

Corporate Governance Statement

This Corporate Governance Statement constitutes a special part of the Board of Directors' Annual Report pursuant to the provisions of article 43bb of Law 2190/20 as it is now in force.

TITAN Cement Company S.A. (the Company), by virtue of its Board of Directors' resolution dated 16 December 2010, has voluntarily adopted the UK Corporate Governance Code (the Code). A copy of the Code (September 2014 version), can be found on the website of the UK Financial Reporting Council (<https://www.frc.org.uk/Our-Work/Publications/Corporate-Governance/UK-Corporate-Governance-Code-2014.pdf>). A Greek translation of the Code can be found on the Company's website (<http://www.titan-cement.com>), at the following address: http://www.titan-cement.com/UserFiles/File/omilos/190118_Code-company-government.pdf.

The Company has complied throughout 2016 with the provisions of the Code except in the cases listed below under the paragraph: "Deviations from the Corporate Governance Code"; for any deviation from a particular provision an explanation is included.

The Company, in addition to the provisions of the Code, has complied throughout 2016 with all relevant provisions of the Greek law (namely, Law 2190/1920 as it is now in force and Law 3016/2002).

Deviations from the Corporate Governance Code

1. Board evaluation by external facilitator (Provision B.6.2 of the Code)

The Board of Directors, to date, has not assigned the evaluation of its performance to external consultants, because it holds the view that the existing procedure for the evaluation of the Board's performance by its members, including the self-assessment of each member's individual performance, has proven to be both effective and efficient. More specifically, the Board of Directors believes that the anonymous self-assessment process allows its members to answer openly and identify without any reservations the weaknesses and malfunctions that they see and to suggest the adoption of measures for the improvement of the performance of the Board of Directors and that of its members. Despite the aforesaid, the Board of Directors has decided, starting from the term in office of the current Board, to appoint once every three years an external consultant to conduct an evaluation of its performance. Given that the Board

of Directors was elected in June 2016 and as a result three new directors have very recently joined the Board, the Board decided to use an external facilitator either for the year 2017 or for the year 2018.

2. Performance-related remuneration schemes for executive directors do not include provisions that would enable the Company to recover bonuses paid or withhold the payment of any bonus. Furthermore, share option plans do not include a requirement on executive directors to hold shares for a period after leaving the Company (Provision D.1.1 of the Code).

The Company's view is this is not necessary, as it pays such sums following the assessment of each executive director's individual performance and such sums cannot exceed the fixed upper limits set in relation to their annual salary.

Moreover, the Company's stock option plans including the current one (Plan 2014) require directors and senior officers of the Company to hold a significant number of shares based on their hierarchical level, for as long as they remain in the Company; if they are in breach of this term, they receive a smaller amount of option rights in the next grant period.

The Plan 2014 does not include a requirement for executive directors to hold shares for a period after leaving the Company. This has not been deemed relevant given that four out of seven executive directors are core shareholders in the Company, whilst the other executive directors have a long service as senior officers in the Group. It should also be noted that all relevant plans adopted by the Company grant such rights sparingly and under serious consideration and they include a long maturity period and further strict requirements in relation to their maturity and exercise.

Composition and modus operandi of the Board and of other bodies and committees

Board of Directors

Resumes of the BOARD OF DIRECTORS

EFSTRATIOS - GEORGIOS ARAPOGLOU

CHAIRMAN

Non-executive Director since 17 June 2016

Independent, non-executive Director from 18.5.2010 until 17.6.2016 (2terms)

Member of the Nominations and Corporate Governance Committee

Mr. Arapoglou has held a number of senior positions in international investment banks in London (1977-1991) and management positions in Greek banks

and subsidiaries of international banks in Greece (1991-2000). He has served as Managing Director and Global Head and Securities Industry of Citigroup in London (1999-2004) and Chairman and Managing Director of the National Bank of Greece (2004-2009). He was elected to the position of Chairman of the Hellenic Bank Association (2005-2009) and has served as Managing Director of commercial banking and executive member of the Board of Directors of the investment group EFG – Hermes Holding SAE (2010-2013).

He is Chairman and non-executive member of the Board of Directors of Tsakos Energy Navigation (TEN) LIMITED, a company listed on the New York Stock Exchange, non-executive director of EFG Hermes Holding SAE, listed on the stock exchanges of Cairo and London, and non-executive director of Credit Libanais SAL and of Bank Alfalah, listed on the Stock Exchange of Karachi, representing the International Finance Corporation (IFC) on the Bank's Board.

He holds degrees in Mathematics, Naval Architecture and Business Administration from Greek and British universities. His age is 66 and his nationality Greek.

NELLOS CANELLOPOULOS

VICE CHAIRMAN

Executive Director since 24 June 1992

Mr. Canellopoulos held the position of External Relations Director of TITAN Group from 1996 until May 2016.

He has previously served in the Sales Division of TITAN Group (1990-1996) and in Ionia S.A. (1989 and 1990).

Mr. Canellopoulos is Chairman of the Board of Directors of the Paul and Alexandra Canellopoulos Foundation and member of the Board of Directors of the Hellenic Cement Industry Association. His age is 53 and his nationality Greek.

DIMITRI PAPALEXOPOULOS

CHIEF EXECUTIVE OFFICER

Executive Director since 24 June 1992

Chief Executive Officer since 1996

Mr. Papalexopoulos started his career as a business consultant of McKinsey & Company Inc. in USA and Germany. Subsequently, he joined TITAN in 1989.

He is Vice-Chairman of the Board of Directors of the Hellenic Federation of Enterprises (SEV) and of the SEV Committee for Sustainable Development (SEV VIAN) and member of the Board of Directors of the Foundation for Economic and Industrial Research (IOBE), the Hellenic Foundation for European and Foreign Policy (ELIAMEP) and of the European Round Table for Industrialists (ERT).

He studied Electrical Engineering (Dip. EL-Ing. ETH, 1985) at the Swiss Federal Institute of Technology Zurich (ETH) and Business Administration (MBA 1987) at Harvard University. His age is 55 and his nationality Greek.

MICHAEL COLAKIDES

Executive Director- TITAN Group CFO

Executive Director since 12 January 2016

Mr. Colakides is TITAN Group CFO and Senior Strategic Advisor since 2014.

He started his career at Citibank Greece as Head of Corporate Finance and Local Corporate Banking (1979 – 1993). In 1993 he was appointed executive Vice Chairman at the National Bank of Greece and Vice Chairman at ETEBA Bank S.A.

From 1994 to 2000, he served as CFO of TITAN Group and was also responsible for a number of acquisitions in Southeastern Europe and the US. He also served as an executive director of the Board of the Company (1998-2001).

From 2000 to 2007, he served as Vice Chairman and Managing Director of Piraeus Bank S.A. overseeing the domestic Wholesale and Retail Banking business as well as the group's International network and activities. From 2007 to 2013 he was Deputy Chief Executive Officer – Group Risk Executive of EFG Eurobank Ergasias S.A.

He is a member of the Board of Directors of EUROBANK CYPRUS Ltd.

He has a B.Sc. degree in Economics from the London School of Economics and an MBA from the London Business School. His age is 63 and his nationality Cypriot.

DOROS CONSTANTINOU

Independent Non-Executive Director since 14 June 2013 (2nd term)

Senior Independent Director

Chairman of the Audit Committee

Mr. Constantinou is a non-executive director and member of the Audit Committee of the Board of Directors of Frigoglass S.A.I.C.

He was appointed Managing Director of Coca-Cola Hellenic Group (2003-2011) and of Frigoglass S.A.I.C. (2001-2003).

He started his career in Price-Waterhouse (1975-1985) and he then joined the management team of Hellenic Bottling Company (3E), where he was appointed Finance Director of the Industrial Division of the Group (1992-1995) and he later became the Deputy Chief Financial Officer of the Group (1995-1996) and Chief Financial Officer (1996-2000).

He studied economics in the University of Piraeus, from which he graduated in 1974, specializing in Business Administration. His age is 67 and his nationality Cypriot.

HIRO ATHANASSIOU

Independent, Non-Executive Director since 17 June 2016 (1st term)

Chairman of the Remuneration Committee

Member of the Nominations and Corporate Governance Committee

Mrs. Athanassiou is Chairman and Managing Director of Unilever in Greece and Cyprus since 1 December 2013. She is the first woman to lead the company, since its establishment, after a 28-year successful career in Marketing, Sales and Exports, both in Greece and abroad.

She is an independent non-executive director on the Board of Directors of Piraeus Bank, director on the Board of the Foundation for Economic and Industrial Research (IOBE), director on the Board of the Association of Greek Commercial Food Companies (SEET), director on the Board of the Hellenic-Dutch Association (HEDA), member of the Board of the Hellenic Management Association (EEDE), and member of the Hellenic Institute of Marketing (EIM), the Women's Organization of Managers and Entrepreneurs (TOGME), the Leadership Sector (THGE), and the Association of Chief Executive Officers (EASE).

She holds a BA (Hons) in Marketing & Management from Deree, The American College of Greece and an MSc in International Relations and Personnel Management from the London School of Economics and Political Sciences. Her age is 57 and her nationality Greek.

