



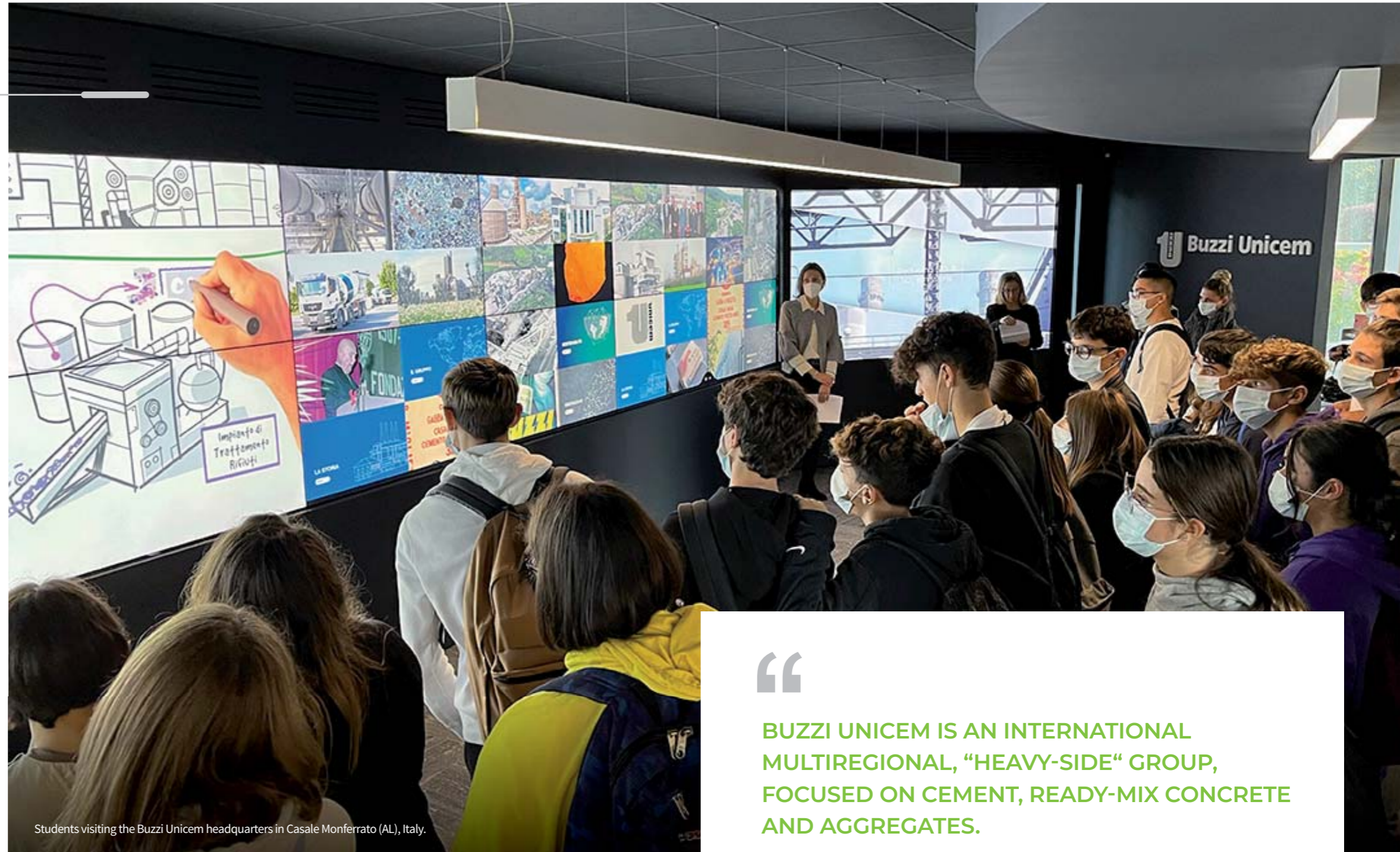
SUSTAINABILITY
REPORT

2022

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

BUZZI UNICEM

VISION



Students visiting the 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.



Storage silos, Siniscola plant (NU), Italy.

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THE 2022 EDITION OF THE SUSTAINABILITY REPORT CONFIRMS THE ACHIEVEMENT OF THE TARGETS WE SET IN 2017

AND THE LAUNCH OF OUR ROADMAP TO 2050, "OUR JOURNEY TO NET ZERO"



Before commenting on the non-financial data for the past year, we would like to turn our thoughts to the six employees, five Ukrainians and one Russian, who sadly lost their lives as a result of the war that began on 24 February 2022. To this tragic toll, we must add a further six wounded, one prisoner and two missing from our Ukrainian workforce.

These are terrible figures we would never have wanted to report and which truly are a cause for reflection.

We would like to express our condolences and solidarity to the families of the fallen and to all our colleagues who have been working in the most challenging conditions for more than a year now.

On a positive note, 2022 saw a reduction in the severity of the Covid-19 pandemic and our production activity did not experience any related challenges.

In cooperation with various humanitarian organisations, we continued to offer financial support to people still affected by the virus. Inflationary pressure and rising costs, especially for energy, which began in the second half of 2021, have reached levels that

are unprecedented in recent history and are a great concern.

Despite the reduction in production volumes, higher sales prices resulted in higher turnover and EBITDA in absolute terms compared to 2021.

As far as CO₂ is concerned, with a reduction of 5.9% in cementitious product, our absolute emissions were down 9.4%. Ukraine's lower production levels contributed in part to this result. Thanks to higher production efficiency than 2021, we avoided approximately 546 thousand tonnes of CO₂.

In June 2022, we presented our roadmap, "Our Journey to Net Zero". At the event, attended by a large number of national and international stakeholders, we explained in detail the path and conditions to achieve carbon neutrality by 2050. To give more impetus and credibility to our roadmap, we have also defined an intermediate target for 2030. This was recently validated by the SBTi (Science Based Target initiative), an authoritative, independent, international body, which has certified its compatibility with the goals set by the 2015 Paris Agreement.

The year 2022 was also the deadline we had set for achieving important sustainability targets that had been announced in 2017:

- a 5% reduction in our specific CO₂ emissions compared to 2017;
- the implementation of structural engagement projects in all our production sites with a high economic, environmental and social impact;
- the achievement of increasingly safe working conditions.

It is with pride and satisfaction that we can confirm that all the above goals have been achieved!

For this reason, we wish to thank everyone who has contributed to this achievement through their tremendous determination and professionalism.

We are aware, however, that we still have a long way to go. The goals for 2030 and 2050 roadmap will require a great deal of work and financial resources.

Safeguarding health and safety at our production sites remains our most important goal.

In 2022, the LTIFR, the main frequency index for injuries with absence from work, fell by 30% compared to 2017. Unfortunately,

we have to report two fatal accidents: one involving a company employee in the Czech Republic and the other a contractor's employee in Russia.

At an organisational level, we introduced a new senior figure, the Corporate Safety Manager, who is tasked with defining new strategies to further improve our safety culture and accident rates.

In this report we continue with the publication of the information required by the new Taxonomy Regulation. Following the reporting of the eligible turnover, investment and operating cost percentages in last year's report, this year we will also disclose the respective alignment percentages in accordance with the criteria laid down in the regulation for the cement industry.

We hope you enjoy reading this report.

Pietro Buzzi

Amministratore Delegato

Michele Buzzi

Amministratore Delegato

METHODOLOGY NOTE

The entry into force of Legislative Decree 254/2016 introduced the requirement of a consolidated non-financial declaration (NFD), starting from the 2017 financial year.

In line with previous financial years, Buzzi Unicem has integrated the NFD within its Sustainability Report (art. 4 Legislative Decree 254/2016), in the belief that this instrument, which was published for the first time in 2001 and the content and accuracy of which continues to evolve, allows us to more fully comply with legislative requirements. The list of information required by the Decree is contained within the “Correlation table to Legislative Decree 254/2016”. In accordance with the provisions of the Decree, the Sustainability Report was drafted with reference to the Standards of the Global Reporting Initiative (GRI) and describes the business model, the identified risks, the environmental social and governance policies, targets and performances. The list of indicators is contained within the “GRI Content index”.

