



SUSTAINABILITY REPORT

2021

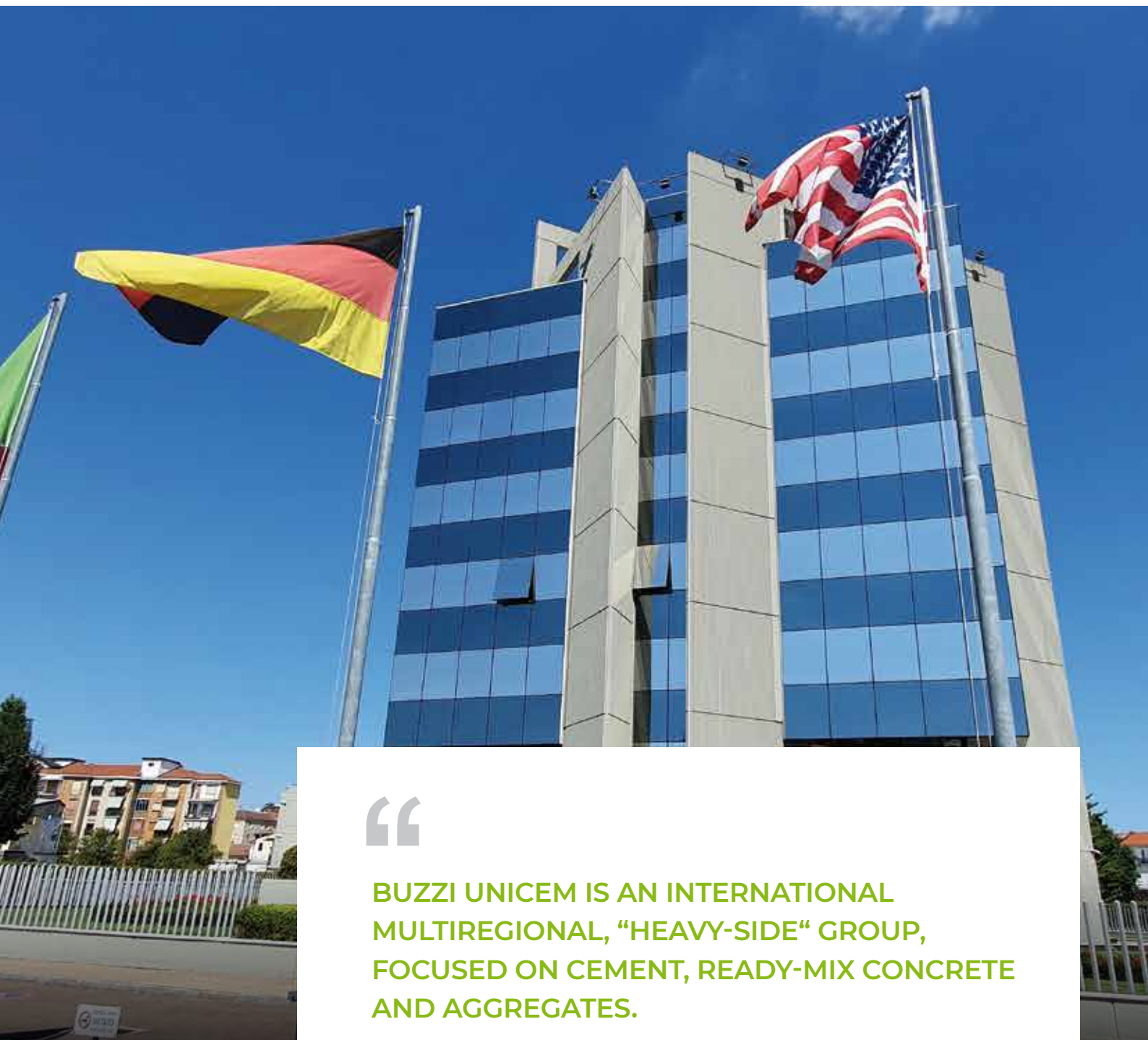
CONSOLIDATED NON-FINANCIAL STATEMENT UNDER
THE ITALIAN LEGISLATIVE DECREE N° 254/2016

BUZZI UNICEM

VISION



Buzzi Unicem headquarters in Casale Monferrato (AL), Italy.



“

BUZZI UNICEM IS AN INTERNATIONAL MULTIREGIONAL, “HEAVY-SIDE” GROUP, FOCUSED ON CEMENT, READY-MIX CONCRETE AND AGGREGATES.

THE COMPANY’S DEDICATED MANAGEMENT HAS A LONG-TERM VIEW OF THE BUSINESS AND COMMITMENT TOWARDS A SUSTAINABLE DEVELOPMENT, SUPPORTED BY HIGH QUALITY ASSETS.

BUZZI UNICEM PURSUES VALUE CREATION THROUGH LASTING, EXPERIENCED KNOW-HOW AND OPERATING EFFICIENCY OF ITS INDUSTRIAL OPERATIONS.



Ceretto recreational botanical oasis, Carignano, district of Ceretto (TO), Italy.

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THE 2021 EDITION OF THE SUSTAINABILITY REPORT CONFIRMS THE OBJECTIVE OF CLIMATE NEUTRALITY BY 2050

AND INTRODUCES A NEW INFOGRAPHIC FOR
PERFORMANCE INDICATORS

In late February, the worsening of the situation between Ukraine and Russia, two countries where we operate production plants, has led to serious and pervasive repercussions throughout Europe. The top priority of the plan put in place by Buzzi Unicem is to ensure the safety of our employees and their families to the greatest extent possible.

The year that has just ended was the second to have been dominated by the Covid-19 pandemic. We had to face two new waves of infections and new restrictions. Although the number of deaths throughout the world was almost double that of 2020 (3.4 million compared to 1.9 million), 2021 was also a year of recovery. The extensive vaccination campaigns limited the most serious consequences from the infection and many production activities were able to avoid further lockdowns.

Even for 2021, alongside various humanitarian organisations, with a contribution of 1.5 million euro we have decided to offer economic support to those who have suffered most because of the pandemic.

Production volumes improved and financial results were on par with the excellent level we achieved in 2020, despite an unprecedented increase in costs in the second half of the year.

In 2021 the GCCA, the global association of cement producers, published a roadmap with which it announced the progressive reduction of greenhouse gas emissions and the achievement of climate neutrality by 2050. We were involved in the drafting of this roadmap and can confirm this essentially mirrors our own objectives.

In the coming months we will be announcing a roadmap, which we have been busy working on for some time.

The speed with which conditions are changing around us (e.g. the EU's regulatory framework, with the review of the ETS directive and the introduction of the CBAM) and the sharp rise in costs associated with energy, make it even more difficult to plan economically sustainable solutions over such a long timeframe. Nevertheless, we are assessing new targets for the reduction of our CO₂ emissions which are compatible with the objective of limiting the increase in the



average global temperature to 1.5°C as set forth by the Paris agreement. Compared to 2020, with a production increase of 5.1% in 2021, our absolute emissions increased by only 4.7%. Thanks to the improvement in production efficiency, we avoided around 176 thousand tons of CO₂ emissions. The specific value of the direct emission was 689 kg of gross CO₂ per ton of cementitious product.

We are continuing with the utmost conviction the health and safety objectives to protect our people and the performance of the related indicators reflects the positive results of our efforts.

However, in 2021, we reported two fatal accidents. One involved an employee in the Czech Republic and the other involved a worker of one of our contractors in the United States.

The Company's performance would not have been as excellent as they are without the daily contribution and commitment of all our staff, which we consider our most precious resource. We are committed to improving our organisation in order to increasingly attract and retain young talent, encourage

teamwork, communicate Company strategies and objectives transparently, while ensuring gender diversity and reducing unequal treatment.

In this report we continue the publication of the information on our tax system on a Country-by-Country basis and, for the first time, the information required by the new Taxonomy regulation.

Moreover, we have introduced a new structure for the chapters and a new graphical representation for the main performance indicators.

We believe this facilitates the task of understanding and comparing our non-financial performances for the increasing number of stakeholders that are interested in this information.

We hope you enjoy reading this report.

Pietro Buzzi

Chief Executive

Michele Buzzi

Chief Executive

METHODOLOGY NOTE

The entry into force of legislative decree 254/2016 requires that, starting from the 2017 financial year, public interest entities publish a consolidated non-financial declaration (NFD). For the fifth year, Buzzi Unicem has integrated the NFD within its Sustainability Report (art. 4 legislative decree 254/2016). The Company increasingly believes that this instrument, which was published for the first time in 2001 and continues to evolve in terms of its content and accuracy, enables us to more fully comply with our legislative requirements, by integrating these into our corporate culture. The list of information required by the decree is contained within the “Correlation table to the Legislative Decree 254/2016”.

In accordance with the provisions of the Decree, the Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. It describes the business model, the identified risks, the Policies, the Targets and the environmental, social and governance performances. The list of indicators is contained within the "GRI Content index".

For the second year Buzzi Unicem publishes information on taxes in the Sustainability Report, as we continue the progressive process of alignment to developments introduced in the GRI Standards.

Moreover, following the guidelines from the European Securities and Market Authority (ESMA) on the priorities for drafting reports from listed companies, we have also

published certain information relating to the Covid-19 pandemic and climate change risk assessment. Finally, in the section “Taxonomy” are reported information compliant with the requirements of art. 8 of Regulation (EU) 2020/852 of 18 June 2020 (so-called “Taxonomy Regulation”) and the related Delegated Regulations (EU) 2021/2178 and 2021/2139. This disclosure is not included in the NFD limited assurance activities done by the independent auditor.

This edition of the Sustainability Report, which also includes the NFD, was approved by the Board of Directors on 25 March 2022 along with the Consolidated Financial Statement.

REPORTING PROCESS

The reporting was conducted thanks to a structured process as follows:

- Collection of data through Tagetik, the database of non-financial data at the entire Group;
- Collection of additional data through “Reporting Packages” (RPs) for issues not implemented in Tagetik. The RPs come with a brief guideline with definitions and examples;
- Signature by every Country manager of a "Representation Letter", in which they confirm the accuracy of the data and the companies involved in the reporting scope.

REPORTING SCOPE

The economic, environmental and social data and information contained

in the Sustainability Report relate to all companies within the reporting scope of the Consolidated Financial Statements as of 31/12/2021 using the line-by-line method*. The reporting scope of the Sustainability Report is aligned with that of the Consolidated Financial Statement. In line with the Consolidated Financial Statement, the data of our subsidiaries are aggregated as follows: the data of Béton du Ried S.A.S. are aggregated with Luxembourg, the data of Dyckerhoff Gravières et Sablières Seltz S.A.S. with Germany and those for ZAPA beton HUNGÁRIA Kft. with Slovakia.

Moreover, Buzzi Unicem is separately publishing data relating to two major stakes (in companies not consolidated using the line-by-line method): Cimento Nacional (BCPAR) in Brazil and Corporación Moctezuma in Mexico.

REPORTING DETAILS

Environmental indicators relating to consumption of thermal energy and emissions of dusts, Nitrogen Oxides (NO_x), Sulphur Dioxide (SO₂) and Mercury (Hg) are shown per ton of clinker produced.

Indicators relating to consumption of electrical energy, emissions of Carbon Dioxide (CO₂), waste produced and water consumption relate to ton of cementitious product, defined as: all the clinker produced, including that used for the production of cements/binders and that which is sold directly, as well as gypsum and any materials mixed with clinker to produce cements and/or binders (e.g. limestone, slag, fly ashes, pozzolan, production process dust). The cementitious product

also includes any quantities of mineral components (slag, fly ashes and pozzolan) that are processed and sold separately as cement substitutes. Clinker purchased from third parties and used for the production of cements and/or binders is not included.

Social indicators relating to injuries refer to direct employees and employees of contractors working in our production sites.

For the calculation of greenhouse gas emissions of cement plants in Italy, Germany, Luxembourg, Poland and Czech Republic that fall within the Emissions Trading System (EU ETS), the Company used the criteria required by Regulation (EU) 2018/2066 of the European Commission, which establishes guidelines for the monitoring and disclosure of greenhouse gas emissions in accordance with directive 2003/87/EC of the European Parliament and Council.

Even non-ETS countries apply the same methodology as ETS countries and this confirms Buzzi Unicem's commitment towards promoting best practices in the countries in which it operates. 100% of the Group's emissions is calculated on the basis of the criteria established by standard EN 19694-3, method B2.

Additionally:

- all data refers to the period 01/01/2021 to 31/12/2021;
- economic data come from the Consolidated Financial Statement.

Group performance indicators are shown along the document with their three-year trends, while Country specific data are reported in the appendixes.

* The companies Compañía Cubana de Cemento Portland, S.A., Transports Mariel, S.A., Proyectos Industrias de Jaruco, S.A. are not included in this non-financial report since they are not operational and the Group does not have operational control over them.



The Monselice (PD) plant, Italy.

Group profile

The Group at a glance

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Regional overview

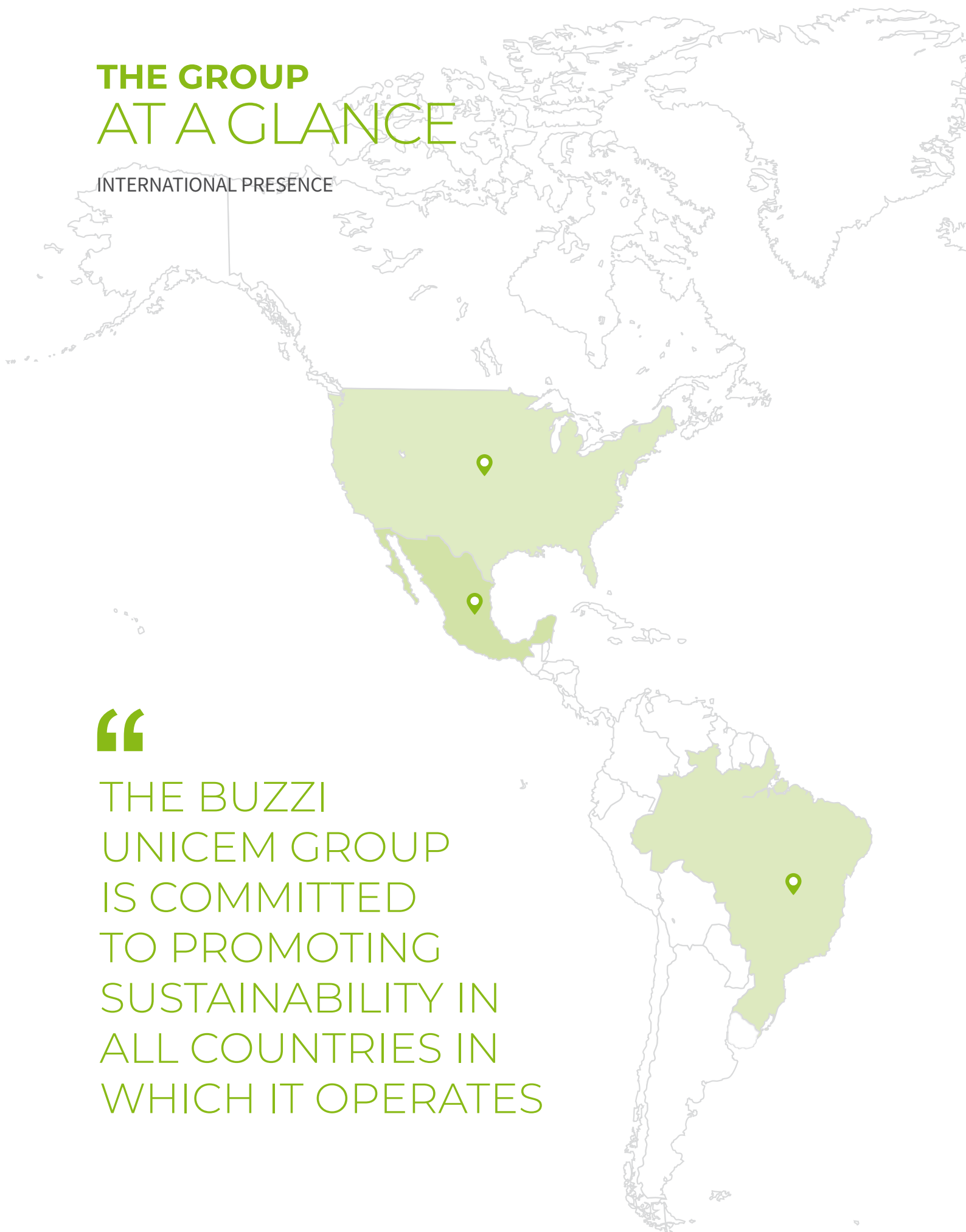
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THE GROUP AT A GLANCE

INTERNATIONAL PRESENCE

“

THE BUZZI
UNICEM GROUP
IS COMMITTED
TO PROMOTING
SUSTAINABILITY IN
ALL COUNTRIES IN
WHICH IT OPERATES





OUR ENTITIES

Europe

| | |
|--------------------------------|--|
| Italy | Buzzi Unicem, Unical, Cementi Moccia (50%), Laterlite (33%) |
| Germany | Dyckerhoff, Dyckerhoff Beton |
| Luxembourg | Cimalux |
| Netherlands | Dyckerhoff Basal Nederland |
| Poland | Dyckerhoff Polska |
| Czech Republic and Slovakia | Cement Hranice, ZAPA beton |
| Ukraine | Dyckerhoff Ukraine |
| Slovenia | Salonit Anhovo (25%) |

Asia

| | |
|--------|------------|
| Russia | SLK Cement |
|--------|------------|

America

| | |
|--------|--------------------------------|
| USA | Buzzi Unicem USA, Alamo Cement |
| Mexico | Corporación Moctezuma (50%) |
| Brazil | Cimento Nacional (50%) |

Africa

| | |
|---------|---|
| Algeria | Société des Ciments de Hadjar Soud (35%) Société des Ciments de Sour El Ghoulane (35%) |
|---------|---|

Operating structure

| | | ITA | GER | LUX | NLD | POL | CZE SVK | UKR | RUS | USA | TOT | BRA ¹ | MEX ¹ |
|----------------------------|------------------|------|-----|-----|-----|-----|------------|-----|-----|------|------|------------------|------------------|
| Cement plants | no. | 13 | 7 | 2 | 0 | 1 | 1 | 2 | 2 | 8 | 36 | 7 | 3 |
| of which grinding | no. | 4 | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 7 | 2 | 0 |
| Cement production capacity | m tons/ years | 10.8 | 7.2 | 1.4 | 0 | 1.6 | 1.1 | 3.0 | 4.3 | 10.2 | 39.6 | 7.2 | 8.3 |
| Ready-mix batch plants | no. | 114 | 110 | 3 | 13 | 18 | 65 | 5 | 0 | 67 | 395 | 0 | 28 |
| Aggregate quarries | no. | 6 | 3 | 0 | 0 | 0 | 6 | 0 | 0 | 3 | 18 | 0 | 2 |
| Deposits and terminals | no. | 3 | 2 | 0 | 0 | 1 | 0 | 2 | 1 | 36 | 45 | 4 | 0 |

ITA/Italy, GER/Germany, LUX/Luxembourg, NLD/Netherlands, POL/Poland, CZE/Czech Republic, SVK/Slovakia, UKR/Ukraine, RUS/Russia, USA/United States of America, BRA/Brazil, MEX/Mexico..

¹ Figures at 100%.

Key financial figures

| | | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-----------------------|---------------------|--------|--------|--------|--------|--------|--------|--------|
| Cement production | t/000 | 24,857 | 24,901 | 26,173 | 27,143 | 28,306 | 28,016 | 29,442 |
| Concrete sales | m ³ /000 | 11,936 | 11,938 | 12,294 | 12,093 | 12,120 | 11,743 | 12,141 |
| Aggregate sales | t/000 | 8,120 | 6,839 | 6,935 | 6,753 | 5,551 | 4,853 | 4,883 |
| Net sales | € m | 2,662 | 2,669 | 2,806 | 2,873 | 3,221 | 3,222 | 3,446 |
| Capital expenditures | € m | 304 | 236 | 218 | 444 | 339 | 258 | 218 |
| Headcount at year end | no. | 9,738 | 9,975 | 10,025 | 9,880 | 9,841 | 9,683 | 9,664 |



Sales revenue

(millions of euro)

| | | |
|------|---|-------|
| 2015 |  | 2,662 |
| 2016 |  | 2,669 |
| 2017 |  | 2,806 |
| 2018 |  | 2,873 |
| 2019 |  | 3,221 |
| 2020 |  | 3,222 |
| 2021 |  | 3,446 |

Capital expenditures

(millions of euro)

| | | |
|------|--|-----|
| 2015 |  | 304 |
| 2016 |  | 236 |
| 2017 |  | 218 |
| 2018 |  | 444 |
| 2019 |  | 339 |
| 2020 |  | 258 |
| 2021 |  | 218 |

Main environmental indicators

| | | 2019 | 2020 | 2021 |
|--|---------------------------|-------|-------|-------|
| Specific gross scope 1 CO ₂ emissions | kg/t cementitious product | 688 | 694 | 689 |
| Specific thermal consumption | MJ/t clinker | 4,109 | 4,138 | 4,106 |
| Thermal substitution | % | 27.6 | 29.2 | 27.8 |

Main safety indicators (employees and contractors)

| | | 2019 | 2020 | 2021 |
|------------|-----|------|------|------|
| LTI FR | - | 5.8 | 4.8 | 5.0 |
| Fatalities | no. | 1 | 2 | 2 |

Main social indicators

| | | 2019 | 2020 | 2021 |
|---|-------|-------|-------|-------|
| Total headcount | no. | 9,841 | 9,683 | 9,664 |
| <i>of which male</i> | % | 85.5 | 85.5 | 85.5 |
| <i>of which female</i> | % | 14.5 | 14.5 | 14.5 |
| Hiring rate | % | 14.9 | 11.5 | 15.3 |
| Turnover rate | % | 16.6 | 13.3 | 15.4 |
| Absentee rate (illness, strike, injuries) | % | 3.3 | 3.6 | 3.8 |
| Hours of training per capita | hours | 24 | 19 | 33 |



DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

The information on the direct financial value that is generated and allocated is useful for demonstrating how a company creates value for its stakeholders. In accordance with this principle, Buzzi Unicem provides in the following table details of the annual value flows. The data is presented in millions of Euro, applies to 2021, and complies with the requirements of the GRI Standards.

| (millions of euro) | 2019 | 2020 | 2021 |
|---|--------------|--------------|----------------|
| Direct economic value generated | | | |
| Revenues | 3,276.9 | 3,246.2 | 3,491.1 |
| Economic value distributed | | | |
| Operating costs ⁽¹⁾ | 1,970.0 | 1,861.2 | 2,094.1 |
| Employee salaries and benefits | 514.4 | 506.2 | 513.3 |
| Payments to capital providers ⁽²⁾ | 58.8 | 58.0 | 216.7 |
| Payments to Governments | 129.9 | 172.5 | 125.6 |
| Community investments | 59.1 | 64.9 | 58.7 |
| Economic value withheld ⁽³⁾ | 544.8 | 583.4 | 482.4 |

⁽¹⁾ Supply of materials, services including transport, materials, fuels and energy requirements, maintenance of facilities and substructures.

⁽²⁾ Including net financial costs and paid dividends.

⁽³⁾ Direct economic value minus amount distributed.