TAKIS-PANAGIOTIS CANELLOPOULOS

Executive Director since 10 May 2007

Mr. Canellopoulos was Investor Relations Director of TITAN Group from 2001 until May 2016

From 1995 to 2001, he was a senior officer in the Finance Department of TITAN Group. He had worked previously as a financial analyst in AIG and the Financing Division of EFG Eurobank.

He is member of the Board of Directors of Canellopoulos Adamantiadis Insurance Co. (AIG Hellas) and Grivalia Properties REIC and member of the Union of Listed Companies (ENEISET).

He studied Economics (BA) at Brown University in USA and Business Administration (MBA) at the New York University / Stern School of Business in USA.

His age is 49 and his nationality Greek.

ALEXANDER MACRIDIS

Independent, Non-Executive Director since 17 June 2016 (1st term)

Member of the Remuneration Committee

Mr. Macridis is Chairman and managing Director of Chryssafidis S.A., a construction materials distribution company founded in 1882 and operating in the Balkans and Africa.

He is a member of the Board of Aegean Airlines, IOBE, The American College of Greece and Alba. He is currently the Treasurer of the Federation of Greek Industries (SEV) and serves on the Yale President's Council on International Activities.

He holds a BA in Economics and Political Science from Yale College, a JD from Yale Law School and an MBA from Harvard Business School. His age is 55 and his nationality Greek.

DOMNA MIRASYESI-BERNITSA

Independent, Non-Executive Director since 14 June 2013 (2nd term)

Chairman of the Nominations and Corporate Governance Committee

Mrs. Mirasyesi- Bernitsa is a qualified lawyer, member of the Athens Bar Association. She is also a Partner at Bernitsas Law Firm.

She has worked as a legal advisor at the Special Legal Service of the Ministry for Foreign Affairs (1986-1987) and at the Department of Political Science and Public Administration of the University of Athens (1985-1990). She is also a member of the Board of Directors of St. Catherine's British School.

She holds a bachelor's degree from the Law School of the UNIVERSITY OF ATHENS and has obtained a master's degree (LLM) in European Law from the London School of Economics. Her age is 57 and her nationality Greek.

IOANNA PAPAPOPOULOU

Independent, Non-Executive Director since 17 June 2016 (1st term)

Member of the Audit Committee.

Mrs. Papadopoulou is Chairman and Managing Director of E.J. Papadopoulos S.A., Biscuit & Food Products Manufacturing Company, which was founded in 1922. She also holds the position of Chairman and Managing Director of Greek Food Products S.A. and IKE Akinita S.A.

She has studied Food Chemistry in England. Her age is 65 and her nationality Greek.

ALEXANDRA PAPALEXOPOULOU – BENOPOULOU**Executive Director since 23 May 1995****Strategic Planning Director of TITAN Group since 1997**

From 1992 to 1997 she worked as a senior officer in the Group Exports Division. Previously, she had worked for the OECD and the consultancy firm BOOZ, Allen & Hamilton in Paris.

She has served as a member of the Board of Directors of the National Bank of Greece (from 2010 until July 2015), of Frigoglass (from 2003 until February 2015) and of Emporiki Bank (from 2007 until 2009).

Mrs. Papalexopoulou-Benopoulou is serving as member of the Board of Directors in Coca-Cola HSC AG, the Paul and Alexandra Canelopoulos Foundation and ALBA Graduate Business School and as trustee in The American College of Greece.

She has studied Economics at the Swarthmore College, USA, and Business Administration (MBA) at INSEAD, Fontainebleau, France. Her age is 51 and her nationality Greek.

PLUTARCHOS SAKELLARIS**Independent, Non-Executive Director since 14 June 2013 (2nd term)****Member of the Audit Committee.**

Mr. Sakellaris is a Professor of Economics and Finance at the Athens University of Economics and Business. He was Vice President of the European Investment Bank (2008-2012). Prior to joining the EIB, he held the position of the Chairman of the Council of Economic Advisers at the Greek Ministry of Economy and Finance and was representing Greece in the Economic and Financial Committee of the European Union and acted as Deputy to the Finance Minister at the Eurogroup and ECOFIN Councils, as well as Alternate Governor for Greece at the World Bank. He has also been a member of the Board of Directors of the National Bank of Greece and of the Greek Public Debt Management Agency.

He has taught at the Department of Economics at the University of Maryland, USA and other Universities and he has worked as Economist at the Federal Reserve Board and as Visiting Expert at the European Central Bank (ECB).

He has graduated from Brandels University, in USA (BA) in Economics and Computer Science. He also holds a PhD in Economics from Yale University. His age is 53 and his nationality Greek.

PETROS SABATACAKIS**Independent, Non-Executive Director since 2010 (3rd term)****Member of the Remuneration Committee.**

Mr. Sabatacakis is member of the Board of Directors of National Bank of Greece since 2010. He was Chief Risk Manager for Citigroup Inc. (1999-2004) and member of the Management Committee and Director of Citicorp and Citibank, N.A. From 1992 to 1997, he was in charge of the financial services subsidiaries of the American International Group, its treasury operations, as well as the market and credit risk activities. He was a member of the executive committee and partner of C.V. STARR. He has also worked at Chemical Bank (now J.P. Morgan Chase). He has served as Chairman of Plan International and Childreach International (Non-profit Organization), as trustee of the Athens College in Greece, and as Chairman of the Gennadius Library.

He has earned three degrees from Columbia University: a bachelor's degree (BSc), a master's degree in Business Administration (MBA) and a PhD in Economics. His age is 71 and his nationality Greek.

EFTHYMIOS VIDALIS**Executive Director since 15 June 2011**

Group's consultant on matters of Strategy and Sustainable Development

From 2004 until 15.06.2011 he served as an Independent Non-Executive director.

Mr. Vidalis has served as Managing Director (2001-2011) and Chief Operating Officer (COO) (1998-2001) of S&B INDUSTRIAL MINERALS S.A and was a member of the company's Board of Directors for 15 years. He worked for Owens Corning in USA from 1981 until 1998 and from 1994 to 1998 he served as Chairman of the global activities of Synthetic Materials (Composites) and Insulation Materials consecutively.

He is a member of the Board of Directors of ALPHA BANK and of Future Pipe Industries in Dubai.

He has served as Vice Chairman of the Hellenic Federation of Enterprises (SEV) from 2010 until 2014, as General Secretary of SEV from 2014 until June 2016 and as Chairman of SEV's Committee for Sustainable Development from 2008 until June 2016. From 2005 to 2009, he served as Chairman of the Greek Mining Enterprises Association (SME).

He has studied Political Sciences (BA) and Business Administration (MBA) at Harvard University. His age is 63 and his nationality is Greek.

BILL ZARKALIS**Executive Director since 14 June 2013****Head of TITAN Group's US Region**

Mr. Zarkalis has served as Chief Financial Officer (CFO) of the TITAN Group from 2010 until May 2014 and as Executive Director for Business Development and Strategic Planning from 2008 until 2010.

For 18 years, he held a number of global business leadership positions in USA and Switzerland with the Dow Chemical Co. Among others, he served as Vice President of Dow Automotive, Business Director for Specialty Plastics & Elastomers, Business Director for Synthetic Latex, etc.

He holds a bachelor's degree in Chemical Engineering from the National Technical University of Athens (1985) and a master's degree (MSc) from the Pennsylvania State University in USA (1987). His age is 56 and his nationality Greek.

The Board of Directors' role and competences

The Board of Directors is the Company's supreme administrative body, which is responsible to shareholders for the strategic direction and performance of the Company. The Board of Directors' role and duty is to: determine the Group's long term objectives, strategy and risk appetite; provide entrepreneurial leadership; set the Company's values and standards; ensure the establishment and operation of effective internal control and risk management systems; monitor and resolve any conflicts of interest that may arise for members of the Board of Directors and senior officers vis-à-vis the interests of the Company; review management performance; determine the remuneration of Directors and senior executives ; and ensure satisfactory dialogue with shareholders.

The Board of Directors is exclusively responsible for taking decisions on important matters such as: the approval of the Company's financial statements to be submitted to the General Meeting; the approval of the annual budget; increases in the Company's share capital where required by law or the Company's Articles of Association; the approval of issuing corporate bonds, a power exercisable concurrently with the power of the General Meeting and subject to the provisions of Articles 8 and 9 of Law 3156/2003; convening the General Meeting of Shareholders; making recommendations on items of the agenda at the General Meeting; preparing the Annual Report and the other reports required by the applicable legislation and the Code; appointing the Company's internal auditors and appointing the Company's legal representatives and special representatives and agents; and recommending to the General Meeting the approval of stock options schemes for executive directors and senior Group employees.

Based on the Company's Articles of Association, the Board of Directors may delegate part of its powers to the Executive Committee, whose scope of tasks and responsibilities are stated herein below, as well as to Company representatives, who are empowered to represent the Company always acting jointly by two. No individual has unfettered powers of decision or representation of the Company.

The Company maintains directors' and officers' liability insurance cover for all Board directors and Company officers. The cover also extends to directors of subsidiary companies.

Composition of the Board of Directors

The current Company Board of Directors consists of 15 directors, all of whom were elected by the Annual General Meeting of Shareholders dated 17 June 2016 for a three-year term expiring at the Annual General Meeting of 2019.

The majority of the directors, namely eight out of 15 are non-executive directors and seven of them are independent. Seven directors are executive directors.