Even this year Buzzi Unicem will be publishing tax disclosures. Moreover, following the guidelines from the European Securities and Market Authority (ESMA) on the priorities for drafting reports from listed companies, we have published

information relating to the assessment of risks associated with climate change. Finally, we include in the "Taxonomy" section, the information required by Article 8 of Regulation (EU) 2020/852 of 18 June 2020 ("Taxonomy Regulation") and the associated Delegated Regulations (EU) 2021/2178 and (EU) 2021/2139. The limited assurance carried out by the auditors on the NFD does not extend to this disclosure.

This edition of the Sustainability Report, which also includes the NFD, was approved by the Board of Directors on 29 March 2023 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 level;
- collection of additional data through a “Reporting Package” (RP) for topics not implemented in Tagetik. The RPs come with a brief guideline including definitions and examples;
- signature by every country management of a “Representation Letter” in which they confirm the accuracy of the data and the companies 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 Statement as of 31 December 2022, using the line-by-line method.

The reporting scope of the Sustainability Report is therefore aligned with that of the Consolidated Financial Statement.

In line with the Consolidated Financial Statement, the data for our subsidiaries are aggregated as follows: the data of Beton Du Ried S.A. are aggregated with Luxembourg, the data of Dyckerhoff Gravières et Sablières Seltz S.A.S. are aggregated with Germany and those for ZAPA beton HUNGÁRIA Kft. are aggregated with Slovakia.

Moreover, Buzzi Unicem is publishing separately data relating to two major shareholdings (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 (NOx), 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 tons of cementitious product, defined as total clinker produced - i.e. that which is used for the production of cements/binders and sold directly - as well as gypsum, and any materials mixed with clinker to produce cement and/or binders (e.g. limestone, slag, fly ashes, pozzolans, production process dust). The cementitious product includes any quantities of mineral

components (slag, fly ashes and pozzolans) 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) n. 2018/2066 of the European Commission, which establishes guidelines for the monitoring and reporting of greenhouse gas emissions in accordance with Directive 2003/87/EC of the European Parliament and Council. In non-ETS countries we applied the same methodology.

For the three-year period 2017-2019, CO₂ emissions have been recalculated to take into account:

- ETS methodology applied to all countries in the Group: 100% of Buzzi Unicem’s emissions is calculated on the basis of the criteria established by standard EN 19694-3, method B2;
- more details on the consumption of fuels used in plants, as required by the Global Cement and Concrete Association (GCCA);
- the change in scope due to the inclusion of one plant in Germany and two plants in Italy.

Additionally:

- all data refers to the period 01/01/2022 to 12/31/2022;
- economic data come from the Consolidated Financial Statement.

The performance indicators are presented within this report with the trend over the last three years and country specific-data are included in the relevant appendices.



Buzzi Unicem, Headquarters Building 1, Casale Monferrato (AL), Italy.

Group profile

The Group at a glance

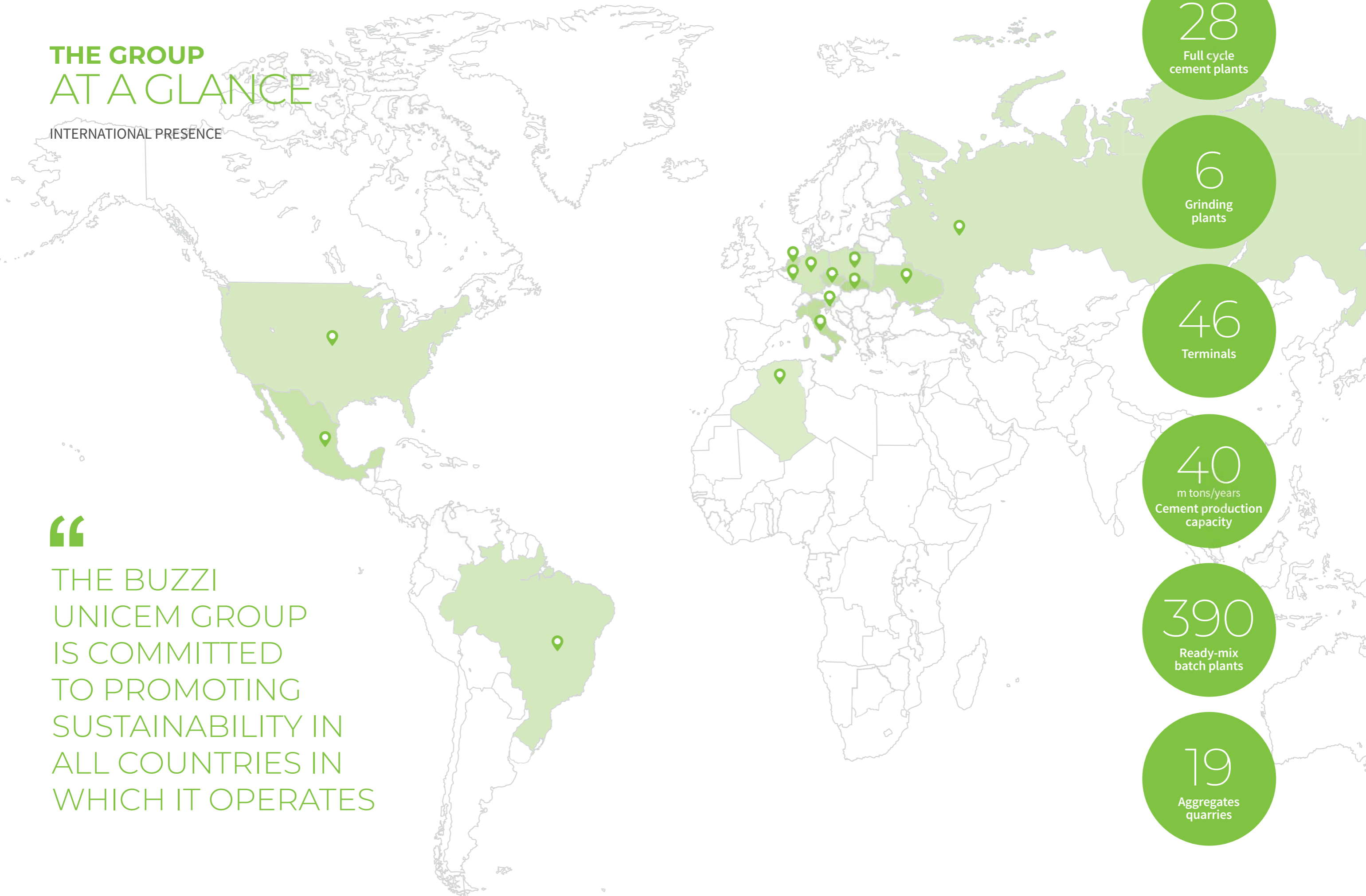
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THE GROUP AT A GLANCE

INTERNATIONAL PRESENCE



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

28
 Full cycle cement plants

6
 Grinding plants

46
 Terminals

40
 m tons/years
 Cement production capacity

390
 Ready-mix batch plants

19
 Aggregates quarries

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 Ukraina
Slovenia	Salonit Anhovo (25%)

Asia

Russia	SLK Cement
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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 Ghozlane (35%)
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Operating structure

		ITA	GER	LUX	NLD	POL	CZE SVK	UKR	RUS	USA	TOT	BRA ¹	MEX ¹
Cement plants	no.	11	7	2	0	1	1	2	2	8	34	7	3
of which grinding	no.	3	2	1	0	0	0	0	0	0	6	2	0
Cement production capacity	m tons/ years	10.8	7.2	1.4	0	1.6	1.1	3.0	4.9	10.2	40.2	7.2	8.3
Ready-mix batch plants	no.	113	109	3	13	17	63	5	0	67	390	0	27
Aggregate quarries	no.	6	3	0	0	0	6	0	0	4	19	0	2
Deposits and terminals	no.	4	2	0	0	1	0	2	1	36	46	6	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

		2016	2017	2018	2019	2020	2021	2022
Cement production	t/000	24,901	26,173	27,143	28,306	28,016	29,442	27,369
Concrete sales	m ³ /000	11,938	12,294	12,093	12,120	11,743	12,141	11,510
Aggregate sales	t/000	6,839	6,935	6,753	5,551	4,853	4,883	4,965
Net sales	€ m	2,669	2,806	2,873	3,221	3,222	3,446	3,996
Capital expenditures	€ m	236	218	444	339	258	218	271
Headcount at year end	no.	9,975	10,025	9,880	9,841	9,683	9,664	9,487







