 Work-related injuries; GRI 404-1 Average hours of training per year per employee; GRI 404-3 Percentage of employees receiving regular performance and career development reviews; GRI 405-1 Diversity of governance bodies and employees.

### Connection of KPIs with the SASB Standards

### 2.3 Focus area: Positive local impact

Code	ESG Performance Indicators	Unit	2023	2022	2021	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	SDGs and Targets
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#### 2.3.1 Material issue: Environmental positive impact

Air emissions

##### Cement production activities

3.1	Coverage rate continuous measurement	%	100.0	100.0	100.0	•	•					EM-CM-120a. SDG 3.9
3.2	Specific dust emissions	g/t clinker	5.3	3.5	3.6	•	•					EM-CM-120a. SDG 9.4
3.3	Specific NOx emissions	g/t clinker	752.7	1,022.8	793.6	•	•					EM-CM-120a.
3.4	Specific SOx emissions	g/t clinker	3.9	15.3	13.6	•	•					EM-CM-120a.
3.5	Integrated cement plants and cement grinding plants with certified Environmental Management System (ISO 14001 or similar)	% of plants	100.0	100.0	100.0		•					

Code	ESG Performance Indicators	Unit	2023	2022	2021	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	SDGs and Targets
<b>All activities</b>												
3.6	Environmental complaints <sup>2</sup>	#	0	0	0					3-3		
Rehabilitation												
<b>Cement production and aggregates activities</b>												
3.7	Sites with rehabilitation plans <sup>3</sup>	%	100.0	100.0	100.0	•	•			304-3	EM-CM-160a.1	SDG 15.3
3.8	Total land use <sup>1,3</sup>	million m <sup>2</sup>	0.57	0,56	n/a					304-1aii	EM-CM-160a.2	SDG 15.4
3.9	Rehabilitated areas over affected areas (cumulative) <sup>1,3,6</sup>	%	17.2	17.3	17.2		•			304-1	EM-CM-160a.2	SDG 15.9
3.10	Sites with Environmental Management System (ISO14001 or similar) <sup>3</sup>	%	100.0	100.0	100.0		•			3-3	EM-CM-160a.1	SDG 15a
Biodiversity												
<b>Cement production and aggregates activities</b>												
3.11	Sites in high biodiversity value areas <sup>3,4</sup>	#	0	0	0	•	•			304-1	EM-CM-160a.1	SDG 15.3
3.12	Sites with biodiversity management plans <sup>3,5</sup>	#	0	0	0	•	•			304-3	EM-CM-160a.1	SDG 15.4
3.13	Sites with biodiversity management plans	%	-	-	-	•	•				EM-CM-160a.1	
Investments in environmental protection												
<b>All activities</b>												
3.14	<b>Environmental expenditures across all activities<sup>7</sup></b>	<b>million €</b>	1.0	3.7	0.3		•	•		201-2av		SDG 7b SDG 9.4
3.15	Environmental management	million €	0.2	0.1	0.1		•	•				
3.16	Reforestation	million €	0.0	0.0	0.0		•	•				
3.17	Rehabilitation	million €	0.0	0.0	0.0		•	•				
3.18	Environmental training and awareness building	million €	0.0	0.0	0.0		•	•				
3.19	Application of best available technologies	million €	0.8	3.5	0.2		•	•				
3.20	Waste management	million €	0.0	0.0	0.0		•	•				

Code	ESG Performance Indicators	Unit	2023	2022	2021	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	SDGs and Targets
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### 2.3.2 Material issue: Social positive impact

3.21	Donations <sup>8</sup>	€	188,459	n/a	n/a	•	•			2-29		SDG 2.1
3.22	Donations in cash <sup>8</sup>	€	88,080,15	n/a	n/a	•	•			203-1 203-2		SDG 2.3
3.23	Donations in kind <sup>8</sup>	€	100,378,81	n/a	n/a	•	•			413-1		SDG 4.3
3.24	Employees from local community, avg.	%	52.06	51.3	49.5							SDG 4.4
3.25	Internships	#	4	7	3	•				2-8		SDG 9.3
3.26	New entry level jobs from internships/traineeships	#	1	4	0	•				2-29		
3.27	Internships from Local Community, avg.	%	0.25	0.7	1.0							
3.28	Key operations with Community Engagement Plans related to material issues and Group policies	#	1	1	1	•	•					
3.29	Total number of Initiatives under Community Engagement Plans <sup>1</sup>	#	17	8	12							
3.30	Total number of Participants to Community Engagement Plans <sup>1,2</sup>	#	1,411	53	114							
3.31	TITAN Employees, volunteers to Community Engagement Plans <sup>1</sup>	#	180	13	60							
3.32	Social investment (in cash and in kind) for community initiatives <sup>1,2</sup>	million €	188,459	92,466	157,385					2-29 203-1 203-2 413-1		
3.33	Blood donations (TITAN employees, business partners and communities) <sup>1</sup>	#	29	20	30							