The duties of the Chairman of the Board and those of the Managing Director are exercised by different individuals, and the division of their responsibilities is clearly established and expressly set out in the Company's Articles of Association and the Company's Internal Regulation.

Independent non-executive directors

The Independent non-executive directors were elected as independent directors by the Annual General Meeting dated 17 December 2016, following relevant nomination by the Nomination and Corporate Governance Committee and subsequently by the Board.

The independent non-executive directors meet all the independence requirements stipulated in Law 3016/2002 and in the UK Corporate Governance Code. They also meet the additional independence requirement which has been set by the Company, according to which, independent non-executive directors must not hold a larger than 0.1% stake in the share capital of the Company.

In total, the independence criteria followed by the Company are stated below. They can also be found on the Company's website <http://www.titan-cement.com> at the following address: <http://www.titan-cement.com/en/titan-group/corporate-governance/board-of-directors>

On the basis of the above, an independent non-executive director of the Company:

1. Is independent in character and judgment and free from circumstances which are likely to affect their independence.
2. Does not hold directly or indirectly a larger than 0.1% stake in the Company's share capital and have no dependence relationship with the Company or its affiliates.
3. Is not and has not been Chairman or Chief Executive Officer (CEO) or executive director or

officer or employee in the Company or the Group in the last five years.

4. Does not have and had not in the last three years any material business or employment relationship, directly or indirectly, with the Company.

5. Does not have and had not received any additional remuneration from the Company apart from the director's fee for participating in Company board.

6. Does not have close family ties with any of the Company's advisers, directors or senior employees.

7. Is not executive director in a company, in which executive directors of the Company serve as independent non-executive directors and does not have significant ties with other directors through involvement in other companies or bodies.

8. Does not represent a significant shareholder.

9. Has not served on the board of the Company for more than nine years from the date of first election.

The independent, non-executive directors of the Board do not have executive or managerial duties, however they contribute to the Board and its Committees by: participating in the determination of the Company's strategy; monitoring the suitability and effectiveness of the management, the internal audit and the risk management systems; determining the remuneration of the executive directors of the Board; participating in the selection process of suitable new candidates for the Board; and ensuring the existence of a succession plan.

Independent non-executive directors meet, as stated in the Code, once a year under the Senior Independent Director, without the presence of the Chairman and the executive directors, in order to evaluate the performance of the Chairman. They also hold meetings at least once annually under the Chairman, without the presence of the executive directors.

Such meetings with the non-executive directors were actually held on 16 December 2016 and were led by the Senior Independent Director and the Chairman.

Non-executive directors – Executive directors

As already mentioned, the majority of the Board of Directors, namely eight members out of fifteen, consists of non-executive directors.

Non-executive members of the Board of Directors are: Mr. Efstratios – Georgios Arapoglou, Mrs. Hiro Athanassiou, Mr. Doros Constantinou, Mr. Alexander Macridis, Mrs. Domna Mirasyesi-Bernitsa, Mrs. Ioanna Papadopoulou, Mr. Plutarchos Sakellaris and Mr. Petros Sabatacakis.

Although the non-executive directors do not have executive or managerial duties, they contribute to the Board and its Committees by: participating in the

determination of the Company's strategy; monitoring the suitability and effectiveness of the management, the internal audit and the risk management systems through their participation in the Audit Committee; determining the remuneration of the executive directors of the Board through their participation in the Remuneration Committee; participating in the selection process of suitable new candidates for the Board, in the existence of a succession plan and in the promotion of corporate governance through their participation in the Nomination and Corporate Governance Committee.

The Board of Directors, in accordance with provision B.1.1 of the Code, considers the following seven out of a total of eight non-executive directors as independent directors: Mrs. Hiro Athanassiou, Mr. Doros Constantinou, Mr. Alexander Macridis, Mrs. Domna Mirasyesi-Bernitsa, Mrs. Ioanna Papadopoulou, Mr. Plutarchos Sakellaris and Mr. Petros Sabatacakis.

The Chairman Mr. Efstratios- Georgios Arapoglou (non-executive director), met on appointment the independence criteria set out in provision B.1.1. of the Code.

The seven (7) executive directors in the Board are: Mr. Efthimios Vidalis, Mr. Michael Colakides, Mr. Bill Zarkalis, Mr. Nello Canellopoulos, Mr. Takis-Panagiotis Canellopoulos, Mr. Dimitri Papalexopoulos and Mrs. Alexandra Papalexopoulou-Benopoulou.

Six out of a total of seven executive directors, including the managing director, come from the shareholding core or senior management and provide their services pursuant to employment agreements with the Company.

The Board of Directors, in accordance with provision E.1.2. of the Code, states that all members of the Board including the non-executive directors, have developed an understanding of the views of the major shareholders and of all investors in general through detailed presentations to the Board made by Messrs. Takis-Panagiotis Canellopoulos who has served for a number of years as Investor Relations Director and Mr. Michael Colakides, Group CFO, and in their capacities have regularly met with institutional investors and have participated in various roadshows representing the Company.

Chairman

Mr. Efstratios-Georgios Arapoglou was elected by the Board on 17.6.2016 as its Chairman. Mr. Arapoglou who had already served on the Board during 2013-2016 as Vice-Chairman and Senior Independent Director, has a long and distinguished career in commercial and investment banking in the US, the UK, Egypt, Turkey and Greece.

The Chairman met on appointment the independence criteria set out in provision B.1.1. of the Code.

The Chairman's main task is to ensure the efficient operation of the Board, to facilitate a constructive collaboration between the Board directors and to ensure that decisions taken by the Board reflect the principles and values adopted by the Company. The Chairman also ensures that a satisfactory dialogue with shareholders takes place and that all directors are made aware of the Company's major shareholders' issues and concerns.

The Chairman directs the Board meetings and is responsible for setting the Board's agenda, arranging for the agenda, supporting documents and other necessary information to be sent to directors in good time before the meeting, ensuring that non-executive directors are kept fully updated so that they can effectively perform their monitoring and decision-making role, and facilitating effective communication with shareholders.

Mr. Arapoglou is also a member of the Nomination and Corporate Governance Committee.

Vice-Chairman

By virtue of the resolution of the Board of Directors dated 17 June 2016, Mr. Nellos Canellopoulos, executive director, was appointed as Vice-Chairman of the Board of Directors.

Mr. Canellopoulos comes from the shareholding core and has also served for almost twenty years as Head of Group External Relations.

Senior independent director

The Board has appointed Mr. Doros Constantinou, who had already served on the board (2013-2016) as independent director and chairs the Audit Committee, as Senior Independent Director pursuant to provision A.4.1 of the Code. In this capacity, Mr. Constantinou has a duty, when required, to assist the Chairman with his tasks and serve as an intermediary for the other directors when necessary.

The Senior Independent Director is available to shareholders, if they have concerns, which contact with the Chairman, the Managing Director or other executive directors has failed to resolve, or for which such contact is inappropriate.

Company secretary

The Board of Directors has appointed the Company's in-house counsel, Mrs. Eleni Papapanou, as the Company Secretary, who provides governance, advisory and legal support to all Board directors. The Company Secretary acts as secretary to the Board and its committees and ensures compliance with corporate governance requirements. The Company Secretary, when acting in such capacity, reports to

the Board of Directors and, in hierarchical terms, does not report to any other department of the Company.

Board of Directors meetings

Directors meet as often as required to enable them to effectively discharge their respective duties and responsibilities.

The schedule of the Board meetings is confirmed during the last months of the previous year, in order to ensure the highest possible attendance by the directors.

Decisions are taken by the Board when more than half of the directors are either present or represented at the meeting and there is an absolute majority of the directors present or represented approving the decision. In any event, there must be at least three directors physically present at the meeting.

Directors who are absent or unable to attend the meeting for any reason are entitled to appoint as proxy another director to vote in their name and on their behalf.

Each director can be appointed as proxy only for one director and vote in respect of her/him.

Independent members of the Board of Directors can only be represented by other independent members.

Senior officers of the Company or the Group are allowed to attend meetings of the Board of Directors without voting rights, following an invitation by the Chairman, when issues within their remit are being discussed.

The agenda for the meeting of the Board is prepared by the Chairman and is sent to directors in good time ahead of the meeting, along with any necessary information about the topics to be discussed and the decisions to be taken by the directors.

The minutes of the previous meeting are signed at each subsequent meeting. Those minutes are kept by the Company Secretary and record summaries of the views of members of the Board of Directors, the discussions which took place and any decisions taken.

Nomination of board candidates

The Nominations and Corporate Governance Committee is responsible for leading the process for the selection of Board candidates and making relevant recommendations to the Board.

The Committee evaluates the balance of skills, experience, independence and knowledge on the board and, in light of this evaluation, recommends the role and capabilities required for a particular candidate nomination. It also considers the need for progressive refreshing of the Board.

The Committee ensures that the non-executive candidates will have sufficient time to fulfill their duties. The letter of their appointment as candidates sets out their expected time commitment.

The candidates are carefully selected among a pool of candidates, on the basis of their skills, experience, knowledge, independence, time availability and character and the value they are reasonably expected to bring to the Board. For the selection of the most suitable candidates, the Committee is entitled, if it deems it necessary, to use the services of external search consultants or open advertising. However, to date the Committee has proceeded on its own for the selection of appropriate candidates.