Sales revenue

(millions of euro)

2016		2,669
2017		2,806
2018		2,873
2019		3,221
2020		3,222
2021		3,446
2022		3,996

Capital expenditures

(millions of euro)

2016		236
2017		218
2018		444
2019		339
2020		258
2021		218
2022		271

Main environmental indicators

		2020	2021	2022
Specific gross scope 1 CO ₂ emissions	kg/t cementitious product	694	689	664
Specific thermal consumption	MJ/t clinker	4,138	4,106	4,084
Thermal substitution	%	29.2	27.8	29.9

Main safety indicators (employees and contractors)

		2020	2021	2022
LTIFR	-	4.8	5.0	4.9
Fatalities	no.	2	2	2

Main social indicators

		2020	2021	2022
Total headcount	no.	9,683	9,664	9,487
<i>of which male</i>	%	85.5	85.5	85.8
<i>of which female</i>	%	14.5	14.5	14.2
Hiring rate	%	11.5	15.3	15.2
Turnover rate	%	13.3	15.4	18.4
Absentee rate (illness, strike, injuries)	%	3.6	3.8	4.1
Hours of training per capita	hours	19	33	31

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 2022, and complies with the requirements of the GRI Standards.

(millions of euro)	2020	2021	2022
Direct economic value generated			
Revenues	3,246.2	3,491.1	4,106.8
Economic value distributed			
Operating costs ⁽¹⁾	1,861.2	2,094.1	2,547.8
Employee salaries and benefits	506.2	513.3	560.0
Payments to capital providers ⁽²⁾	58.0	216.7	103.1
Payments to Governments	172.5	125.6	167.7
Community investments	64.9	58.7	74.6
Economic value withheld ⁽³⁾	583.4	482.4	653.5

⁽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 2022

EUROPE AND AFRICA



ASIA



AMERICA



Caption

- Cement plants
- Grinding plants

ITALY

11 plants | 10.8 (million tons) cement production capacity | 113 ready-mix batch plants | 6 aggregate quarries | 4 deposits and terminals

		2022	2021	22/21
Cement production	t/000	4,571	5,250	-12.9%
Concrete sales	m ³ /000	2,655	2,890	-8.1%
Aggregate sales	t/000	790	828	-4.6%
Net sales	€ m	726.2	604.7	20.1%
Capital expenditures	€ m	26.5	26.5	0.0%
Headcount at year end	no.	1,538	1,555	-1.1%



POLAND

1 plant | 1.6 (million tons) cement production capacity | 17 ready-mix batch plants | 1 terminal

		2022	2021	22/21
Cement production	t/000	1,439	1,557	-7.6%
Concrete sales	m ³ /000	756	758	-0.2%
Net sales	€ m	141.3	126.4	11.8%
Capital expenditures	€ m	9.1	7.7	18.5%
Headcount at year end	no.	348	350	-0.6%



GERMANY, LUXEMBOURG AND NETHERLANDS

9 plants | 8.6 (million tons) cement production capacity | 125 ready-mix batch plants | 3 aggregate quarries | 2 deposits and terminals

		2022	2021	22/21
Cement production	t/000	7,061	6,879	2.6%
Concrete sales	m ³ /000	4,450	4,406	1.0%
Aggregate sales	t/000	456	766	-40.5%
Net sales	€ m	1,025.7	909.2	12.8%
Capital expenditures	€ m	72.2	50.4	43.1%
Headcount at year end	no.	2,090	2,081	0.4%



CZECH REPUBLIC AND SLOVAKIA

1 plant | 1.1 (million tons) cement production capacity | 63 ready-mix batch plants | 6 aggregate quarries

		2022	2021	22/21
Cement production	t/000	1,011	1,074	-5.8%
Concrete sales	m ³ /000	1,476	1,575	-6.3%
Aggregate sales	t/000	1,111	1,341	-17.2%
Net sales	€ m	201.2	177.5	13.4%
Capital expenditures	€ m	11.4	7.5	52.1%
Headcount at year end	no.	700	720	-2.8%



UKRAINE

2 plants

3.0 (million tons) cement production capacity

5 ready-mix batch plants

2 deposits and terminals

		2022	2021	22/21
Cement production	t/000	685	1,908	-64.1%
Concrete sales	m ³ /000	54	188	-71.4%
Net sales	€ m	59.8	127.0	-53.0%
Capital expenditures	€ m	1.9	6.9	-72.4%
Headcount at year end	no.	981	1,266	-22.5%



UNITED STATES OF AMERICA

8 plants

10.2 (million tons) cement production capacity

67 ready-mix batch plants

4 aggregate quarries

36 deposits and terminals

		2022	2021	22/21
Cement production	t/000	8,785	8,825	-0.4%
Concrete sales	m ³ /000	2,118	2,322	-8.8%
Aggregate sales	t/000	2,608	1,948	33.9%
Net sales	\$ m	1,676	1,573	6.6%
Capital expenditures	\$ m	129.9	112.7	15.2%
Headcount at year end	no.	2,274	2,246	1.2%



RUSSIA

2 plants

4.9 (million tons) cement production capacity

1 terminal

Due to the sanctions imposed on the Country by the European institutions, Buzzi Unicem decided to withdraw from any operational involvement in the activities carried out by the subsidiary SLK Cement in Russia. Consequently, decisions concerning the investment can only be taken through the shareholders' meeting and are limited to the ones that, according to Russian business law, belong to this body. Further strategic initiatives in the Country have been suspended.

		2022	2021	22/21
Cement production	t/000	3,816	3,948	-3.4%
Net sales	€ m	290.4	207.4	40.0%
Capital expenditures	€ m	26.4	23.3	13.0%
Headcount at year end	no.	1,556	1,446	7.6%



MEXICO¹

3 plants

8.3 (million tons) cement production capacity

27 ready-mix batch plants

2 aggregate quarries

		2022	2021	22/21
Cement production	t/000	7,187	7,603	-5.5%
Concrete sales	m ³ /000	677	1,025	-34.0%
Aggregate sales	t/000	99	120	-17.9%
Net sales	\$ m	809.5	782.2	3.5%
Capital expenditures	\$ m	33.7	20.3	66.1%
Headcount at year end	no.	1,225	1,376	-11.0%



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

BRAZIL¹

7

plants

7.2

(million tons)
cement production
capacity

6

deposits
and terminals

		2022	2021	22/21
Cement production	t/000	5,587	5,658	-1.3%
Net sales	\$ m	421.4	299.6	40.6%
Capital expenditures	\$ m	18.9	209.2	-91.0%
Headcount at year end	no.	1,236	1,227	0.7%

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



Employee working at the Matozinhos plant, Brazil.



Environmental restoration at the Geopark Dachsberg, Göllheim, Germany.

Sustainability approach

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Stakeholder engagement

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OUR POLICIES

Buzzi Unicem’s Sustainability Policies establish the context for the monitoring of objectives and the periodic re-examination for achieving sustainable growth over time. Together with the Code of Conduct, the Policies cover three of the most relevant topics confirmed by the recent materiality reassessment: Safety, Climate Change and Stakeholder Engagement.



EACH POLICY 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.



- Buzzi Unicem recognises 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.





ENGAGEMENT ACTIVITIES AIM AT GENERATING VALUE FOR THE COMPANY AND ITS STAKEHOLDERS



- Buzzi Unicem recognises 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.



SUSTAINABLE DEVELOPMENT GOALS (SDGs)

According to the definition by the World Commission on Environment and Development (Brundtland Commission), sustainable development is development that enables the present generation to meet its own needs without compromising the ability of future generations to meet theirs; to achieve it, it is essential to combine three fundamental elements: economic growth, social inclusion and environmental protection. 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”. Agenda 2030 recognises 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 ANALYSIS

In 2022, the materiality of topics was reassessed according to new guidelines provided by the GRI Standards. Materiality must now consider the company's impacts on the economy, the environment and people from the perspective of external stakeholders.