### 2.3.3 Material issue: Economic positive impact

3.34	Local Spend, avg. <sup>1,8</sup>	%	59.31	60.3	59.2	•	•			204-1		
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## Notes

### Notes for specific KPIs

1. Relevant information is not available for the specific years denoted as 'n/a'.
2. Specifically, with regard to the KPIs of Total number of Participants to Community Engagement Plans (CEPs), TITAN Employees as volunteers to Community Engagement Plans, and Total amount of 'social investment' for the implementation of Community Engagement Plans related to the KPI Key operations with CEPs connected with material issues and Group policies these were incorporated for the first time in the ESG performance statements in the TITAN IAR 2020. In 2022 TITAN progressed further with the alignment of BUs for implementing the Framework Guidance for CEPs which was introduced for the first time in 2021. Actions were focused on the collection and consolidation of data for the KPIs of "Participants" and "Beneficiaries" of CEPs, with respective definitions as below:  
- "Participants" are persons who had active involvement (engagement) in the initiatives for Community Engagement, and the figure includes the sum of the number of persons of two sub-categories: (a) Direct Employees who volunteered, or/and had active role because of their position/role in the BU organization, and (b) Partners (Local Authorities, Specialists e.g., Academia or other Experts, NGOs, Suppliers and Contractors, and possibly also Customers etc.).  
- "Beneficiaries" are persons who – directly or indirectly – have received or will receive benefits from the initiatives for Community Engagement. In order to estimate this figure, the BU requires to have an overall view of the initiative, and the impacts this has in the local community. The number of Beneficiaries may include also some of the Participants.
3. Coverage includes all quarries attached to cement plants and quarries for aggregates production, which are wholly-owned and under full management control of TITAN. Since 2021, all Titan Cement Egypt quarries have been excluded from the baseline and the calculations of the respective local impact indicators, as they are no longer considered to be under full management control of TITAN due to changes in mining legislation in the country.
4. Active quarries within, containing or adjacent to areas designated for their high biodiversity value, see Table "TITAN Group Quarry Sites with High Biodiversity Value".
5. Active quarries with high biodiversity value where biodiversity management plans are actively implemented, see Table "TITAN Group Quarry Sites with High Biodiversity Value".
6. Calculated as the percentage of the impacted/disturbed quarry areas that have been rehabilitated (total and cumulative), aggregated at Group level. 2020 was the initial year for disclosing data for this indicator.
7. Total amount of expenditures (capital and operational) for those investments whose primary purpose is the prevention, reduction and elimination of pollution and other forms of degradation to the environment (UNCTAD Guidance, 2022). In 2022 TITAN incorporated in this disclosure the figure of total capital expenditures (Capex) which are aligned with the EU Taxonomy Regulation, in specific projects for meeting the Technical Screening Criteria for the environmental objectives of climate change mitigation and climate change adaptation.
8. For definitions related to "Social investment" (in cash and in kind) for community initiatives", "Donations", and "Local Spend", see Table 2.5.10.

### Connection of KPIs with the SASB Standards

- Connection of ESG performance indicators with metrics according to SASB Standards, specifically:
- EM-CM-120a.1 under the topic (area) "Air Quality" for air emissions of pollutants including NOx, SOx, particulate matter (PM10), dioxins/furans, volatile organic compounds (VOCs), polycyclic aromatic hydrocarbons (PAHs), and (7) heavy metals.
  - EM-CM-160a.1 and EM-CM-160a.2 under the topic (area) "Biodiversity Impacts" for the environmental management policies and practices for active sites, and terrestrial acreage disturbed, percentage of impacted area restored. See also Table "TITAN Group Quarry Sites with High Biodiversity Value" part of the ESG performance statements.



## 2.4 Focus area: Responsible sourcing

Code	ESG Performance Indicators	Unit	2023	2022	2021	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	SDGs and Targets
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### 2.4.1 Material issue: Resource efficiency, recycling and recovery, contributing to circular economy