REGIONAL OVERVIEW

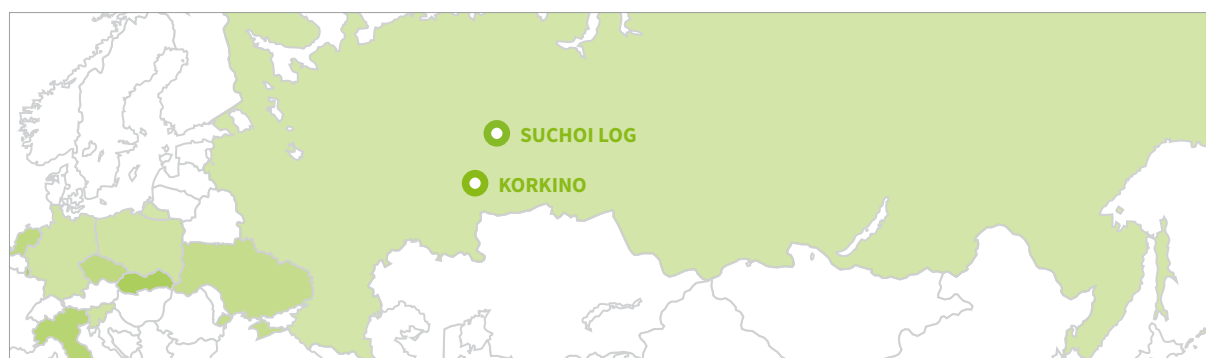
CEMENT PLANT LOCATIONS

As at 31 December 2021

EUROPE AND AFRICA



ASIA



AMERICA



Caption

● Cement plants ● Grinding plants

ITALY

13

plants

10.8

(million tons)
cement production
capacity

114

ready-mix
batch plants

6

aggregate
quarries

3

deposits
and terminals

| | | 2021 | 2020 | 21/20 |
|-----------------------|--------|-------|-------|--------|
| Cement production | t/000 | 5,250 | 4,616 | 13.8% |
| Concrete sales | m³/000 | 2,890 | 2,462 | 17.4% |
| Aggregate sales | t/000 | 828 | 672 | 23.2% |
| Net sales | € m | 604.7 | 501.1 | 20.7% |
| Capital expenditures | € m | 26.5 | 52.0 | -49.1% |
| Headcount at year end | no. | 1,555 | 1,561 | -0.4% |



GERMANY, LUXEMBOURG AND THE NETHERLANDS

9

plants

8.6

(million tons)
cement production
capacity

126

ready-mix
batch plants

3

aggregate
quarries

2

deposits
and terminals

| | | 2021 | 2020 | 21/20 |
|-----------------------|--------|-------|-------|-------|
| Cement production | t/000 | 6,879 | 6,977 | -1.4% |
| Concrete sales | m³/000 | 4,406 | 4,588 | -4.0% |
| Aggregate sales | t/000 | 766 | 463 | 65.4% |
| Net sales | € m | 909.2 | 908.6 | 0.1% |
| Capital expenditures | € m | 50.4 | 49.5 | 2.0% |
| Headcount at year end | no. | 2,081 | 2,100 | -0.9% |



POLAND

1

plant

1.6

(million tons)
cement production
capacity

18

ready-mix
batch plants

1

terminal

| | | 2021 | 2020 | 21/20 |
|-----------------------|--------|-------|-------|-------|
| Cement production | t/000 | 1,557 | 1,521 | 2.4% |
| Concrete sales | m³/000 | 758 | 609 | 24.4% |
| Net sales | € m | 126.4 | 117.8 | 7.3% |
| Capital expenditures | € m | 7.7 | 6.0 | 28.5% |
| Headcount at year end | no. | 350 | 349 | 0.3% |



CZECH REPUBLIC AND SLOVAKIA

1

plant

1.1

(million tons)
cement production
capacity

65

ready-mix
batch plants

6

aggregate
quarries

| | | 2021 | 2020 | 21/20 |
|-----------------------|--------|-------|-------|--------|
| Cement production | t/000 | 1,074 | 975 | 10.2% |
| Concrete sales | m³/000 | 1,575 | 1,552 | 1.5% |
| Aggregate sales | t/000 | 1,341 | 1,390 | -3.5% |
| Net sales | € m | 177.5 | 159.5 | 11.3% |
| Capital expenditures | € m | 7.5 | 9.3 | -19.0% |
| Headcount at year end | no. | 720 | 737 | -2.3% |



UKRAINE

2

plants

3.0

(million tons)
cement production
capacity

5

ready-mix
batch plants

2

deposits
and terminals

| | | 2021 | 2020 | 21/20 |
|-----------------------|---------------------|--------------|-------|-------|
| Cement production | t/000 | 1,908 | 1,749 | 9.1% |
| Concrete sales | m ³ /000 | 188 | 142 | 32.7% |
| Net sales | € m | 127.0 | 116.1 | 9.4% |
| Capital expenditures | € m | 6.9 | 9.2 | 24.4% |
| Headcount at year end | no. | 1,266 | 1,281 | -1.2% |



RUSSIA

2

plants

4.3

(million tons)
cement production
capacity

1

terminal

| | | 2021 | 2020 | 21/20 |
|-----------------------|-------|--------------|-------|-------|
| Cement production | t/000 | 3,948 | 3,714 | 6.3% |
| Net sales | € m | 207.4 | 195.8 | 5.9% |
| Capital expenditures | € m | 23.3 | 17.8 | 31.0% |
| Headcount at year end | no. | 1,446 | 1,355 | 6.7% |



UNITED STATES OF AMERICA

8

plants

10.2

(million tons)
cement production
capacity

67

ready-mix
batch plants

3

aggregate
quarries

36

deposits
and terminals

| | | 2021 | 2020 | 21/20 |
|-----------------------|---------------------|-------|-------|--------|
| Cement production | t/000 | 8,825 | 8,465 | 4.2% |
| Concrete sales | m ³ /000 | 2,322 | 2,389 | -2.8% |
| Aggregate sales | t/000 | 1,948 | 2,327 | -16.3% |
| Net sales | \$ m | 1,573 | 1,440 | 9.2% |
| Capital expenditures | \$ m | 112.7 | 130.0 | -13.3% |
| Headcount at year end | no. | 2,246 | 2,300 | -2.3% |



MEXICO¹

3

plants

8.3

(million tons)
cement production
capacity

28

ready-mix
batch plants

2

aggregate
quarries

| | | 2021 | 2020 | 21/20 |
|-----------------------|---------------------|-------|-------|--------|
| Cement production | t/000 | 7,603 | 7,019 | 8.3% |
| Concrete sales | m ³ /000 | 1,025 | 948 | 8.1% |
| Aggregate sales | t/000 | 120 | 203 | -40.7% |
| Net sales | \$ m | 782.2 | 654.8 | 19.4% |
| Capital expenditures | \$ m | 20.3 | 22.5 | -9.8% |
| Headcount at year end | no. | 1,376 | 1,170 | 17.6% |



¹ Figures at 100% - valued by the equity method.

BRAZIL¹

7

plants

7.2

(million tons)
cement production
capacity

4

deposits
and terminals

| | | 2021 | 2020 | 21/20 |
|-----------------------|-------|-------|-------|-------|
| Cement production | t/000 | 5,658 | 3,219 | 75.8% |
| Net sales | \$ m | 299.6 | 159.1 | 88.3% |
| Capital expenditures | \$ m | 209.2 | 2.9 | >100% |
| Headcount at year end | no. | 1,227 | 712 | 72.3% |

¹ Figures at 100% - valued by the equity method.



The Arcos plant, Brazil.



Family and Friends, Open Day 2021 at the Fanna (PN) plant, Italy.

Sustainability approach

Policies and targets

26

Materiality matrix

30

Stakeholder engagement

32

POLICIES AND TARGETS

Buzzi Unicem's Sustainability Policies establish the context within which objectives are monitored and are periodically re-examined for a sustainable growth over time.

The Policies are based on the three most important issues for the Company and its stakeholders: Safety, Climate Change and Stakeholder Engagement. Each policy, along with their respective targets, can be associated to one or more of the 17 Sustainable Development Goals and highlight Buzzi Unicem's tangible contribution to the 2030 Agenda.



Buzzi Unicem operates to achieve the maximum level of safety for its own staff and its suppliers' staff. The maximum level of safety is that at which we do not expect there to be any injuries or occupational diseases.

To achieve the above we believe it is essential to:

- comply with all the prevailing legislative requirements in the countries where the Group operates;
- make technical and organisational choices that are in line with best practices;
- ensure that the above choices are never influenced by reasons of economic convenience and/or containing costs.
- be aware that safety can only be achieved by ensuring, in a continual manner, a correct

assessment of risks, behaviour, preventive measures and a system of controls involving all workers.

- be aware that in this regard the management's responsibility is fundamental and must be evident.
- be committed to monitoring and reporting our performances through indices (KPIs), that are recognised internationally and useful for internal assessments and comparisons on a country by country basis with other companies in our own and other sectors.
- recognise that third party safety certifications, which the Company is committed to acquiring, are a valid mechanism for implementing this policy.

SAFETY TARGET

The Target involves achieving working conditions that will not result in any injuries and/or any occupational diseases.





EACH POLICY, ALONG WITH
THEIR RESPECTIVE TARGETS,
CAN BE ASSOCIATED TO ONE
OR MORE OF THE
17 SUSTAINABLE
DEVELOPMENT GOALS



- Buzzi Unicem recognizes the importance of commitments made by the international community to limit climate change.
- Respecting the prevailing opinion of the scientific community, which contributes part of global warming to greenhouse gas emissions and particularly Carbon Dioxide (CO₂) emissions, Buzzi Unicem monitors its own emissions and reports on these in absolute and specific terms in its Sustainability Report.
- In line with the objectives that have been established over the years by international climate protocols, Buzzi Unicem is committed to reducing its CO₂ emissions. After the Paris agreement of December 2015, the commitment was extended to all countries in which the group operates.

CLIMATE CHANGE TARGET

Although there are many factors in play, and not all of these are easy to predict and under the control of Buzzi Unicem, by 2022 we plan to achieve a reduction of CO₂ emissions, based on 2017 production capacity, of 5% compared to 2017 levels.





STAKEHOLDER ENGAGEMENT ACTIVITIES AIM AT UNDERSTANDING STAKEHOLDERS NEEDS TO CREATE VALUE



- Buzzi Unicem recognizes the importance of creating and maintaining relationships of trust, based on mutual respect, active partnership, transparency and long-term collaboration with its stakeholders, in particular those based in the areas in which the Group operates.
- Creating relationships of trust with stakeholders means knowing them, understanding their requirements and promoting their involvement during significant events in the life cycles of plants and the main headquarters as well as strategic initiatives that are potentially of mutual interest.
- To this end, Buzzi Unicem promotes regular communication in initiatives, particularly with employees, suppliers, customers, local communities and authorities, the contents of which and level of involvement are defined, planned and implemented on the basis of procedures that are compliant with this policy.

STAKEHOLDER ENGAGEMENT TARGET

The Target involves the implementation of the strategic approach to stakeholder engagement and the organisation of cyclical events in each production site with a high economic, environmental and social impact.



OBJECTIVES FOR SUSTAINABLE DEVELOPMENT

Sustainable development means, by definition, “meeting the needs of present generations without compromising the same opportunities for future generations” and, to achieve this, it is essential to combine three fundamental elements: economic growth, social inclusion and the protection of the environment. The Sustainable Development Goals (SDGs) are 17 goals that were adopted in September 2015 by the governments of the 193 member states of the General Assembly of the United Nations to make up a programme known as Agenda 2030 for Sustainable Development.

The 2030 Agenda recognizes the need to create peaceful, just and inclusive societies that provide equal access to justice and are based on a respect of human rights, including the right to development, and the emancipation of women and girls, good governance at all levels and responsible, effective and transparent institutions. The Goals are universal and are applicable in equal measure to developed and less developed countries.

For more information:
www.unric.org/it/agenda-2030



MATERIALITY MATRIX

The Materiality Matrix is the graphic representation on a Cartesian coordinates system of the relevant economic, environmental and social topics for the Company and its stakeholders.



The first Matrix, which was published in 2015, was updated at the beginning of 2020 in consideration of the following:

- the main trends in the cement and concrete sector at a global level;
- the guidelines provided by the GRI standards, which is the most commonly used sustainability reporting system;
- the non-financial reporting of a significant sample of international competitors.

Each topic has been "weighted" following an assessments involving various internal and external stakeholders:

- the Sustainability Steering Committee provided the Company's point of view (x axis);
- along with a select group of Italian managers the Sustainability Department interpreted the perspective of our stakeholders (y axis);

- a sample of Italian and international investors and analysts helped to complete the perspective from the financial sector (y axis).

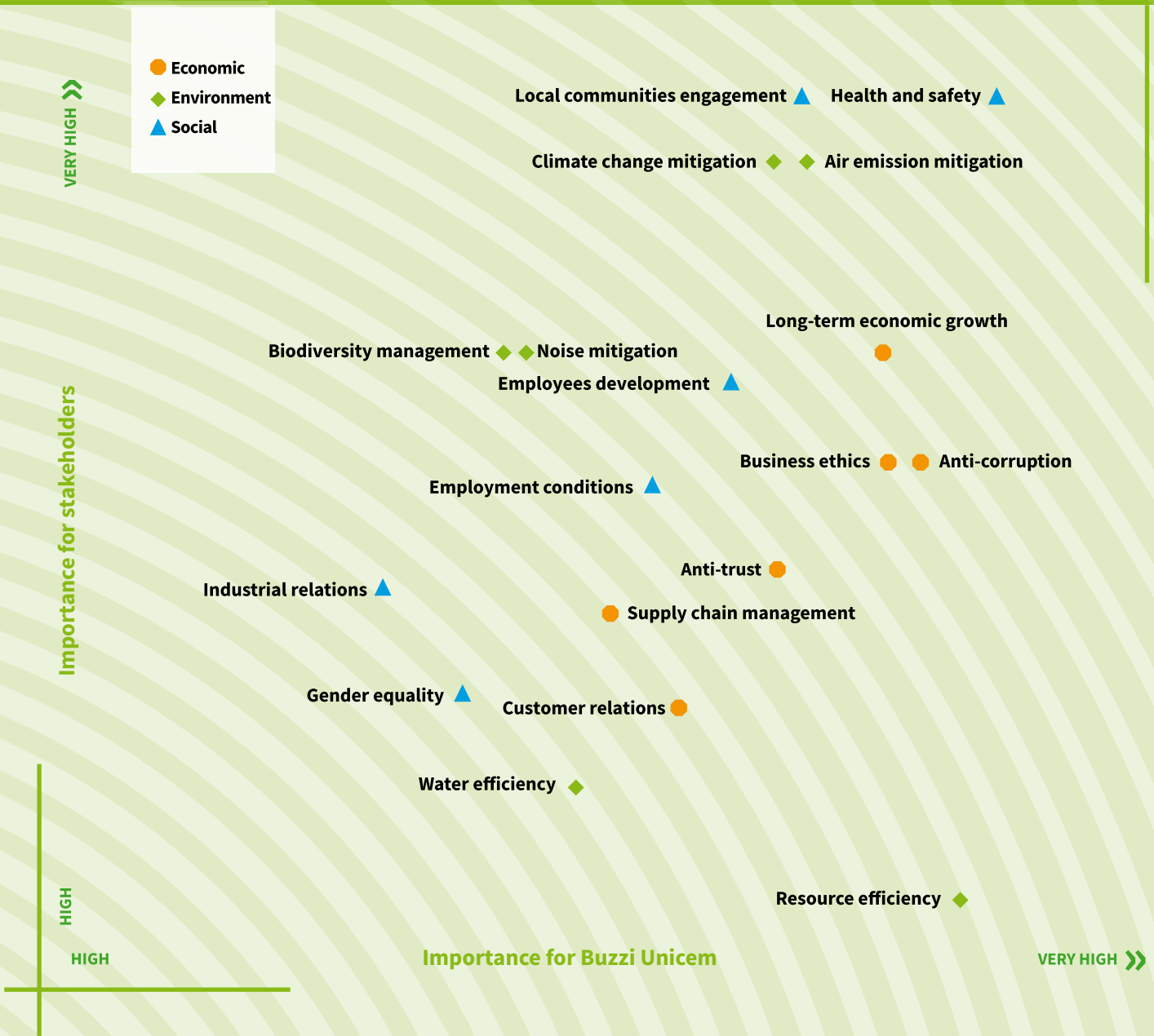
The review process of the Materiality Matrix was specifically examined by PwC SpA during its limited assurance activities. Points featured in the top right-hand corner of the Materiality Matrix, that can be seen in more detail in the image aside, represent the most relevant topics for both Buzzi Unicem and its stakeholders. The Company is committed to improving its reporting on the above mentioned issues within the forthcoming Sustainability Reports.



To improve the way we face the challenges and opportunities linked to sustainability, we have established at a Group level an international committee - the Sustainability Steering Committee (SSC) - that is responsible for defining the Company's strategies, Policies and Targets.



THE MATRIX CONFIRMS THE POLICIES AND STRATEGIES DEVELOPED BY THE GROUP



STAKEHOLDER ENGAGEMENT

Buzzi Unicem recognises the importance of building and maintaining relations of trust based on mutual respect, active partnership, transparency and long-term collaboration with its stakeholders - particularly those who are well established in the territories in which the Group operates - by recognising and promoting the value of operations that are fully integrated within the social, urban and environmental setting for the business.



The purpose of engagement activities is to facilitate the interactions between the Company and its stakeholders so they can become opportunities of mutual growth and enrichment while at the same time helping to reduce any past or present conflicts or misunderstandings. Creating relationships of trust with stakeholders means dedicating the time required to get to know them, understand their expectations and preoccupations, listen to their requests, provide responses and encourage their involvement during important events in the life of our cement plants.

In line with the organisational instruments that have already been implemented by the parent Company, during the course of 2021 we developed the guidelines for the management and monitoring of the stakeholder engagement activities and are confident that the full application of these guidelines next year will allow us to improve our dialogue with stakeholders.

LOCAL COMMUNITIES

Despite being limited by the continuation of the pandemic and forced social distancing,

in 2021, 76% (77% in 2020) of the Group's cement plants operated with significant engagement programmes in compliance with the new and more stringent guidelines. We confirm our desire to reach a target of 100% by the end of 2022.

Buzzi Unicem plants are open to individuals and/or small groups for visits. On these occasions, people can visit the production site with technicians that can provide answers to any questions they might have.

INVESTORS

Even in 2021 Buzzi Unicem regularly involved shareholders, investors and capital providers through various communication channels, in Italy and abroad, both on an institutional level - through the Annual General Meeting, press statements, presentations in institutional investor roadshows and conferences - and through meetings and conference calls for discussing performance and development strategies. The main events attended by Buzzi Unicem, that were held in a digital form because of the pandemic, were:

- Engineering & Construction Conference organised by Equita in April;

- Italian Investment Conference organised by Unicredit and Kepler Chevreux in May;
- Italian CEO's Conference organised by Mediobanca in June;
- Infrastructure & Energy Day organised by Borsa Italiana in September;
- Italian Conference organised by JP Morgan in October;
- Materials and Infrastructure Conference organised by Bank of America in December.

Moreover, in the context of the dialogue with investors, with the objective of responding in concrete terms to their requirements for discussions and further analysis on ESG issues and on the initiatives we have taken to reduce CO₂ emissions, Buzzi Unicem attended an institutional investor roadshow, organised by Mediobanca, in a digital format, in April.

Under the Company's online communication strategy, the corporate website www.buzziunicem.com provides useful information about the Group: its history, its presence in different geographical areas

and the quality of the products it offers to its customers. The website also includes a description of the work conducted in research laboratories and the certifications obtained, a wide section dedicated to Sustainability and Corporate Governance, a page for press releases, access to annual and interim financial statements, a description of the shareholding structure, share listings, a list of analysts monitoring share listings, and information on the decisions made in ordinary and extraordinary shareholders' meetings. The website www.buzziunicem.com offers information on production sites in Italy, relations at a local level and products and services offered to customers.

Through its Investor Relations department, and where necessary through its Sustainability Department, Buzzi Unicem provides the financial community with the information on operating trends and performances, and also reports the opinions and assessments of the financial community to the Company's management, thereby nurturing a relationship of active understanding and ongoing collaboration.



Educational games at Family and Friends, Open Day 2021, Fanna (PN) plant, Italy.

ASSOCIATIONS

Starting from September 2018, Buzzi Unicem also became a member of the Global Cement and Concrete Association (GCCA). The Association, which was founded in London at the start of 2018, comprises 40 leading companies in the production of cement and concrete, which together account for 80% of the global cement industry volume outside of China. The GCCA Mission involves interaction with institutions at an international level and with the most significant stakeholders so that cement and concrete are recognised as fully compatible with sustainable development.

Buzzi Unicem is a member of CEMBUREAU, the Brussels-based organisation which

represents the cement industry in Europe. The association acts as a spokesbody for the cement industry and brings to the attention of the European Union issues relating to the use of raw materials and secondary fuels, climate protection, emissions, biodiversity, occupational health and safety.

At a local level the Group takes part in trade associations such as: Associazione Italiana Tecnico Economica del Cemento (AITEC); European Concrete Platform (ECP); Verein Deutscher Zementwerke (VDZ); Portland Cement Association (PCA); Cámara Nacional del Cemento (CANACEM); European Ready Mix Concrete Association (ERMCO).



CSC SUPPLY CHAIN CERTIFICATION

Leading companies in the concrete industry in Europe, the US, Latin America and Asia set up the Concrete Sustainability Council (CSC) in 2018. The CSC has developed a system for certifying the responsible procurement of concrete at a global level which, by assessing sustainability along the supply chain, allows specifiers and designers to make more informed choices regarding the sustainability of constructions.

Buzzi Unicem has certified 11 cement plants, 53 ready-mix batch plants and 1 aggregates quarry in accordance with the CSC system.



EMPLOYEES

Our employees are the most important stakeholders for the Company and are regularly involved in training and prevention activities. More details can be found in the “Social aspects” section.



SUPPLIER

All suppliers and contractors are selected on the basis of their technical and financial competitiveness, credibility and solidity and must comply with Buzzi Unicem's Code of Conduct which reiterates the need for correct and transparent conduct in the development of the requested activities. More details can be found in the “Social aspects” section.



CUSTOMERS

The Company and its customers work together in synergy to develop innovative technical solutions to best respond to the demands and challenges posed by a constantly evolving market.



SHAREHOLDERS

Regular targeted communication activities, such as meetings, presentations, press releases and roadshows with investors and analysts. More details can be found in the “Stakeholder engagement” section.



LOCAL COMMUNITIES

The Company encourages a dialogue with institutions, opinion groups and civil society and supports community life in the areas where it has its production facilities. More details can be found in the “Stakeholder engagement” section.



ASSOCIATIONS

Buzzi Unicem is an active member of CEMBUREAU and GCCA. More details can be found in the “Stakeholder engagement” section.



VENTUR 4.0 wind turbine built with Dyckerhoff Variodur 40 cement.

Governance and ethics

Corporate governance

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CORPORATE GOVERNANCE

THE CORPORATE BODIES

- Shareholders' meeting is the deliberative collective body comprising shareholders (or their representatives). This corporate body is responsible for appointing corporate bodies, approving the Company's financial statements and amending the articles of association.
- The Board of Directors is the collective body for the management of the Company and is vested with all ordinary and extraordinary management powers. It guides and controls the Company and comprises 3 executive members and 9 non-executive directors, 7 of whom are independent.
- The Board of Statutory Auditors is required to ensure compliance with the law and Company bylaws, and verifies that corporate activities are carried out in accordance with the principles of proper administration. They also monitor the suitability of the Company's organizational structure, the internal control system and its administrative/ accounting system. The current Board of Statutory Auditors has 3 regular members and 3 alternate members.

The Board of Directors set up the Control and Risk Committee. The Committee is currently composed of 3 members and has suitable accounting and financial

know-how. It is entrusted with advisory and propositional tasks as provided by the Code of Self-Governance including, in particular, the duty of supporting, with a suitable investigation, the assessments and decisions of the Board of Directors with regard to the Internal Control and Risk Management System, which contributes, inter alia, to the protection of the Company's assets and the reliability of the information provided to the corporate bodies and the market, as well as information pertaining to the approval of financial reports. The Committee was also given the function of providing a prior opinion to the Board of Directors on internal control and risk management.

The Board of Directors set up the committee for transactions with related parties, that is responsible for issuing the opinions required by Consob Regulation n. 17221/2010 and as amended. It is composed of three independent Board members. At the group level, the Company has put in place a Sustainability Steering Committee and a Sustainability department, whose Manager reports to the Control and Risk Committee at least twice per year.

More information is available in the "Report on Corporate Governance and ownership structure" which, in accordance with the law, is published on the Company's website in the section "Corporate Governance".



SUSTAINABILITY, INTEGRITY AND GOOD CORPORATE GOVERNANCE



Dyckerhoff headquarters in Wiesbaden, Germany.

CODE OF CONDUCT, INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The Internal Control and Risk Management System comprises the series of rules, procedures and organisational structures to effectively identify, measure, manage and monitor the main risks in order to contribute to the sustainable success of the Company. The Code of Conduct is the most important of these and establishes the principles that all employees of Buzzi Unicem must respect in facing and overcoming ethical and legal challenges (more information on the Code of Conduct in the box below).

CODE OF CONDUCT

Sustainability, integrity and good Corporate Governance are the key components of our ethical culture and inspire our conduct towards customers, suppliers, employees, shareholders and stakeholders in general.

Buzzi Unicem believes that, along with full compliance of laws, ethics represent a fundamental aspect in managing a business and add value to the Company. All of our activities, whether they are strategic or operational, take place in compliance with the applicable laws and ethical values governing our conduct. This is why we drafted the Code of Conduct, which defines the standards of integrity and propriety which Buzzi Unicem has voluntarily chosen to adopt as a commitment towards its stakeholders. The Code applies to Buzzi Unicem SpA and all its Italian and foreign subsidiaries.

The principles in the Code apply to directors, members of corporate bodies, employees, suppliers and everyone acting for and on behalf of Buzzi Unicem, including, but not limited to, representatives, agents, associates,

external advisers and companies who receive an appointment from the Company, etc.

All recipients must comply with the guidelines of the Code in dealing with and overcoming challenges regarding ethics and legality which they may encounter in their day-to-day professional activities. The Code is an integral part of Buzzi Unicem's Corporate Governance and guides Company bodies, processes and systems to ensure efficient management in accordance with the highest corporate standards.

Buzzi Unicem invites its stakeholders to adopt conduct in line with that set forth in its Code.

The updated version of the Code of Conduct was approved by the Board of Directors of Buzzi Unicem SpA on 7 February 2019.