The Board applies on the nomination of candidates and its composition the following rules:

A. The maximum number of directors on the Board is fifteen (15);

B. At least ½ of the directors, without counting the Chairman, must meet the independence criteria laid down in the Greek laws and the Code. In addition, they must not hold, directly or indirectly, a stake larger than 0.1% in the Company's share capital;

C. An independent director may not serve for more than nine years in total;

D. Should the Chairman meet on appointment the independence criteria of the Code, the Vice Chairman may be elected among the executive directors. Should the Chairman not meet on appointment the independence criteria of the Code, there should be at least one Vice Chairman elected among the independent non-executive directors.

E. Non-executive directors should undertake that they will have sufficient time to fulfill their duties.

Board diversity

TITAN recognizes the importance of promoting diversity at the Board and all levels of the Group, in particular in relation to gender but also in relation to other aspects such as age, educational and professional background, place of domicile, nationality, etc. The Company through its Human Rights Policy promotes diversity across the operations of TITAN Group and supports the recruitment and development of talented employees, regardless of their gender or ethnic background. Likewise, the Board promotes diversity in its composition as well as in the composition of the Board committees through the nomination of more women as well as of directors of different age and of different educational and professional background (see also page 27 under Nominations and Corporate Governance Committee). As a result, during 2016 the number of women in the Board was doubled from 2 to 4 and one out of the three members of each Board committee is a woman. Diversity at 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 sector, the corporate/business sector, legal and audit services as well as from the academic community. During its annual evaluation the Board considers diversity as part of its performance and effectiveness review.

Obligations of Board Directors

On joining the Board, all directors receive formal induction. Moreover, throughout their term in office, the Chairman ensures that they constantly expand their skills in areas of importance to the Company and their knowledge of the Company.

The directors are obliged to attend the scheduled Board and Committee meetings and to allocate the time required to satisfactorily discharge their duties. To that end, before their election they have a duty to inform the Board of Directors about their other important professional commitments and directorships with a broad indication of the time involved as well as of any subsequent changes.

The executive directors, who offer their services to the Company on the basis of an employment relationship or a contract for the provision of services, are not allowed to serve on the Board of more than two other listed companies.

The non-executive directors are obliged to disclose to the Chairman of the Board any factual information that could result in a change of their status as non-executive or independent directors.

Conflicts of interests

All directors must immediately disclose to the Board whether they have any personal interest that conflicts, or it is possible to conflict, with the interests of the Company or its affiliates in relation to a transaction or arrangement with the Company or its affiliates. Given their access to privileged information, they must not use such information to directly or indirectly purchase or sell shares in the Company or its affiliates, which are traded on a regulated market, for their own benefit or for members of their family. They must also not disclose that information to other persons or induce third parties to purchase or sell shares in the Company or its affiliates, which are traded on a regulated market, based on the aforesaid privileged information to which they have access.

Furthermore, directors, during their term of office, must not serve as directors on the Boards, or as officers or employees of business entities that are competitors to the Company or the Group's companies, and generally they must abstain from any actions, either when acting on their behalf or on behalf of third parties, that fall under any the Company's objectives, without the approval of the General Meeting of Shareholders. In the event that

they acquire any such status, they need to inform immediately the Chairman of the Board of Directors and resign from the Company's Board of Directors.

Board Committees

The Board Committees have been set up by the Board and are comprised entirely of independent, non-executive members with the exception of the Nomination and Corporate Governance Committee, to which the Chairman, a non-executive director, is a member.

The Board Committees are entitled to retain the services of specialists and of technical, financial, legal or other consultants.

Audit committee

Chairman: Doros Constantinou, independent, non-executive Board member

Members:

- Plutarchos Sakellaris, independent, non-executive Board member
- Ioanna Papadopoulou, independent, non-executive Board member

Alternate members:

- Alexander Macridis, independent, non-executive Board member
- Petros Sabatacakis, independent, non-executive Board member

The Audit Committee consists exclusively of independent members of the Board of Directors who have extensive management, accounting and auditing knowledge and experience. The ordinary and alternate members were elected by the General Meeting of Shareholders on 17 June 2016.

The Committee's extensive auditing powers include monitoring the financial reporting process, monitoring the effectiveness of the internal control, internal audit and risk management systems, monitoring the statutory audit of the annual Company and consolidated accounts and reviewing and monitoring the independence of the statutory auditor, and in particular the provision of additional services to the Company. The Committee is also responsible to monitor and review the implementation of the confidential reporting procedure; this procedure involves employees reporting any infringement of the Company's Corporate Values or the Company's Code of Conduct to management via the "direct telephone line of communication" (Hotline) which is in operation.

The Audit Committee's duties and competences and its internal regulation have been posted to the Company's website (<http://www.titan-cement.com/en/>) at the link: <http://www.titan-cement.com/en/titan-group/corporate-governance/board-of-directors-committees/audit-committee/>

The Audit Committee holds at least four scheduled meetings per year. It also holds unscheduled meetings whenever this is considered necessary.

In 2016, the Audit Committee held five meetings on 8 March, 10 May, 26 July, 31 October and 1 December 2016.

During 2016, the Audit Committee also held two separate meetings (8 March and 26 July 2016) with the external auditors without any executive directors or other Company employees present. During the aforesaid meetings, the Audit Committee confirmed the effectiveness of the audit process applied by the external auditors and confirmed their objectivity and independence.

Consequently, the Audit Committee recommended the re-appointment for a second consecutive year of PwC as external auditors for the financial year 2016. The Board unanimously agreed with the Audit Committee's recommendation and the reappointment of PwC as external auditors for the financial year 2016 was approved by the Annual General Meeting on 17 June 2016. The remuneration of the external auditors for the financial year 2016, following relevant recommendation by the Audit Committee and the Board, was set by the Annual General Meeting as follows:

- For the statutory audit of the Company's financial statements, up to the amount of €105,000 plus VAT;
- For the statutory audit of consolidated financial statements, up to the amount of €105,000, plus VAT; and
- For the tax audit of the Company, up to the amount of €70,000 plus VAT.

During 2016, PwC also undertook the statutory audit of 45 subsidiaries of TITAN Group established both in Greece and worldwide.

The total cost for the statutory audit of the Company and the above 45 subsidiaries and the statutory tax audit of the Company and its subsidiaries in Greece for the year 2016, under the exchange rates prevailing at the time of agreement, is estimated to amount to €1,196,000 compared to €1,220,000 paid in 2015.

Following prior approval by the Audit Committee, PwC provided, in 2016, additional audit related services, of a total amount of €61,000 (for bond assurance as well as due to increased scope following the acquisitions in Brazil and Turkey) as well as non audit related services, of a total amount of €82,350, representing in total 11.98% of PwC's total fees for conducting the statutory audit for the Company and the Group's subsidiaries worldwide. The additional non audit related services involved tax and accounting services provided to the Company and its subsidiaries for their needs in the financial year 2016. For the financial year 2015, the total amount of fees paid to PwC for their additional auditing and consulting services was 156,505 euros.

The Audit Committee decided that the objectivity and independence of the external auditors for the 2016 audit has been fully safeguarded. The independence of the external auditors has been also confirmed in writing by the external auditors themselves in a letter addressed to the Audit Committee.

Remuneration committee

Chairman: Hiro Athanassiou, independent, non-executive Board member

Members: Alexander Macridis, independent, non-executive Board member

Petros Sabatacakis, independent, non-executive Board member

The Remuneration Committee consists exclusively of independent members of the Board of Directors.

The members of the Committee were appointed by virtue of a Board decision dated 17 June 2016.

The Committee's task is to recommend the levels of the annual remuneration of executive directors and of senior Group officers on the basis of their performance and importance of position and to review on a regular basis the remuneration policy followed by the Company based on the market trends with regard to the pay rates and the human resources management. The Committee also recommends the levels of remuneration of non-executive directors on the basis of their time commitment and responsibilities.

Over the course of the year, the Remuneration Committee held one meeting on 6 May 2016. The main subject of the meeting was to make a recommendation regarding the total remuneration (annual salary, bonus, stock grant and retirement fund contributions) during 2016 of the Chief Executive Director and the other executive members of the Board as well as of the senior Group officers including the Group Internal Audit Director.

The Remuneration Committee also made a recommendation on the level of retirement compensation of the previous Chairman, Mr. Andreas Canellopoulos, who completed his term in office in June 2016. The level of his retirement compensation was recommended in accordance with the Remuneration Policy of the Company and on the basis of his years of service in the Company.

The Remuneration Committee also recommended the level of the annual remuneration of the new Chairman of the Board and of the other non-executive directors for the year 2016, on the basis of their performance, the time commitment and the responsibilities of their role.

The above recommendations of the Remuneration Committee were subsequently approved by the Board. The recommendations of the Remuneration Committee on the level of remuneration of the Board

members (executive and non-executive directors) for their participation in the Board and the Board committees in 2016 was subsequently submitted for pre-approval to the Annual General Meeting.