#### All Activities

4.1	Water consumption (total)	million m <sup>3</sup>	0.2	0.3	0.2	•	•			303-5		SDG 6.3
<b>4.2</b>	<b>Water withdrawal (total, by source)<sup>2</sup></b>	<b>million m<sup>3</sup></b>	0.2	<b>0.3</b>	<b>0.2</b>	•	•	•		303-3	EM-CM-140a.1	SDG 6.4 SDG 6.5
4.3	Groundwater	million m <sup>3</sup>	0.2	0.3	0.2						EM-CM-140a.1	
4.4	Municipal water	million m <sup>3</sup>	0.0	0.0	0.0						EM-CM-140a.1	
4.5	Rainwater	million m <sup>3</sup>	0.0	0.0	0.0						EM-CM-140a.1	
4.6	Surface water	million m <sup>3</sup>	0.0	0.0	0.0						EM-CM-140a.1	
4.7	Quarry water used (from quarry dewatering)	million m <sup>3</sup>	0.0	0.0	0.0							
4.8	Ocean or sea water	million m <sup>3</sup>	0.0	0.0	0.0							
4.9	Waste water	million m <sup>3</sup>	0.0	0.0	0.0							
<b>4.10</b>	<b>Water discharge (total, by destination)<sup>3</sup></b>	<b>million m<sup>3</sup></b>	0.0	<b>0.0</b>	<b>0.0</b>	•	•	•		303-4		
4.11	Surface (river, lake)	million m <sup>3</sup>	0.0	0.0	0.0							
4.12	Sub-surface water (well)	million m <sup>3</sup>	0.0	0.0	0.0							
4.13	Ocean or sea	million m <sup>3</sup>	0.0	0.0	0.0							
4.14	Off-site treatment	million m <sup>3</sup>	0.0	0.0	0.0							
4.15	Other <sup>4,5</sup>	million m <sup>3</sup>	0.0	0.0	0.0							
4.16	Water recycled (total) <sup>1</sup>	million m <sup>3</sup>	0.3	0.2	0.3							
4.17	Water demand covered with recycled water <sup>1</sup>	%	57.5	44.6	56.0							

#### Cement and cementitious production activities

4.18	Water consumption (total)	million m <sup>3</sup>	0.2	0.3	0.2	•	•			303-5		SDG 6.3
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Code	ESG Performance Indicators	Unit	2023	2022	2021	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	SDGs and Targets
4.19	Water withdrawal (total) <sup>2</sup>	million m <sup>3</sup>	0.2	0.3	0.2					303-3	EM-CM-140a.	
4.20	Water discharge (total) <sup>3</sup>	million m <sup>3</sup>	0.0	0.0	0.0					303-4		
4.21	Water recycled (total)	million m <sup>3</sup>	0.3	0.2	0.3	•	•	•			EM-CM-140a.	
4.22	Specific water consumption	l/t cementitious product	191.7	228.5	199.3	•	•	•		303-5		
4.23	Specific water consumption	l/t cement	216.6	235.7	207.3	•	•	•				
4.24	Water demand covered with recycled water	%	57.5	44.6	56.0							

#### All Activities

4.25	Thermal energy consumption	TJ	2,985	2,778	3,056	•	•	•		302-1	EM-CM-130a.	SDG 7 SDG 12
4.26	Thermal energy consumption <sup>1</sup>	% of total	88.3	88.2	88.6							
4.27	Electrical energy consumption	TJ	396	372	394	•	•	•			EM-CM-130a.	
4.28	Electrical energy consumption <sup>1</sup>	% of total	11.7	11.8	11.4							
4.29	Total energy consumption <sup>1</sup>	TJ	3,380	3,150	3,450							

#### Cement production activities

4.30	Percentage of production covered by ISO50001 or energy audits	% clinker production	0.0	0.0	0.0		•		•	3-3		SDG 7.2 SDG 7.3
4.31	Specific thermal energy consumption	kcal/kg clinker	794	791	764	•	•	•	•	302-3		SDG 9.4 SDG

Code	ESG Performance Indicators	Unit	2023	2022	2021	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	SDGs and Targets
4.32	Specific electrical energy consumption	kWh/t cement	105.8	95.0	93.5				•	302-3		
4.33	Renewable energy as part of total electrical energy consumption <sup>5</sup>	% Electrical energy consumed	100.0	94.4	100.0				•	302-1		
<b>All Activities</b>												
<b>4.34</b>	<b>Natural raw materials extracted (total, wet)</b>	<b>million t</b>	1.6#	1.5	1.7		•			301-1		SDG 12.2
4.35	Raw materials extracted for clinker and cement production	million t	1.6#	1.5	1.7		•					
4.36	Raw materials extracted for aggregates	million t	0.0	0.0	0.0		•					
<b>Cement production activities</b>												
<b>4.37</b>	<b>Materials consumption (total, dry)</b>	<b>million t</b>	1.6#	1.5	1.7		•			301-1		SDG 12.2
4.38	Extracted (natural) raw materials consumption (dry)	million t	1.6#	1.5	1.6							SDG 12.4
4.39	Alternative raw materials consumption (dry)	million t	0.0#	0.0	0.0							SDG 12.5
4.40	Alternative raw materials use (of total raw materials consumed)	% Dry	1.0#	1.0	1.0	•		•		301-2		
4.41	Alternative raw materials rate (based on clinker-to-cement equivalent factor)	% Dry	1.0#	0.9	1.0	•	•	•				