The Company's Internal Control and Risk Management System is inspired by the guidelines of the COSO (Committee of Sponsoring Organizations of the Treadway Commission). It contributes to: guaranteeing the efficiency and effectiveness of corporate processes providing an adequate management of the risks that could prevent the Company from reaching its entrepreneurial objectives, including those that may be important in terms of sustainability; ensuring the reliability of financial and non-financial information, the internal/external reporting system through the use of processes, procedures and systems that enable it to generate a flow of reliable information both inside and outside the Company; ensuring compliance with laws, regulations, bylaws and internal procedures; safeguarding and protecting corporate assets from inappropriate or fraudulent use or loss.

the protection of resources, operational efficiency and effectiveness and compliance with laws, regulations and policies of the organization.

Within the scope of the observation of risks control, risks are identified through an inventory that is updated every six months, and cover a short, medium and long-term timeframe.

Through a dedicated IT application, the Company has implemented a systematic risk monitoring system: short-term risks are quantified financially in terms of their impact and likelihood of occurrence, while medium and long-term risks are subject to a qualitative assessment. The assessment, detection and containment of these two risk types is the responsibility of specific management departments.

The short-term risks Buzzi Unicem is exposed to are linked to the nature of the group's business and are aggregated into categories. These typically include:

- distribution risk connected market trends;
- exchange rate risks;
- capital investment risks (cash and equivalents);
- liquidity risks;
- insurance risks;
- legal risks;
- political risks;
- fiscal risks;
- IT risks;
- HR and Company organisational risks;
- risks on purchases;
- production risks;
- logistical risks;
- ecological, environmental and security risks;
- technical and production investment risks.

Therefore, this definition of Internal Control and Risk Management System has a broader scope and it is not limited to accounting controls and the process of financial and economic reporting. It also covers other important aspects of the business, like

With regard to medium and long-term strategic and operational risks, the qualitative assessment is yearly but management strategies are defined in

Visitors at the Guidonia (RM) plant, Italy.



periodic meetings by the top management and the Board of Directors.

This group includes the risks connected with the general political and economic conditions and the evolution of the markets in which the Group operates.

We report among the main risks those related to the current situation between Ukraine and Russia. Moreover, we report those deriving from the adoption of the EU regulations connected to the fight against climate change and, more generally, the laws and/or regulations for protecting the environment



MODEL OF ORGANISATION, MANAGEMENT AND CONTROL

In order to ensure propriety and transparency in the conducting of its business and corporate activities, and to protect its position and image, and that of its subsidiaries, shareholders and employees, Buzzi Unicem SpA considered it useful, in terms of its group policies, to adopt the Model of Organisation, Management and Control provided by the legislative decree 231/2001.

The Model is based on a structured and organic system of procedures and control activities.

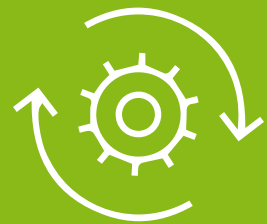
The characteristics of Buzzi Unicem's organisation are:

- **System of ethical values:** the Code of Conduct defines the ethical values and principles of behaviour the Company has chosen to adopt in the running of its business.
- **Formalised organisational system:** Buzzi Unicem has put in place organisational instruments characterised by general principles of knowability within the Company and a clear and formal delineation of roles.
- **Separation of departments and segregation of duties:** Buzzi Unicem's organisation is based on a separation of the various operational departments and the administrative/accounting departments. The principle of the segregation of duties is applied so that no one person can independently manage all phases of a process.
- **System of delegations:** the system adopted by Buzzi Unicem involves caution in granting signatory powers, both for the actions of the entity, and especially for the use of cash and

which, by (directly or indirectly) introducing restrictions on emissions, could generate competitive advantages for producers in non-EU countries. The fragile nature of the ecological transition can also be seen in the management of the time and costs required to reach climate neutrality by 2050, with this

process potentially generating the social risk of placing a financial burden on the most vulnerable people.

Less significant risks, but which still deserve attention, are those for new construction materials, business combinations, fluctuating



equivalents, and is structured on the basis of maximum values associated with different levels of responsibility.

- **Reward system:** presence of a reward system which rewards individuals' ability, dedication and loyalty to the Company and discourages committing crimes.
- **IT systems:** the Company's main processes are supported by IT applications of a high qualitative level which are integrated and designed to segregate functions and departments, protect information contained therein and enable the traceability of operations and transactions.

Buzzi Unicem has a specific communication and training plan to promote knowledge and the

dissemination of its Model with all employees. The content of training activities differs on the basis of the position of intended recipients, their involvement in any sensitive activities specified in the Model or having powers of representation in the Company.

In 2021 in Italy 210 employees received training on the issues contained in legislative decree 231/2001 and on the contents of the Model. At the end of the course participants took a test which demonstrated the effectiveness with which they had learned the subject matters in question.

The updated version of the Model was approved by the Board of Directors on 6 November 2020.

exchange rates, the scarcity of certain specific professions, the availability of alternative raw materials, the granting of licences/permits, epidemics. More details on the medium and long-term risks are provided on page 45 “Management of risk connected to non-financial factors”.

Buzzi Unicem’s managers and supervisors are supported in their risk assessment activities by the Internal Audit Department which, on one hand has the role of independent supervisor of the management system, while on the other hand must ensure that the system evolves.

The Internal Audit Department reports to the Board of Directors and liaises

continuously with the Director in charge of the Internal Control and Risk Management System, without prejudice to the mutual independence of the respective functions.

The Board of Directors approves the group’s Audit Plan on an annual basis, having consulted the Board of Statutory Auditors and the Director in charge of the Internal Control and Risk Management System.

To complete the annual control process, in the meeting for the approval of the Financial Statement, after receiving the approval of the Control and Risk Committee, the Board of Directors assesses the effectiveness and suitability of the Internal Control and Risk Management System.

Cimalux headquarters in Esch-sur-Alzette, Luxembourg.





MANAGEMENT OF RISK CONNECTED TO NON-FINANCIAL FACTORS

Environmental risk linked to climate change

- Risk: assets' damage, reduced margins, business interruption, reduction of competitiveness as a consequence of physical and transition risk as described in "Climate change, energy and CO₂ emissions" section.
- How Buzzi Unicem manages this risk:
 - Code of Conduct which requires that everyone working for and with Buzzi Unicem complies with conduct which is conducive to sustainable development;
 - Climate Change Policy with the objective of reducing CO₂ emissions;
 - incentives to management to encourage them to reach the Group's objectives;
 - investments in research and development for the development of technologies for reducing CO₂;
 - involvement with industry associations in order to participate in the development of international and local policies.

Social Risk linked to injuries in our production sites

- Risk: organisational shortcomings, production delays, reduced capacity to attract the best talent and reputational risks.
- How Buzzi Unicem manages this risk:
 - Code of Conduct which requires that everyone who enters a Buzzi Unicem production site engages in safety-focused conduct;
 - Safety Policy with the aim of guaranteeing safe and healthy working environments for employees, suppliers, contractors and third parties;
 - investments for the continual improvement of the safety conditions in our production sites;
 - constant training in order to spread a common culture of safety based on safe conduct and compliance with laws and regulations;
 - safe work plans to guarantee the proper functioning of daily operations.

Social Risk linked to a failure to involve stakeholders

- Risk: authorisation processes obstructed by hostile groups, reputational repercussions that could extend to operating licences being limited.
- How Buzzi Unicem manages this risk:
 - Code of Conduct which requires that everyone working for and with Buzzi Unicem complies with conduct which is conducive to the transparent exchange of information;
 - Stakeholder Engagement Policy which aims to involve key stakeholders in a regular and continuous dialogue over time;
 - continuous training of Buzzi Unicem staff to encourage openness, dialogue and local networking;
 - shared projects and partnerships with local stakeholders, in the areas we operate in, with the aim of creating lasting value over time;
 - regular opening of production sites and putting the skills, time and operational culture of our staff to the service of local communities.

BUSINESS INTEGRITY

TRANSPARENCY IN THE CONDUCT OF BUSINESS

Buzzi Unicem is committed to conducting its business in accordance with the laws and regulations of the countries in which it operates. In pursuing financial success, Buzzi Unicem's companies are focused on integrity and propriety in all their activities.

In recent years, there has been a specific focus on corruption and conflict of interest issues.

The Audit Plan covers all the countries in which the Company operates and takes into account the level of risk in the various geographical areas when planning audit activities. The 2021 Audit Plan involved operational audits in production sites (cement and concrete plants) as well as compliance audits in the Head Offices. The Plan covered the entire perimeter of countries in which the Group operates with different assessments based upon the degree of risk for the country and the sector risk and it was 91% completed.

As well as operational audits, there can be unplanned audits that may occur either at the request of the management or following whistleblowing reports. For years, the Company has had an internal reporting system in place for employees to report

irregularities or breaches to applicable laws using a procedure that has also been applied by its foreign subsidiaries. All reports that are received from employees are evaluated and examined by the local Internal Audit team under the supervision of the parent Company's Internal Audit Department.

During the course of 2021 we received 37 whistleblowing reports, of which 8 are still being investigated, while 7 turned out to be reliable and resulted in immediate corrective actions.

ANTI-CORRUPTION

Buzzi Unicem considers corruption to be a significant obstacle to sustainable development, economic growth and free competition. This is why it prohibits and does not tolerate any form of corruption.

The parent Company has issued the document "Guidelines for Customer Loyalty Measures and Gifts Management" with the aim of defining uniform rules, for all employees of the group, for the acceptance and offer of customer loyalty measures and gifts. These guidelines were sent to all subsidiaries in Italy and abroad, who were asked to implement them.

The Group's 2021 Audit Plan had scheduled audits on the actual implementation of these guidelines in the various countries

in which the group operates. These audits were successfully carried out.

Moreover, in order to harmonise the anti-corruption measures adopted in the various countries, the parent Company issued the document “Guidelines for anti-corruption training”. These guidelines were circulated amongst all the Group's subsidiaries in Italy and abroad for the organisation of training courses for managers and employees operating in areas where there is a risk of corruption.

During the course of 2021, Netherlands, Russia, Poland and the United States organised training activities on anti-corruption issues that involved a total of 413 employees, representing 4% of the employees.

In 2021 no corruption cases were identified within the activities of the group.

ANTITRUST

In Italy, in accordance with the Guidelines on Antitrust Compliance adopted by the Competition and Market Supervisory Authority, an Antitrust Compliance Officer was appointed and an Antitrust Compliance Program was adopted.

The Antitrust Compliance Officer has a key role in stimulating innovative and pro-competitive conduct and contributing to reinforcing a culture of antitrust compliance and lawfulness within the Company. The Officer is also independent, has suitable resources and instruments and reports directly to the Chief Executive Operations. The Antitrust Compliance Program was designed to promote a permanent ethical culture of antitrust soundness and therefore aims to acknowledge the value of competition as an integral part

of the culture and corporate policy and a continuous and lasting commitment of adherence to the plan.

Moreover, as we had already done in Germany, Luxembourg, Netherlands, Czech Republic, Slovakia, Poland, Russia and Ukraine, in Italy we have adopted a database to enable the constant monitoring, assessment and documenting of contacts with competitors and to identify and manage potential risks.

Employees most exposed to contacts with competitors are required to register in a database all contacts they have with competitors.

The parent Company has finally issued the “Directives concerning conduct for employees of the Buzzi Unicem Group for compliance with laws protecting competition” (Antitrust Code). This document was sent to the group's foreign companies who disseminated it among their staff.

In 2021, in the various Countries in which the group operates, training courses were held on anti-trust issues and were attended by 55 employees in Italy, 31 in the Netherlands and 105 in the United States.

PENALTIES

In Italy, in 2021, Buzzi Unicem finished paying the instalments on an anti-trust penalty that was charged against Unical in 2004 for an anti-competitive agreement. The amount paid in 2021 was 356,470 euro. In the United States, at the Greencastle plant, a penalty of 729,000 dollars was paid as part of a settlement to resolve a lengthy investigation into alleged violation of environmental regulations.

Further details on ongoing legal disputes are provided in Additional Note 49 of the Consolidated Financial Statement.

TAX MANAGEMENT

APPROACH TO TAXATION

In accordance with the principles of ethics, transparency and legality of the Code of Conduct adopted on 7 February 2019, Buzzi Unicem SpA, defined the "Group tax policy" with resolution of 5 November 2021, in order to ensure uniform tax management. The subsidiaries will formalize its adoption with similar resolutions by 2022.

The document is published on the corporate website www.buzziunicem.com.

The Policy is based on the following principles:

- awareness that the economic contribution in terms of correct payment of taxes and duties in the different countries in which the Group operates is a prerequisite for the development and well-being of the relevant economies;
- consequent formal and substantial compliance of tax practices with respect to the various applicable laws as well as timely fulfillment of the resulting financial obligations;
- careful determination of transfer prices and collaboration with the competent tax authorities by requesting, where possible, the implementation of mutual cooperation agreements between States, according to OECD rules;

- transparency of disclosure towards all stakeholders, with the detailed description of the most relevant tax litigation of Buzzi Unicem and its subsidiaries in the dedicated section of the statutory (ordinary) and consolidated financial statements.

These principles must be respected in order to guarantee over time the primary interest of creating value for shareholders and safeguarding corporate assets, considering that taxes constitute a significant burden and that incorrect monitoring of this cost can create risks of even more significant sanctions.

INTEGRATION OF THE APPROACH TO TAXATION IN THE ORGANIZATION

All Group companies must comply with the tax regulations in force in the various countries in which Buzzi Unicem operates, observing the letter and the underlying logic, in line with the purpose that the regulations intend to pursue. Any application uncertainties must be resolved with a reasonable interpretation, inspired by the principle of legality, seeking independent professional advice, if necessary, and the most appropriate forms of dialogue with the competent tax authorities.

To protect the corporate interest and its shareholders, the correct application of tax legislation considers that it is legitimate and necessary to support, even in litigation, any reasonable interpretative positions that differ from the guidelines expressed by the relevant tax authorities.

Buzzi Unicem pursues transparency and fairness in relations with the tax authorities, ensuring full cooperation during the inspection activities of the authorities in charge and providing complete and timely feedback to all requests received. Intercompany transactions are regulated, for tax purposes, on the basis of market prices, as outlined by the OECD guidelines and are illustrated in the specific “Transfer Pricing Documentation and Country-by-Country Reporting”.

TAX GOVERNANCE, RISK CONTROL AND MANAGEMENT

The Board of Directors has the task of supervising the work of the Company, in strict compliance with the principles of the Code of Conduct and the "Group tax policy". Within the group companies, this supervision is entrusted to the highest specific governance body of the subsidiaries, which are also required to observe the aforementioned guidelines. The activity of the tax function (procedures and declarations) is subject to external audits at the level of the single entity at least once a year.

The most significant tax risks are included in the group's Enterprise Risk Management and are monitored every six months. Buzzi Unicem and its subsidiaries have also



Buzzi Unicem USA headquarters in Bethlehem (PA), USA.

adopted, since 2016, a whistleblower policy to detect critical issues about unethical or illegal behavior in relation to all profiles of compliance with regulations or provisions, including the tax area.

The policy identifies the top management subjects to whom the letters or reports from whistleblowers must be reported. It defines the subsequent investigation procedures, in accordance with the national legislation applicable to the processing of personal data and in order to protect the reporting subjects in good faith. If the report is confirmed, the policy provides for the issuance of a specific report on the outcome of the investigation to top management to assure appropriate corrective actions are taken.

STAKEHOLDERS' INVOLVEMENT

Buzzi Unicem maintains correct and transparent relations with the relevant

tax authorities in line with the fair modus operandi the Group adopts with the authorities of all the Countries where it operates; moreover it considers this collaborative approach to be fundamental both to reduce tax risks and to avoid reputational damage.

In this perspective, the Company intends to pay specific attention to its system for detecting, measuring, managing and controlling tax risk (the risk of violation of tax regulations or of rules conflicting with the principles of the tax system).

Buzzi Unicem actively participates in its general trade associations (Cembureau and Global Cement and Concrete Association) which represent and protect the technical-economic interests of the sector at public and private institutions, bodies and organisations, by promoting public disclosure and information activities as well as commitment to sustainability.



To encourage the highest disclosure transparency towards all categories of stakeholders, Buzzi Unicem dedicates a section of its statutory and group consolidated financial statements to the detailed description of the main tax litigations in which it is involved in the various countries in which it operates.

COUNTRY-BY-COUNTRY REPORTING

The report relating to the different tax jurisdictions in which the Group operates concerns all entities controlled directly or indirectly by Buzzi Unicem SpA that are included in its consolidated Financial Statements, as well as the parent Company Fimedi SpA and its subholding Presa SpA. The data shown in the appendix (at page 96) are taken from the Country-by-Country Report which the Group must present to the Italian Revenue Service, in the name of the top parent Company Fimedi SpA, pursuant to EU Directive 216/881 of 25 May 2016, as

implemented in our country by Article 1, paragraphs 145 and 146 of Law 28/12/2015 no. 208 (2016 Stability Law).

The data included in the Report are prepared according to the IFRS international accounting standards and are inferred from consolidated Financial Statements subject to annual external audits. It should be noted that jointly controlled entities are excluded from reporting and that Buzzi Unicem does not operate through permanent establishments.



OUR CORPORATE CULTURE
BASED ON HONESTY,
TRANSPARENCY
AND LEGALITY

Cement loading operations, Matozinhos plant, Brazil.



Biodiversity in the Lengerich quarry, Germany ph. Rudolf Kindler.

Environmental aspects

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|--|----|
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CLIMATE CHANGE, ENERGY AND CO₂ EMISSIONS

Buzzi Unicem is committed to climate change mitigation and aims for full transparency in its strategy to manage climate-related risks and opportunities. The Company is active in research and collaboration with other industry players and stakeholders to further increase the understanding of the effects of climate change along the entire cement value chain and to limit its impacts.



The Company's Internal Control and Risk Management System, inspired by the guidelines of the COSO framework, is designed to assess, detect and control significant risks, providing an adequate management of the risks that could prevent the Company from reaching its objectives. ESG and climate-related risks are being progressively included in the Risk Management System, considering them on short, medium and long term basis. The Task Force on Climate-Related Financial Disclosures (TCFD) groups climate-related risks in two main categories: physical and transition climate risks.

Physical risks resulting from climate change can be event driven (acute) or longer term shifts (chronic) in climate patterns.

At the same time, the transition to a low carbon economy may involve significant political, legal, technological and market changes to address climate change

mitigation and adaption requirements. Depending on the nature, speed and target of these changes, transition and physical risks may involve different impacts for organizations: companies will be affected by climate change across multiple dimensions (strategic, operational, reputation, and financial) along the entire value chain, across regions, and over long periods.

In 2021, coherently with the Group's approach to continual improvement, Buzzi Unicem, together with a specialized partner, has launched a project aimed at assessing and quantifying the specific risks deriving from climate change. In line with the TCFD recommendations and the Taxonomy regulation, the project considered both physical and transition risks.

The project, approved by the CEOs of the Company, was conducted by a core working group and with the contribution of several internal stakeholders of the Company.

Firstly, the working group conducted a preliminary scouting and in-depth analysis of best practices and relevant literature on scenario analysis, climate-related risks relevant for the cement industry, and quantification approaches to climate-related risks, in order to identify the most effective action plan for the following steps. This preliminary analysis was complemented by a benchmarking activity on the main peers aimed at highlighting the sector approach both in the quantification and in the disclosure of climate-related risks.

After these initial activities, the working group involved stakeholders from all the geographical areas in which Buzzi Unicem operates. Managers from the different facilities of the Group were asked to answer a structured questionnaire in order to conduct an initial screening of the relevant physical and transition risks that were analyzed in the following steps of the project. In addition to that, they were also asked to provide information on management approaches of climate-related risks, with a particular focus on physical risks, and on historical data on climate-related damages to assets (e.g. floods, heavy precipitations, etc.).

The collection of firsthand information from the facilities, combined with the preliminary analysis of literature and best practices, allowed the Company to set the context and consolidate the relevant risks.

Taking into account the guidelines of the TCFD and considering the complexity of climate change and uncertainties linked with long-term time horizons, the Company considered two different scenarios that were used to investigate both physical and transition risks: one characterized by very high and continuously increasing CO₂ emissions throughout the 21st century (4°C scenario) and a “very stringent” pathway

scenario, with CO₂ emissions declining to zero by 2100 (1.5°C scenario). The scenarios were elaborated considering the climate projections developed by the IPCC and other external scenarios (as the outlooks developed by the International Energy Agency, IEA) and/or currently known policy objectives. The pace and timing of the transition will determine the balance of physical and transition risks: the selection of multiple different scenarios allows the exploration of how different assumptions can yield different outcomes. In particular, the 4°C scenario was selected to better assess potential risks and uncertainties with a particular focus on physical risks, while the 1.5°C scenario is particularly relevant for transition risks.

Buzzi Unicem has deepened the analysis through a quantification approach leveraging on external data sources and internal information to grasp relevant opportunities and manage climate-related risks in the long term. The potential impacts of climate change have been assessed considering the evolution of the scenarios over different time horizons: a short-term view (until 2025), a medium-term view (2030) and a long-term view (2040-2050), aligned with those of national and international climate policy communities.

In fact, as highlighted by the TCFD, harmonizing Company scenario time horizons to key years for the climate policy can provide an important anchor to, and context with, global climate scenarios, as well as enhance comparability.

PHYSICAL RISKS

The analysis of physical risks took into account the climate-related hazards listed in the EU Taxonomy (Reg. 852/2020/EU and the related delegated acts): the regulation, as described at page 78, provides a classification system which establishes a list of environmentally sustainable economic

activities with specific definitions and criteria. In the Appendix A (“Classification of climate-related hazards”) of the delegated Regulations of the European Commission, a list of acute or chronic physical climate risks is identified. These risks may be classified as temperature-related, wind-related, water-related or solid mass-related (e.g. changing temperature, water stress, floods, avalanche, etc.). Among these risks, a preliminary screening has highlighted the most relevant ones to which the Company is exposed based on the geographical areas of each site as of today. The analysis has focused on those risks.

Climate change affects climate components along with temperature, e.g., changes in precipitation, sea ice concentration, extreme weather events, or stream flow amount (floods/draughts). Extreme weather events can be considered as a primary risk for the cement industry, causing property damages, interruption of operations, decrease in production capacity, increase of logistic costs and higher insurance premiums. Supply chain interruption may also occur due to floods, heavy rainfalls or other disasters. Changes in precipitations patterns and types may significantly reduce production capability or increase

operational costs, as well as slow down the construction industry thus reducing the demand.

Among the acute risks potentially affecting the Group’s facilities, some have been already experienced. Extreme weather events (especially heavy rainfalls) and changes in stream flow amounts may cause severe floods, which may affect business continuity, shipping capacity and the integrity and functioning of the utilities. Physical risks may also derive from strong winds and storms (cyclones, tornadoes, hurricanes), whose primary consequence is damage to property.

In addition, in the cement industry water is crucial for production operations. The consumption of water in the technological cycle of cement is mainly due to the conditioning of the hot gases of the kilns, the lowering of the temperature during the grinding of the cement, the cooling of the motor components and the reduction of widespread dust in the plants. Therefore, water scarcity due to global warming may affect the facilities of the Group located in water stressed areas, causing shortages in water and potential reduction of production capability.



A PROJECT
AIMED AT ASSESSING
AND QUANTIFYING
THE SPECIFIC RISKS
DERIVING FROM
CLIMATE CHANGE

RELEVANT RISKS**POTENTIAL FINANCIAL IMPACT
AND TIME HORIZONS****MANAGEMENT RESPONSE****Acute risks**

Buzzi Unicem's facilities are present in several geographic areas, some of which may be particularly exposed to extreme weather events (e.g. floods).

The flood water level during extreme events may rise in the future because of climate change, increasing the risk of damage, especially for the assets on ground level.

Excess water during great floods or during the occurrence of natural disaster may damage the assets and utilities in the Group's facilities, causing direct damages to the property, possible business interruption and reduced margins.

These risks may become relevant in the short, medium and long term.

The Group is committed to flood risk assessment. Flood mitigation systems and flood prevention plans are in place in some plants where the flood risk has been assessed as relevant.

Chronic risks

Because of climate change, water might become a scarce resource in different regions in the future and might therefore not be available in sufficient quantities for production process.

This risk may be relevant in water stressed areas, e.g. those areas in which the ratio of total water withdrawals to available renewable surface and groundwater supplies is high (40-80%) or extremely high (>80%) according to WRI Aqueduct Water Risk Atlas. Currently, few plants are in water stressed areas. This situation is expected to change in the future, both in medium-term and long-term time horizons. In 2030, according to WRI Aqueduct, the number of the plants in water stressed areas may double, if a pessimistic scenario is considered.

In addition, changing temperature and changing precipitation patterns and types are also recognized as possible chronic risks.

Facilities located in water stressed area could be affected by shortages in water and for this reason production stoppages, and thus reduced margins, could occur. The rising of mean temperatures may pose a risk to power supply, and heavy rains may cause water inundation in the quarries and thus interrupt the delivery of raw materials needed to produce clinker and cement.

These risks may become relevant in the medium and long term.

Buzzi Unicem monitors its consumption and adopts systems for the collection, treatment and recirculation of rainwater and / or washing in all its industrial plants.