The Remuneration Committee's duties and competences and its internal regulation have been posted to the Company's website <http://www.titan-cement.com/en/> at the link: <http://www.titan-cement.com/en/titan-group/corporate-governance/board-of-directors-committees/remuneration-committee/>

Nominations and corporate governance committee

Chairman: Domna Mirasyesi- Bernitsa, independent, non-executive Board member

Members: Efstratios-Georgios Arapoglou, non-executive Board member

Hiro Athanassiou, independent, non-executive Board member

The Nominations and Corporate Governance Committee consists of three non-executive directors of the Board, two of whom are independent. The Chairman of the Board, who is a non-executive director, is the third member of the Committee. The present members of the Committee were appointed by virtue of the Board of Directors' decision dated 17 June 2016.

All members of the Committee have extensive experience in business administration and corporate governance.

The main tasks of this Committee is to search and recommend suitable Board candidates, to ensure that plans are in place for orderly succession for appointments to the Board and to senior management, to evaluate the balance of skills, experience, independence and knowledge on the Board and to ensure its progressive and appropriate refreshing.

In view of the end of the three-year term of the Board and the election of a new Board by the 2016 Annual General Meeting for a new three year term, during 2016 the Committee successfully led a formal, rigorous and transparent process for the selection and nomination of three new independent directors to replace an equal number of directors who would not be nominated for a new term (two of whom due to completion of nine years of service on the board and one, the ex-Chairman, due to retirement after 45 years of service on the Board and 20 as Chairman).

The Committee, after evaluating the balance of skills, experience, independence and knowledge on the board, prepared a description of the role and capabilities required for the three new directors. In brief, all three new directors should meet the independence criteria in accordance with the Code, the Greek legislation and the Company (see above in page 22 under Independent non-executive

directors). They should also have distinguished careers, business experience and a global perspective and they should be able to allocate sufficient time to the Company in order to discharge their responsibilities effectively.

The search for suitable candidates was conducted on merit, against objective criteria. Given the importance of diversity, the Committee recommended the increase of the number of women on Board from two to four and as a result two of the three new members were women. The Committee was satisfied that diversity on the Board was also promoted through the different educational and professional backgrounds of the directors and also through the participation in the Board of two directors with permanent domicile in the U.S. Finally, given the geographical presence of TITAN, the Board has set the goal to pursue, at the next Board election, the participation of more non-Greek directors on the Board.

The Committee was also actively involved in the nomination of the new non-executive Chairman, Mr. Arapoglou, who undertook responsibility for leadership of the Board in June 2016. Mr. Arapoglou was already serving as Vice Chairman and Senior Independent Director and, for this reason, the Committee had adequate evidence of his commitment and availability. His global perspective and sound business judgment provided a solid foundation for his nomination by the Committee.

In 2016, in addition to the various meetings with the candidates, the Committee held two meetings, on 22 February and 7 March, with the following agenda:

- a. Performance evaluation of the Board and its Committees in 2015 on the basis of the annual assessment questionnaire and submission of report to the Board;
- b. Review of the contents of the Corporate Governance Statement that was part of the Annual Corporate Governance Report for the year 2015;
- c. Completion of the search and selection process of new board candidates and nomination of three new directors; and
- d. Review of the existing plans for the orderly succession of the Chairman, the Managing Director and the senior officers of the Company.

The Nomination and Corporate Governance Committee's duties and competences and its internal regulation have been posted on the Company's website <http://www.titan-cement.com/en/> at the following address: <http://www.titan-cement.com/en/titan-group/corporate-governance/board-of-directors-committees/nomination-and-corporate-governance-committee/>

Other committees with Board members' participation

In addition to the above three Committees of the Board of Directors, the Board has established the following Committees which consist of executive directors and relevant senior officers of the Company

Executive committee

Chairman: Dimitri Papalexopoulos, Chief Executive Officer

Members: Michael Colakides, Executive Director, Group Chief Financial Officer

Bill Zarkalis, executive director, Head of U.S. Region

Alexandra Papalexopoulou-Benopoulou, executive director, Strategic Planning Director

Sokratis Baltzis, Head of Egypt region and Group Trading

Konstantinos Derdemezis, Head of Serbia, F.Y.R. of Macedonia, Albania and Kosovo Region

John Kollas, Head of TITAN Group Human Resources

Christos Panagopoulos, Head of Turkey and Bulgaria Region

Yanni Paniaras, Group Corporate Affairs Executive Director, Head of Greek Region,

Fokion Tasoulas, Head of TITAN Group Technology and Engineering

The day-to-day management has been delegated by the Board to the Executive Committee.

Within this context, the Executive Committee, chaired by the Group CEO, is the senior management body on all aspects of the Company's strategy and operations. The Executive Committee invites the appropriate functional heads according to the agenda topics.

The Executive Committee's duties and competences and its internal regulation have been posted to the Company's website <http://www.titan-cement.com/en/> at the link: <http://www.titan-cement.com/en/titan-group/corporate-governance/other-committees/executive-committee/>

Sustainability committee

CHAIRMAN: Dimitri Papalexopoulos, Chief Executive Officer

Members: Nellos Canellopoulos, Vice Chairman, Executive Board Director

Takis-Panagiotis Canellopoulos, Executive Board Director

Efthymios Vidalis, Executive Board Director

Fokion Tasoulas, Group Engineering & Technology & Director

John Kollas, Group Human Resources Director

Convener: Yanni Paniaras, Group Corporate Affairs Executive Director, Head of Greek Region

The purpose of this Committee is to strengthen and support management's long term approach to the triple bottom line, covering economic, environmental and social sustainability and to provide strategic direction on sustainability and corporate affairs issues to the Executive Committee.

The Sustainability Committee's duties and competences and its internal regulation have been posted to the Company's website <http://www.titan-cement.com/en/> at the link: <http://www.titan-cement.com/en/titan-group/corporate-governance/other-committees/sustainability-committee/>

Advisory council

CHAIRMAN: Andreas Canelopoulos, Ex Chairman

MEMBERS: Nellos Canelopoulos, Vice Chairman, Executive Board director

Takis-Panagiotis Canelopoulos, Executive Board Director

Efthymios Vidalis, Executive Board Director

Michael Sigalas, ex Executive Board Director

The Board has established this new body in order to provide a longer-term shareholder view. The Advisory Council provides advice to the Executive Committee and the managing Director (Group CEO) on major strategic initiatives, senior appointments and issues of special interest to shareholders.

The Advisory Council's duties and competences have been posted to the Company's website <http://www.titan-cement.com/en/> at the link: <http://www.titan-cement.com/en/titan-group/corporate-governance/other-committees/advisory-council/>

Attendances of directors in board and committee meetings and in general meetings during year 2016

In 2016, the Company's Board of Directors held six (6) scheduled meetings on 10 March, 12 May, 17 June, 28 July, 2 November and 16 December and five unscheduled meetings on 12 January, 2 February, 22 February, 6 June and 7 July). Below is a table showing which members attended these meetings of the Board of Directors and its Committees, as well as the AGM during 2016:

	Board	Committees	AGM
ANDREAS CANELOPOULOS	6/6	2/2	1/1
EFSTRATIOS-GEORGIOS ARAPOGLOU	10/11	1/1	1/1
NELLOS CANELOPOULOS	11/11		1/1
DIMITRI PAPAEXOPOULOS	11/11		1/1
MICHAEL COLAKIDES	10/10		1/1
DOROS CONSTANTINOU	10/11	5/5	1/1
HIRO ATHANASIOU	4/5		
TAKIS-PANAGIOTIS CANELOPOULOS	11/11		1/1
VASSILIOS FOURLIS	5/6	2/2	
ALEXANDER MACRIDIS	5/5		
DOMNA MIRASYESI-BERNITSA	11/11	2/2	1/1
IOANNA PAPADOPOULOU	3/5	3/3	
ALEXANDRA PAPAEXOPOULOU-BENOPOULOU	11/11	2/2	1/1
PLOUTARCHOS SAKELLARIS	9/11	5/5	1/1
PETROS SABATACAKIS	6/11	1/1	
EFTYCHIOS VASILAKIS	5/6	3/3	
EFTHYMIOS VIDALIS	11/11	1/1	
BILL ZARKALIS	9/11		

Annual evaluation of Board performance

The Board undertook in 2016 an annual self-evaluation of its performance and that of its committees and individual directors by filling out a special, detailed questionnaire which had been prepared by the Company Secretary. The questionnaire was divided into eight units under the titles Leadership, Composition-Effectiveness, Operation of Board-Information and Support, Financial and Business Reporting – Relations with Shareholders, Remuneration, Performance of Board Committees, Directors' Attendance at the Board and committee meetings and the Shareholders Meetings and Directors' Individual Performance evaluation. Each member's contribution to the Board was evaluated with a score, ranging from one to four, corresponding to poor, average, very good and excellent contribution.

The questionnaires were filled out anonymously and sent to the Company Secretary.

Remuneration of Board members for their participation in the Board and its committees in 2016

The Annual General Meeting of 17 June 2016, following the same recommendation of the Board and the Remuneration Committee decided, in accordance with article 24 section 2 of Law 2190/1920, the increase by 25% of the annual remuneration paid to Board directors during 2016, given that there was no increase during the last two years (2014 and 2015) and that the level of the remuneration was low compared with the peer companies.