Code	ESG Performance Indicators	Unit	2023	2022	2021	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	SDGs and Targets
<b>All Activities</b>												
4.42	Waste disposal (total, wet)	t	129	33	108		•	•		306-3	EM-CM-150a.1	SDG
4.43	Non-hazardous waste (total)	t	129	32	107		•	•			EM-CM-150a.1	12.2
4.44	Hazardous waste (total)	t	0	0	1		•	•			EM-CM-150a.1	SDG
4.45	Externally recycled waste materials (total, wet)	t	45.3	32	24		•	•		306-4		12.4
4.46	Reused	t	0.0	0	0							SDG
4.47	Recycled	t	45.3	15	24							12.5
4.48	Recovered	t	0.0	18	0							
4.49	Waste disposal, breakdown by destination-usage (wet)	% w/w	100.0	100.0	100.0		•	•			EM-CM-150a.1	SDG
4.50	Reuse	% w/w	0.0	0.0	0.0		•	•		306-4	EM-CM-150a.1	12.2
4.51	Recycled	% w/w	35.2	44.3	22.0		•	•			EM-CM-150a.1	SDG
4.52	Recovered (including energy recovery)	% w/w	0.0	53.8	0.0		•	•			EM-CM-150a.1	12.5
4.53	Incineration	% w/w	0.0	0.0	0.1		•	•		306-5	EM-CM-150a.1	
4.54	Landfilled	% w/w	41.6	0.3	64.3		•	•			EM-CM-150a.1	
4.55	Composted	% w/w	0.0	0.0	0.0		•	•		306-4	EM-CM-150a.1	
4.56	Other (incl. storage)	% w/w	23.2	1.6	13.7		•	•		306-5	EM-CM-150a.1	

Code	ESG Performance Indicators	Unit	2023	2022	2021	GCCA	UNGC	UNCTAD	TCFD	GRI	SASB	SDGs and Targets
<b>Cement production activities</b>												
4.57	Integrated cement plants with “Zero Waste to Landfill” certification	% clinker production	0.0	0.0	0.0							12.4 SDG 12.4
<b>2.4.2 Material Issue: Reliable and Sustainable Supply Chain</b>												
<b>All Activities</b>												
4.58	Key suppliers meeting TITAN ESG standards <sup>5,6</sup>	%	10	n/a	n/a					308-1 414-1		SDG 6 SDG 7 SDG 12 SDG 13

## Notes

### Notes for specific KPIs

1. New indicator. More details can be found in the section “TITAN’s approach to ESG Performance reporting”.
2. Total withdrawal also includes quantities of water withdrawn by TITAN and supplied to third parties without being used in any of TITAN facilities.
3. Total discharge also includes quantities of water withdrawn by TITAN and supplied to third parties without being used in any of TITAN facilities.
4. Refers to the quantities of water withdrawn by TITAN and supplied to third parties without being used in any of TITAN facilities.
5. Relevant information is not available for the specific years denoted as 'n/a'.
6. TITAN progressed in 2022 according to the internal Roadmap for Sustainable Supply Chain as described in the management report under the focus area “Responsible Sourcing”, and material issue “Reliable and sustainable supply chain”.

### Connection of KPIs with the SASB Standards

Connection of ESG performance indicators with metrics according to SASB Standards, specifically:

- EM-CM-130a.1 under the area “Energy Management” for total energy consumed, percentage grid electricity, percentage alternative, and percentage renewable.
- EM-CM-140a.1 under the area “Water Management” for total fresh water withdrawn, percentage recycled, percentage in regions with high or extremely high baseline water stress. See also Table “TITAN Group Cement Plant Sites within water-stressed Areas” part of the ESG performance statements.
- EM-CM-150a.1 under the area “Waste Management” for amount of waste generated, percentage hazardous, percentage recycled.
- Connection of the disclosures under Note 7 of the above “Notes for specific KPIs”, about the 2022 progress aligned with the Sustainable Supply Chain Roadmap of TITAN cover the requirements for reporting according to the SASB Standards for the area “Business Ethics and Transparency” and more specifically the metric (KPI) EM-MM-510a.1. The connection concerns the description of the management system for prevention of corruption and bribery throughout the value chain.

### TITAN Group Cement Plant Sites within water-stressed Areas

Site	Country	Water Stress (Baseline)
Antea	Albania	>80%

## 2.5 Good governance, transparency and business ethics

### 2.5.1 Governance Core Indicators

Code	Governance Core Indicators	Notes	Performance 2023	Reporting
<b>Compliance and business ethics</b>				SDG 5.5 SDG 16.5 SDG 16.6 SDG 16.7
5.1	Percentage of unionised employees (%)		39.69%	SDG 16.5 SDG 16.6
5.2	Percentage of employees covered by Collective Bargain Agreements (CBAs)	2	100.00%	SDG 16.7
5.3	Average number of hours of training on subjects related to Compliance, per employee	3	2.67	UNGC UNCTAD SASB
5.4	Anti-bribery and corruption training	1, 3	273.40	