TRANSITION RISKS

The cement industry is associated with a significant level of GHG emissions intensity and, therefore, the Group is exposed to a series of regulatory changes that could enter into force in the following years aimed at limiting the impacts on climate change of the sector. Those changes can be linked as an example with regulatory frameworks to reduce emissions and/or the introduction or strengthening of emission trading systems.

Moreover, the cement sector, traditionally considered as “hard to abate”, relies particularly on new technologies to reduce its carbon footprint, some of which are currently at an initial phase of development

and may present in the future technical difficulties, significant costs in the implementation phase and/or slowdowns linked with the absence of a regulatory context that stimulate innovation and investment in these technologies.

Finally, the implementation of low carbon solutions for the main Group’s products (e.g. lowering the clinker/cement ratio, use replacement materials, etc.) entails risks similar to those associated with new technologies, with the additional possibility of coming up against a market that is not ready and a demand for those products that does not meet the Group’s expectations.



Roßhaupten Dam on Lake Forggensee, Germany – operations with Dyckerhoff special concrete.

RELEVANT RISKS**Policy and Legal risks**

As a global Company, Buzzi Unicem is exposed to the evolution of local and international policies and regulations. The further development of existing national and international policies aimed at tightening the emission trading systems, with a particular focus in Europe (e.g. increase in the price per ton of CO₂, reduction of free allowances, increase in the annual linear reduction factor of the total amount of the GHG emissions that can be emitted, etc.) and/or the entry into the market of speculators could cause the increase in operating costs resulting from the purchase of allowances on the market at a higher price.

The same effect can be linked with the development of new national and international policies aimed at introducing emissions trading systems in geographical areas and markets where they are not currently present.

Moreover, the introduction of new regulations aimed at reducing CO₂ emissions in the cement sector could result in the decrease in useful life of assets and/or increase in operating costs deriving from investments in Best Available Techniques or aimed at lowering the carbon intensity of cement.

POTENTIAL FINANCIAL IMPACT AND TIME HORIZONS

Reduced margins or reduced competitiveness on pricing.
Decrease in useful life / write-off of assets due to failure to reach break-even point.

These risks may become relevant in the medium and long term.

MANAGEMENT RESPONSE

The Group complies to and strictly monitors the evolution of policies and regulations in the relevant geography. Moreover, the Group is involved with industry associations in order to participate in the development of international and local policies.

Buzzi Unicem recognizes the importance of commitments made by the international community to limit climate change and has a Climate Change Policy with the objective of reducing CO₂ emissions: the Group is continuing the implementation of the CO₂ Reduction Plans in all countries in order to achieve the targets defined.

RELEVANT RISKS**Technology risks**

As already mentioned, the current state of development of the main technologies that are expected to have a significant impact on the decarbonization of the cement sector presents uncertainties that could pose significant challenges in the implementation phase. In particular, the absence of support by policy makers (legislative framework, incentives, adequate infrastructure) can represent a risk.

POTENTIAL FINANCIAL IMPACT AND TIME HORIZONS

The absence of support by policy makers can result in the failure in implementation or reduced margins deriving from the implementation of technological solutions such as Carbon Capture Utilization & Storage, the adoption of alternative energy sources (in particular hydrogen, biomass, etc.), innovations aimed at the reduction of GHG emissions in the production of clinker (e.g. use construction and demolition materials) and for the reduction of the clinker/cement ratio (e.g. through the use of slag, fly ash, pozzolan, etc.).

These risks may become relevant in the long term.

MANAGEMENT RESPONSE

Buzzi Unicem devotes particular attention to applied research and thanks to continuous and intense experimentation it is able to pursue innovation in both its production process and products. The Company participates as an industrial partner in national and international research projects, contributing to the development of new materials and technologies and the creation of knowledge networks with facilities of excellence in the field of scientific research. Given the complexity of these types of projects they are considered precompetitive research activities and are managed in pooled working groups with other companies within the sector, among which, for instance, the ongoing partnership through ECRA (European Cement Research Academy). Notable examples are the European project "Cleanker" (financed by the European Commission, conducted to test a CO₂ capture technology) and the constant promotion of alternative fuels as a substitute for traditional fuels of fossil origin.

RELEVANT RISKS**POTENTIAL FINANCIAL IMPACT
AND TIME HORIZONS****MANAGEMENT RESPONSE****Market & Reputation risks**

There is uncertainty on the possible changes in our consumers' preferences due to the transition to a low-carbon economy. To date, cement production is characterized by a strong CO₂ reduction profile, through various decarbonisation levers. Some of them are restricted by the mix design limits of the regulations in force or by the requests of a market still to be sensitized. These surrounding restrictions, as a matter of fact, are today the main obstacles to the extensive use of cement products with lower CO₂ emissions, already offered by the Company. At the same time, in the longer term, the transition to a low carbon economy could result in the increased utilization of alternative building materials with lower carbon footprint.

Moreover, the external perception of companies in carbon emitting industries could be negatively affected without a clear commitment to decarbonization.

As of today, the shift of the market to alternative building materials and the effects of change in reputation are not considered relevant as to lead to significant financial impact for the Company.

Buzzi Unicem is constantly involved in sensitizing clients and the whole value chain in understanding the characteristics of low-carbon products, making them aware of the possibility to substitute effectively well-known products with low carbon solutions. The research and development approach of the Group contributes to the development of new materials and technologies that allows significant CO₂ savings. Moreover, through its participation in national and international associations, the Group is continuously working to raise the society awareness to a more holistic evaluation that takes into account the life cycle assessment of building materials. Buzzi Unicem shares the goal of achieving carbon neutrality by 2050 in line with the stated aim of the European Association of cement producers (CEMBUREAU) and the roadmap of the Global Cement and Concrete Association (GCCA). The Investor Relations and Sustainability departments are constantly committed to communicate effectively and transparently efforts and information to all the relevant stakeholders, in order to contribute to strengthening the Company reputation.



View of the Arcos plant, Brazil.

CONSUMPTION OF THERMAL AND ELECTRICAL ENERGY

Production of cement requires a significant use of thermal energy. To produce clinker, the main constituent of cement, kilns need to reach a temperature of approximately 1,450°C. Energy consumption is influenced by kiln technology and production continuity. In 2021 specific consumption was 4,106MJ/ton of clinker, which represents a slight reduction compared to the result for 2020 (4,138MJ/ton of clinker).

Buzzi Unicem continues to pursue the greatest possible use of alternative fuels in place of fossil fuels. In particular, these are fuels deriving from waste material, many of which have a significant content of biomass considered neutral for CO₂ emissions purposes. The use of alternative fuels is recognised within the European Union as a BAT (Best Available Technique) for the cement industry, and is one of the pillars of the circular economy. This generates two main advantages: it reduces CO₂ emissions based on the content of biomass,

and eliminates the need of its disposal to landfills.

The average figure in 2021 for the Group in terms of thermal substitution was 27.8%, down slightly compared to the level for 2020 (29.2%). There was an improvement in the levels reached in Italy (16.8%), Czech Republic (81.4%) and Poland (68.3%); in Germany it remains over 70%.

The contribution of energy from biomass in 2021 was 7.1% of the total energy consumed (7.3% in 2020).

As well as thermal energy, the production of cement requires electrical energy. In 2021, electrical energy requirements accounted for 12.4% of total energy with the percentage of this coming from renewable sources (certified and non-certified) equal to 9.8% (i.e. 1.1% of total energy).

Specific consumption of electrical energy in 2021 results 122kWh/t of cementitious product, in line with the 2020 result.

The increase in total energy consumption compared to the previous year was due to an increase in production.

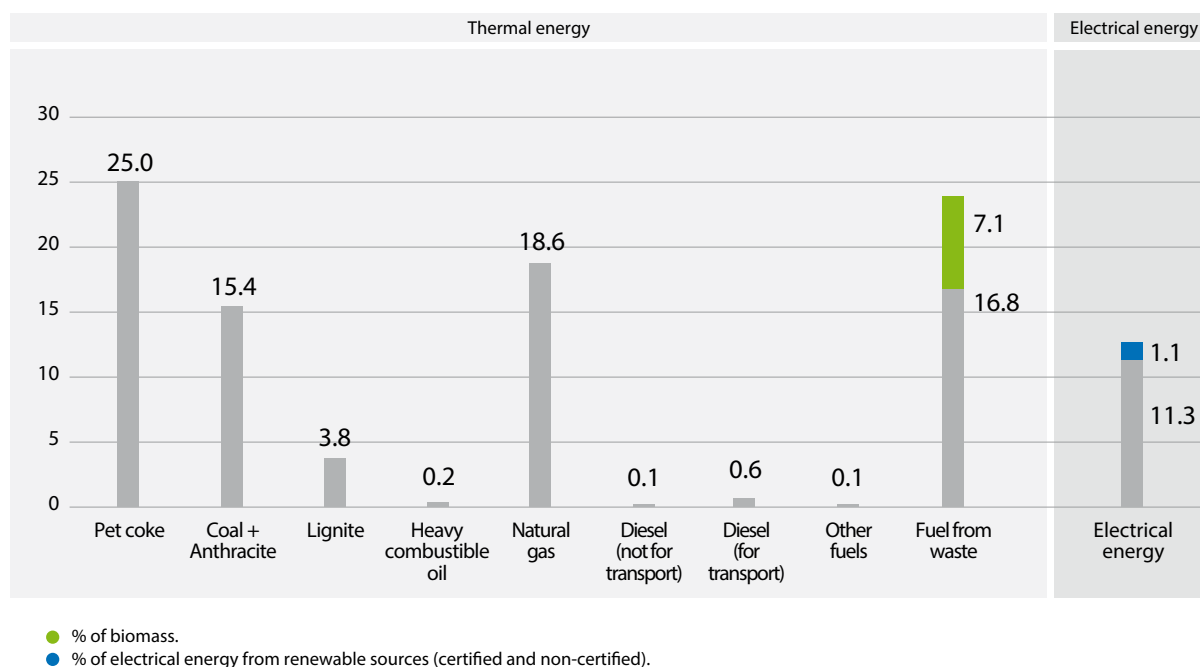


Biomass is defined as any substance of an organic, animal or vegetable matrix that has not undergone any fossilization process and from which it is possible to produce energy.

CO₂ emissions from biomass are considered neutral because they are offset by an equivalent absorption by the organic matrix in a relatively short timeframe.

PERCENTAGE BREAKDOWN OF ENERGY CONSUMPTION BY TYPE AND SOURCE (2021)

The total consumption of energy (thermal and electrical) was 115,607TJ (110,203TJ in 2020)



| Thermal energy | | 2019 | 2020 | 2021 |
|------------------------------|--------------|-------|-------|---------|
| Thermal energy consumption | TJ | - | - | 101,289 |
| Specific thermal consumption | MJ/t clinker | 4,109 | 4,138 | 4,106 |
| Thermal substitution | % | 27.6 | 29.2 | 27.8 |

| Electrical energy | | 2019 | 2020 | 2021 |
|--|----------------------------|------|------|--------|
| Electrical energy consumption | TJ | - | - | 14,318 |
| Electrical energy from renewable sources | % | - | - | 9.8 |
| Specific electricity consumption | kWh/t cementitious product | 121 | 123 | 122 |

GREENHOUSE GASES EMISSIONS

In the cement production process, most of the CO₂ is generated during the production of the clinker. Its synthesis takes place within rotary kilns where a mix of dosed and mixed minerals is progressively heated at a temperature of up to 1,450°C.

The most significant share of total CO₂ emissions from the production process of cement comes from so-called direct or 'scope 1' CO₂ from the factory stack. Approximately 2/3 of the direct CO₂ comes from the decarbonation of limestone, the main raw material used to produce Portland clinker; the remaining 1/3 is attributable to combustion required to reach the necessary temperature in the kilns.

Direct CO₂ can be expressed as a gross or net quantity based on the approach used to record the CO₂ emission of so-called alternative fuels, which are commonly used in the cement industry in place of traditional fossil fuels. Depending on the type of waste they come from, these fuels can have a more or less significant content of biomass.

Direct emissions are considered gross if they include the fossil component of the alternative fuel. CO₂ from the biomass component is excluded since it is considered carbon-neutral. On the other hand, emissions are considered net if all the CO₂ from alternative fuels - from both fossil and biomass component - is not included.



Tepetzingo plant, Mexico.

A second portion of CO₂ emissions derives from the electrical energy used in the production process for cement: this is known as indirect CO₂ ('scope 2') because it is released in electrical power plants and not in the cement plants.

A third portion of CO₂ emissions derives from the procurement of materials and fuels used in sites and for the delivery of products to customers. These are known as 'scope 3' emissions and are extremely complicated to report. We are currently defining the necessary accounting procedures.

The following table shows the CO₂ emitted in 2021 at the Group level, including gross and net values:

SPECIFIC SCOPE 1 CO₂ EMISSIONS

633 NET
kg/t cementitious product

689 GROSS
kg/t cementitious product

| Greenhouse gases emissions | | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|------------------------------|--------|--------|--------|--------|--------|
| Absolute gross scope 1 CO ₂ emissions ⁽¹⁾ | t/000 | 18,936 | 18,981 | 19,930 | 19,700 | 20,623 |
| Absolute net scope 1 CO ₂ emissions ⁽²⁾ | t/000 | - | - | 18,448 | 17,995 | 18,933 |
| Absolute scope 2 CO ₂ emissions | t/000 | 1,494 | 1,639 | 1,704 | 1,621 | 1,563 |
| Specific gross scope 1 CO ₂ emissions | kg/t cementitious product | 696 | 690 | 688 | 694 | 689 |
| Specific net scope 1 CO ₂ emissions | kg/t cementitious product | - | - | 637 | 634 | 633 |

⁽¹⁾ gross scope 1 CO₂: emissions of CO₂ that come from fossil fuels plus those deriving from the fossil component of alternative fuels.

⁽²⁾ net scope 1 CO₂: emissions of CO₂ deriving from the use of fossil fuels only (alternative fuel are not considered).

Buzzi Unicem is continuing to implement CO₂ Reduction Plans in all countries in order to reduce its emissions. Despite our efforts, the target value of 662kg CO₂/t of cementitious product by the end of 2022 that we set in 2017 appears difficult to achieve. However, this can serve as a stimulus for us to put even more determination, effort and constancy into reaching future targets.

Buzzi Unicem shares the goal of achieving climate neutrality by 2050 in line with the stated aim of the Cembureau and GCCA

associations it is actively involved in.

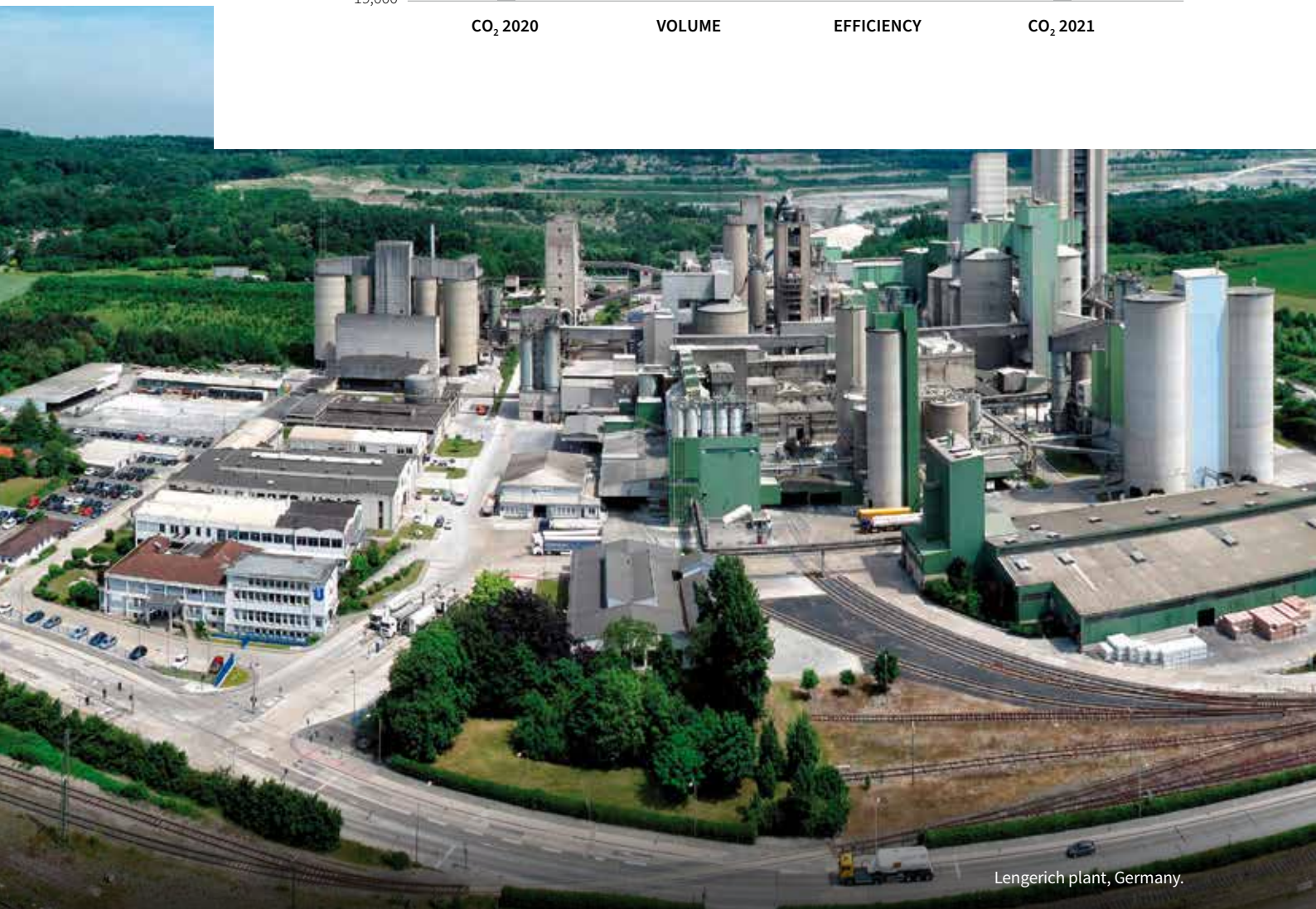
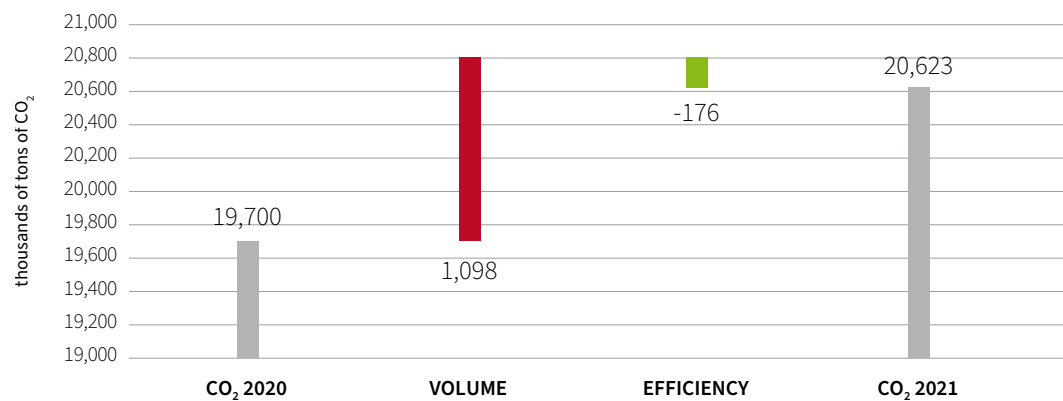
In 2021 the clinker/cement ratio was 80.2% (80.9% in 2020). The biomass content of alternative fuels has allowed us to avoid reporting 574 thousand tons of emissions of CO₂.

The diagram below shows how CO₂ emissions in 2021 were higher than in 2020 (+922 thousand tons of CO₂). This value, which represents a 4.7% increase, is due to a combination of an increase in emissions of around 1million tons of CO₂ due to the

variation in production, offset by a reduction of 176 thousand tons of CO₂ thanks to an improvement in production efficiency. A significant share of the increase in emissions

came from an increase in production volumes in Italy, while the improvement in efficiency is mainly attributable to the reduction of the clinker/cement ratio in the US.

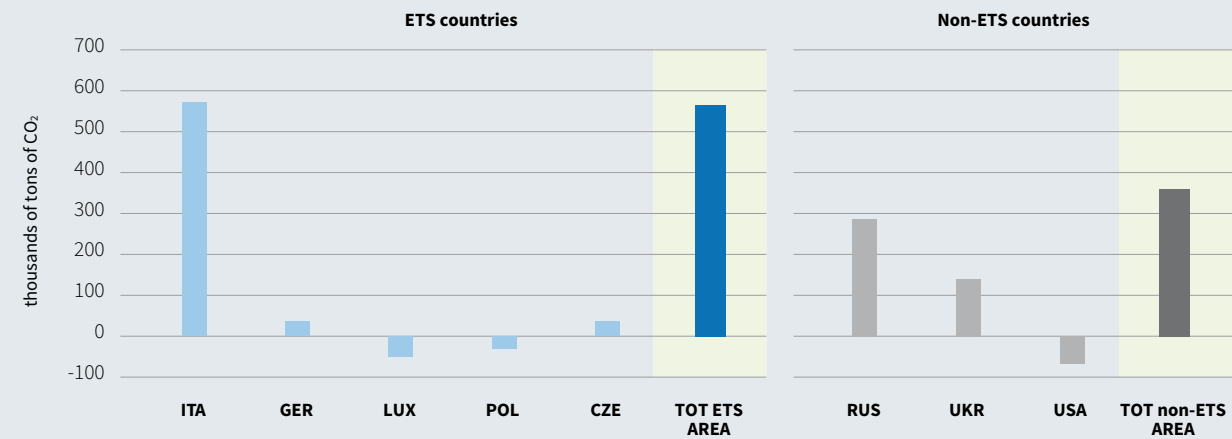
COMPARISON OF GROSS CO₂ SCOPE 1 EMISSIONS 2020-2021



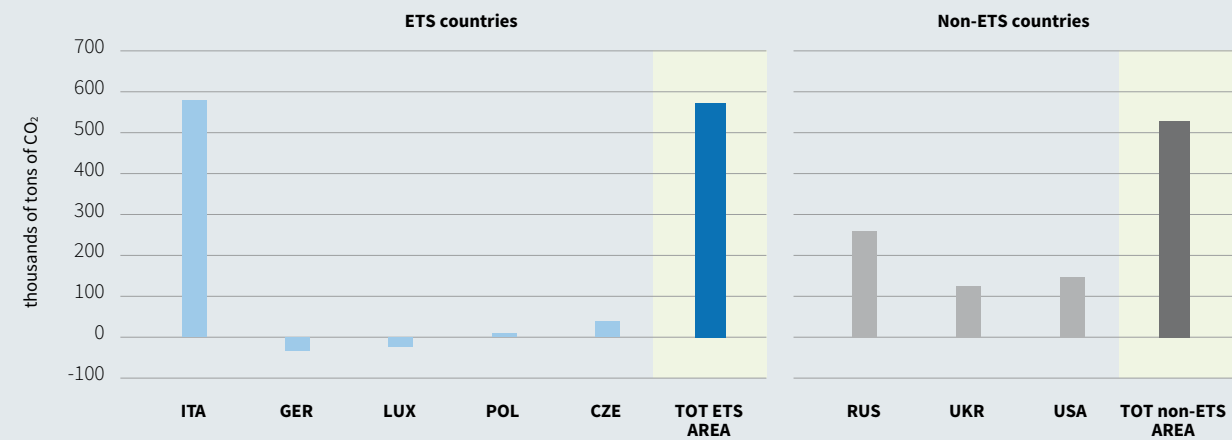
Lengerich plant, Germany.

The diagrams below show contributions to CO₂ emissions from each individual country and the ETS and non-ETS areas as absolute values and in relation to production volumes and efficiency.

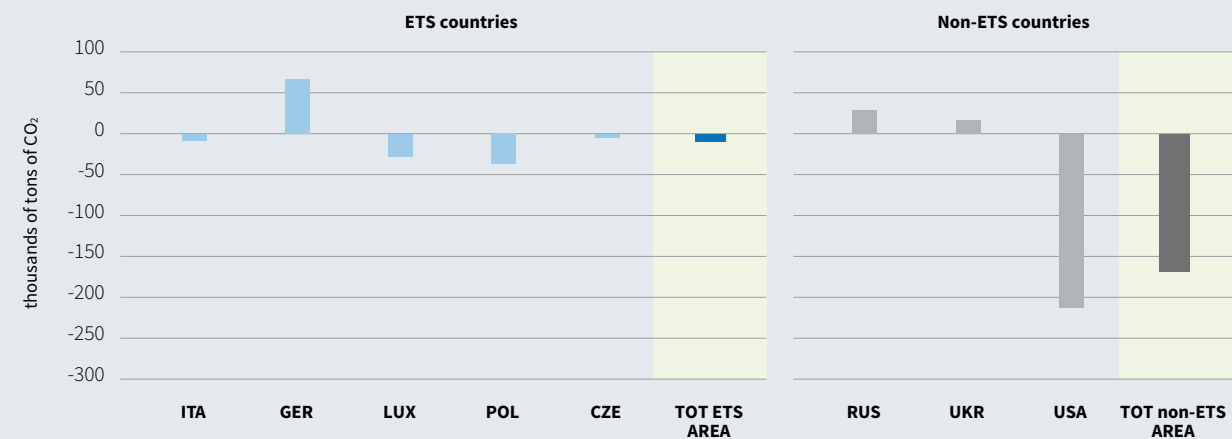
Gross scope 1 CO₂ emissions: absolute variations (t) compared to 2020



Gross scope 1 CO₂ emissions: variations (t) due to volumes compared to 2020



Gross scope 1 CO₂ emissions: variations (t) due to efficiency compared to 2020





Rümelange plant, Luxembourg.