The analysis process carried out by the Sustainability Department involved four steps:

- verification of the sector's sustainability context, business relations and the company's main stakeholders;
- identification of current and potential impacts starting from material issues identified in previous years, which were supplemented with information from various sources (interviews and internal documentation);
- assessment of the significance of impacts, considering their likelihood

and magnitude, through discussions with experts representing the views of stakeholders;

- definition of a threshold value of significance and subsequent prioritisation of impacts and related issues to be reported on.

The entire process was carried out using an iterative approach to ensure a fair representation of positive and negative impacts on each issue.

The complete list of topics and impacts was then presented to and approved by the Sustainability Steering Committee.

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 sustainability strategies, policies and targets.



THE COMPANY IS CONSTANTLY STRIVING TO REFINE ITS REPORTING ON MATERIAL ISSUES

Topic	Reference to section:	Type of impact	Description	Level of significance
ECONOMIC	Taxation	Tax management	⊕ Increased financial availability of the countries/local communities where the Company operates	●
			⊖ Potential delayed development of the countries where the Company operates due to a not appropriate interpretation of our Group Tax Policy	●
	Long term economic growth	The Group at a glance	⊕ Contribute to society growth and value creation	●●●
			⊖ Potential reduction of distributed economic value to all stakeholders	●
	Antitrust & anti-corruption	Business integrity	⊕ Promote the plurality of products at fair prices and the enhancement of skills through the timely application of practices of fair competition and anti-corruption	●●●
			⊖ Potential increase in market prices, less competitiveness of the country's economic system and spread of corruption	●
	Supply chain management	Supply chain and human rights	⊕ Continuous improvement across the supply chain on environmental and social issues	●
			⊖ Potential lack of growth of a sustainable and fair economic system due to inadequate involvement of suppliers	●
	Customer relations	Stakeholder engagement	⊕ Satisfy customers needs and address global environmental challenges	●
			⊖ Compromise the profitability and competitiveness of our customers	●●
ENVIRONMENT	Biodiversity management	Environmental protection	⊕ Preserve biodiversity	●
			⊖ Loss of biodiversity and proliferation of alien species	●
	Natural resources	Circular economy	⊕ Reduction of the consumption of natural resource by the promotion of circular economy across the value chain	●●
			⊖ Decrease of the availability of natural resources	●
	CO ₂ emissions reduction	Climate change, energy and CO ₂ emissions	⊕ Contribute to the global goal of slowing down the increase of the planet average temperature	●●●
			⊖ Slow down the ongoing decarbonization process	●
	Air emissions mitigation	Environmental protection	⊕ Improve air quality by reducing air emissions of SO ₂ , NO _x , and micro-pollutants	●●
			⊖ Potential impact on air quality due to failure to reduce air emissions of SO ₂ , NO _x and micropollutants beyond legal limits	●●
	Efficient use of water	Environmental protection	⊕ Increased availability of water resources	●
			⊖ Potential reduction of water resources availability (especially in water stressed areas)	●
Local impacts management	Environmental protection	⊕ Better conditions of coexistence with local communities	●	
		⊖ Potential increased interferences to local communities due to noise, diffuse dust and vibrations	●	
Health and safety	Occupational health and safety	⊕ Increased length of healthy life spans	●●●	
		⊖ Affect life quality of workers and their families	●●●	
Gender equality	Human resources	⊕ Equal opportunities for access to work and professional growth	●●	
		⊖ Loss of skills and less growth of the society	●	
Industrial relations & employment conditions	Human resources	⊕ Grant effective freedom of association, respect of human rights (beyond local laws and practices) and attractive work conditions	●●	
		⊖ Favour the migration of young talents due to a failure in meeting employees expectations	●	
Employees development and training	Human resources	⊕ Enhancement of skills and opportunities for personal fulfilment	●	
		⊖ Reduction of job opportunities and limited possibilities for personal fulfilment	●	
Local communities engagement	Stakeholder engagement	⊕ Growth, enrichment and greater well-being of stakeholders	●●	
		⊖ Raise of concerns or misunderstandings between the company and its stakeholders	●●	



STAKEHOLDER ENGAGEMENT

Buzzi Unicem recognises the importance of building and maintaining relationships 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 their respective social, urban and environmental settings.

The purpose of engagement activities is to facilitate 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 concerns, listen to their requests, provide responses and encourage their involvement during important events in the life of our Company.

Confirming the principles of the Policy, in 2022 the operational guidelines for the management and monitoring of Stakeholder Engagement activities (that were issued the previous year) were adjusted to provide a more accurate definition of dialogue relevant projects.

LOCAL COMMUNITIES

In 2022, 100% (76% in 2021) of the Group's full-cycle cement plants operated with relevant engagement programs, thereby meeting the five-year target set in 2017. The company firmly believes in a strategic approach to Stakeholder Engagement and

intends to continue developing this in the future.

ALL FULL-CYCLE CEMENT PLANTS HAVE IMPLEMENTED STAKEHOLDER ENGAGEMENT PROGRAMS IN ACCORDANCE WITH COMPANY GUIDELINES

Buzzi Unicem plants are open to individuals and/or small groups for visits. On these occasions, people can visit the production sites where our staff can provide answers to the questions they might have.

INVESTORS

In 2022, 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 that Buzzi Unicem participated in were as follows:

- “Italian Investment Conference” organised by Unicredit and Kepler Chevreux in May, as a virtual event;
- “The Nice Conference” organised by Société Générale in May, in Nice.
- “Italian CEO Conference” organised by Mediobanca in Milan in June;
- “Infrastructure & Energy Day” organised by Borsa Italiana in September, in Milan;
- “Infrastructure and Construction Conference” organised by Barclays in September, in Paris;
- “Journey to Green Construction Seminar” organised by Berenberg in October, in London;
- Institutional Roadshow organised by Morgan Stanley in October, in London;
- “European Materials Conference” organised by Bank of America in December, in London.

In addition, on 16 June 2022 Buzzi Unicem organised a Capital Market Day at Gropparello Castle (Italy) as part of a dialogue with investors. During the event, the initiatives of the Group's strategic plan, “Our Journey to Net Zero”, were explained in detail to the investors and financial

analysts in attendance. The event continued with a visit to the production plant in Vernasca (Italy). Under the company's online communication strategy, the corporate website www.buzziunicem.com provides information to get to know the Group: its history, its presence in different geographical areas and the quality of the products it offers to its customers. The site also includes a description of the work conducted in research laboratories and the certifications obtained, a discussion of 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.it offers extensive information on the Group's production facilities in Italy, its relations with local areas and the products and services it offers.

Through its Investor Relations department, which is supported where necessary by the Sustainability Department, Buzzi Unicem provides the financial community with the information, operating trends and performance, and also reports the



AEuganeus basketball party, Monselice plant (PD), Italy.

opinions and assessments of the financial community on the company's management, thereby nurturing a relationship of active understanding and ongoing collaboration.

SECTOR ASSOCIATIONS

Starting from September 2018, Buzzi Unicem became a member of the Global Cement and Concrete Association (GCCA). The Association, founded in London in 2018, comprises 41 leading companies in the production of cement and concrete, which together represent 80% of global production (excluding China). The mission of the GCCA involves interaction with institutions at an international level and with the most significant stakeholders so that cement and concrete are recognised as compatible with sustainable development. Buzzi Unicem is a member of CEMBUREAU, the Brussels-based organisation

representing the cement industry in Europe. The association acts as a representative for the cement industry and brings to the attention of the European Union issues relating to the use of raw materials and secondary fuels, environmental 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) which in turn is part of Federbeton (Confindustria), the sector federation of the associations of the cement and concrete industry; Concrete Europe; 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.

In 2022, 9 cement plants and 83 concrete batching plants of Buzzi Unicem were certified under the CSC scheme.



EMPLOYEES

Our employees are among 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 based on their technical and financial competitiveness, credibility and reliability and must comply with Buzzi Unicem's Code of Conduct. Our Code 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

Investors and analysts receive and participate in regular targeted communication activities, such as meetings, presentations, press releases and roadshows.



LOCAL COMMUNITIES

The company encourages dialogue with institutions, opinion groups and civil society and supports community life in the areas where it has its production facilities.



ASSOCIATIONS

Buzzi Unicem is a member of GCCA and of local sector associations.