#### Notes for specific KPIs

1. New indicator.

2. In 2023 this percentage decreased to 34.76% from 50.3% [Group figure] in 2022

3. Average number of hours of training per employee and per year, on policies & internal procedures of TITAN (priority being on the Code of Conduct, Policies for Human Rights, Anti-Bribery, GDPR, although this list should not be considered as exhaustive). The KPI is calculated as total hours of training in the subject areas, divided by the total number of employees. TITAN categorizes these training subjects under the overall subject area: "Compliance" (see Table 2.2 "Focus area: Growth-enabling work environment", for the KPI "Training hours per subject, Group total"). TITAN also provides the total number of hours for anti-bribery and corruption training in 2023, connected with the above. This information is extracted from the human resources management system in each country and consolidated on Group level following the same rules and practices as the above data for compliance trainings.

#### **Additional Notes**

4. TITAN does not operate in or near areas of conflict, according to data of the Uppsala Conflict Data Program UCDP - see the website: Uppsala Conflict Data Program (uu.se).

5. In 2022 TITAN followed an enhanced process of receiving feedback from our stakeholders in each country of operation by promoting the principles of open and structured communication and implemented a project for validating the existing materiality matrix on the level of each BU. For details see the section "Focusing on material issues" of this report, and more specific the "Dynamic Materiality". About outcomes of the BUs Validation Materiality Project 2022 see Table 1.1 "Material issues", part of the ESG performance statements.

About background work: Preparatory work on the analysis and the assessment of the Materiality Assessment for all countries of operation was completed in 2020, including focused research in each country by a third party. This process enabled the engagement of TITAN's management in each country, and the due diligence at BU level with respect to human rights and indigenous peoples' rights and possible related conflicts. The country-level research concluded that no matters of conflict with respect to the above had emerged or are expected. No new information on the subject matter was noted in the press/media in any of the countries of our operations, either in 2021 or in 2022.

6. In 2023 TITAN continued the development by operating a dedicated Group e-platform to record our community initiatives and actions at each BU level, as well as to facilitate the self-assessment and alignment of BUs with Group targets and key priorities. Community Engagement Plans are implemented in all countries where we operate, covering programs of initiatives for contributing to the sustainability of local communities and enhance the engagement with our stakeholders, aiming at long-term positive impacts for communities and the society. See the section "Social Positive Impact" in the Management Report for the assessment of TITAN's community engagement initiatives across all countries of operations in 2023.

No incidents were recorded in 2023 concerning site shutdowns or project delays due to non-technical factors, such as those resulting from pending regulatory permits or other political delays related to community concerns, community or stakeholder resistance or protest, and armed conflict.

#### **Connection of KPIs and other disclosures with the SASB Standards**

- The disclosures of Note 6 (above) about the percentage of employees covered by collective bargaining agreements and number and duration of strikes and lockouts cover the requirements for reporting according to the SASB Standards for the topic (area) of "Labor Relations" and in more specific the metrics (KPIs) EM-MM-310a.1 and EM-MM-310a.2.



### 2.5.3 ESG Polices and Code of Conduct

	New or Updated in 2023	TITAN Focus Areas mostly relevant				
		Decarbonization and Digitalization	Growth-enabling work environment	Positive local impact	Responsible sourcing	Good governance, transparency and business
Code of Conduct			•			•
Code of Conduct of Procurement	√			•	•	•
<b>Group Policies</b>						
Anti-Bribery and Corruption Policy						•
Competition Law Compliance Policy						•
Conflict of Interest Policy						•
Corporate Social Responsibility (CSR) Policy				•		
Protection of Personal Data Policy			•			•
Diversity Equity and Inclusion (DE&I) Policy	√		•			
Environmental Policy (Climate change incl.)		•		•	•	
Human Rights Policy			•	•	•	•
Information Security Policy		•				•
Occupational Health and Safety (OH&S) Policy			•			
Procurement Policy				•	•	
Sanctions Policy						•
Whistleblowing Policy						•

## 2.5.4 Group Management Systems

Area	Albania
Health & Safety	ISO 45001
	All operations (1 terminal excluded)
Environment	ISO 14001
	All operations (1 terminal excluded)
Quality	ISO 9001
	All operations
Energy	
Social	GHRMS/SF and SA 8000
	All operations

**2.5.5 Political contributions and fines and other non-monetary sanctions**

Country	Political contributions <sup>1</sup> (in Euros)	Significant fines <sup>2</sup> (in Euros)	Total number of non-monetary sanctions <sup>2</sup>
Albania	0	0	0