CIRCULAR ECONOMY

CONSUMPTION OF MATERIALS

The natural raw materials used in the production of cement are limestones, marls, clays, shales, sands, iron and aluminium minerals, gypsum, and pozzolans. In line with the principles of a circular economy, in specific conditions, some of these materials can be replaced with waste material deriving from other industrial processes.

Where there is not a complete reduction, reuse or recycling of waste and sub-products, the cement production process provides a more environmentally sustainable solution than waste-to-energy thanks to the full recovery of energy as well as the material. The advantages are even greater compared to incineration or disposal in dumps where there is no energy

recovery and the residual material needs to be managed.

Waste of steel processing and production residues of sulphuric acid can be used instead of iron minerals; chemical gypsum obtained from the treatment of combustion gases from electrical power plants can replace natural gypsum; thanks to their hydraulic properties, slag and fly ash can partially be used instead of clinker and pozzolans, thus contributing to a reduction in global CO₂ emissions.

In 2021, the percentage of virgin materials replaced for the production of binders stood at 9.0%, in line with the result for 2020 (9.1%).

Also considering the replacement of fossil fuels with alternative fuels deriving from



Demolition waste for recycling, Germany.

civil or industrial waste, the Company's contribution to the circularity of the processes is equal to 10.8%, calculated as a percentage of the mass replacement of materials.

For the production of concrete, the raw materials used are essentially aggregates (sand, gravel and coarse aggregate). Even concrete can provide a significant contribution to the circular economy: it is possible to replace a part of the natural materials replacement with non-natural aggregates, by-products of industrial processes, or recycled aggregates deriving from the recovery and subsequent treatment of demolition materials or concrete not cast in work sites and/or residues from concrete mixers that are removed before making a new load.

In the table below there are two different values of k/c: the first refers only to cement (the ratio between clinker and cement) and the second (which shows the ratio of clinker to cementitious product) also considers constituents that are added directly to concrete.

FOR CONCRETE PRODUCTION, IN 2021 BUZZI UNICEM USED

432 thousand tons

of recovered aggregates
(372 thousand tons in 2020).

The average cement content was

298kg/m³

(301kg/m³ in 2020)

The average clinker content was

196kg/m³

(209kg/m³ in 2020)

thereby ensuring a further reduction in CO₂ emissions.

| Consumption of raw materials in cement | | 2019 | 2020 | 2021 |
|--|-------------------|--------|--------|--------|
| Clinker/cement ratio | % | 79.7 | 80.9 | 80.2 |
| Natural raw materials in cement and clinker | t/000 | 40,395 | 40,127 | 42,418 |
| Non-natural raw materials in cement and clinker | t/000 | 4,053 | 3,997 | 4,182 |
| Ratio of non-natural raw materials/total raw materials | % | 9.1 | 9.1 | 9.0 |
| Substitution rate of materials and fuels | % | 11.0 | 11.0 | 10.8 |
| Consumption of raw materials in concrete | | | | |
| Cement content in concrete | kg/m ³ | 298 | 301 | 298 |
| Clinker content in concrete | kg/m ³ | 206 | 209 | 196 |
| Cementitious product content in concrete | kg/m ³ | - | - | 335 |
| Ratio of clinker/cement in concrete | % | - | 69.3 | 65.7 |
| Ratio of clinker/cementitious product in concrete | % | - | 62.5 | 58.4 |
| Recovered materials and aggregates in concrete | t/000 | 447 | 372 | 432 |

WASTE MANAGEMENT

The cement production cycle generates two types of waste:

- **Dust from production process.** These are dusts that contain quantities of sulphur and chlorine that, if excessive, could alter the product characteristics. For this reason, they can be reintroduced into the production cycle in controlled doses. In Poland and the US national laws restrict the use of these dusts in the production process which results in a part having to be managed as waste.
- **Waste deriving from ordinary and extraordinary maintenance, laboratory activities and any demolitions.** Given their origin it is possible for there to be a significant year-on-year variation that is not connected to the productive process.

Buzzi Unicem daily commitment is thus focused on increasing selection and differentiation.

The value of waste produced per ton of cementitious product in 2021 was 5.8kg (4.8kg/t cementitious product in 2020). This value is affected significantly by the countries where dusts from the production process have to be managed as waste.

THE PERCENTAGE OF WASTE
RECOVERED IS ABOVE

70%

in seven countries out of eight.

Waste management

| | | 2019 | 2020 | 2021 |
|---|------------------------------|-------|-------|--------------|
| Waste recovered | t/000 | 46.8 | 47.5 | 53.4 |
| of which dust from production process | t/000 | - | - | 16.4 |
| Waste disposed | t/000 | 102.2 | 88.5 | 121.3 |
| of which dust from production process | t/000 | - | - | 107.2 |
| Total weight of waste by type and disposal method | t/000 | 149.0 | 136.0 | 174.7 |
| of which dust from production process | t/000 | - | - | 123.6 |
| Waste produced per ton of cementitious product | kg/t cementitious product | 5.2 | 4.8 | 5.8 |
| of which dust from production process | kg/t cementitious product | - | - | 4.1 |

PRODUCT LIFE CYCLE (LCA/EPD)

Measuring the environmental impact of products is the basis of the Green Public Procurement Policies around the world. The development of procedures for quantifying the main environmental impacts relating to products or services in individual production phases (from the acquisition of raw materials to the end of the product life cycle, i.e. during the entire life cycle) has resulted in a greater interest for Life Cycle Assessments (LCA). Buzzi Unicem is able to conduct a study on

the life-cycle of all its concrete and thereby satisfy the requests of its customers, designers and public authorities who are increasingly requesting these assessments.

To facilitate its availability, the Company has successfully implemented a web tool for the Environmental Product Declaration (EPD) which in Italy is open and accessible to all customers, architects and engineers interested in sharing the Company's transparency process on the impact of materials and products.



Recycled aggregates for Dyckerhoff R-Beton concrete, Germany.

ENVIRONMENTAL PROTECTION

WATER CONSUMPTION

Water consumption in the cement technology cycle is mainly due to controlling the temperature of gases from the kilns, the quenching of the cement during grinding, cooling of engines and dust abatement. Consumption is higher in production plants with wet-process kilns (Volyn and Yug plants in Ukraine and Suckhoi Log and Korkino in Russia).

Buzzi Unicem monitors its consumption levels and uses systems for the collection, treatment and recirculation of rainwater and/or washing water in all its industrial plants, with the objective of increasing water efficiency by also increasing the

quantity of water recovered from the production process.

Starting from this year, we have extended the data we collect on withdrawals, discharge and consumption of water by gathering information on the rainwater we collect and use. In 2021 we withdrew approximately 1.9 million m³ of rainwater from rainwater collection basins. This corresponds to 9.8% of our total water withdrawals for industrial purposes. Specific consumption of water improved in 2021, as it fell to 275 litres/ton of cementitious product compared to 303 in 2020. Within the scope of the project for the assessment of risks linked to climate change

| Water consumption in cement production | | 2019 | 2020 | 2021 |
|---|-----------------------------|--------|-------|--------|
| Water withdrawn | m ³ /000 | - | - | 19,759 |
| Water discharged | m ³ /000 | - | - | 11,520 |
| Total water consumption | m ³ /000 | 10,672 | 8,597 | 8,239 |
| of which water consumed in water-stressed areas | m ³ /000 | - | - | 1,961 |
| Specific water consumption | l/t cementitious product | 368 | 303 | 275 |
| Water recovered | % | 21 | 29 | - |
| Rainwater recovered | % | - | - | 9,8 |
| Water consumption in concrete production | | | | |
| Water withdrawn | m ³ /000 | - | | 2,429 |
| Water consumption | m ³ /000 | 1,480 | 1,418 | 1,470 |
| Average water content in concrete | l/m ³ | | | 170 |
| Water withdrawn/production of concrete | l/m ³ | - | 215 | 202 |

(page 54), we identified our sites located in high water stressed areas. In 2021 these sites consumed a total of 1,961 thousands m³ of water.

Water stress involves the ability, or lack thereof, to meet the human and ecological demand for water and is measured as a ratio between total water withdrawals to available renewable surface and groundwater supplies in a specific area. Higher levels indicate a high level of competition among users.

Water is an essential ingredient for the production of concrete. This can partially come from recovery sources, such as rainwater or washing water.

The ratio between the total quantity of water withdrawn from the normal sources of procurement (groundwater, rivers, aqueducts) and total concrete production was 202l/m³, compared to 215l/m³ in 2020.

OTHER ATMOSPHERIC EMISSIONS

Buzzi Unicem uses continuous emissions monitoring systems (CEMs) to measure the main pollutants such as particulate matter, Nitrogen Oxides (NOx), Sulphur Dioxide (SO₂),

and Mercury (Hg).

The use of CEMs enables a precise monitoring of emissions by line managers who can at any moment view the data and promptly intervene in the process. Moreover, this represents a guarantee for supervisory bodies and other stakeholders interested in having reliable and traceable data.

With regard to the production of clinker in 2021, monitoring coverage is the following: dust at 68% (66% in 2020), NOx at 95% (as in 2020), SO₂ at 85% (as in 2020) and Hg at 58% (59% in 2020).

In 2021, the average value for dust emissions increased to 56g/t clinker compared to 40g/t clinker in 2020. This worse result is mainly due to the increasing exploitation of the production capacity, by using less efficient plants to a greater extent than the previous year.

In Italy, Germany, Czech Republic and Poland average values remained less than (or equal) to 10g/t clinker.

With regard to Nitrogen Oxides (NOx), deriving from combustion in the clinker kiln system, the use of SNCR abatement systems using urea or ammonia solutions and new-generation Low-NOx combustors enables

IN 2021 THE AVERAGE WATER
CONTENT IN CONCRETE WAS

170l/m³
OF WHICH
**34% WAS
RECOVERED**



Lengerich quarry, Germany.

compliance with strict emission limits. In 2021, the average value for Buzzi Unicem fell to 1,190g/t clinker (1,224g/t clinker in 2020). Germany, Luxembourg, Poland, Czech Republic and Ukraine have an emission factor of less than 1,000g/t clinker. Sulfur Dioxide (SO₂) emissions comes from sulfur contents of natural resources and fuels. The average emission factor was 160 g/t clinker (186g/t clinker in 2020). In Germany, Luxembourg, Russia and Ukraine emission levels remain below 40g/t clinker. Finally, the average Mercury (Hg) emission fell to 18mg/t clinker (20mg/t clinker in 2020).

NOISE

The environment and safety management systems implemented by Buzzi Unicem require periodic monitoring of noise emissions from its plants perceived from

the outside. This activity enables the identification of any criticalities and the start of the respective targeted investments, with particular regard to cement plants situated near or within built-up areas. In 2021, monitoring of noise emissions was carried out in 45% (47% in 2020) of the Group's production facilities (100% of sites in Italy, Czech Republic, Poland and Russia) and, following these monitoring activities, improvement interventions were carried out (e.g. installation of silencers and sound absorbing panels) for a value of more than 329,000 euro (239,000 euro in 2020).

The use of such systems together with the use of appropriate Personal Protective Equipment (PPEs) can reduce the noise exposure of employees, internally and externally on site.

Atmospheric emissions and noise

| | | 2019 | 2020 | 2021 |
|--|--------------|--------|--------|--------|
| Absolute emissions of dusts | t | 1,157 | 910 | 1,365 |
| Absolute emissions of NOx | t | 26,466 | 28,168 | 28,806 |
| Absolute emissions of SO ₂ | t | 4,443 | 4,280 | 3,866 |
| Absolute emissions of Hg | kg | 418 | 470 | 446 |
| Specific emissions of dusts | g/t clinker | 49 | 40 | 56 |
| Specific emissions of NOx | g/t clinker | 1,125 | 1,224 | 1,190 |
| Specific emissions of SO ₂ | g/t clinker | 189 | 186 | 160 |
| Specific emissions of Hg | mg/t clinker | 18 | 20 | 18 |
| Continuous monitoring coverage for dusts | % | 67 | 66 | 68 |
| Continuous monitoring coverage for NOx | % | 87 | 95 | 95 |
| Continuous monitoring coverage for SO ₂ | % | 92 | 85 | 85 |
| Continuous monitoring coverage for Hg | % | 58 | 59 | 58 |
| Monitoring coverage for noise | % | 45 | 47 | 45 |

BIODIVERSITY

The production of cement and concrete uses significant quantities of natural and recovered raw materials; the mining of natural raw materials requires a particular focus in order to protect biodiversity. Impacts on the surrounding environments can be mitigated and managed with carefully designed cultivation and restoration plans.

Buzzi Unicem implements specific mitigation actions by following these criteria in natural locations where there are mining activities. Some examples include: the botanical/recreational oasis of the former Ceretto quarry in Italy, which continued its educational activities even during the pandemic through virtual tours; the Wildlife Habitat Council certification for six plants in the US; and the protection and restoration of the natural capital at the Lengerich quarries in Germany. Although management documents and programmes are already available on this subject matter at a local level, to standardise our approach to biodiversity across all sites, we are finalising the guidelines in accordance with the best practice for the sector.

Biodiversity in the Siniscola (NU) quarry, Italy.



ENVIRONMENTAL CERTIFICATIONS

The choice to adopt environmental management systems demonstrates the Company's commitment on these issues. ISO 14001 or equivalent certifications require an organisation's adoption of certain fundamental principles: an environmental protection policy, the definition of responsibilities, transparency and clarity in reporting, as well as third party audits.

Currently 63% of our cement sites have an ISO 14001 or equivalent certification issued by an independent accredited organisation.

TAXONOMY



Taxonomy is a European regulation that entered into force on 12 July 2020 with the objective of guiding financial investments towards environmentally sustainable economic activities.

To do this Taxonomy requires that financial companies disclose to what extent the activities in their portfolios are environmentally sustainable and requires that non-financial companies provide information regarding six environmental objectives:

- climate change mitigation;
- climate change adaptation;
- the sustainable use and protection of water and marine resources;
- the transition to a circular economy;
- pollution prevention and control;
- the protection and restoration of biodiversity and ecosystems.

Non-financial companies involved are all connected to the approximately 70 economic activities that are defined 'eligible', including the production of cement.

Taxonomy identifies four conditions an economic activity has to satisfy to be qualified as sustainable from an environmental perspective:

- it must contribute substantially to one or more of the environmental objectives;
- it must not significantly harm any of the environmental objectives;
- it must be carried out in compliance with the minimum safeguards; and
- it must comply with technical screening criteria that have been established by the Commission.

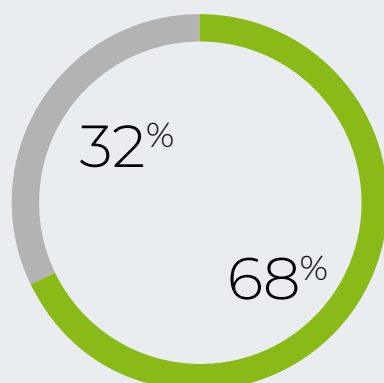
In a context that is still evolving, as of June 2021, an initial delegated act was adopted which covers the first two objectives - climate change mitigation and adaptation. Through additional delegated acts, the European Commission will establish criteria for the remaining four targets.

In accordance with current provisions, we hereby report in the following diagrams the share of turnover, operational expenses and capital expenditures associated with cement production business.



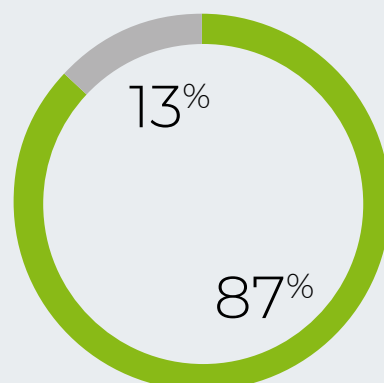
TAXONOMY, THE EUROPEAN
REGULATION TO GUIDE THE
FINANCIAL INVESTMENTS TOWARDS
SUSTAINABLE ECONOMIC ACTIVITIES

TURNOVER



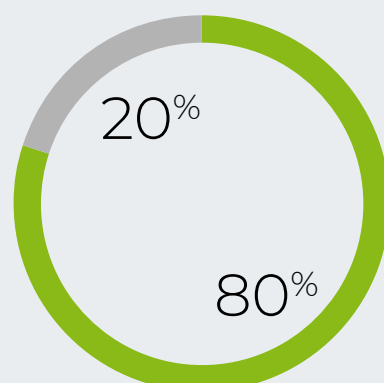
* The Group's net revenues from external customers derived from the sale of cement are considered EU Taxonomy eligible turnover. The eligible turnover is compared to the total net revenues of the Group comprising also non-eligible activities such as sale of ready-mix concrete and aggregates.

OPERATING EXPENDITURES



* EU Taxonomy eligible operating expenditures comprise maintenance, repair materials and research & development expenditures related to cement production. Total operating expenditures of the Group reflect the same structure but comprise also non eligible activities such as expenditures for ready-mix concrete or aggregates.

CAPITAL EXPENDITURES



* Capital expenditures for property, plant and equipment and additions to right-of-use assets related to cement production are considered EU Taxonomy eligible. Total capital expenditures and additions to right-of-use assets include non-eligible expenditures in activities other than cement.

■ ELIGIBLE ■ NON-ELIGIBLE



Operator at the batching plant in Fegino (GE), Italy.

Social aspects

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OCCUPATIONAL HEALTH AND SAFETY

Occupational health and safety is a priority for Buzzi Unicem and a Group policy was published on this topic in 2017. This document lists the fundamental and essential principles through which the Company intends to reach its target, i.e. that of obtaining the maximum level of safety at which it would expect no injuries or occupational diseases.



As stated in its safety policy, Buzzi Unicem considers third-party certifications to be a valid instrument for reaching its targets and objectives.

This is evident by the fact that 54% of our cement sites are covered by management systems that are compliant with OHSAS 18001 or ISO 45001 international standards. One principles of these standards is continual improvement, which requires a constant assessment of risks through regular compliance evaluation and the resulting implementation of corrective actions.

An additional 29% of cement sites have implemented occupational health and safety management systems based on the requirements of national laws.

Buzzi Unicem uses software and local databases to record and analyse accidents and injuries including those involving the employees and workers of contractors. Aside from this, these systems also collect information on the corrective measures

that are implemented. Data and trends are analysed on a quarterly basis at the Group level and are reported to the Board of Directors by the Operations CEO along with details of the more serious injuries.

During the course of 2021, guidelines were drafted for collecting and reporting near misses, i.e. accidents in the workplace that did not result in injuries but had the potential to cause these. The analysis of near misses is considered one of the most important parameters for preventing injuries.

To promote a greater awareness of occupational health and safety culture, an update was made to the “Safety Alert Communications” procedure, which was first issued in 2019. This procedure requires sharing information on the most significant accidents with all of the Group's companies with a specific focus on the causes and corrective actions necessary to prevent similar accidents from occurring in the future.

We have implemented health surveillance systems to eliminate or minimise the risk factors workers are exposed to based on the professional activities they carry out. This year there were no cases of occupational diseases.

For the Group to meet its safety policy targets everyone's cooperation and participation is required. This is why we encourage, where possible, the involvement of workers in the promotion and dissemination activities for a culture

174,833

HOURS OF TRAINING ON HEALTH AND SAFETY ISSUES

of safety. As confirmation of this, in 2021 a total of 174,833 hours of training courses were provided on health and safety issues, which represents 54% of total training hours, and involved 7,637 workers (79% of the total).



Quarry worker in Robilante (CN), Italy.

The published figures and rates refer to all our business activities, i.e. cement, concrete and aggregates, terminals, transport and offices/ laboratories/ premises. Starting from 2015, the scope of these rates includes employees of the Group as well as employees of contractors. Since 2020, the

Group has been reporting on accidents that also involved third parties.

In 2021, Buzzi Unicem reported two fatal injuries involving one of our employees in the Czech Republic and a worker of one of our contractors in the US.

| Fatalities | | 2019 | 2020 | 2021 |
|-------------------|-----|-------------|------------------|-------------|
| Onsite accidents | | | | |
| Employees | no. | 0 | 0 | 1 |
| Contractors | no. | 1 | 2 | 1 |
| Third parties | no. | - | 0 | 0 |
| Road accidents | no. | - | 4 ⁽¹⁾ | 0 |

⁽¹⁾ For two of these accidents the investigations established that the company was not to blame. In the other two cases, investigations are still ongoing.

The TI FR indicator improved from 11.2 in 2020 to 10.4. The number of injuries causing absences from work was 131, and the positive medium-term trend continues. The value of the LTI FR is in line with last year's level, 5.0 compared to 4.8 in 2020. However, the severity rate (SR) worsened,

by increasing to 0.36, up from 0.27 in 2020. To monitor the severity of accidents, we began to record the number of injuries requiring, or which were deemed to require, more than 6 months for a complete recovery. In 2021, this figure was 10 for our own employees and 2 for our contractors.

| Safety indicators, employees and contractors | | 2019 | 2020 | 2021 |
|---|------|-------------|-------------|--------------|
| Total injuries (with or without absence from work) | no. | 310 | 288 | 272 |
| Injuries causing absences from work | no. | 152 | 125 | 131 |
| Injuries with high consequences | no. | - | - | 12 |
| Lost (calendar) days | days | 8,649 | 7,093 | 9,391 |
| TI FR ⁽¹⁾ | - | 11.8 | 11.2 | 10.4 |
| LTI FR ⁽²⁾ | - | 5.8 | 4.8 | 5.0 |
| SR ⁽³⁾ | - | 0.33 | 0.27 | 0.36 |

⁽¹⁾ TI FR (Total Injury Frequency Rate) = total number of injuries causing and not causing absences from work divided by worked hours and multiplied by 1 million.

⁽²⁾ LTI FR (Lost Time Injury Frequency Rate) = total number of injuries causing absences from work divided by worked hours and multiplied by 1 million.

⁽³⁾ SR (Severity Rate) = number of days lost divided by worked hours and multiplied by 1,000.

Data for the two stakes in jointly-controlled companies (that are not consolidated with the line-by-line method) Cimento Nacional

in Brazil and Corporación Moctezuma in Mexico are shown in the appendix on page 106.



Conveyor belt operator, Monselice (PD) plant, Italy.

HUMAN RESOURCES

WORKING CONDITIONS AND EMPLOYMENT DATA

The number of employees for Buzzi Unicem at the end of 2021 (within the scope of companies consolidated with the line-by-line method) was 9,664 (it was 9,683 in 2020). Globally, there are three main areas in which the Company operates: Europe, America, Russia and Ukraine (each area has about a third of the workforce). The countries with the highest number of employees are: USA (2,246), Germany (1,780), Italy (1,555), Russia (1,446) and Ukraine (1,266).

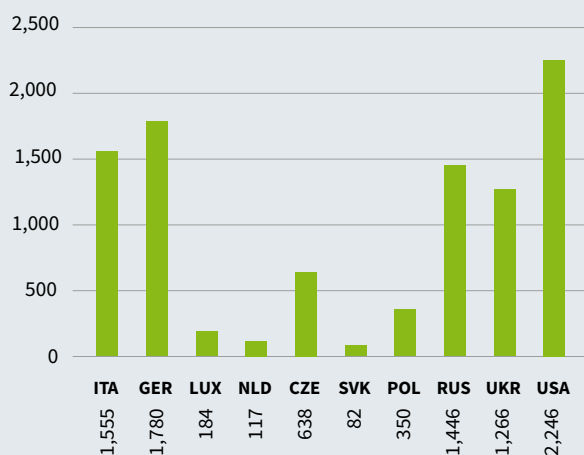
95.5% of total contracts are permanent contracts (95.8% in 2020). 97.2% are full-time contracts (97.3% in 2020).

The turnover rate, which is calculated as the total number of terminations compared to the workforce at the end of the year, increased: 15.4% (13.3% in 2020). The US turnover rate went from 21.0% in 2020 to 27.2% in 2021, and was as high as 50.5% for blue collar workers in the ready-mix concrete sector, particularly for drivers. In terms of staff selection even in 2021 the recruitment of qualified staff remained one of the main challenges, particularly in Texas.