Cement storage silo, Apazapan plant, Mexico.

Governance and ethics

Corporate governance

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Business integrity

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Tax management

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CORPORATE GOVERNANCE

THE CORPORATE BODIES

- Shareholders' meeting is the deliberative collective body comprising shareholders (or their representatives). It is the corporate body 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 includes 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 appropriate accounting and financial know-how. It is entrusted with advisory and propositional tasks as provided by the Code of Self-Governance. This includes supporting, with a suitable investigation,

the assessments and decisions of the Board of Directors regarding the Internal Control and Risk Management System. This system helps protect 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.

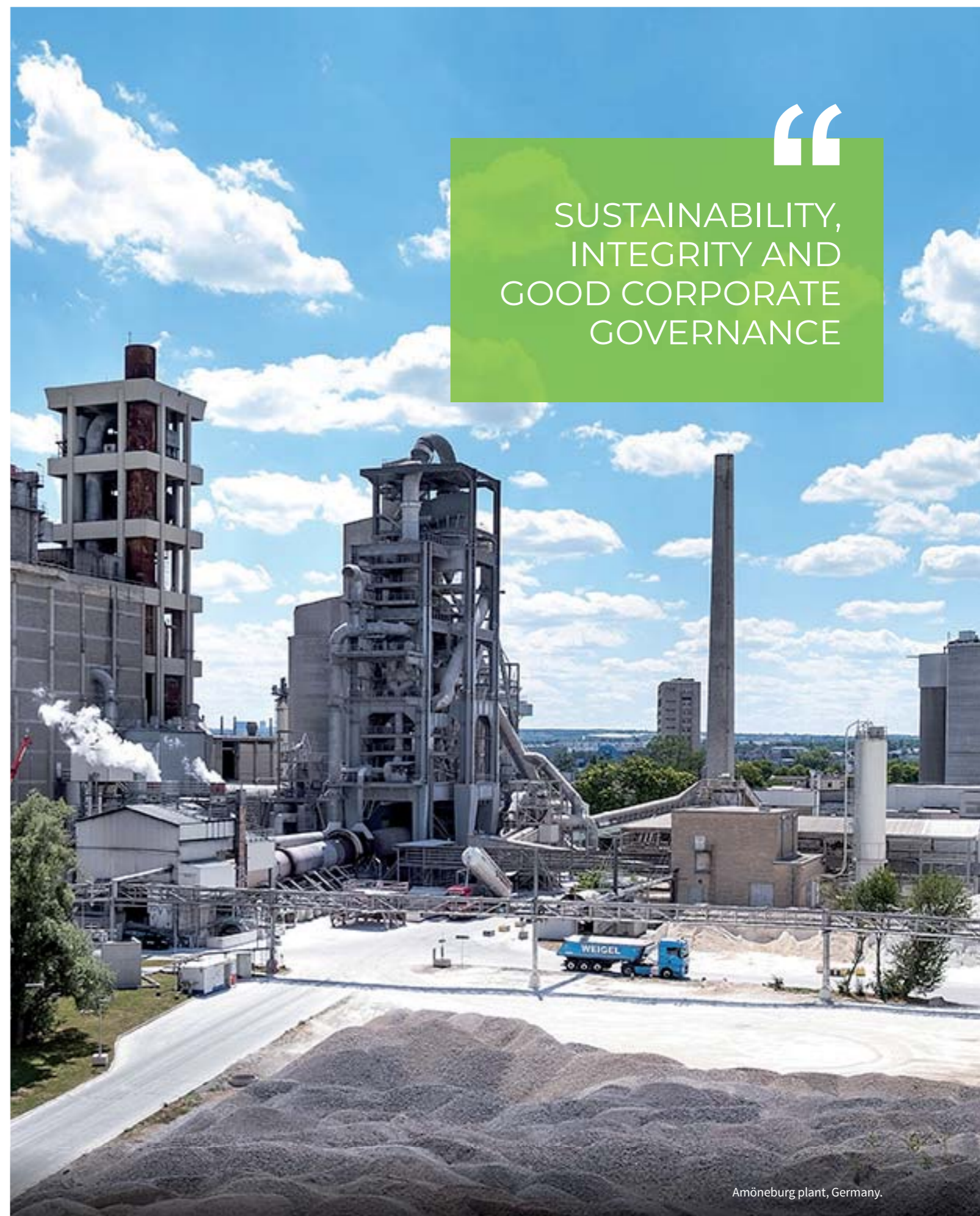
The Board of Directors set up the Committee for related parties transactions - composed of 3 independent Board members - that is responsible for issuing the opinions required by Consob Regulation n. 17221/2010 and as amended. The Board has also adopted the "Procedure for related parties transactions".

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.

Further information, also relating to the role of the Chairman within the organization, the skills and the evaluation process of the Board of Directors, is available in the "Report on Corporate Governance and ownership structure" published, in accordance with the law, on the website of Buzzi Unicem in the "Corporate Governance" section. The "Report on the remuneration policy and remuneration paid" also contains details on the rules and procedures concerning remuneration.



SUSTAINABILITY,
INTEGRITY AND
GOOD CORPORATE
GOVERNANCE



Amöneburg plant, Germany.

CODE OF CONDUCT, INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The Internal Control and Risk Management System is a set of rules, procedures and organisational structures for effectively identifying, measuring, managing and monitoring 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 (for more information on the Code of Conduct see the box below).

CODE OF CONDUCT

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

Buzzi Unicem considers ethics to be an essential part of business management and full compliance with laws is an asset that adds value to the company. Both our strategic and operational decisions are performed according to the ethical values that guide our conduct and applicable standards.

For this reason the Code of Conduct was prepared, with the aim of defining integrity and fairness standards that Buzzi Unicem has voluntarily chosen to implement, as a commitment towards its stakeholders.

The Code applies to the parent Buzzi Unicem SpA and its Italian and foreign subsidiary companies.

The principles contained in the Code apply to all directors, members of corporate bodies, employees, suppliers and any person acting in the name and/or on behalf of Buzzi Unicem including but

not limited to representatives, agents, partners, external consultants, entities appointed by the company, etc. All addressees must follow the guidelines set by the Code when facing and overcoming the ethical and legal challenges that they may encounter in their day-to-day work.

The Code is part of Buzzi Unicem's overall Corporate Governance system, which manages the firm's bodies, principles and processes to ensure that the company is efficiently managed to the highest corporate standards.

Buzzi Unicem encourages its stakeholders to adopt principles and policies consistent with 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:

- ensuring the efficiency and effectiveness of business processes by enabling the appropriate management of risks that may hinder the achievement of business objectives, including those that may be relevant to the sustainability of the Company;
- ensuring the reliability of financial and non-financial information and the internal/external reporting system through the use of processes, procedures and systems enabling the generation of a reliable flow of information within/outside the Company;

Therefore, this definition of Internal Control and Risk Management System has a broader scope; 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 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 and long-term timeframe.

Through a dedicated IT application, Buzzi Unicem 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;
- 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 safety risks;
- technical and production investment risks.



Green shopper handed out at the Built inauguration event, Vercelli, Italy.

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

Among the main risks, we highlight those related to the ongoing war between Russia and Ukraine. In addition, we highlight those arising from the adoption of EU

regulations related to the fight against climate change and, more generally, environmental protection laws and/or regulations. By introducing restrictions on emissions (directly or indirectly), these 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, costs and technologies 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.

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 corporate 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 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.

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



Less significant risks - albeit ones that still require attention - are those for new construction materials, business combinations, fluctuating exchange rates, the scarcity of certain specific professions and availability of alternative raw materials, the granting of licences/permits and epidemics. More details on the medium and long-terms 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 acts as the independent supervisor of the management system but must also 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 Statements, 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.



Visitors at the Built inauguration, Vercelli, Italy.

MANAGEMENT OF RISK CONNECTED TO NON-FINANCIAL FACTORS

Environmental risk linked to climate change.

- Risk: damage to assets, reduced margins, business interruption, reduced competitiveness as a result of physical and transition risks as described in the section "Climate change, energy and CO₂ emissions".
- 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 in line with our decarbonisation roadmap;
 - 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 offering 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, in line with the Code of Conduct.