**Notes**

### 2.5.6 Environmental Audits

Area	Albania	
Environmental Management System	External	1
	Internal	1
Energy Management System/Energy audits	External	0
	Internal	0
CO <sub>2</sub> emissions	External	0
	Internal	0
Waste Management	External	0
	Internal	0
Complaints	External	0
	Internal	0
Permitting	External	2
	Internal	0
Other	External	2
	Internal	0
<b>TOTAL</b>	<b>External</b>	<b>5</b>
	<b>Internal</b>	<b>1</b>

**2.5.7 Consolidated Report on Payments to Governments for extractive operations**

Legal entity	Country	Payment type	Amount
			(€)
Cementi Antea Sha	Albania	Extraction Fees	468,986
		<b>TOTAL</b>	468,986

**Note**

## 2.5.9 Sector and Other Standards for the Non-financial disclosures in 2023

Sector Association or Initiative	Guidelines and other documents of reference	Published
GCCA <sup>1</sup>	Sustainability Charter	Latest edition (publications between 2019 and 2021)
	Sustainability Framework Guidelines	
	Sustainability Guidelines for the monitoring and reporting of safety in cement and concrete manufacturing. 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 <sub>2</sub> 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]	
Supplementary to the GCCA standards: (Previously) WBCSD/CSI	Sustainability Guidelines for quarry rehabilitation and biodiversity management [Pillar 4]	
	Guidance for Sustainable Supply Chain Management [Pillars 1, 3 and 5]	
UNCTAD <sup>2</sup>	Recommended Good Practices for: (a) Contractor Safety, and (b) Driving Safety	2009
	Cement Sector Scope 3 GHG Accounting and Reporting Guidance	2016
UNGC COP <sup>3</sup>	Questionnaire Guidebook for the COP	2022
GRI Standards	Reporting with reference to the Global Reporting Initiative (GRI) standards for the period January 1, 2023 to December 31, 2023	Latest edition

### Notes

- The Global Cement and Concrete Association (GCCA) has built its Sustainability Charter around five (5) Sustainability Pillars, to encompass the full sustainability spectrum for its work purposes:  
Pillar 1: Health and Safety, Pillar 2: Climate Change and Energy, Pillar 3: Social Responsibility, Pillar 4: Environment and Nature and Pillar 5: Circular Economy.  
The terminology of the 'Pillars' is specific to the GCCA Charter of commitments for member companies, and details are available in the Charter and Framework Guidelines in the GCCA website: <https://gccassociation.org/sustainability-innovation/sustainability-charter-and-guidelines/>  
TITAN continued efforts in 2022 for implementing the GCCA 2050 Roadmap to Net Zero Concrete "Concrete Future" and focused on SBTi Targets for the 1.5 degrees scenario, while continuing active participation in various working groups and contributing with knowhow and expertise, in line with its practice since the foundation of the Sectoral Association.  
In 2022 TITAN participated in the first GCCA Compliance Charter Audit, with purposes including (a) supporting members in developing implementing their sustainability strategy (focused but not limited to GCCA obligations), (b) enabling the assessment of members' sustainability performance and benchmark with peer companies, (c) Identifying areas where the GCCA guidelines and charter need to be clarified or strengthened.
- The UNCTAD Guidance provides meaningful connections of KPIs with the most relevant SDGs and specific targets for each SDG, and is leveraged under the reporting approach of TITAN for all focus areas of De-carbonization and Digitalization, Growth-enabling work environment, Positive local impact focus area, Responsible sourcing, and Good governance, transparency, and business ethics.
- The Guidance of the UNGC COP was enhanced in 2022 and is considered essential for reporting on progress with respect to TITAN's commitments for the UNGC Ten Principles. See Table 2.5.11 for details on the UNGC COP guidance and specific connections with KPIs and other disclosures in this Report.  
Overall: Tables 2.1, 2.2, 2.3, 2.4, 2.5.1, 2.5.10, and 2.5.11 provide references and connections for the standards under the above Notes (1), (2) and (3).

## 2.5.10 Value creation indicators

Value Creation Core Indicators <sup>1</sup>	Unit	2023
Total spend on suppliers, local, national and international for goods and services <sup>2a</sup>	million €	66.11
% local spend of TITAN <sup>2b</sup>	%	59.31
Taxes to national and local authorities <sup>3</sup>	million €	12.32
Payments in cash to shareholders and minorities <sup>3</sup>	million €	0.0
Social investment (in cash and in kind) for community initiatives <sup>4</sup>	million €	188,459
Alternative fuels and raw materials	million t	0.0
Salaries, (contributions to) pensions, and social benefits, including additional benefits beyond those provided by law <sup>5</sup>	million €	4.49
Investments in training of direct employee <sup>6</sup>	million €	72,748
Internships	#	4
Capital expenditures <sup>7</sup>	million €	4.95

### Notes

The following Notes are inclusive of definitions for terms used specifically for value creation and distribution to stakeholders.