WORKPLACE DIVERSITY

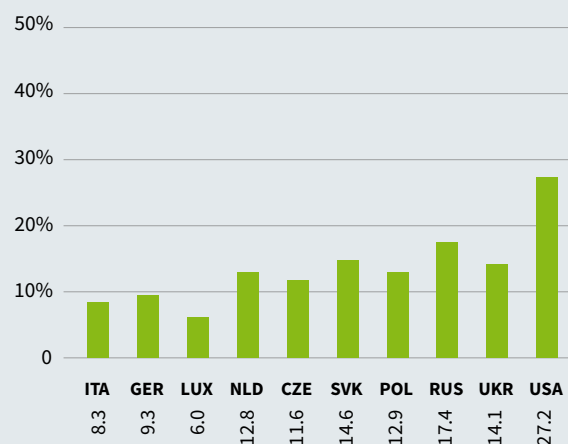
The Group operates in different countries and continents. The central role of people, in terms of their characteristics and diversities, is one of the founding values of the Group,

Headcount by country 2021



GROUP TOTAL 9,664

Turnover rate 2021



GROUP TOTAL 15.4%



CENTRALITY OF THE PERSON, IN ITS CHARACTERISTICS AND DIVERSITY, IS ONE OF THE GROUP'S FOUNDING VALUES

| | | 2019 | 2020 | 2021 |
|----------------------|-----|-------|-------|--------------|
| Total headcount | no. | 9,841 | 9,683 | 9,664 |
| Open-end contracts | no. | 9,314 | 9,275 | 9,232 |
| Fixed-term contracts | no. | 527 | 408 | 432 |
| Full-time | no. | 9,603 | 9,422 | 9,390 |
| Part-time | no. | 238 | 261 | 274 |
| Total terminations | no. | 1,637 | 1,285 | 1,491 |
| Turnover rate | % | 16.6 | 13.3 | 15.4 |
| Total new hires | no. | 1,465 | 1,116 | 1,476 |
| Hiring rate | % | 14.9 | 11.5 | 15.3 |

as established by its Code of Conduct. Meritocracy, awareness and accountability are the pillars of our people's professional growth. At Buzzi Unicem we reject any form of discrimination and we aim to value the diversity of our people who work in a dynamic, heterogeneous and multicultural context.

STAFF INCENTIVE PROGRAMS

Salary policies and incentives systems are delegated to the various countries. We do not normally offer shares to employees, but we do provide incentives and bonuses based on Company and individual performances. Incentive schemes differ depending on working duties and managerial level.

COLLECTIVE BARGAINING

In Europe, collective bargaining is extended to and guaranteed at all levels. Because of the severe pandemic that affected the whole world even the activities

of the European Works Council (EWC), which is the advisory and information body for all workers in the European Union, were suspended. Discussions by videoconference have remained open with the members of the Select Committee in order to identify alternative procedures for meetings in the coming years.

In Italy, all cement production sites have trade union representatives (RSU) whose relationship with the Company has historically been characterized by transparency and a spirit of collaboration. In 2021, in Italy, the Company communicated the termination of business activities at a complete cycle plant and grinding centre; the negotiation was complicated but after five months a trade union agreement and a social plan was agreed through social security benefits and an outplacement programme, as well as an offer of internal reassignments within the Group that included support measures for relocation.

More generally, employees in all countries are represented in accordance with local legal regulations, and although these can vary from region to region even within the same country, representation always takes place in accordance with the Company's Code of Conduct.

In Germany, in the ready-mix concrete sector, negotiations had already begun with the sector trade union organisations in 2020 with the aim of drawing up a collective company agreement. The collective company agreement was signed in November 2021 and will come into effect in January 2022 for all the German businesses in the ready-mixed concrete sector. This will standardise conditions surrounding employment, rest, flexibility and benefits all over Germany. In this contract a company

pension scheme was agreed in the form of an insurance policy that can be transferred to a different employer.

In Luxembourg the collective contract being used has been extended for a further three-year period. In the Netherlands, we have commenced activities in order to change the existing pension funds based on a Dutch law requiring these to be changed by 2027.

In the Czech Republic and Slovakia organisational changes were adopted in the concrete sector and in Ukraine collective contracts were agreed for companies operating in the country.

In Russia a company that was outsourced years ago was re-insourced, with this change affecting 90 workers.

In the US, in 2021 collective work contracts with a duration of 5 years were agreed in Chattanooga and Festus.

| | | 2019 | 2020 | 2021 |
|---|-----|-------|-------|-------|
| Employees covered by collective bargaining agreements | no. | 7,523 | 7,881 | 7,890 |
| Coverage | % | 76.4 | 81.4 | 81.6 |



TRAINING AND PROFESSIONAL DEVELOPMENT

Through its own training and development initiatives, the Group promotes the internal development of its staff as opposed to external recruitments, by ensuring that, given equal expertise, at least 50% of positions it is looking to fill target its current workforce. Training activities are selected on the basis of requirements that emerge in all countries.

IN 2021, AT THE GROUP LEVEL

33 HOURS
OF TRAINING WERE PROVIDED
PER CAPITA

(19 in 2020)

FOR A TOTAL OF
322,274 HOURS
OF TRAINING

(183,403 in 2020)

In many of the countries where the Group operates, an international management development programme has been introduced for managers that have just been appointed or high-potential individuals who are about to be appointed as managers. The management development programme lasts 18 months and runs alongside individuals' normal professional activity. The programme involves two phases: an initial 12-month training and development phase, followed by a 6-month project work phase. The first unit of project participants involved

10 people, 5 of whom were from Poland, Czech Republic, Russia and Ukraine.

In Luxembourg and the Netherlands 2021 was another year that was heavily influenced by the pandemic; as a result, there was an increase in initiatives to further digitalise Company processes. Moreover, in the Netherlands training continued on occupational health and safety and on concrete technology. In the Czech Republic and Slovakia, the priority for 2021 was to protect our staff against the pandemic. Unfortunately, in 2021 in the Czech Republic there was a fatal accident in the concrete sector. This tragic event has focused our efforts even more on preventing risks, particularly risks for drivers. Further training was provided on the commercial and communication areas and on a new delivery system, all for the concrete sector.

Even in Poland there was a focus on sales training for the concrete sector. Aside from this, a Company library was set up with books and magazines (including in English language).

In Ukraine the training focus was on leadership, management and occupational health and safety.

In the US we continue to use the Skillsoft e-learning training platform.

Following the Company climate survey conducted by Mercer Sirota in 2020, an improvement plan was added in the cement sector business that is broken down into five modules and is initially addressed to all management levels. The modules are: effective communication, the loyal manager, management of conflicts, how to practice listening, acting with diplomacy and tact. Aside from the management of operational activities, we also began the training process for the management of logistics.

Training

| | | 2019 | 2020 | 2021 |
|--------------------------------------|-------|---------|---------|---------|
| Total hours of training | hours | 231,481 | 183,403 | 322,274 |
| Average hours of training per capita | hours | 24 | 19 | 33 |
| Management | hours | 18 | 19 | 25 |
| <i>Men</i> | hours | 15 | 17 | 24 |
| <i>Women</i> | hours | 38 | 29 | 32 |
| White collars | hours | 28 | 21 | 31 |
| <i>Men</i> | hours | 28 | 22 | 33 |
| <i>Women</i> | hours | 27 | 18 | 24 |
| Blue collars | hours | 22 | 18 | 36 |
| <i>Men</i> | hours | 23 | 18 | 36 |
| <i>Women</i> | hours | 9 | 11 | 24 |

REMOTE WORKING TO COUNTER THE PANDEMIC

In all countries where Buzzi Unicem operates, we continued to pursue activities to counter the pandemic. One of these is remote working, which we made extensive use of in 2021, including for the purposes of reconciling individuals' work and private life, in particular for the administrative and sales staff. At a Group level the percentage of remote working in terms of total hours was reduced compared to the previous year: this amounted to 4.5%, equivalent to 100,937 working days, compared to 5.7% in 2020, equivalent to 126,988 working days.



Smartworking in Buzzi Unicem.



Installation of "Passi" created by artist Alfredo Pirri at Maniace Castle (SR), Italy.

SUPPLY CHAIN AND HUMAN RIGHTS



The majority of the goods and services purchased by the Group concerned the purchase of fuels, electrical energy, raw materials, spare parts, logistics and services. We are fully aware that an effective sustainability approach requires the engagement also of our suppliers. This is also demonstrated by the fact that the Group's Safety Policy also applies to contractors.

Aside from technical and economic considerations, we manage our relationship with suppliers on the basis of sharing fundamental ethical values, in particular those set forth in our Code of Conduct. Where possible, the Group selects local suppliers, in consideration also of the types of purchases involved.

Starting in February 2019 the new Code of Conduct that was approved by the Board of Directors was published and applies to Buzzi Unicem S.p.A. and all its Italian and foreign subsidiaries (please refer to page 40 for more detailed information). The Code defines the standards of integrity and propriety - including with regard to human rights - which Buzzi Unicem has decided to adopt as a commitment towards its stakeholders. The principles in the Code apply to directors, members of corporate bodies, employees, suppliers and everyone acting for and on behalf of Buzzi Unicem, including, but not limited to representatives, agents, associates, external advisers and companies who receive an appointment from the Group.



OUR CODE OF CONDUCT
AS A COMMITMENT
TO STAKEHOLDERS





Zapa Beton's concrete mixer fleet, Czech Republic.



VENTUR 4.0 wind turbine built with Dyckerhoff Variodur 40 cement.

Appendixes

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PERFORMANCE INDICATORS

COUNTRY BY COUNTRY REPORT

2020 FIGURES FOR BUZZI UNICEM GROUP

(amounts in euro)

| | Revenues | Revenues | Revenues | |
|----------------------|-----------------|---------------|---------------|---|
| Tax jurisdiction | Unrelated party | Related party | Total | Profits or (losses) before income taxes |
| Italy ^(*) | 554,471,043 | 79,835,692 | 634,306,735 | 297,213,009 |
| Algeria | 0 | 17,260 | 17,260 | -11,418 |
| The Netherlands | 84,841,795 | 18,201,983 | 103,043,779 | 1,133,034 |
| Germany | 752,949,260 | 140,649,605 | 893,598,865 | 282,228,120 |
| France | 10,740,910 | 1,212,075 | 11,952,984 | 63,468 |
| Luxembourg | 98,907,343 | 2,721,964 | 101,629,307 | 187,049,049 |
| Czech Republic | 138,310,497 | 28,860,009 | 167,170,505 | 38,378,237 |
| Hungary | 435,574 | 696 | 436,269 | -141,722 |
| Poland | 128,873,920 | 6,566,831 | 135,440,751 | 27,432,954 |
| Russia | 200,300,018 | 10,140,273 | 210,440,292 | 46,002,982 |
| Slovakia | 23,635,050 | 19,954 | 23,655,003 | 9,536 |
| Ukraine | 117,678,425 | 7,279,267 | 124,957,693 | 12,341,254 |
| USA | 1,303,397,429 | 529,899,126 | 1,833,296,554 | 429,584,267 |
| Cuba | - | - | - | - |

* The "Italy" tax jurisdiction includes Fimedi SpA and Presa SpA (main business: ownership of shares or other capital instruments) as the parent companies of Buzzi Unicem.

| Income taxes paid based on cash accounting | Accrued taxes on income - current year | Capital declared | Undistributed profits | Headcount | Tangible fixed assets other than cash and equivalents |
|--|--|---------------------|--------------------------|-----------|--|
| 1,553,635 | 998,393 | 266,669,835 | 1,103,638,793 | 1,561 | 366,074,627 |
| 0 | 0 | 18,506 | -16,607 | 0 | 45 |
| 136,548 | 31,974 | 280,159 | 12,470,890 | 128 | 13,101,647 |
| 9,846,088 | 16,550,095 | 140,150,012 | 143,428,997 | 1,778 | 410,355,777 |
| 466,280 | 228,171 | 680,000 | 7,185,211 | 31 | 8,163,041 |
| 9,040,016 | 3,117,968 | 67,454,689 | 20,754,375 | 163 | 67,753,708 |
| 5,686,494 | 7,310,540 | 30,882,528 | 54,988,826 | 650 | 68,315,911 |
| 0 | -37 | 16,488 | -383,381 | 7 | 888,329 |
| 5,100,719 | 5,681,851 | 15,351,887 | 18,361,992 | 349 | 57,100,311 |
| 8,734,523 | 9,032,351 | 9,121,787 | 32,448,269 | 1,355 | 148,964,833 |
| 14,678 | 3,288 | 11,859,396 | -5,739,337 | 80 | 9,924,400 |
| 16,777 | 6,558 | 8,357,535 | -558,902 | 1,281 | 40,604,421 |
| 85,269,235 | 101,183,449 | 472,433 | 3,109,094,094 | 2,300 | 1,825,285,102 |
| - | - | - | - | - | - |

Data source: The data of the various consolidated entities derive from the separate financial statements prepared by each entity, except for the US subsidiaries, which do not prepare separate statutory financial statements, but only consolidated financial statements.

Reference period: The information is provided with reference to the 2020 financial year, for which the latest consolidated financial statements filed in the public registers are available.

Structure and content: The data of the various consolidated entities are aggregated for each tax jurisdiction in which Buzzi Unicem operates, by adding the amounts resulting from the financial statements of the individual entities having their tax residence in the same tax jurisdiction.

Companies of Buzzi Unicem group

| Tax jurisdiction | Entities belonging to the group that are resident in the tax jurisdiction | Primary activities |
|-------------------------|--|---|
| Algeria | Buzzi Unicem Algérie S.à r.l. | Sale, commercialisation, distribution, marketing |
| Cuba | Compañía Cubana de Cemento Portland, S.A. | Current business unknown* |
| | Proyectos Industrias de Jaruco, S.A. | Current business unknown* |
| | Transports Mariel, S.A. | Current business unknown* |
| Czech Republic | ZAPA beton a.s. | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Cement Hranice a.s. | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| France | Béton du Ried S.A.S. | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Dyckerhoff Gravières et Sablières Seltz S.A.S. | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| Germania | TBG Lieferbeton GmbH & Co. KG Odenwald | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Dyckerhoff Kieswerk Trebur GmbH & Co. KG | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | MKB Mörteldienst Köln-Bonn GmbH & Co. KG | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Dyckerhoff Beton Rheinland-Pfalz GmbH & Co. KG | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | GfBB prüftechnik GmbH & Co. KG | Administration, management, support or assistance services |
| | Dyckerhoff Kieswerk Leubingen GmbH | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Dyckerhoff Transportbeton Schmalkalden GmbH & Co. KG | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Dyckerhoff Transportbeton Thüringen GmbH & Co. KG | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Dyckerhoff Beton GmbH & Co. KG | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | sibobeton Osnabrück GmbH & Co. KG | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | sibobeton Ems GmbH & Co. KG | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | sibobeton Enger GmbH & Co. KG | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Ostfriesische Transport-Beton GmbH & Co. KG | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | sibobeton Wilhelmshaven GmbH & Co. KG | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | SIBO-Gruppe GmbH & Co. KG | Administration, management, support or assistance services |

* The company was nationalised in 1959 and there have been no contacts with it since.

Companies of Buzzi Unicem group (continues)

| Tax jurisdiction | Entities belonging to the group that are resident in the tax jurisdiction | Primary activities |
|-------------------------|--|--|
| | BTG Beton-Transport-Gesellschaft mbH | Intragroup transport services |
| | Lieferbeton Odenwald Verwaltungs GmbH | Economic entity not included in the group of consolidated companies for reasons of materiality |
| | Dyckerhoff Kieswerk Trebur Verwaltungs GmbH | Economic entity not included in the group of consolidated companies for reasons of materiality |
| | Seibel Beteiligungsgesellschaft mbH | Economic entity not included in the group of consolidated companies for reasons of materiality |
| | MKB Mörteldienst Köln-Bonn Verwaltungsgesellschaft mbH | Economic entity not included in the group of consolidated companies for reasons of materiality |
| | Dyckerhoff Beton Rheinland-Pfalz Verwaltungs GmbH | Economic entity not included in the group of consolidated companies for reasons of materiality |
| | GfBB prüftechnik Verwaltungs GmbH | Economic entity not included in the group of consolidated companies for reasons of materiality |
| | Dyckerhoff Transportbeton Schmalkalden Verwaltungs GmbH | Economic entity not included in the group of consolidated companies for reasons of materiality |
| | Lichtner-Dyckerhoff Beton Verwaltungs GmbH | Economic entity not included in the group of consolidated companies for reasons of materiality |
| | Dyckerhoff Transportbeton Thüringen Verwaltungs GmbH | Economic entity not included in the group of consolidated companies for reasons of materiality |
| | Dyckerhoff Beton Verwaltungs GmbH | Economic entity not included in the group of consolidated companies for reasons of materiality |
| | Nordenhamer Transportbeton GmbH | Economic entity not included in the group of consolidated companies for reasons of materiality |
| | SIBO-Gruppe Verwaltungsgesellschaft mbH | Real estate holding company |
| | Dyckerhoff GmbH | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Portland Zementwerke Seibel und Söhne GmbH & Co. KG | Sale, commercialisation, distribution, marketing |
| Hungary | ZAPA beton HUNGÁRIA Kft. | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| Italy | Buzzi Unicem SpA | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Unicalcestruzzi SpA | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Serenergy Srl | Provider of services to unrelated parties |
| | Calcestruzzi Zillo SpA | Rental of companies in the concrete sector |
| | Testi Cementi Srl | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Arquata Cementi Srl | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Borgo Cementi Srl | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing - liquidated in 2020 |

Companies of Buzzi Unicem group (continues)

| Tax jurisdiction | Entities belonging to the group that are resident in the tax jurisdiction | Primary activities |
|-------------------------|--|---|
| Luxembourg | Buzzi Unicem International S.à.r.l. | Ownership of shares or other capital instruments |
| | Cimalux S.A. | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Cimalux Société Immobilière S. à r.l. | Real estate holding company |
| Paesi Bassi | Dyckerhoff Basal Nederland B.V. | Ownership of shares or other capital instruments |
| | Dyckerhoff Basal Betonmortel B.V. | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Friesland Beton Heerenveen B.V. | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Betonmortel Centrale Groningen (B.C.G.) B.V. | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | BSN Beton Service Nederland B.V. | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | MegaMix Basal B.V. | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Dyckerhoff Basal Toeslagstoffen B.V. | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| Polonia | Dyckerhoff Polska Sp. z o.o. | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| Russia | OOO SLK Cement | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | OOO Dyckerhoff Suchoi Log, obshestvo po sbitu tamponashnich zementow | Sale, commercialisation, distribution, marketing |
| | OOO CemTrans | Intragroup transport services |
| | OOO Omsk Cement | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| Slovakia | ZAPA beton SK s.r.o. | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| Ukraine | TOB Dyckerhoff Ukraina | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | TOB Dyckerhoff Transport Ukraina | Intragroup transport services |
| | PRAT Dyckerhoff Cement Ukraine | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Dyckerhoff Beton GmbH & Co. KG | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| USA | RC Lonestar Inc. | Ownership of shares or other capital instruments |
| | Buzzi Unicem USA Inc. | Administration, management, support or assistance |
| | Midwest Material Industries Inc. | Ownership of shares or other capital instruments |

Companies of Buzzi Unicem group (continues)

| Tax jurisdiction | Entities belonging to the group that are resident in the tax jurisdiction | Primary activities |
|-------------------------|--|---|
| | Buzzi Unicem Ready Mix, LLC | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | RED-E-MIX, LLC | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | RED-E-MIX Transportation, LLC | Intragroup transport services |
| | Lone Star Industries, Inc. | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Utah Portland Quarries, Inc. | Not active |
| | Rosebud Real Properties, Inc. | Not active |
| | River Cement Company | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | River Cement Sales Company | Sale, commercialisation or distribution |
| | Signal Mountain Cement Company | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Heartland Cement Company | The company owns quarries which it grants to use to third parties |
| | Heartland Cement Sales Company | Sale, commercialisation or distribution |
| | Hercules Cement Holding Company | Ownership of shares or other capital instruments |
| | Hercules Cement Company LP | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Alamo Cement Company | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Alamo Concrete Products Company | Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing |
| | Alamo Transit Company | Intragroup transport services |

**PLEASE FIND BELOW EXPLANATIONS ON DIFFERENCES BETWEEN
INCOME TAX FOR COMPANIES ACCRUED ON PRE-TAX RESULTS
AND TAX DUE, WITH DETAILS PROVIDED FOR INDIVIDUAL TAX
JURISDICTIONS (AS REQUIRED BY "DISCLOSURE 207-4 PARAGRAPH
B - X) OF GRI 207 TAXES)**

| | |
|-----------------------|--|
| Germany | In Germany the theoretical tax rate is about 31%, the effective tax rate is about 6% due to the proceeds from exempt dividend and the offsetting of tax losses carried forward from previous years. |
| Luxemburg | The theoretical tax rate is 24.94%, the effective tax rate is approximately 2% due to the proceeds from exempt dividend net of the effect of non-deductibility of certain expenses. |
| France | In France the theoretical tax rate is 28%, the effective tax rate is about 360% mainly due to the effect of non-deductibility of the loss of Dyckerhoff Gravières et Sablières Seltz S.A.S. |
| Netherlands | In the Netherlands the theoretical tax rate is 25%, the effective tax rate is about 3% due to the proceeds from exempt dividend net of the non-deductibility of certain expenses. |
| Poland | In Poland the theoretical tax rate is 19%, the effective tax rate is about 21% due to the higher tax base as a result of the non-deductibility of certain expenses. |
| Czech Republic | In the Czech Republic the theoretical tax rate is 19%, which is in line with the effective tax rate of 19%. |
| Slovakia | In Slovakia the theoretical tax rate is 21%, the effective tax rate is about 34% due to the higher tax base as a result of the non-deductibility of some expenses. |
| Hungary | In Hungary the theoretical tax rate is 9%, the effective tax rate is zero because the only company in the jurisdiction is working at loss. |
| Ukraine | In Ukraine the theoretical tax rate is 18%, the effective tax rate is approximately 0% due to the proceeds from exempt dividend and the offsetting of tax losses carried forward from previous years. |
| Russia | In Russia the theoretical tax rate is 20%, which is in line with the effective tax rate of 20%. |
| Italy | In Italy, the theoretical tax rate is 27.9%, the effective tax rate is approximately 0.3% due to the proceeds from exempt dividend and the offsetting of tax losses carried forward from previous years. |
| USA | In the US, the theoretical federal tax rate is 21%, the effective tax rate is approximately 24% as a result of additional state income taxes in the various states in which the companies operate, net of specific tax deductions. |



Raw materials depot, Guidonia (RM) plant, Italy.