The Audit Plan covers all countries where Buzzi Unicem operates except Russia where, as a result of the ongoing conflict, all involvement in the operations of active group companies has been discontinued. The 2022 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 country risk and the sector risk and it was 88% completed.

As well as operational audits, there can be unplanned audits that may occur either at the request of the management or following whistleblower reports. For

years, the Company has had an internal reporting system in place for employees to report possible irregularities or breaches to applicable laws using a procedure that has also been applied by its foreign subsidiaries. All reports that submitted by 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 2022 we received 21 whistleblower reports, of which 5 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 locally.

Moreover, in order to harmonise the anticorruption measures adopted in the various Countries, the parent company issued the document "Guidelines for anticorruption training". These guidelines were circulated amongst all the Group's subsidiaries in Italy and abroad for the local management to organize training courses for managers and employees operating in areas where there is a risk of corruption.

In 2022, Italy, Germany, Netherlands, Luxembourg, Ukraine, Russia, Poland, Czech Republic and the United States organised training activities on anti-corruption issues that involved a total of 963 employees, representing approximately 10% of the Group's employees.

In 2022, as in the previous years, 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 Operations Officer.

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 and Ukraine, in Italy we have adopted a database to enable the constant monitoring, assessment and documenting of contacts with competitors in order 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 updated in 2019 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 Italy, three training courses on antitrust issues were held in 2022 for a total of 66 participants.

In Germany, courses were held for sales personnel in the cement and concrete sector, and all new employees are also required to take an e-learning course on antitrust issues that is prepared by the Legal Department. A total of 158 employees were trained during 2022.

In the US, the training took place via an e-learning platform and involved 89 employees.

PENALTIES

No significant penalties were paid during 2022.

Please refer to Additional Note 49 to the Consolidated Financial Statement for information on ongoing legal disputes.

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 a resolution dated 5 November 2021 in order to ensure a uniform management of taxation. The subsidiaries subsequently formalised their adoption of the same with similar resolutions.

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

The Policy is based on the following principles:

- awareness that financial contribution, in terms of correct payment of taxes and duties in the various countries in which the Group operates, represents a prerequisite for the development and prosperity of the respective economies;
- formal and substantial compliance of tax practices with the various applicable laws as well as timely fulfilment of the resulting financial obligations;
- careful calculation of transfer prices and collaboration with the competent tax authorities through a request, where possible, to apply mutual cooperation agreements between States, in accordance with OECD rules;

- transparency in disclosures to all stakeholders, with a detailed illustration of most relevant tax disputes in a dedicated section of the consolidated and statutory Buzzi Unicem financial statement.

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

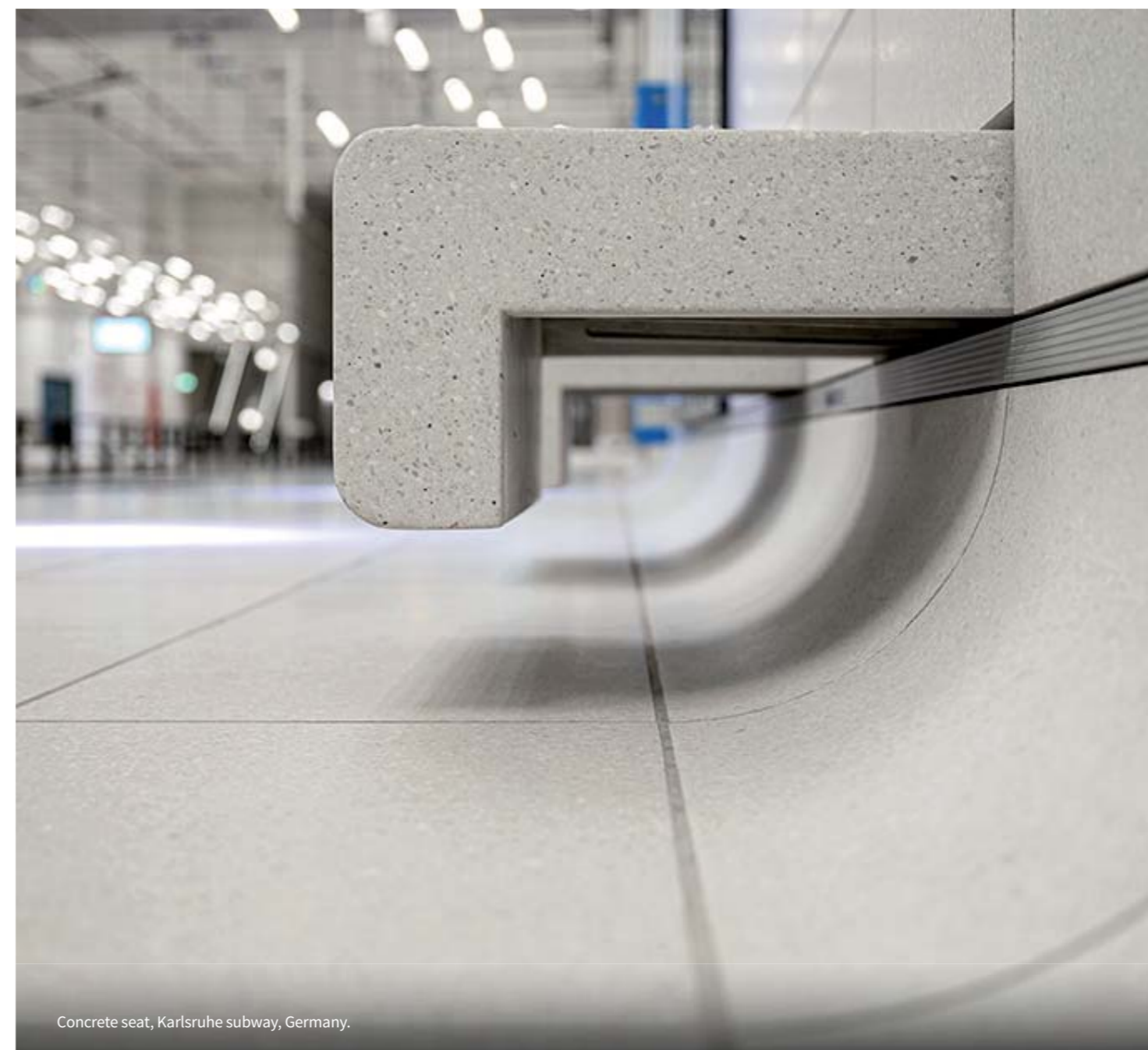
INTEGRATING THE TAXATION APPROACH THROUGHOUT THE ORGANISATION

All Group companies must comply with the tax legislation in force in the various countries in which Buzzi Unicem operates, observing its letter and the underlying logic, in line with the purpose that the regulations intend to pursue.


Any uncertainties in the application of tax rules must be resolved through reasonable interpretations inspired by the principle of legality, seeking independent professional advice, if necessary, and through consultation with the competent tax authorities.

In order to protect the interests of the Company and its shareholders, the correct application of tax rules does not exclude the legitimacy and need to protect, including through litigation, reasonable interpretations which may differ from the guidelines of competent tax authorities. Buzzi Unicem pursues transparency and fairness in its relations with the tax

authorities, ensuring full cooperation during inspections and complete and timely responses to all requests. Intra-group transactions are settled, for tax purposes, on the basis of market prices, as outlined in the OECD Guidelines and are illustrated in the specific documentation “Transfer Pricing Documentation and country-by-country Reporting”.



Concrete seat, Karlsruhe subway, Germany.



“
A CORPORATE CULTURE
CHARACTERISED BY VALUES
OF HONESTY, TRANSPARENCY
AND LEGALITY

Extendable barge loading system, Bennet Lake quarry, United States.

TAX GOVERNANCE, CONTROL AND MANAGEMENT OF RISK

The Board of Directors has the task of supervising Company operations, in strict compliance with the principles of the Code of Conduct and the Group “Tax Strategy”. For the Group companies, this supervision is entrusted to the highest specific governance body of the respective subsidiaries, who are also required to comply with the above guidelines.

The activity of the tax department (procedures and statements) is subject to external audits at an individual entity level on an at least annual basis.