More specifically, the AGM decided the payment of a total gross amount of €580,000 (€464,000 in 2015) as follows:

- gross amount of €450,000 as remuneration for participation on the Board, i.e. gross amount of €30,000 for each director;
- gross amount of €65,000 for the 3 members of the Audit Committee, i.e. gross amount of €25,000 for the Chairman and gross amount of €20,000 for each member;
- gross amount of €32,500 for the three members of the Remuneration Committee, i.e. gross amount of €12,500 for the Chairman and gross amount of €10,000 for each member; and
- gross Amount of €32,500 for the 3 members of the Nomination and Corporate Governance Committee, i.e. gross amount of €12,500 for the Chairman and gross amount of €10,000 for each member.

The AGM of 17 June 2016 also preapproved, following relevant Board recommendation, in accordance with article 24 section 2 of Law 2190/1920:

-the payment of additional annual remuneration of a gross amount of €168,000 plus stamp tax to the new non-executive Chairman Mr. Arapoglou (i.e. €84,000 plus stamp tax gross for the semester June 2016-December 2016) and

-the payment of additional remuneration of a gross amount of €135,000 plus stamp duty to the executive director Mr. Vidalis, who does not provide his services under an employment contract with the Company, as a result of his increased duties mainly in the areas of sustainable development and strategy.

Pursuant to article 24 section 2 of Law 2190/1920, all aforementioned payments will be submitted for final approval to the Annual General Meeting for the financial year 2016 which will be held within the first semester of 2017.

Remuneration of executive directors during 2016

In 2016, the salaries and all kinds of gross remuneration paid to 6 executive directors who provided their services on the basis of employment contracts amounted to the gross amount of €3,987,357 (€3,422,000 in 2015).

In 2016, the additional amount of €918,478 (€520,000 in 2015) was paid for the retirement plans of the six above executive directors.

In 2016, the gross remuneration paid to the ex-Chairman, Mr A. Canellopoulos, who was a non-executive director, was €151,220. Mr Canellopoulos also received a retirement compensation of a gross amount of €336,000.

The executive directors who were released to serve as non-executive directors in other companies and to retain their relevant earnings, received in 2016 remuneration as follows:

Mrs. Alexandra Papalexopoulou-Benopoulou, gross remuneration of €83,500 for serving on the board of Coca-Cola HBC AG;

Mr. Takis-Panagiotis Canellopoulos, gross remuneration of €10,000 for serving on the board of "Grivalia Properties REIC"; and

Mr. Efthimios Vidalis, gross remuneration of €46,000 for serving on the board of Alpha Bank.

Mr. Michael Colakides, gross remuneration of €17,500 for serving on the board of Eurobank Cyprus LTD.

Remuneration policy for executive directors and senior officers

The levels of remuneration of the executive directors and senior officers are decided by the Board following recommendation of the Remuneration Committee.

Such remuneration consists of a fixed part, i.e. the salary, which is determined on the basis of the applicable salaries system and the annual

performance assessment, and of a variable part, which is linked with the achievement of individual and corporate goals. The corporate goals are linked with performance in terms of financial ratios (EBITDA and ROACE) at Group level and at Region level, as well as with performance in other areas, such as the safety at work. The individual goals are personal and they are linked with the position that each officer serves.

Annual bonus awards vary depending on the importance of the position of the executive director / senior officer, but in no event may the bonus exceed:

- A. 100% of the fixed annual remuneration (i.e. salary), when the targets set have been fully met; or,
- B. 120% of the fixed annual remuneration (i.e. salary), if the officer has over-performed on the targets set.

The assessment of the performance of the executive directors and senior executives is carried out by the Chief Executive Officer and the assessment of the performance of the Managing Director is carried out by the Board of Directors.

The executive directors do not participate in discussions relating to the determination of their individual remuneration.

The Group Human Resources Department provides on a yearly basis to the Remuneration Committee data from the labor market, so that the remuneration level and/or the plans for variable compensation are adjusted accordingly. The main aim is to attract and keep high-caliber professionals who with their knowledge, skills and integrity will add value to the Company.

Executive directors and senior officers of the Group are granted long-term incentives through stock option schemes which are linked to Group performance, are approved by the General Meeting of Shareholders, have a three-year maturity period and are subject to specific vesting requirements i.e. achievement of certain targets.

Executive directors and senior officers also benefit from pension-savings plans and other additional voluntary allowances, which, may at any time be recalled or amended at the Company's discretion.

The Company offers to the executive directors who have an employment relationship with the Company, additional rights under pension and benefit plans based on the applicable practices in the relevant markets where the Company is operating, which may at any time be recalled or amended at the Company's discretion.

Stock option plans for executive members of the Board of Directors and senior officers of the Company and Group

Aiming to align the long-term personal goals of its senior executives with the interests of the Company and its shareholders, the Company has adopted and implements since 2000 stock option plans. All relevant plans (2000, 2004, 2007, 2010 and 2014 Plans) have been approved by the General Meeting of Shareholders, had a three-year maturity period and their beneficiaries were executive directors and senior Group officers. Non-executive directors were not eligible to participate in these plans.

Under the 2000 Plan, 48 beneficiaries exercised their stock option rights and purchased 119,200 ordinary shares at a sale price of €29.35 per share, as well as 451,900 ordinary shares at a sale price of €14.68 per share.

Under the 2004 Plan, 63 beneficiaries exercised their stock option rights and purchased 186,000 ordinary shares at a purchase price equal to the nominal price of the share, namely €4 per share.

Under the 2007 Plan, 103 beneficiaries exercised their stock option rights and purchased 61,804 ordinary shares of the Company at a price equal to the nominal price of each share, namely €4 per share.

Finally, under the 2010 Plan, 104 beneficiaries exercised their stock option rights and purchased 459,678 ordinary shares of the Company were exercised at a price equal to the nominal price of each share, namely €4 per share.

In total, to date under the aforesaid Plans 1,278,582 ordinary shares have been acquired by the beneficiaries representing 1.51% of the Company's paid capital.

To date, only the 2014 Plan is still running.

The 2014 Plan, as did the previous Plans, favors the long-term holding of a significant number of Company shares by the executive directors and the Group officers; it also includes as a vesting requirement the holding of a minimum number of Company shares depending on the officer's rank; any breach of this requirement will result in a decrease of the number of share option rights for the next grant period.

All Plans were designed to prevent high-risk behaviors of their beneficiaries, executive directors and senior officers of the Company, which might impact negatively the Company's share price. For this reason, they have an attractive strike price in relation to the exchange price of the Company's share at the time that they are granted.

A detailed description of the Plans is available on the Company's website <http://www.titan-cement.com/> link:

<http://ir.titan.gr/titan/app/cms?lang=en&page=programma.paroxis.dikaiomaton.proairesis.metoxon>

Internal audit and risk management systems in relation to the financial statements

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 they have been parameterized in accordance with the Group needs. Finally, the above tools use best-practices regarding the consolidation process, which the Group has to a 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 carried-out 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 Company, the Group and its material subsidiaries and audit the full-year financial statements of the aforementioned. In addition, the Group's external auditors inform the Audit Committee about the outcome of their reviews and audits.

The Audit Committee, during its quarterly meetings prior to the financial reporting, is informed by the Group CFO and the other competent Group officers about the performance of the Group, monitors the Company and consolidated accounts and the financial reporting process and reports accordingly to the Board. During these meetings, the Audit Committee is also informed on the management of the financial risks and monitors the effectiveness of the risk management system.

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

Internal audit

Internal audit is carried out by the Group Internal Audit, which is an independent department with its own written regulation, reporting directly to the Board of Directors' Audit Committee.

Internal audit consists of 17 executives who have the necessary training and experience to duly carry out their work.

Internal Audit's primary role is to evaluate the internal controls that have been put in place for all Group functions in terms of their adequacy and effectiveness. Internal Audit's functions also include:

- 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;
- reporting to the Board of Directors any conflict of interest situations relating to the members of the Board of Directors or the Company's executives towards the Company's interests, as such situations may be identified in the frames of the internal audit;
- monitoring the relationship and transactions of the Company with the related parties, as defined in the International Accounting Standard 24, as well the audit of the Company's dealings with companies with a higher than 10% participation in their capital by members of the Board of Directors or shareholders of the Company with more than 10%.

During the year 2016, 42 written reports from the Internal Audit Division relating to all audits of Group functions were submitted to the Audit Committee, and via it to the Board of Directors. From the audits conducted, 27 were scheduled, 5 were special and 10 were recurring.

A three-month progress and an annual report of the work of the Internal Audit Department with reference to the most important audit findings, was submitted to the Audit Committee.

During the year 2016, the Audit Committee held regular private meetings with the Group's Internal Audit Director to discuss functional and organizational issues. All information requested was provided and briefings were given about the audit systems currently in place, their effectiveness and the progress of audits. Following a report from the Audit Committee, the Board of Directors approved the audit schedule for 2017 and specified the functions and points on which internal audit must focus.

Information required by Article 10(1) of European Parliament and Council Directive 2004/25/EC

The information required by Article 10(1) of European Parliament and Council Directive 2004/25/EC is contained, pursuant to Article 4 (7) of Law 3556/2007, in the Explanatory Report, which is part of the Board of Directors' Annual Report and is set out above.