#### Notes for the standards, guidance, and terms used

Most terms related to the Value Creation Core Indicators were adopted from the "Guidance on Core Indicators for entity reporting on the contribution towards the attainment of the Sustainable Development Goals" (in short: UNCTAD Guidance, 2022), and incorporated under the TITAN standards. The related terms are outlined here and connected with the KPIs in the Index above. The figures for the Value Creation Core Indicators are provided in "Understanding TITAN, Creating and sharing value".

1. The economic value created and distributed to key stakeholders has been calculated using the United Nations UNCTAD Guidance on Core indicators for entity reporting on the contribution towards the attainment of the Sustainable Development Goals (2022 edition).
- 2a. According to TITAN Standards and the application of the IFRS, and in accordance with the approach for "% local spend of TITAN".
- 2b. The ratio of spend on local suppliers over the total spend on all suppliers, as a percentage. Costs of local procurement are a general indicator of the extent of an entity's linkages with the local economy (UNCTAD Guidance, 2022). Local are those suppliers which provide goods or services to TITAN and have company tax registration inside the country of interest, same as the country of TITAN BUs location and tax registration. For countries with a governmental structure characterized as federation-of-states this applies specifically today to the USA, where different states have local governments and vast geographical extent, the term local refers to those suppliers with company tax registration in the same state with the tax registration of the BU or location of operations, and also in the states which are neighboring to the state of the BU or location of operations (the definition is applicable to TITAN's operations in the USA, for the above KPI figure). TITAN discloses the respective KPI with historical data in Table 2.3 of the ESG Performance Statements.
3. According to TITAN Standards and the application of the IFRS, see Financial Statements.
4. "Social investment" as total expenditures incurred in cash and in kind, and investments of funds (both capital expenditures and operating ones) for TITAN BUs' community initiatives. See Table 2.3.2 related to Community Engagement Plans for details. Target beneficiaries were stakeholders in the broader communities, while TITAN employees from local communities were included as beneficiaries of specific initiatives for community engagement. Also, with reference to Table 2.3.2 the amount of "Donations" is reported as equivalent to charitable/voluntary donations and investments of funds (the approach is in line with the UNCTAD Guidance, 2022).
5. According to TITAN Standards and the application of the IFRS, see Financial Statements.
6. Total expenditures including the direct and indirect costs of training for direct employees (including costs such as trainers' fees, training facilities, training equipment, related travel costs etc.) reported also per employee and per year, and broken down by employee category (UNCTAD Guidance, 2022). TITAN discloses the respective KPI with historical data in Table 2.2 of the ESG Performance Statements.
7. Capital expenditures, commonly known as CapEx, are funds used by a company to acquire, upgrade, and maintain physical assets such as property, buildings, an industrial plant, technology, or equipment.



## 2.5.11 Connecting our disclosures with the TITAN COP according to the enhanced platform of the UNGC

Sections <sup>1</sup>	Question <sup>1</sup>	UNGC Principles	Reference to the Report <sup>1</sup>
Governance	G1: Board/senior management engagement	1	<p><b>Understanding TITAN</b> About the report Overview Performance highlights: Good governance, transparency, and business ethics</p> <p><b>Management report</b> Corporate Governance and risk management: Corporate Governance Statement ESG Performance review: Good governance, transparency, and business ethics ESG performance statements: TITAN's approach for ESG Performance reporting, and Tables 2.5.1, 2.5.3.</p>
	G2: Publicly stated commitment		
	G3: Code of conduct		
	G4: Individual or group responsible		
	G5: Formal structure	1,7,10	
	G6 and G.6.1: Risk assessment processes		
	G7 and G7.1: Due diligence		
	G9: Lessons		
	G10: Executive pay linked to sustainability performance		
	G12: Sustainability reporting		
	G8 and G8.1: Raising concerns about the company's conduct	1,3,7,10	
	G11: Board composition	16	
	G13: Information assurance	10	
Human Rights <sup>2</sup>	HR1: Material topics		<p><b>Understanding TITAN</b> Overview Performance highlights: Focusing on material issues and stakeholder engagement</p> <p><b>Management report</b> Corporate Governance and risk management ESG Performance review: Good governance, transparency, and business ethics ESG performance statements: Tables 1.1, 2.5.1, 2.5.3 - 2.5.7, 2.5.9.</p>
	HR2 and HR2.1: Policy commitment		
	HR3: Stakeholder engagement		
	HR4: Prevention/mitigation	1,2	
	HR5: Training		
	HR6: Prevention/mitigation progress assessment		
	HR8: Practical actions		
Labour	L1 and L1.1: Policy commitment		<p><b>Understanding TITAN</b> Overview Performance highlights: Good governance, transparency, and business ethics ESG Performance <b>Management report</b> Corporate Governance and risk management ESG Performance review: Good governance, transparency, and business ethics ESG performance statements: Tables 2.2.1, 2.2.2., 2.2.3, 2.5.1, 2.5.3-2.5.7, 2.5.9.</p>
	L2: Stakeholder engagement		
	L3: Prevention/mitigation		
	L4: Training		
	L5: Prevention/ mitigation progress assessment	3,4,5,6	
	L9: Injury frequency		
	L10: Incident rate		
	L11: Remedy		
	L12: Practical actions		
	L1.2: Freedom of association and collective bargaining	3,4,6	
	L6: Collective bargaining agreements		
	L7: Women in managerial positions	6	