ENVIRONMENTAL PERFORMANCE SUMMARY TABLES

CEMENT

2021

Climate change, energy and CO₂ emissions

| | | |
|--|----------------------------|-------|
| Specific thermal consumption | MJ/t clinker | 4,106 |
| Thermal substitution | % | 27.8 |
| Specific electric consumption | kWh/t cementitious product | 122 |
| Electrical energy from renewable sources (certified and not-certified) | % | 9.8 |
| Specific gross scope 1 CO ₂ emissions | kg/t cementitious product | 689 |
| Specific net scope 1 CO ₂ emissions | kg/t cementitious product | 633 |

Circular economy

| | | |
|--|---------------------------|------|
| Clinker/cement ratio | % | 80.2 |
| Non virgin materials | % | 9.0 |
| Total waste produced per ton of cementitious product | kg/t cementitious product | 5.8 |
| of which process dust treated as waste | kg/t cementitious product | 4.1 |

Environmental protection

| | | |
|---|--------------------------|-------|
| Specific water consumption | l/t cementitious product | 275 |
| Recovered storm water on total water withdrawal | % | 9.8 |
| Specific dust emissions | g/t clinker | 56 |
| Specific NO _x emissions | g/t clinker | 1,190 |
| Specific SO ₂ emissions | g/t clinker | 160 |
| Specific Hg emissions | mg/t clinker | 18 |

CONCRETE

2021

Circular economy

| | | |
|--|-------------------|------|
| Average cement content per m ³ | kg/m ³ | 298 |
| Average clinker content per m ³ | kg/m ³ | 196 |
| Clinker/cement ratio in concrete | % | 65.7 |
| Clinker/cementitious product ratio in concrete | % | 58.4 |

Environmental protection

| | | |
|-------------------------------------|------------------|-----|
| Average water content in concrete | l/m ³ | 170 |
| Water withdrawn/concrete production | l/m ³ | 202 |

* The data for Cimento Nacional (BRA) and Corporación Moctezuma (MEX) have not been consolidated within the Group figures (companies not consolidated using the line-by-line method).

n.a. = not available

| ITA | USA | GER | LUX | NLD | POL | CZE | SVK | RUS | UKR | BRA* | MEX* |
|-------|-------|-------|-------|------|-------|-------|------|-------|-------|-------|-------|
| 3,562 | 3,884 | 4,122 | 4,016 | - | 3,859 | 3,610 | - | 4,874 | 5,622 | 3,391 | 3,281 |
| 16.8 | 19.9 | 72.3 | 51.9 | - | 68.3 | 81.4 | - | 0.0 | 0.0 | 27.9 | 0.3 |
| 103 | 137 | 118 | 110 | - | 111 | 124 | - | 133 | 114 | 99 | 78 |
| 9.1 | 15.5 | 2.5 | 47.7 | - | 12.0 | 8.2 | - | 0.0 | 4.4 | 76.0 | n.a. |
| 660 | 777 | 600 | 527 | - | 606 | 559 | - | 707 | 844 | 492 | 598 |
| 640 | 726 | 468 | 438 | - | 500 | 452 | - | 707 | 844 | 479 | 598 |
| 76.5 | 89.1 | 70.1 | 66.1 | - | 73.5 | 75.8 | - | 88.0 | 79.9 | 60.1 | 71.4 |
| 5.7 | 6.4 | 13.5 | 24.4 | - | 12.6 | 13.3 | - | 3.8 | 14.1 | 19.8 | 0.2 |
| 1.0 | 16.1 | 0.8 | 1.8 | - | 4.0 | 0.3 | - | 3.7 | 0.9 | 1.1 | 0.3 |
| 0.0 | 13.6 | 0.0 | 0.0 | - | 3.1 | 0.0 | - | 0.2 | 0.0 | 0.0 | 0.0 |
| 227 | 283 | 203 | 190 | - | 147 | 113 | - | 448 | 493 | 179 | 126 |
| 4.4 | 10.4 | 17.3 | 0.0 | - | 0.0 | 100.0 | - | 5.8 | 0.3 | 3.7 | 0.0 |
| 6 | 18 | 3 | 32 | - | 10 | 6 | - | 129 | 465 | 50 | 146 |
| 1,035 | 1,355 | 448 | 951 | - | 596 | 757 | - | 2,302 | 999 | 1,550 | 2,218 |
| 49 | 370 | 31 | 17 | - | 448 | 53 | - | 11 | 0 | 432 | 195 |
| 12 | 27 | 30 | 5 | - | 35 | 17 | - | 0 | 0 | 0 | 0 |
| ITA | USA | GER | LUX | NLD | POL | CZE | SVK | RUS | UKR | BRA* | MEX* |
| 338 | 254 | 299 | 291 | 349 | 262 | 266 | 284 | - | 386 | - | 298 |
| 224 | 229 | 174 | 258 | 131 | 149 | 187 | 188 | - | 254 | - | 261 |
| 66.2 | 90.0 | 58.2 | 88.4 | 37.7 | 56.8 | 70.4 | 66.1 | - | 65.8 | - | 87.3 |
| 61.9 | 77.1 | 51.9 | 86.8 | 35.1 | 46.1 | 56.3 | 61.2 | - | 64.5 | - | 87.3 |
| 186 | 140 | 179 | 160 | 170 | 168 | 170 | 153 | - | 192 | - | 171 |
| 239 | 248 | 164 | 95 | 182 | 163 | 183 | 170 | - | 219 | - | n.a. |

SOCIAL PERFORMANCE SUMMARY TABLES

| Buzzi Unicem group | | | | |
|---|------|-----------|-------------|-------|
| | | Employees | Contractors | Total |
| Total injuries (with or without absence from work) | no. | 203 | 69 | 272 |
| Injuries causing absence from work | no. | 77 | 54 | 131 |
| Injuries with high consequences | no. | 10 | 2 | 12 |
| Fatalities | no. | 1 | 1 | 2 |
| Lost (calendar) days | days | 5,642 | 3,749 | 9,391 |
| TI FR (Total Injuries Frequency Rate) ⁽¹⁾ | - | 11.4 | 8.2 | 10.4 |
| LTI FR (Lost Time Injuries Frequency Rate) ⁽²⁾ | - | 4.3 | 6.4 | 5.0 |
| SR (Severity Rate) ⁽³⁾ | - | 0.32 | 0.44 | 0.36 |
| Fatality rate ⁽⁴⁾ | - | 0.06 | 0.12 | 0.08 |

| Buzzi Unicem - only cement business | | | | |
|---|------|-----------|-------------|-------|
| | | Employees | Contractors | Total |
| Total injuries (with or without absence from work) | no. | 112 | 38 | 150 |
| Injuries causing absence from work | no. | 34 | 30 | 64 |
| Injuries with high consequences | no. | 5 | 2 | 7 |
| Fatalities | no. | 0 | 1 | 1 |
| Lost (calendar) days | days | 2,435 | 2,743 | 5,178 |
| TI FR (Total Injuries Frequency Rate) ⁽¹⁾ | - | 11.2 | 7.4 | 10.0 |
| LTI FR (Lost Time Injuries Frequency Rate) ⁽²⁾ | - | 3.4 | 5.9 | 4.2 |
| SR (Severity Rate) ⁽³⁾ | - | 0.24 | 0.54 | 0.34 |
| Fatality rate ⁽⁴⁾ | - | 0.00 | 0.20 | 0.07 |

| Cimento National | | | | |
|---|------|-----------|-------------|-------|
| | | Employees | Contractors | Total |
| Total injuries (with or without absence from work) | no. | 14 | 45 | 59 |
| Injuries causing absence from work | no. | 2 | 2 | 4 |
| Injuries with high consequences | no. | 0 | 0 | 0 |
| Fatalities | no. | 0 | 2 | 2 |
| Lost (calendar) days | days | 110 | 20 | 130 |
| TI FR (Total Injuries Frequency Rate) ⁽¹⁾ | - | 6.2 | 16.9 | 12.0 |
| LTI FR (Lost Time Injuries Frequency Rate) ⁽²⁾ | - | 0.9 | 0.8 | 0.8 |
| SR (Severity Rate) ⁽³⁾ | - | 0.05 | 0.01 | 0.03 |
| Fatality rate ⁽⁴⁾ | - | 0.00 | 0.75 | 0.41 |

| Corporación Moctezuma | | | | |
|---|------|-----------|-------------|-------|
| | | Employees | Contractors | Total |
| Total injuries (with or without absence from work) | no. | 31 | 24 | 55 |
| Injuries causing absence from work | no. | 8 | 4 | 12 |
| Injuries with high consequences | no. | 0 | 0 | 0 |
| Fatalities | no. | 1 | 0 | 1 |
| Lost (calendar) days | days | 350 | 89 | 439 |
| TI FR (Total Injuries Frequency Rate) ⁽¹⁾ | - | 9.3 | 6.4 | 7.7 |
| LTI FR (Lost Time Injuries Frequency Rate) ⁽²⁾ | - | 2.4 | 1.1 | 1.7 |
| SR (Severity Rate) ⁽³⁾ | - | 0.10 | 0.02 | 0.06 |
| Fatality rate ⁽⁴⁾ | - | 0.30 | 0.00 | 0.14 |

| Corporación Moctezuma - only cement business | | | | |
|---|------|-----------|-------------|-------|
| | | Employees | Contractors | Total |
| Total injuries (with or without absence from work) | no. | 17 | 23 | 40 |
| Injuries causing absence from work | no. | 2 | 4 | 6 |
| Injuries with high consequences | no. | 0 | 0 | 0 |
| Fatalities | no. | 1 | 0 | 1 |
| Lost (calendar) days | days | 142 | 89 | 231 |
| TI FR (Total Injuries Frequency Rate) ⁽¹⁾ | - | 8.3 | 9.3 | 8.9 |
| LTI FR (Lost Time Injuries Frequency Rate) ⁽²⁾ | - | 1.0 | 1.6 | 1.3 |
| SR (Severity Rate) ⁽³⁾ | - | 0.07 | 0.04 | 0.05 |
| Fatality rate ⁽⁴⁾ | - | 0.49 | 0.00 | 0.22 |

⁽¹⁾ TI FR (Total Injury Frequency Rate) = total number of injuries causing and not causing absences from work divided by worked hours and multiplied by 1 million.

⁽²⁾ LTI FR (Lost Time Injury Frequency Rate) = total number of injuries causing absences from work divided by worked hours and multiplied by 1 million.

⁽³⁾ SR (Severity Rate) = number of days lost divided by worked hours and multiplied by 1,000.

⁽⁴⁾ Fatality rate = number of fatalities divided by worked hours and multiplied by 1 million.

Employees breakdown by professional category**2021**

| | | |
|---------------------------|-----|--------------|
| Total headcount | no. | 9,664 |
| <i>men</i> | % | 85.5 |
| <i>women</i> | % | 14.5 |
| Management | no. | 435 |
| <i>men</i> | % | 88.5 |
| <i>women</i> | % | 11.5 |
| White collars | no. | 3,148 |
| <i>men</i> | % | 71.5 |
| <i>women</i> | % | 28.5 |
| Blue collars | no. | 5,841 |
| <i>men</i> | % | 93.2 |
| <i>women</i> | % | 6.8 |
| Trainees | no. | 165 |
| <i>men</i> | % | 84.2 |
| <i>women</i> | % | 15.8 |
| Marginal / Helpers | no. | 75 |
| <i>men</i> | % | 61.3 |
| <i>women</i> | % | 38.7 |

Employees breakdown by age**2021**

| | | |
|----------------------------|-----|--------------|
| under 30s | no. | 1,113 |
| <i>men</i> | % | 88.1 |
| <i>women</i> | % | 11.9 |
| between 30s and 50s | no. | 4,873 |
| <i>men</i> | % | 83.8 |
| <i>women</i> | % | 16.2 |
| over 50s | no. | 3,678 |
| <i>men</i> | % | 86.9 |
| <i>women</i> | % | 13.1 |

* The data for Cimento Nacional (BRA) and Corporación Moctezuma (MEX) have not been consolidated within the Group figures (companies not consolidated using the line-by-line method).

n.a. = not available

| ITA | USA | GER | LUX | NLD | POL | CZE | SVK | RUS | UKR | BRA* | MEX* |
|--------------|--------------|--------------|------------|------------|------------|------------|-----------|--------------|--------------|--------------|--------------|
| 1,555 | 2,246 | 1,780 | 184 | 117 | 350 | 638 | 82 | 1,446 | 1,266 | 1,227 | 1,376 |
| 90.0 | 92.2 | 84.8 | 93.5 | 88.9 | 78.6 | 87.0 | 82.9 | 78.6 | 76.9 | 80.0 | 87.6 |
| 10.0 | 7.8 | 15.2 | 6.5 | 11.1 | 21.4 | 13.0 | 17.1 | 21.4 | 23.1 | 20.0 | 12.4 |
| 116 | 204 | 55 | 10 | 3 | 6 | 9 | 1 | 15 | 16 | 39 | 68 |
| 87.1 | 92.2 | 85.5 | 90.0 | 100.0 | 83.3 | 66.7 | 100.0 | 86.7 | 75.0 | 82.1 | 82.4 |
| 12.9 | 7.8 | 14.5 | 10.0 | 0.0 | 16.7 | 33.3 | 0.0 | 13.3 | 25.0 | 17.9 | 17.6 |
| 792 | 490 | 697 | 69 | 36 | 156 | 146 | 21 | 428 | 313 | 482 | 362 |
| 85.0 | 71.8 | 69.2 | 87.0 | 72.2 | 57.1 | 60.3 | 57.1 | 65.9 | 60.1 | 63.7 | 63.5 |
| 15.0 | 28.2 | 30.8 | 13.0 | 27.8 | 42.9 | 39.7 | 42.9 | 34.1 | 39.9 | 36.3 | 36.5 |
| 622 | 1,552 | 845 | 105 | 73 | 188 | 459 | 57 | 1,003 | 937 | 641 | 946 |
| 98.2 | 98.6 | 98.9 | 98.1 | 95.9 | 96.3 | 96.5 | 93.0 | 83.9 | 82.5 | 96.4 | 97.3 |
| 1.8 | 1.4 | 1.1 | 1.9 | 4.1 | 3.7 | 3.5 | 7.0 | 16.1 | 17.5 | 3.6 | 2.7 |
| 25 | 0 | 140 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 65 | 0 |
| 60.0 | - | 88.6 | - | - | - | - | - | - | - | 38.5 | - |
| 40.0 | - | 11.4 | - | - | - | - | - | - | - | 61.5 | - |
| 0 | 0 | 43 | 0 | 5 | 0 | 24 | 3 | 0 | 0 | 0 | 0 |
| - | - | 48.8 | - | 100.0 | - | 75.0 | 66.7 | - | - | - | - |
| - | - | 51.2 | - | 0.0 | - | 25.0 | 33.3 | - | - | - | - |

| ITA | USA | GER | LUX | NLD | POL | CZE | SVK | RUS | UKR | BRA* | MEX* |
|------------|--------------|------------|------------|-----------|------------|------------|-----------|------------|------------|------------|------------|
| 86 | 295 | 335 | 22 | 2 | 31 | 48 | 6 | 162 | 126 | 213 | 273 |
| 76.7 | 93.9 | 88.4 | 100.0 | 100.0 | 87.1 | 91.7 | 66.7 | 85.2 | 83.3 | 63.8 | 88.6 |
| 23.3 | 6.1 | 11.6 | 0.0 | 0.0 | 12.9 | 8.3 | 33.3 | 14.8 | 16.7 | 36.2 | 11.4 |
| 709 | 1,041 | 670 | 106 | 51 | 210 | 331 | 43 | 970 | 742 | 854 | 898 |
| 90.8 | 91.9 | 81.6 | 90.6 | 84.3 | 74.8 | 84.3 | 86.0 | 77.1 | 77.9 | 82.1 | 86.7 |
| 9.2 | 8.1 | 18.4 | 9.4 | 15.7 | 25.2 | 15.7 | 14.0 | 22.9 | 22.1 | 17.9 | 13.3 |
| 760 | 910 | 775 | 56 | 64 | 109 | 259 | 33 | 314 | 398 | 160 | 205 |
| 90.8 | 91.9 | 86.1 | 96.4 | 92.2 | 83.5 | 89.6 | 81.8 | 79.9 | 72.9 | 90.6 | 90.2 |
| 9.2 | 8.1 | 13.9 | 3.6 | 7.8 | 16.5 | 10.4 | 18.2 | 20.1 | 27.1 | 9.4 | 9.8 |

Turnover and new hirings 2021

| | | |
|-----------------------------|-----|--------------|
| Total terminations | no. | 1,491 |
| <i>men</i> | no. | 1,303 |
| <i>women</i> | no. | 188 |
| Turnover rate | % | 15.4 |
| <i>male turnover rate</i> | % | 15.8 |
| <i>female turnover rate</i> | % | 13.4 |
| Total new hires | no. | 1,476 |
| <i>men</i> | no. | 1,299 |
| <i>women</i> | no. | 177 |
| Hiring rate | % | 15.3 |
| <i>male hiring rate</i> | % | 15.7 |
| <i>female hiring rate</i> | % | 12.6 |

Collective bargaining 2021

| | | |
|---|-------|--------------|
| Employees covered by collective bargaining agreements | no. | 7,890 |
| Coverage | % | 81.6 |
| Minimum notice period regarding operational changes | weeks | - |

Training 2021

| | | |
|--|-------|----------------|
| Total hours of training | hours | 322,274 |
| Hours of training per capita | hours | 33 |
| Graduates (% on total headcount) | % | 20.2 |
| <i>male graduates (% on total men)</i> | % | 16.4 |
| <i>female graduates (% on total men)</i> | % | 42.3 |

Absentee rate: illness, injuries, strikes 2021

| | | |
|-----------------------------|-----|------------|
| Absentee rate | % | 3.8 |
| <i>male absentee rate</i> | % | 3.9 |
| <i>female absentee rate</i> | % | 3.1 |
| Occupational diseases | no. | 0 |

Remote working 2021

| | | |
|---------------------------|-----|----------------|
| % hours of remote working | % | 4.5 |
| remote working days | no. | 100,937 |

* The data for Cimento Nacional (BRA) and Corporación Moctezuma (MEX) have not been consolidated within the Group figures (companies not consolidated using the line-by-line method).

n.a. = not available

| ITA | USA | GER | LUX | NLD | POL | CZE | SVK | RUS | UKR | BRA* | MEX* |
|------------|-------------|------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 129 | 610 | 165 | 11 | 15 | 45 | 74 | 12 | 252 | 178 | 266 | 212 |
| 119 | 563 | 139 | 10 | 14 | 34 | 57 | 10 | 207 | 150 | 190 | 196 |
| 10 | 47 | 26 | 1 | 1 | 11 | 17 | 2 | 45 | 28 | 76 | 16 |
| 8.3 | 27.2 | 9.3 | 6.0 | 12.8 | 12.9 | 11.6 | 14.6 | 17.4 | 14.1 | 21.7 | 15.4 |
| 8.5 | 27.2 | 9.2 | 5.8 | 13.5 | 12.4 | 10.3 | 14.7 | 18.2 | 15.4 | 19.4 | 16.3 |
| 6.5 | 26.7 | 9.6 | 8.3 | 7.7 | 14.7 | 20.5 | 14.3 | 14.6 | 9.6 | 31.0 | 9.4 |
| 123 | 557 | 157 | 14 | 4 | 46 | 62 | 7 | 343 | 163 | 118 | 418 |
| 107 | 503 | 136 | 14 | 4 | 34 | 51 | 6 | 302 | 142 | 80 | 378 |
| 16 | 54 | 21 | 0 | 0 | 12 | 11 | 1 | 41 | 21 | 38 | 40 |
| 7.9 | 24.8 | 8.8 | 7.6 | 3.4 | 13.1 | 9.7 | 8.5 | 23.7 | 12.9 | 9.6 | 30.4 |
| 7.6 | 24.3 | 9.0 | 8.1 | 3.8 | 12.4 | 9.2 | 8.8 | 26.6 | 14.6 | 8.1 | 31.3 |
| 10.3 | 30.7 | 7.8 | 0.0 | 0.0 | 16.0 | 13.3 | 7.1 | 13.3 | 7.2 | 15.5 | 23.5 |

| ITA | USA | GER | LUX | NLD | POL | CZE | SVK | RUS | UKR | BRA* | MEX* |
|-------|--------|-------|------|-------|------|------|-----|-------|-------|-------|------|
| 1,555 | 811 | 1,547 | 165 | 117 | 349 | 634 | 0 | 1,446 | 1,266 | 1,162 | 669 |
| 100.0 | 36.1 | 86.9 | 89.7 | 100.0 | 99.7 | 99.4 | 0.0 | 100.0 | 100.0 | 94.7 | 48.6 |
| 11 | 5 days | 4 | 0 | 4 | 12 | 8 | 8 | 9 | 12 | 8 | 2 |

| ITA | USA | GER | LUX | NLD | POL | CZE | SVK | RUS | UKR | BRA* | MEX* |
|---------------|---------------|---------------|--------------|-------------|--------------|--------------|-------------|----------------|---------------|---------------|---------------|
| 35,787 | 56,255 | 27,993 | 2,932 | 747 | 6,512 | 6,381 | 483 | 144,602 | 40,583 | 17,041 | 38,764 |
| 23 | 25 | 16 | 16 | 6 | 19 | 10 | 6 | 100 | 32 | 14 | 28 |
| 14.1 | 12.2 | 11.2 | 15.2 | 11.1 | 42.0 | 16.5 | 13.4 | 29.3 | 41.9 | 30.5 | 42.8 |
| 11.6 | 10.6 | 9.7 | 14.0 | 10.6 | 33.5 | 12.4 | 13.2 | 24.0 | 36.2 | 25.2 | 33.9 |
| 36.8 | 31.3 | 19.6 | 33.3 | 15.4 | 73.3 | 43.4 | 14.3 | 48.5 | 60.8 | 51.8 | 8.9 |

| ITA | USA | GER | LUX | NLD | POL | CZE | SVK | RUS | UKR | BRA* | MEX* |
|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 3.5 | 2.8 | 5.5 | 5.2 | 5.2 | 4.1 | 5.3 | 6.8 | 3.0 | 2.8 | 0.7 | 1.3 |
| 3.7 | 2.8 | 5.7 | 5.4 | 5.4 | 4.4 | 5.6 | 7.2 | 3.3 | 2.8 | 0.7 | 1.2 |
| 1.7 | 3.3 | 4.5 | 2.4 | 2.3 | 2.8 | 3.8 | 4.6 | 2.2 | 2.9 | 0.5 | 1.8 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| ITA | USA | GER | LUX | NLD | POL | CZE | SVK | RUS | UKR | BRA* | MEX* |
|--------|--------|--------|-----|-------|-------|-------|-----|--------|-------|------|------|
| 4.9 | 2.7 | 7.7 | 1.0 | 18.0 | 4.0 | 2.7 | 4.0 | 6.9 | 1.3 | n.a. | n.a. |
| 14,606 | 15,950 | 34,674 | 435 | 4,564 | 3,983 | 3,999 | 743 | 19,656 | 2,327 | n.a. | n.a. |

GRI

CONTENT INDEX

GENERAL DISCLOSURE

| GENERAL DISCLOSURE | | REFERENCE |
|-------------------------------|--|--|
| Organizational profile | | |
| 102-1 | Name of the organization | Vision |
| 102-2 | Activities, brands, products and services | Group profile - The Group at a glance |
| 102-3 | Location of headquarters | Group profile - The Group at a glance - International presence |
| 102-4 | Location of operations | Group profile - Regional overview - Cement plant locations |
| 102-5 | Ownership and legal form | Governance and ethics - Corporate governance |
| 102-6 | Markets served | Group profile - Regional overview - Cement plant locations |
| 102-7 | Scale of the organization | Group profile - The Group at a glance |
| 102-8 | Information on employees and other workers | Social aspects - Human resources Appendixes - Performance indicators - Social performance: summary tables |
| 102-9 | Supply chain | Social aspects - Supply chain and human rights |
| 102-10 | Significant changes to the organization and its supply chain | Methodology note |
| 102-11 | Precautionary Principle or approach | Governance and ethics - Corporate governance |
| 102-12 | External initiatives | Sustainability approach - Stakeholder engagement - Associations |
| 102-13 | Membership of associations | Sustainability approach - Stakeholder engagement - Associations |
| Strategy | | |
| 102-14 | Statement from senior decision-maker | Letter to stakeholders |
| Ethics and integrity | | |
| 102-16 | Values, principles, standards, and norms of behavior | Governance and ethics - Corporate governance Governance and ethics - Business integrity |
| Governance | | |
| 102-18 | Governance Structure | Governance and ethics - Corporate governance |

GENERAL DISCLOSURE

(continues)

| GENERAL DISCLOSURE | | REFERENCE |
|-------------------------------|--|--|
| Stakeholder engagement | | |
| 102-40 | List of stakeholder groups | Sustainability approach - Stakeholder engagement |
| 102-41 | Collective bargaining agreements | Social aspects - Human resources Appendixes - Performance indicators - Social performance: summary tables |
| 102-42 | Identifying and selecting stakeholders | Sustainability approach - Stakeholder engagement |
| 102-43 | Approach to stakeholder engagement | Sustainability approach - Stakeholder engagement |
| 102-44 | Key topics and concerns raised | Sustainability approach - Materiality matrix |
| Reporting practice | | |
| 102-45 | Entities included in the consolidated financial statements | Methodology note |
| 102-46 | Defining report content and topic Boundaries | Methodology note |
| 102-47 | List of material topics | Sustainability approach - Materiality matrix |
| 102-48 | Restatement of information | Methodology note |
| 102-49 | Changes in reporting | Methodology note <i>Methodology note - Any restatements compared to the previous Report are shown within the individual chapters of the document.</i> |
| 102-50 | Reporting period | Methodology note |
| 102-51 | Date of most recent report | <i>The Sustainability Report (NFD) 2021 was published in spring 2022.</i> |
| 102-52 | Reporting cycle | <i>The Sustainability Report (NFD) is published annually.</i> |
| 102-53 | Contact point for questions regarding the report | info@buzziunicem.it |
| 102-54 | Claims of reporting in accordance with the GRI Standards | Methodology note |
| 102-55 | GRI content index | Appendixes - GRI Content Index |
| 102-56 | External assurance | Appendixes - Auditors' report |

TOPIC-SPECIFIC DISCLOSURES

| MATERIAL ASPECTS | | REFERENCE | OMISSIONS |
|---|---|--|--|
| Performance indicators - Economic Topics - GRI 201: Economic Performance 2016 (material topic: long-term economic growth) | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix Governance and ethics - Corporate governance | |
| 103-2 | The management approach and its components | | |
| 103-3 | Evaluation of the management approach | | |
| 201-1 | Direct economic value generated and distributed | Group profile - The Group at a glance - Value generated and distributed | |
| Performance indicators - Economic Topics - GRI 204: Procurement Practices 2016 (material topic: supply chain management) | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix Governance and ethics - Business integrity Social aspects - Supply chain and human rights | Information not currently available. Given the importance of this issue the Group is committed to reporting the issue starting from future financial years. |
| 103-2 | The management approach and its components | | |
| 103-3 | Evaluation of the management approach | | |
| 204-1 | Proportion of spending on local suppliers | Social aspects - Supply chain and human rights | |
| Performance indicators - Economic Topics - GRI 205: Anti-corruption 2016 (material topic: anti-corruption; business ethics) | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix Governance and ethics - Corporate governance Governance and ethics - Corporate governance - Model of Organisation, Management and Control | |
| 103-2 | The management approach and its components | | |
| 103-3 | Evaluation of the management approach | | |
| 205-2 | Communication and training about anti-corruption policies and procedures | Governance and ethics - Business integrity Anti-corruption Governance and ethics - Business integrity - Transparency in the conduct of business | With the exception of that which is communicated and issued to employees, information relating to communication and training on anti-corruption is reported in a qualitative form. |
| 205-3 | Confirmed incidents of corruption and actions taken | Governance and ethics - Business integrity - Anti-corruption Governance and ethics - Business integrity - Transparency in the conduct of business | |
| Performance indicators - Economic Topics - GRI 206: Anti-competitive Behavior 2016 (material topic: anti-trust) | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix Governance and ethics - Corporate governance Governance and ethics - Business integrity - Antitrust | |
| 103-2 | The management approach and its components | | |
| 103-3 | Evaluation of the management approach | | |
| 206-1 | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | Governance and ethics - Business integrity - Antitrust Governance and ethics - Business integrity - Penalties | |