General Meetings and Shareholders' Rights

The General Meeting's *modus operandi*-Powers

According to Article 12 of the Company's Articles of Association, the General Meeting of Shareholders is the Company's supreme body and is entitled to decide on all corporate affairs.

The General Meeting is the sole body competent to decide on:

- a. Amendments to the Articles of Association, other than those which are decided on by the Board of Directors pursuant to law (Article 11(5), Article 13(2) and (13), and Article 17b (4) of Codified Law 2190/1920).
- b. Increases or reductions in the share capital, with the exception of those cases where that power lies with the Board of Directors pursuant to Law or the Articles of Association, and increases or reductions required by the provisions of other laws.
- c. The distribution of the annual profits, save for the case referred to in Article 34(2)(f) of Codified Law 2190/1920.
- d. The election of members and stand-in members of the Board of Directors, apart from the cases cited in Article 25 of the Articles of Association, relating to the election of members by the Board of Directors to replace members who have resigned, passed away or been removed from their post, for the remainder of the term in office of the members being replaced and provided that said members cannot be replaced by the stand-in members elected by the General Meeting.
- e. Approval of the annual accounts (annual financial statements).
- f. The issuing of corporate bonds, in parallel with the right of the Board of Directors to issue such bonds in accordance with Article 28 of the Articles of Association.
- g. The election of auditors.
- h. The extension of the Company's term, merger, split, conversion, revival, or winding up of the Company.
- i. The appointment of liquidators.
- j. The filing of actions against members of the Board of Directors for acting *ultra vires* or for infringing the law or the Articles of Association and

- k. All other issues relating to the Company for which the General Meeting is granted competence by the law or the Articles of Association.

The General Meeting meets at the seat of the Company or in another municipality within the prefecture where the seat is located or in another municipality bordering the place of its seat at least once every fiscal year and within 6 months at the most from the end of that fiscal year. It may also meet within the boundaries of the municipality where the Athens Exchange has its registered offices.

The notice for the General Meeting must include at least the data defined by article 26 of the Law 2190/1920 and is published as provided in Law 2190/1920. More specifically, the notice for the General Meeting must include place and precise address, date and time of the meeting, the items on the agenda clearly stated, the shareholders entitled to take part, and precise instructions about how shareholders can take part in the meeting and exercise their rights in person or via a representative, including the forms that the Company is utilizing for that purpose.

The minimum information which should be stated in the notice also includes information about the minority rights and the time period in which such minority rights can be exercised, the record date with an indication that only shareholders on the record date can attend and vote at the General Meeting, a notice of the place where the full text of documents and drafts of decisions proposed by the Board of Directors for all items on the agenda are available, a reference to the Company's website where all the above information is available, and the forms which must be used when shareholders vote via a representative.

The notice for the General Meeting must be published in full or in summary format (which must necessarily include an express reference to the website where the full text of the invitation and information required by Article 27(3) of Codified Law 2190/1920 is available) in the publications specified in Article 26(2) of Codified Law 2190/1920, in the *Sociétés Anonymes* and Limited Liability Companies Bulletin of the Government Gazette and on the ATHEX and Company websites.

The Company arranges for the notice of the Annual General Meeting and related papers to be sent to shareholders at least 20 working days before the meeting and published pursuant to the provisions above. For other general meetings the notice and related papers are sent and published at least 14 working days in advance.

The full text of the notice is published in electronic news services with a national and European reach, in order to effectively disseminate information to investors and to ensure rapid, non-discriminatory access to such information.

Right to attend General Meetings

All shareholders are entitled to take part in the General Meetings.

To take part, holders of shares must have been shareholders at the start of the fifth day before the date of the General Meeting (Record date).

Such persons can demonstrate that they are shareholders by submitting a written certificate from Hellenic Exchanges S.A. or, alternatively, by the Company connecting online to the files and records of Hellenic Exchanges S.A.

The original or online certificate proving that they are shareholders must be presented to the Company no later than the third day before the date of the General Meeting.

Other than this requirement, the exercise of the right to participate in the General Meeting does not require shareholders to block their shares or comply with any other formalities which limit the ability to sell or transfer their shares in the time period between the record date and the date of the General Meeting.

Shareholders or their representatives who have not complied with these formalities may only take part in the General Meeting with its permission.

Shareholders may attend the General Meetings either in person or through one or more representatives, whether shareholders or not. Each shareholder may appoint up to 3 representatives. If a shareholder holds shares in the Company which appear in more than one securities account, this limitation does not prevent the shareholder from appointing different representatives for the shares which appear in each securities account.

A representative who acts for more than one shareholder may vote differently on behalf of each shareholder.

Legal entities may participate in the General Meeting by appointing up to three natural persons as their representatives.

Shareholder representatives can be appointed and removed in writing, such notice being sent to the Company in the same way, at least three days before the date set for the General Meeting.

The Company has forms available on its website, which must be filled out and sent by shareholders in order to appoint a representative. These forms allow shareholders to authorize their proxies to exercise their voting rights at the meeting and to direct them to vote for or against, or to abstain from voting on each item of the agenda. Abstentions do not count in tallying the vote negatively or positively in relation to a decision.

The Company's Articles of Association do not provide for shareholders' participation in the General

Meeting and for the exercise of their voting rights remotely or by correspondence.

Shareholder representatives are obliged to inform the Company before the General Meeting starts about any information which shareholders should be aware of so that they can determine whether there is a risk of the representative serving interests other than their own interests.

Conflicts of interest may arise in cases where the representative:

- a. is a shareholder who controls the Company or is another legal entity or person controlled by that shareholder;
- b. is a member of the Board of Directors or of the management team of the Company or a shareholder who controls the Company, or another legal person or entity controlled by a shareholder who controls the Company;
- c. is an employee or certified public accountant of the Company or a shareholder who controls the Company, or another legal person or entity controlled by a shareholder who controls the Company;
- d. is the spouse or a first degree relative of one of the natural persons referred to above.

All Board directors should attend the General Meeting and the chairmen of the Board committees should be available to answer questions.

Quorum – Majority

According to the law and the Articles of Association, the General Meeting has a quorum and can validly decide on the items of the agenda when shareholders representing at least 1/5 of the paid up share capital are present or represented at the meeting.

If this quorum is not achieved at the first meeting, the Meeting will reconvene within 20 days from the date on which it was not possible to hold the meeting. The new Meeting has a quorum and can take valid decisions on the items on the initial agenda, irrespective of the percentage of the paid up share capital represented in the Meeting. In all the above cases, decisions of the General Meeting are taken by absolute majority of the votes represented at it.

By way of exception, in the case of decisions relating to a change in the Company's nationality; a change in the business object; an increase in shareholders' obligations; an increase in share capital not provided for by the Articles of Association in line with Article 13(1) and (2) of Codified Law 2190/1920 unless required by law or done by capitalizing reserves; a reduction in share capital unless done in accordance with Article 16(6) of Codified Law 2190/1920; a change in the profit distribution; the merger, split, conversion, revival, extension of term or winding up of the Company; the granting or renewal of powers to the Board of Directors to increase the

share capital in accordance with Article 13(1) hereof, and all other cases specified by law, the General Meeting has a quorum and is validly met on the items of the agenda when shareholders representing at least 2/3 of the paid up share capital are present or represented at the meeting. In all the above cases, decisions of the General Meeting are taken by 2/3 majority of the votes represented at it.

If this qualified quorum is not achieved, the General Meeting will be invited to convene and will reconvene within 20 days from the date on which the meeting could not take place, and will have a quorum and be validly met on the items on the initial agenda if at least 1/2 of the paid-up share capital is represented at it. If this quorum is not achieved, the General Meeting will be called and will convene again within 20 days and will have a quorum and be validly met on the items on the initial agenda when at least 1/5 of the paid-up share capital is represented at it.

In all the above cases, decisions of the General Meeting are taken by 2/3 majority of the votes represented at it.

No other invitation is required if the initial invitation specifies the place and time of any repeat meetings that might be held if a quorum is not achieved at the first meeting, provided that at least ten full days elapse between the meeting which was cancelled and the repeat meeting.

Shareholders' Rights

Right to attend General Meetings

As explained in detail above, shareholders are entitled to attend General Meetings in person or via representatives who may or may not be shareholders.

Right to vote at General Meetings:

Every share, apart from preferred shares to which no voting rights are attached, comes with a voting right.

Rights of preferred shareholders

According to the decision of the Company's Annual General Meeting of Shareholders of 27 June 1990, which decided to increase the Company's share capital by issuing preferred shares without voting rights, the privileges granted to preferred shares without voting rights are:

- A. The right to receive a first dividend from the profits of each year before ordinary shareholders, and in the case where no dividend is distributed or the dividend distributed in one or more years is lower than the first dividend, to receive payment on that first dividend on a preferential and cumulative basis for those years, from the profits generated in subsequent years. Holders of non-voting preferred shares are also entitled, on

the same terms as holders of ordinary shares, to receive any additional dividend paid in any form.

It should be noted that following amendments to the provisions of Article 45(2) of Codified Law 2190/1920 on the profits of Sociétés Anonymes to be distributed, in accordance with Article 79(8) of Law 3604/2007, the obligation to distribute 6% of the paid-up share capital as the minimum mandatory first dividend was abolished, and it is now mandatory to distribute 35% of the net profits, thus making the right of preferred shares to the first dividend redundant

- B. Preferential return of capital paid up by holders of non-voting preferred shares from the product of the liquidation of corporate assets in the event of the Company being wound up. Holders of non-voting preferred shares are entitled, on equal terms with the holders of ordinary shares, to a further participation, proportionately, in the product of liquidation of assets, if this product is greater than the total paid-up share capital.