Sections <sup>1</sup>	Question <sup>1</sup>	UNGC Principle s <sup>1</sup>	Reference to the Report <sup>1</sup>	
Environment	E1 and E1.1: Policy commitment	7,8	<p><b>Understanding TITAN</b>  Overview  Performance highlights  ESG Performance  <b>Management report</b>  Corporate Governance and risk management  ESG Performance review: Focus areas: De-carbonization and Digitalization, Growth-enabling work environment, Positive local impact, Responsible sourcing  Good governance, transparency, and business ethics  ESG performance statements: Tables 2.1.1, 2.3.1. and TITAN Group Quarry Sites with High Biodiversity Value supplement table, also Tables 2.4.1, 2.5.2, 2.5.3.</p>	
	E2: Stakeholder engagement			
	E3: Prevention/mitigation			
	E4: Prevention/mitigation progress assessment			
	E4.1: Goals and targets			
	E4.2: Measuring progress against targets			
	E6: Greenhouse gas emissions			
	E6.1: Scope 3 emissions detail			
	E14: Conversion of natural ecosystems			
	E16: Air pollution			
	E17: Waste			
	E18: Hazardous waste			
	E7: R&D investment in low-carbon products and services			7,8,9
	E8: Climate adaptation			
	E9: Renewable energy			
	E10: Low carbon products/services			
	E11: Water withdrawal and consumption			
	E12: Water intensity			
E13: Sites in or adjacent to key biodiversity areas				
E15: Ecosystem restoration and protection				
E20: Practical actions				
E: Sector (Construction & materials)				
Anti-corruption	AC1 Compliance programme	10	<p><b>Understanding TITAN</b>  Performance highlights  <b>Management report</b>  Corporate Governance and risk management  ESG Performance review: Good governance, transparency and business ethics  ESG performance statements: Tables 2.5.1, 2.5.3-2.5.7, 2.5.9.</p>	
	AC1.1 Year of programme review			
	AC2 Policy			
	AC3 Training			
	AC3.1 Training frequency			
	AC4 Compliance monitoring			
	AC5 Incidents of corruption			
	AC6 Measures to address suspected incidents of the corruption			
	AC7 Collective action against corruption			
AC8 Practical actions				

## Notes

1. The connection among the 'Questions' under the COP with specific codification under the different areas of the Questionnaire, and the Ten Principles of the UNGC is facilitated by references in the Report (including the ESG performance statements). About connection to the SDGs, see the references to Tables 2.1, 2.2, 2.3, 2.4, and 2.5, of the ESG performance statements.
2. With reference the area of Human Rights: TITAN does not operate in or near areas of conflict, according to data of the Uppsala Conflict Data Program UCDP - see the web site: Uppsala Conflict Data Program (uu.se). In 2022 TITAN implemented a project for validating the existing materiality matrix on the level of each BU (see section "Focusing on material issues"), which enabled the engagement of TITAN's management in each country, and the due diligence on BU level with respect to human rights and indigenous peoples' rights and possible related conflicts. No matters of conflicts with respect to the above emerged or are expected. No new information on the subject matter was noted in the press/media in any of the countries of our operations. No incidents were recorded in 2022 concerning site shutdowns or project delays due to non-technical factors, such as those resulting from pending regulatory permits or other political delays related to community concerns, community or stakeholder resistance or protest, and armed conflict.

### Connection of KPIs and other disclosures with the SASB Standards

- With reference to above Note 4, we cover the requirements for reporting according to the SASB Standards for two topics (areas): "Security, Human Rights and Rights of Indigenous Peoples" and in more specific the metrics (KPIs) EM-MM-210a.1, EM-MM-210a.2, and EM-MM-210a.3, and "Community Relations", in more specific the metrics (KPIs) EM-MM-210b.1, and EM-MM-210b.2, concerning the discussion of process to manage risks and opportunities associated with community rights and interests.
- Concerning the topic (area) of "Business Ethics and Transparency" and in specific the connection with the metric (KPI) EM-MM-510a.2, see supplement Table "Transparency International - Corruption Perception Index 2023".

## Transparency International - Corruption Perception Index

Countries with TITAN key operations sorted by Transparency International CP Index 2023

Country	CPI 2023 rank	CPI 2022 rank	Change in rank <sup>2</sup>
Albania	98	101	▲

### Notes