TOPIC-SPECIFIC DISCLOSURES

(continues)

| MATERIAL ASPECTS | | REFERENCE | OMISSIONS |
|---|--|---|-----------|
| Performance indicators - Economic Topics - GRI 207: Tax 2019 (material topic: business ethics) | | | |
| 103-1 | Explanation of the material topic and its Boundary | Methodology note | |
| 103-2 | The management approach and its components | Governance and ethics - Corporate governance | |
| 103-3 | Evaluation of the management approach | Governance and ethics - Tax management | |
| | | Governance and ethics - Tax management - Approach to taxation | |
| 207-1 | Approach to tax | Governance and ethics - Tax management - Integration of the approach to taxation in the organization | |
| 207-2 | Tax governance, control, and risk management | Governance and ethics - Tax management - Tax governance, risk control and management | |
| 207-3 | Stakeholder engagement and management of concerns related to tax | Governance and ethics - Tax management - Stakeholders' involvement | |
| 207-4 | Country-by-country reporting | Appendixes - Performance indicators - Country-by-Country report | |
| Performance indicators - Environmental Topics - GRI 301: Materials 2016 (material topic: resource efficiency; climate change mitigation) | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix | |
| 103-2 | The management approach and its components | Environmental aspects - Circular economy - Consumption of materials | |
| 103-3 | Evaluation of the management approach | | |
| | | Environmental aspects - Circular economy - Consumption of materials | |
| 301-1 | Materials used by weight or volume | Appendixes - Performance indicators - Environmental performance: Summary tables | |
| | | Environmental aspects - Circular economy - Consumption of materials | |
| 301-2 | Recycled input materials used | Appendixes - Performance indicators - Environmental performance: Summary tables | |
| | | Environmental aspects - Circular economy - Consumption of materials | |
| Performance indicators - Environmental Topics - GRI 302: Energy 2016 (material topic: resource efficiency; climate change mitigation) | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix | |
| 103-2 | The management approach and its components | Approach to sustainability - Policies and targets | |
| 103-3 | Evaluation of the management approach | Environmental aspects - Climate change, energy and CO ₂ emissions - Consumption of thermal and electrical energy | |
| | | Environmental aspects - Climate change, energy and CO ₂ emissions - Consumption of thermal and electrical energy | |
| 302-1 | Energy consumption within the organization | Appendixes - Performance indicators - Environmental performance: summary tables | |
| | | Environmental aspects - Climate change, energy and CO ₂ emissions - Consumption of thermal and electrical energy | |
| 302-3 | Energy intensity | Appendixes - Performance indicators - Environmental performance: summary tables | |
| | | Environmental aspects - Climate change, energy and CO ₂ emissions - Consumption of thermal and electrical energy | |
| 302-4 | Reduction of energy consumption | Appendixes - Performance indicators - Environmental performance: summary tables | |

TOPIC-SPECIFIC DISCLOSURES

(continues)

| MATERIAL ASPECTS | | REFERENCE | OMISSIONS |
|--|---|--|---|
| Performance indicators - Environmental Topics - GRI 303: Water and Effluents 2018 (material topic: water efficiency) | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix | |
| 103-2 | The management approach and its components | Environmental aspects - Environmental protection | |
| 103-3 | Evaluation of the management approach | - Water consumption | |
| 303-1 | Interactions with water as a shared resource | Environmental aspects - Environmental protection - Water consumption | |
| 303-2 | Management of water discharge-related impacts | Environmental aspects - Environmental protection - Water consumption | |
| 303-3 | Water withdrawal | Environmental aspects - Environmental protection - Water consumption | |
| 303-5 | Water consumption | Environmental aspects - Environmental protection - Water consumption Appendixes - Performance indicators - Environmental performance: summary tables | |
| Performance indicators - Environmental Topics - GRI 304: Biodiversity 2016 (material topic: biodiversity management) | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix | |
| 103-2 | The management approach and its components | Environmental aspects - Environmental protection - Biodiversity | |
| 103-3 | Evaluation of the management approach | | |
| 304-1 | Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | Environmental aspects - Environmental protection - Biodiversity | Information not currently available. Given the importance of this issue the Group is committed to reporting the issue starting from future financial years. |
| Performance indicators - Environmental Topics - GRI 305: Emissions 2016 (material topic: climate change mitigation; air emissions mitigation) | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix | |
| 103-2 | The management approach and its components | Approach to sustainability - Policies and targets | |
| 103-3 | Evaluation of the management approach | Environmental aspects - Climate change, energy and CO ₂ emissions - Greenhouse gases emissions Environmental aspects - Environmental protection - Other atmospheric emissions | |
| 305-1 | Direct (Scope 1) GHG emissions | Environmental aspects - Climate change, energy and CO ₂ emissions - Greenhouse gases emissions Appendixes - Performance indicators - Environmental performance: summary tables | |
| 305-2 | Energy indirect (Scope 2) GHG emissions | Environmental aspects - Climate change, energy and CO ₂ emissions - Greenhouse gases emissions Appendixes - Performance indicators - Environmental performance: summary tables | |
| 305-4 | GHG emissions intensity | Environmental aspects - Climate change, energy and CO ₂ emissions - Greenhouse gases emissions Appendixes - Performance indicators - Environmental performance: summary tables | |
| 305-5 | Reduction of GHG emissions | Environmental aspects - Climate change, energy and CO ₂ emissions - Greenhouse gases emissions | |
| 305-7 | Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions | Environmental aspects - Environmental protection - Other atmospheric emissions Appendixes - Performance indicators - Environmental performance: summary tables | |

TOPIC-SPECIFIC DISCLOSURES

(continues)

| MATERIAL ASPECTS | | REFERENCE | OMISSIONS |
|--|--|--|---|
| Performance indicators - Environmental Topics - GRI 306: Waste 2020 | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix | |
| 103-2 | The management approach and its components | Environmental aspects - Circular economy - Waste management | |
| 103-3 | Evaluation of the management approach | | |
| 306-1 | Waste generation and significant waste-related impacts | Environmental aspects - Circular economy - Waste management | |
| 306-2 | Management of significant waste-related impacts | Environmental aspects - Circular economy - Waste management | The value of the waste produced is shown for respective disposal methods (dangerous and non-dangerous waste considered jointly). |
| 306-3 | Waste generated | Environmental aspects - Circular economy - Waste management | |
| Performance indicators - Environmental Topics - 307-1: Compliance ambientale 2016 (material topic: business ethics) | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix | |
| 103-2 | The management approach and its components | Governance and ethics - Business integrity - Penalties | |
| 103-3 | Evaluation of the management approach | | |
| 307-1 | Non-compliance with environmental laws and regulations | Governance and ethics - Business integrity - Penalties | |
| Performance indicators - Environmental Topics - Material topic: noise mitigation | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix | |
| 103-2 | The management approach and its components | Environmental aspects - Environmental protection - Noise | |
| 103-3 | Evaluation of the management approach | | |
| Performance indicators - Social Topics - GRI 401: Employment 2016 (material topic: employment conditions) | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix | |
| 103-2 | The management approach and its components | Social aspects - Human resources | |
| 103-3 | Evaluation of the management approach | Appendixes - Performance indicators - Social performance: summary tables | |
| 401-1 | New employee hires and employee turnover | | The number and percentage of recruited staff is shown at the Group level and is aggregated for all age groups. The absolute and percentage turnover is aggregated for all age groups. |

TOPIC-SPECIFIC DISCLOSURES

(continues)

| MATERIAL ASPECTS | | REFERENCE | OMISSIONS |
|--|---|--|-----------|
| Performance indicators - Social Topics - GRI 402: Labor/Management Relations 2016 (material topic: industrial relations; employment conditions) | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix Social aspects - Human resources - Collective bargaining | |
| 103-2 | The management approach and its components | | |
| 103-3 | Evaluation of the management approach | | |
| 402-1 | Minimum notice periods regarding operational changes | Social aspects - Human resources Appendixes - Performance indicators - Social performance: summary tables | |
| Performance indicators - Social Topics - GRI 403: Occupational Health and Safety 2018 (material topic: health and safety; employment conditions) | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix Approach to sustainability - Policies and targets Social aspects - Health and safety Social aspects - Human resources | |
| 103-2 | The management approach and its components | | |
| 103-3 | Evaluation of the management approach | | |
| 403-1 | Occupational health and safety management system | Approach to sustainability - Policies and targets Governance and ethics - Corporate Governance Social aspects - Occupational health and safety Social aspects - Human resources Social aspects - Supply chain and human rights Appendixes - Performance indicators - Social performance: summary tables | |
| 403-2 | Hazard identification, risk assessment, and incident investigation | | |
| 403-3 | Occupational health services | | |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety | | |
| 403-5 | Worker training on occupational health and safety | | |
| 403-6 | Promotion of worker health | | |
| 403-7 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | | |
| 403-8 | Workers covered by an occupational health and safety management system | | |
| 403-9 | Work-related injuries | | |
| Performance indicators - Social Topics - GRI 404: Training and Education 2016 (material topic: employees development) | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix Social aspects - Human resources - Training and professional development | |
| 103-2 | The management approach and its components | | |
| 103-3 | Evaluation of the management approach | | |
| 404-1 | Average hours of training per year per employee | Social aspects - Human resources - Training and professional development Appendixes - Performance indicators - Social performance: summary tables | |

TOPIC-SPECIFIC DISCLOSURES

(continues)

| MATERIAL ASPECTS | | REFERENCE | OMISSIONS |
|--|--|---|---|
| Performance indicators - Social Topics - GRI 404: Training and Education 2016 (material topic: employees development) | | | |
| 404-3 | Percentage of employees receiving regular performance and career development reviews | Social aspects - Human resources - Training and professional development | The performance management process is described; the percentage of employees covered by incentive programs is not provided. |
| Performance indicators - Social Topics - GRI 405: Diversity and Equal Opportunity 2016 (material topic: gender equality) | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix Social aspects - Human resources - Workplace diversity | |
| 103-2 | The management approach and its components | | |
| 103-3 | Evaluation of the management approach | | |
| 405-1 | Diversity of governance bodies and employees | Social aspects - Human resources Appendixes - Performance indicators - Social performance: summary tables | Details for management bodies are not provided. |
| Performance indicators- Social Topics - GRI 413: Local Communities 2016 (material topic: local communities engagement) | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix | |
| 103-2 | The management approach and its components | Approach to sustainability - Policies and targets | |
| 103-3 | Evaluation of the management approach | Sustainability approach - Stakeholder engagement | |
| 413-1 | Operations with local community engagement, impact assessments, and development programs | Approach to sustainability - Policies and targets Sustainability approach - Stakeholder engagement | |
| Performance indicators - Social Topics - GRI 417: Marketing and Labeling 2016 (material topic: customers relations) | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix | All types of cement produced in the EU area need to have the EC mark. The EC mark indicates that the cement is in compliance with an harmonized European standard (EN 197-1 law). It allows to meet the essential requirements established by the 89/106/ CEE directive in regard to the works in which it is used. |
| 103-2 | The management approach and its components | Environmental aspects - Circular economy | |
| 103-3 | Evaluation of the management approach | - Product Life Cycle (LCA/EPD) | |
| | | Environmental aspects - Circular economy - Product Life Cycle (LCA/EPD) | |
| 417-1 | Requirements for product and service information and labeling | | |
| Performance indicators - Social Topics - GRI 419: Socioeconomic Compliance 2016 (material topic: business ethics) | | | |
| 103-1 | Explanation of the material topic and its Boundary | Sustainability approach - Materiality matrix Governance and ethics - Business integrity - Penalties | |
| 103-2 | The management approach and its components | | |
| 103-3 | Evaluation of the management approach | | |
| 419-1 | Non-compliance with laws and regulations in the social and economic area | Governance and ethics - Business integrity - Penalties | |

CORRELATION TABLE TO THE LEGISLATIVE DECREE 254/2016

| ISSUE OF LEGISLATIVE DECREE 254/2016 | MATERIAL TOPIC | POLICIES APPLIED AND MANAGEMENT INSTRUMENTS |
|---|--|--|
| Environmental | Climate change mitigation Air emission mitigation | Code of Conduct Climate change policy Environmental management systems (UNI EN ISO 14001 or equivalent, EPD) |
| | Resource efficiency | Code of Conduct Climate change policy Environmental management systems (UNI EN ISO 14001 or equivalent, EPD) |
| | Water efficiency | Environmental management systems (UNI EN ISO 14001 or equivalent, EPD) |
| | Biodiversity management | Environmental management systems (UNI EN ISO 14001 or equivalent) |
| | Noise mitigation | Environmental management systems (UNI EN ISO 14001 or equivalent) |
| Social | Long-term economic growth | Code of Conduct Corporate governance model OECD Rules Country by Country Report pursuant to article 1, paragraphs 145 and 146 of law 28/12/2015 n. 208 (2016 Stability Law) IFRS international accounting principles |
| | Business ethics | Code of Conduct Corporate governance model and Model of Organisation Management and Control pursuant to Legislative Decree 231/2001 |
| | Local communities engagement | Code of Conduct Stakeholder engagement policy Safety Policy Occupational Health and Safety systems (UNI EN ISO 45001, OHSAS 18001 or equivalent) |
| | Supply chain management | Code of Conduct Corporate governance model and Model of Organisation Management and Control pursuant to Legislative Decree 231/2001 |
| | Customers relations | Environmental Product Declaration (EPD) |

REFERENCES TO PARAGRAPHS

CORRELATION WITH GRI STANDARDS

| | |
|--|---|
| Chap. Governance and ethics - Corporate Governance, Box Code of Conduct, par. Code of Conduct, internal control and risk management system Chap. Environmental aspects - Climate change, energy and CO ₂ emissions, par. Greenhouse gases emissions Chap. Environmental aspects - Environmental protection, par. Other atmospheric emissions | 305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions 305-4 GHG emissions intensity 305-5 Reduction of GHG emissions 305-7 Nitrogen oxides (NOX), sulphur dioxides (SOX) and other significant air emissions |
| Chap. Governance and ethics - Corporate Governance, Box Code of Conduct, par. Code of Conduct, internal control and risk management system Chap. Environmental aspects - Climate change, energy and CO ₂ emissions, par. Consumption of thermal and electric energy Chap. Environmental aspects - Circular economy, par. Consumption of materials | 301-1 Materials used by weight or volume 301-2 Recycled input materials used 302-1 Energy consumption within the organisation 302-3 Energy intensity 302-4 Reduction of energy consumption 303-1 Interaction with water as a shared resource 303-2 Management of water discharge-related impacts 303-3 Water withdrawal 303-5 Water consumption |
| Chap. Environmental aspects - Environmental protection, par. Water consumption | Consumption of water per ton of cementitious product Consumption of water per cubic metre of concrete |
| Chap. Governance and ethics - Corporate Governance, Box Code of Conduct, par. Code of Conduct, internal control and risk management system Chap. Environmental aspects - Environmental protection, Box Biodiversity | 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas |
| Chap. Governance and ethics - Corporate Governance, Box Code of Conduct, par. Code of Conduct, internal control and risk management system Chap. Environmental aspects - Environmental protection, par. Noise | Production sites with monitoring of noise emissions Investments for noise mitigation interventions |
| Chap. The Group at a glance, Box Value generated and distributed Chap. Governance and ethics - Tax management | 201-1 Direct economic value generated and distributed 207-1 Approach to tax 207-2 Tax governance, control, and risk management 207-3 Stakeholder engagement and management of concerns related to tax 207-4 Country-by-country reporting |
| Chap. Governance and ethics - Corporate Governance, Box Code of Conduct, par. Code of Conduct, internal control and risk management system | 419-1 Non-compliance with laws and regulations in the social and economic area 307-1 Non-compliance with environmental laws and regulations |
| Chap. Sustainability approach - Stakeholder engagement | 413-1 Operations with local community engagement, impact assessments, and development programs |
| Chap. Governance and ethics - Corporate Governance, Box Code of Conduct Chap. Social aspects - Supply chain and human rights | 204-1 Proportion of spending on local suppliers |
| Chap. Environmental aspects - Circular economy, par. Product Life Cycle (LCA/EPD) | 417-1 Requirements for products and service information and labelling Clinker/cement ratio |

Correlation table to the Legislative Decree 254/2016
(continues)

| ISSUE OF LEGISLATIVE DECREE 254/2016 | MATERIAL TOPIC | POLICIES APPLIED AND MANAGEMENT INSTRUMENTS |
|---|--|---|
| Relating to staff | Employees development Employment conditions | Code of Conduct Corporate governance model and Model of Organisation Management and Control pursuant to Legislative Decree 231/2001 Safety Policy |
| | Gender equality | Code of Conduct Corporate governance model and Model of Organisation Management and Control pursuant to Legislative Decree 231/2001 |
| | Industrial relations | Code of Conduct Corporate governance model and Model of Organisation Management and Control pursuant to Legislative Decree 231/2001 Participation in European Works Council (EWC) |
| Respect of human rights | Health and safety | Code of Conduct Safety Policy Corporate governance model and Model of Organisation Management and Control pursuant to Legislative Decree 231/2001 Occupational Health and Safety systems (UNI EN ISO 45001, OHSAS 18001 or equivalent) |
| Anti-corruption | Anti-trust Anti-corruption | Code of Conduct Corporate governance model and Model of Organisation Management and Control pursuant to Legislative Decree 231/2001 |

REFERENCES TO PARAGRAPHS

CORRELATION WITH GRI STANDARDS

Chap. Social aspects - Human resources, par. Working conditions and employment data and par. Training and professional development

401-1 New employee hires and employee turnover
404-1 Average hours of training per year per employee
404-3 Percentage of employees receiving regular performance and career development reviews

Chap. Social aspects - Human resources, par. Workplace diversity

405-1 Diversity of governance bodies and employees

Chap. Social aspects - Human resources, par. Collective bargaining

402-1 Minimum notice periods regarding operational changes

Chap. Social aspects - Occupational health and safety
Chap. Social aspects - Supply chain and human rights

403-1 Occupational health and safety management system
403-2 Hazard identification, risk assessment, and incident investigation
403-3 Occupational health services
403-4 Worker participation, consultation, and communication on occupational health and safety
403-5 Worker training on occupational health and safety
403-6 Promotion of worker health
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
403-8 Workers covered by an occupational health and safety management system
403-9 Work-related injuries

Chap. Governance and ethics - Business integrity, par. Antitrust and par. Anti-corruption

205-2 Communication and training about anti-corruption policies and procedures
205-3 Confirmed incidents of corruption and actions taken



BUZZI UNICEM SPA

**INDEPENDENT AUDITOR'S REPORT ON THE
CONSOLIDATED NON-FINANCIAL STATEMENT
PURSUANT TO ARTICLE 3, PARAGRAPH 10, OF
LEGISLATIVE DECREE NO. 254/2016 AND ARTICLE 5 OF
CONSOB REGULATION NO. 20267 OF 18 JANUARY 2018**

YEAR ENDED 31 DECEMBER 2021

Independent auditor's report on the consolidated non-financial statement

pursuant to article 3, paragraph 10, of Legislative Decree no. 254/2016 and article 5 of CONSOB regulation no. 20267 of 18 January 2018

To the Board of Directors of Buzzi Unicem SpA

Pursuant to article 3, paragraph 10, of Legislative Decree No. 254 of 30 December 2016 (the "Decree") and article 5 of CONSOB Regulation No. 20267/2018, we have undertaken a limited assurance engagement on the "Sustainability Report 2021 – Consolidated non-financial statement under the Italian Legislative Decree n° 254/2016" of Buzzi Unicem SpA and its subsidiaries (the "Buzzi Unicem Group" or the "Group") for the year ended 31 December 2021 prepared in accordance with article 4 of the Decree, and approved by the Board of Directors on 25 March 2022 (the "NFS").

Our review does not extend to the information set out in the paragraph "Taxonomy" of the NFS, required by article 8 of European Regulation 2020/852.

Responsibilities of the Directors and the Board of Statutory Auditors for the NFS

The Directors are responsible for the preparation of the NFS in accordance with articles 3 and 4 of the Decree and with the "Global Reporting Initiative Sustainability Reporting Standards" defined in 2016, and updated to 2020, by the GRI - Global Reporting Initiative (the "GRI Standards"), identified by them as the reporting standard.

The Directors are also responsible, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of a NFS that is free from material misstatement, whether due to fraud or error.

Moreover, the Directors are responsible for identifying the content of the NFS, within the matters mentioned in article 3, paragraph 1, of the Decree, considering the activities and characteristics of the Group and to the extent necessary to ensure an understanding of the Group's activities, its performance, its results and related impacts.

Finally, the Directors are responsible for defining the business and organisational model of the Group and, with reference to the matters identified and reported in the NFS, for the policies adopted by the Group and for the identification and management of risks generated and/or faced by the Group.

PricewaterhouseCoopers SpA

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The Board of Statutory Auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

Auditor's Independence and Quality Control

We are independent in accordance with the principles of ethics and independence set out in the Code of Ethics for Professional Accountants published by the International Ethics Standards Board for Accountants, which are based on the fundamental principles of integrity, objectivity, competence and professional diligence, confidentiality and professional behaviour. Our audit firm adopts International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains an overall quality control system which includes processes and procedures for compliance with ethical and professional principles and with applicable laws and regulations.

Auditor's responsibilities

We are responsible for expressing a conclusion, on the basis of the work performed, regarding the compliance of the NFS with the Decree and the GRI Standards. We conducted our work in accordance with International Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. The standard requires that we plan and apply procedures in order to obtain limited assurance that the NFS is free of material misstatement. The procedures performed in a limited assurance engagement are less in scope than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the NFS were based on our professional judgement and consisted in interviews, primarily of company personnel responsible for the preparation of the information presented in the NFS, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

1. analysis of the relevant matters reported in the NFS relating to the activities and characteristics of the Group, in order to assess the reasonableness of the selection process used, in accordance with article 3 of the Decree and with the reporting standard adopted;
2. analysis and assessment of the criteria used to identify the consolidation area, in order to assess their compliance with the Decree;

3. comparison of the financial information reported in the NFS with the information reported in the Group's consolidated financial statements;
 4. understanding of the following matters:
 - a. business and organisational model of the Group with reference to the management of the matters specified by article 3 of the Decree;
 - b. policies adopted by the Group with reference to the matters specified in article 3 of the Decree, actual results and related key performance indicators;
 - c. key risks generated and/or faced by the Group with reference to the matters specified in article 3 of the Decree.
- With reference to those matters, we compared the information obtained with the information presented in the NFS and carried out the procedures described under point 5 a) below;
5. understanding of the processes underlying the preparation, collection and management of the significant qualitative and quantitative information included in the NFS. In detail, we held meetings and interviews with the management of Buzzi Unicem SpA and we performed limited analyses of documentary evidence, to gather information about the processes and procedures for the collection, consolidation, processing and submission of the non-financial information to the function responsible for the preparation of the NFS.

Moreover, for material information, considering the activities and characteristics of the Group:

- at a group level,
 - a) with reference to the qualitative information included in the NFS, and in particular to the business model, the policies adopted and the main risks, we carried out interviews and acquired supporting documentation to verify its consistency with available evidence;
 - b) with reference to quantitative information, we performed analytical procedures as well as limited tests, in order to assess, on a sample basis, the accuracy of consolidation of the information.
- for the following companies Buzzi Unicem SpA and Dyckerhoff GmbH and the sites of Göllheim and Aachen (Germany), which were selected on the basis of their activities, their contribution to the performance indicators at a consolidated level and their location, we carried out meetings and interviews during which we met local management and gathered supporting documentation regarding the correct application of the procedures and calculation methods used for the key performance indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of Buzzi Unicem Group for the year ended 31 December 2021 is not prepared, in all material respects, in accordance with articles 3 and 4 of the Decree and with GRI Standards.



Our conclusions on the NFS of Buzzi Unicem Group do not extend to the information set out in the paragraph "Taxonomy" of the NFS, required by article 8 of European Regulation 2020/852.

Turin, 5 April 2022

PricewaterhouseCoopers SpA

Signed by

Piero De Lorenzi
(Partner)

Paolo Bersani
(Authorized signatory)

This report has been translated from the Italian original solely for the convenience of international readers. We have not performed any controls on the NFS 2021 translation.

This Sustainability Report appears in Italian (original version) and English (non-binding version).

Editorial coordination

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Share Capital € 123,636,658.80

Company Register of Alessandria-Asti no. 00930290044

Cover photo:

Ieri Ikebana (Yesterday Ikebana), a work created in cement by artist Alessandro Piangiamore.





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