Priority rights

In any event of share capital increase, when that increase does not result from a contribution in kind or the issue of bonds with the right of conversion into shares, priority rights are granted on the entire new capital or bond issue to the Shareholders of the Company at the time of issue, proportionate to their holding in the existing share capital.

Where the Company's share capital is increased with shares from only one of the classes of shares the Company has issued, the priority right is granted to shareholders in the other class only after it is not exercised by shareholders in the class to which the new shares belong.

Pursuant to article 13(10) of Law 2190/1920, priority rights may be limited or abolished by decision of the General Meeting of Shareholders, requiring a special increased quorum and majority, pursuant to the provisions of Article 29(3) and (4) and Article 31(2) of Law 2190/1920.

Right to receive a copy of the financial statements and reports of the BOD and Auditors

Ten days prior to the Ordinary General Meeting, each shareholder may request the annual Financial Statements and relevant reports of the Board of Directors and Auditors from the Company.

Minority rights

Following an application submitted by any Shareholder to the Company within at least five full days prior to the General Meeting, the Board of Directors shall be obliged to provide the General Meeting with the requested specific information on the Company's affairs, to the extent that it may be useful for the actual assessment of the items on the

agenda. The Board of Directors may provide a single response to shareholder requests relating to the same matter. The obligation to provide information does not exist when the information requested is already available on the Company's website, especially in the form of questions and answers. The Board of Directors may refuse to provide such information on a serious, substantive ground which shall be cited in the minutes. Such ground may, under the circumstances, be representation of the applicant shareholders on the Board of Directors in line with Article 18(3) or (6) of Law 2190/1920.

At the request of Shareholders representing 1/20 of the paid-up share capital:

- A. The Board of Directors shall be obliged to convene an extra-ordinary General Meeting within a time period of 45 days from the date of service of the relevant request on the Chairman of the Board of Directors. This application must contain the items on the agenda of the requested Meeting. Where the General Meeting is not convened by the Board of Directors within 20 days from service of the request, it shall be convened by the applicant shareholders at the Company's expense by decision of the Single-Member Court of First Instance at the seat of the Company, which decision shall be issued in line with the injunctive relief procedure. This decision shall state the time and place of the meeting and the items on the agenda.
- B. The Board of Directors shall be obliged to enter additional items on the agenda of the General Meeting that has already been convened, provided that it receives the relevant request within at least 15 days prior to the General Meeting. The additional items shall be published or notified by the Board of Directors at least 7 days before the General Meeting. That request to have additional items included in the agenda shall be accompanied by the reasons for such inclusion or a draft decision for approval by the General Meeting and the revised agenda shall be published in the same manner as the previous agenda, 13 days before the date of the General Meeting, and shall also be made available to shareholders on the Company's website, along with the reasoning or draft decision submitted by the shareholders.
- C. At least 6 days before the date of the General Meeting, the Board of Directors is obliged to provide shareholders with drafts of decisions on the items which have been included in the initial or revised agenda, by uploading the same on the Company's website, if a request to that effect is received by the Board of Directors at least 7 days before the date of the General Meeting.

The Board of Directors is not obliged to include items in the agenda or publish or disclose them along with the reasoning and drafts of decisions

submitted to shareholders in accordance with the aforementioned two sections if the content thereof is clearly in conflict with the law and morals.

- D. The Chairman of the General Meeting shall be obliged – only once – to postpone the making of decisions by the General Meeting, whether ordinary or extraordinary, on all or certain items, setting a new date for the General Meeting as per the shareholders' request, provided it is not more than 30 days from the date of the postponed General Meeting. A postponed General Meeting which reconvenes shall be deemed a continuation of the previous one and for this reason no repetition of the publication requirements shall be required, and new shareholders may also participate, provided that they comply with the obligations for participation in the General Meeting.
- E. The Board of Directors shall be obliged to announce to the Annual General Meeting the amounts that have in the last two-year period been paid to each member of the Board of Directors or to the Company directors, as well as any benefits granted to these persons due to any reason or contract concluded between them and the Company. The Board of Directors may refuse to provide such information on a serious, substantive ground which shall be cited in the minutes. Such ground may, under the circumstances, be representation of the applicant shareholders on the Board of Directors in line with Article 18(3) or (6) of Law 2190/1920. Any doubts about the validity or otherwise of the reasons for refusal to provide information may be decided by the Single-Member Court of First Instance at the company's seat.
- F. Decisions on any item on the agenda of the General Meeting shall be taken by a call of names.
- G. In addition, shareholders representing 1/20 of the paid-up share capital are entitled to request that the Single-Member Court of First Instance at the Company's seat audit the Company in the manner specified in Article 40 of Codified Law 2190/1920. In any event, the request for an audit must be submitted within three years from the approval of the financial statements of the fiscal year in which the contested transactions were effected.

Following an application made by Shareholders representing 1/5 of the paid-up share capital, which shall be submitted to the Company at least 5 full days prior to the General Meeting, the Board of Directors shall be obliged to provide the General Meeting with information on the course of corporate affairs and the state of the Company's assets. The Board of Directors may refuse to provide such information on serious, substantive grounds which shall be cited in the minutes. Such grounds may, under the circumstances, be representation of the applicant

shareholders on the Board of Directors in line with Article 18(3) or (6) of Law 2190/1920, where the relevant members of the Board of Directors have taken adequate cognizance of these matters. Any doubts about the validity or otherwise of the reasons for refusal to provide information may be decided by the Single-Member Court of First Instance at the Company's seat.

In all the above cases where rights are exercised, the applicant shareholders are obliged to demonstrate that they are in fact shareholders, and the number of shares they hold, when exercising their right. A certificate from Hellenic Exchanges S.A. (HELEX) or confirmation that they are shareholders by means of the online connection between HELEX and the Company constitute evidence for this.

Moreover, shareholders representing 1/5 of the paid-up share capital shall be entitled to request an audit of the Company from the Single-Member Court of First Instance, which has jurisdiction over the area of the Company's registered offices, in case from the overall course of the Company's affairs it may be concluded that the Company is not being administered in accordance with the principles of sound and prudent management laid down in Article 40 of Codified Law 2190/1920.

Right to dividends

According to the Articles of Association, the minimum mandatory dividend to be distributed each year by the Company is equal to the minimum mandatory dividend specified by law (Article 45 of Codified Law 2190/1920), which according to Article 3 of Development Law 148/1967 is at least 35% of the Company's net profits, after all necessary withholdings to establish the statutory reserve.

Dividends must be paid within two months from the date of the Annual General Meeting approving the Company's annual financial statements.

The place and method of payment is announced in notices published in the press, the Daily Price Bulletin and both the Athens Exchange and Company websites.

Dividends which remain unclaimed for a period of five years from the date on which they become payable may not be claimed and are forfeited to the State.

Right to the product of liquidation

On completion of the liquidation, the liquidators return the contributions of the Shareholders in accordance with the Articles of Association and distribute to them the balance from the liquidation of the Company's assets in proportion to their share in the paid-up share capital of the Company.

Shareholders' liability:

Shareholders' liability is limited to the nominal value of the shares held.

Exclusive jurisdiction of the courts – applicable law:

Each Shareholder, regardless of where he or she resides, is – in dealings with the Company – deemed to have the location of the registered offices of the Company as his/her legal place of residence, and is subject to Greek Law. Any dispute between the Company and the Shareholders or any third party is to be resolved by recourse to the Ordinary Courts; legal actions may be brought against the Company only before the Courts of Athens.

Shareholder information and services

Shareholder relations and the provision of information to shareholders have been assigned to the following departments:

- Investor relations department

The Investor Relations Department is responsible for monitoring Company relations with its Shareholders and investors, and for ensuring that information is provided to investors and financial analysts in Greece and abroad on an equal footing in good time and that such information is up-to-date. The aim is to generate long-term relationships with the investment community and retain the high level of trust that investors have in the Group.

Investor Relations Senior Officer: Mrs. Afroditi Sylla, 22a Halkidos St., GR-11143, Athens Tel: 0030 210-2591163, Fax: 0030 210-2591106, e-mail: ir@titan.gr.

- Shareholder services department

This Department is responsible for providing timely information to shareholders and for facilitating them when exercising the rights granted to them by the law and Articles of Association of the Company.

Shareholder Services Manager: Ms. Nitsa Kalesi, 22a Halkidos St., GR 11143, Athens, Tel: 0030 210-2591257, Fax: 0030 210-2591238, e-mail: kalesin@titan.gr

- Corporate announcements department

This Department is responsible for communications between the Company and the Hellenic Capital Market Commission and the Athens Exchange, Company compliance with the obligations set forth in Laws 4443/2016 and 3556/2007, compliance with the relevant decisions of the Hellenic Capital Market Commission and for sending published Company reports to all competent authorities and the media.

The Company's website address is: www.titan-cement.com

Reuters code: TTNr.AT, TTNm.AT

Bloomberg code: TITK GA, TITP GA.