The most significant tax risks are included in the Group's Enterprise Risk Management

system and are monitored every six months. Since 2016 Buzzi Unicem and its subsidiaries have also adopted a whistleblowing policy to identify criticalities in terms of unethical or illegal conduct in all areas of compliance with regulations or provisions, including for tax issues.

The policy identifies the senior executives to whom letters or reports from whistleblowers must be sent and defines the procedures for subsequent investigations, in conformity with the applicable national legislation for the processing of personal data and in order to protect whistleblowers in good faith. In the event of a whistleblowing letter being confirmed, the policy envisages the issuing

of a specific report for the attention of senior executives so that the necessary corrective actions can be taken.

STAKEHOLDER ENGAGEMENT

Buzzi Unicem maintains correct and transparent relations with the competent tax authorities, in line with the approaches the company considers most appropriate in its dealings with all authorities in the countries in which it operates; Buzzi Unicem believes this collaborative approach also helps reduce tax risks and prevents reputational damage. With this in mind, the Company intends to continue to increase its focus on the system for detecting, measuring, managing and controlling tax risks (the risk of infringements of tax regulations or

conduct which is contrary to the principles of the tax system).

Buzzi Unicem participates actively in the activities of its general trade associations that represent and protect the technical and economic interests of the sector with institutions as well as public and private bodies and organisations, by promoting disclosure and information to the public and through their commitment to sustainability.

To ensure the utmost transparency of its disclosures with all categories of stakeholders, Buzzi Unicem dedicates a large section of its individual financial statement and in the Consolidated Group Financial Statement to a detailed illustration of the main tax disputes it is involved in 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 that are directly or indirectly controlled by Buzzi Unicem SpA and included in its Consolidated Financial Statement, as well as the parent company Fimedi SpA and the sub-holding company Presa SpA. The figures shown in the appendix (on pages 98-99) are taken from the Country by Country Report the group is required to file to the Italian tax authority, on behalf of the parent company Fimedi SpA, pursuant to EU Directive 216/881 of 25/05/2016, as implemented in Italy by article 1, paragraphs 145 and 146 of Law 28/12/2015 n. 208 (2016 Stability Law).

The figures included in the Report are prepared in accordance with the IFRS international accounting principles and come from the Consolidated Financial Statements, which are audited by external parties every year. Please note that entities subject to joint control are excluded from the report and that Buzzi Unicem does not operate through permanent establishments.



New maritime lock at Ijmuiden (Netherlands) built with Dyckerhoff cement and concrete.

Environmental aspects

Climate change, energy and CO₂ emissions

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CLIMATE CHANGE, ENERGY AND CO₂ EMISSIONS

Buzzi Unicem is committed to climate change mitigation and for this reason it is important to assess the associated risks and opportunities. To do this, we followed the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), which divides climate-related risks into two main categories: physical risks and transition risks.

Physical risks resulting from climate change can be determined by extreme (acute) events or long-term (chronic) changes. Transition risks arise from the adoption of policies introducing or tightening production and/or market constraints. Depending on their nature, the above-mentioned risks may have different impacts. These can be reputational or financial or related to production and competitiveness.

In 2022, the project initiated by Buzzi Unicem with the support of an external specialist to assess and quantify specific risks arising from climate change, was completed. In line with the recommendations of the TCFD and the European Taxonomy, the work considered both physical and transitional risks.

The project, which was approved by the CEOs, was conducted by a working group and saw the contribution of various staff within the company. First, a preliminary analysis was conducted based on the literature to identify scenarios against which to assess relevant climate-related risks for the cement industry, and determine how to quantify these. This preliminary analysis was supplemented with a benchmarking exercise to check how Buzzi Unicem's approach compares to other large companies. Subsequently, an initial screening of relevant physical and transitional risks was carried out by means of a structured questionnaire. In addition, information was collected on the damage caused by past extreme events related to climatic factors (e.g. floods, heavy rainfall,



ASTM C595 Type 1L (PLC) cement pallets stacked in the warehouse at the Chattanooga plant, United States.

etc.), which allowed us to understand which risks needed to be investigated. In accordance with the guidelines of the TCFD and considering the uncertainties associated with long-term time horizons, we considered two different scenarios: one with continuously increasing CO₂ emissions throughout the 21st century (4°C scenario) and one with CO₂ emissions decreasing to zero by 2100 (1.5°C scenario). The

scenarios were developed by considering climate projections developed by the Intergovernmental Panel on Climate Change (IPCC), data from the International Energy Agency (IEA), and decarbonisation targets set or announced by national policies. The 4°C scenario was particularly relevant for physical risks, while the 1.5°C scenario was particularly relevant for transition risks. The potential impacts of climate change were assessed by considering different time horizons: short-term (up to 2025), medium-term (2030) and long-term (2040-2050).



A PROJECT TO ASSESS AND QUANTIFY SPECIFIC RISKS ARISING FROM CLIMATE CHANGE

PHYSICAL RISKS

The analysis of physical risks took into account those listed in the Taxonomy (Reg. 852/2020/EU and its delegated acts), the European regulation that, as also described on page 80, provides criteria for classifying certain economic activities, including the cement industry, as environmentally sustainable. The study identified the most relevant acute and chronic physical risks, according to the geographical location of each site and assessed their potential damage.



Concrete road in Tennessee, constructed with Buzzi Unicem USA cement.

SIGNIFICANT RISKS

Acute risks

Buzzi Unicem plants are located in several geographical areas, some of which are potentially exposed to extreme weather events (e.g. floods). Climate change could lead to an increase in the level and extent of flooded areas, thereby increasing the risk of material damage.

POTENTIAL IMPACT IN FINANCIAL TERMS AND TIME HORIZONS

Besides causing direct damage to the affected assets, an increase in the level and extent of floods could also lead to a reduction in production and margins. These risks may become significant in the short, medium and long term.

MANAGEMENT OF AND RESPONSE TO THE RISK

The Group carried out a flood risk assessment by identifying the facilities considered to be at risk and quantifying the property damage and potential interruption of operations. In facilities where the risk of flooding was found to be significant, prevention and mitigation plans are adopted.

Chronic risks

In several regions of the world, water availability may decrease due to climate change. This could have an impact on the production process. This risk can become significant in areas of high water stress, where the ratio of total water withdrawals to available water supplies is greater than 40% (according to the Aqueduct Water Risk Atlas of the World Research Institute - WRI). Currently, only a few of Buzzi Unicem's production plants are located in water-stressed areas, but this is set to change in the future, both in the medium and long term. In a pessimistic scenario (WRI Aqueduct), the number of installations in water-stressed areas could double by 2030. Chronic risks due to changing temperature and precipitation patterns were considered triggers for the risks described above.

Plants located in water-stressed areas may face water shortages, and therefore suffer production interruptions and reduced margins. These risks may become significant in the medium and long term.

In order to cope with risks related to water conservation and quality, Buzzi Unicem monitors its consumption and adopts systems for collecting, treating and recirculating rainwater and/or washing water in all its industrial plants regardless of the risk they are exposed to currently or in the future. All plants adopted the Group's guidelines for monitoring and reporting on withdrawals, discharges and consumption from 2020.

TRANSITION RISKS

Cement production involves significant emissions of CO₂ which is a greenhouse gas. In Europe, the Group is subject to the obligations of Emissions Trading System, which already provides for a substantial reduction in emissions and could be further tightened in the future. In other areas of the world, emission taxation systems are being assessed. The fact that approximately 60% of CO₂ emissions in the sector do not come from the use of fossil fuels, means the cement sector is classified as a “hard to abate” sector. New technologies must therefore be evaluated in order to achieve climate neutrality, including CO₂ capture, storage and reuse. Many of these technologies are still at an experimental stage

and may, in the future, present technical obstacles in terms of their implementation inside factories and the unavailability of the necessary infrastructure outside factories. Among the emission reduction measures the Group has put in place, the risk associated with the production of cements with lower clinker content stems from the fact the market may not be quick enough in accepting these products. ESG and climate-related risks are being progressively included in Buzzi Unicem's Risk Management System. This is inspired by COSO guidelines and designed to assess, detect and mitigate significant risks. The system ensures adequate management of risks that could prevent the company from achieving its objectives.

SIGNIFICANT RISKS

Technological Risks

As mentioned above, the current state of development of key technologies for decarbonisation in the sector presents uncertainties that could pose significant challenges in the implementation phase. In particular, the absence of support from policy makers (legislative framework, incentives, adequate infrastructure) may represent a risk.

POTENTIAL IMPACT IN FINANCIAL TERMS AND TIME HORIZONS

Reduction of margins resulting from the incomplete implementation of technological solutions for decarbonisation (e.g. Carbon Capture Utilisation & Storage), adoption of alternative energy sources, reduction of the clinker/cement ratio. These risks may become significant in the long term.

MANAGEMENT OF AND RESPONSE TO THE RISK

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 excellent facilities in the field of scientific research. One example is the European Commission-funded 'Cleaner' project to test a CO₂ capture pilot plant.

SIGNIFICANT RISKS

Policy & Legal Risks

As a global company, Buzzi Unicem is exposed to risks of changing policies and regulations in various countries. The introduction or further tightening of policies to reduce CO₂ emissions, such as emissions trading or taxation systems, could lead to a significant increase in operating costs and a potential need for production rationalisation.

POTENTIAL IMPACT IN FINANCIAL TERMS AND TIME HORIZONS

Reduced margins or loss of competitiveness leading to potential site closures. These risks may become significant in the medium and long term.

MANAGEMENT OF AND RESPONSE TO THE RISK

Through its trade associations, the Group monitors the evolution of policies and regulations in the geographical areas in which it operates. Buzzi Unicem recognises the importance of the commitments made by the international community to limit climate change and has adopted a specific policy and medium-long term plan (roadmap) to reduce its CO₂ emissions and achieve Net Zero by 2050.

Market and Reputational Risks

To date, some decarbonisation options in the sector are limited by existing regulations or the demands of a market that is still not sensitive to climate-related issues. This could slow down our path to Net Zero. At the same time, in the long term, the transition to a low-carbon economy could lead to an increased use of alternative building materials to cement and concrete. Consequently, the slowdown in the decarbonisation process and the emergence of alternative products could negatively affect the market's perception of our commitment.

To date, the market shift towards other construction materials and potential reputational risk are not considered likely to lead to a significant financial impact for Buzzi Unicem.

Buzzi Unicem is constantly striving to make customers and the entire value chain aware of the characteristics of low-carbon products. The Group's research and development activities contribute to the identification of new materials and technologies for significant CO₂ reduction. Furthermore, through its participation in national and international associations, the Group promotes the neutrality approach of building materials through life cycle assessments (LCA). Buzzi Unicem is constantly striving to transparently and effectively communicate its commitments, efforts and information on the subject to all stakeholders.



Zapa Beton batching plant, Czech Republic.

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 1450°C. Energy consumption is influenced by kiln technology and production continuity. In 2022, specific consumption was 4,084 MJ/ton of clinker, which represents a slight reduction compared to the result for 2021 (4,106 MJ/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 secondary 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 three main advantages: it lowers fossil fuel

consumption, reduces CO₂ emissions based on the content of biomass, and eliminates the need to dispose of the waste these fuels derive from. The average figure in 2022 for the Group in terms of thermal substitution was 29.9%, which is higher than the level in 2021 (27.8%). Levels in the United States (21.2%) and Poland (69.4%) improved; in the Czech Republic, the figure was 79.2% and in Germany it remained above 70%. The contribution of energy from biomass in 2022 increased to 7.6% of the total energy consumed (from 7.1% in 2021).

As well as thermal energy, the production of cement requires electrical energy. In 2022, electrical energy requirements accounted for 11.6% of total energy with the percentage of this coming from renewable sources (certified and non-certified) equal to 11.5% (i.e. 1.3% of total energy). Specific consumption of electrical energy in 2022 results 121kWh/t of cementitious product, a value in line with the 2021 result. Total energy consumption, compared to last year, was down due to reduced production in Ukraine.

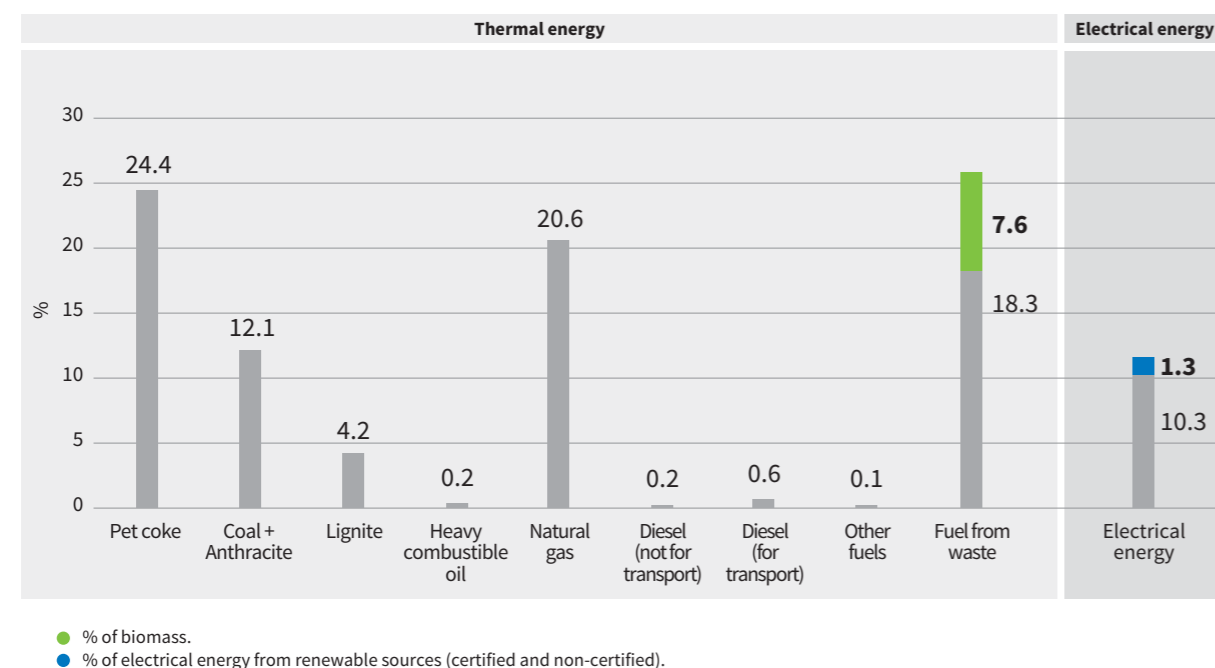


Biomass is considered to be any substance of an organic animal or vegetable matrix that has not undergone any fossilisation process and which can be used to produce energy.

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 (2022)

Total energy consumption (thermal and electrical) was 104,757TJ (115,607TJ in 2021)



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 1450°C.

The most significant share of total CO₂ emissions from the production process of cement comes from so-called direct or scope 1 CO₂.

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 quantity of biomass. Direct emissions are considered gross if they include the fossil component of the alternative fuel. The CO₂ from the biomass component is not recorded since it is considered neutral for climate purposes. On the other hand, emissions are considered net if all the CO₂ from the alternative fuel - from both the fossil and biomass component - is not recorded.

A second portion of CO₂ emissions derives from the electrical energy used in the production process for cement: this is

Thermal energy		2020	2021	2022
Thermal energy consumption	TJ	-	101,289	92,605
Specific thermal consumption	MJ/t clinker	4,138	4,106	4,084
Thermal substitution	%	29.2	27.8	29.9

Electric energy		2020	2021	2022
Electrical energy consumption	TJ	-	14,318	12,152
Electrical energy from renewable sources	%	-	9.8	11.5
Specific electricity consumption	kWh/t cementitious product	123	122	121



Festus plant (Missouri), United States.

known as indirect CO₂ or scope 2 because it takes place in electrical power plants as opposed to cement plants.

A third portion of CO₂ emissions (indirect scope 3) derives mainly from the extraction and production of materials and fuels used in the factory, the delivery of products to customers, outsourced activities, transport-related activities with non-company vehicles, etc.

The following table shows the level of CO₂ emitted in the period 2017-2022 at the Group level, including the distinction between gross and net emissions.

SPECIFIC SCOPE 1 CO₂ EMISSIONS

605 NET

kg/t cementitious product

664 GROSS

kg/t cementitious product



Worker in the Sete Lagoas quarry, Brazil.

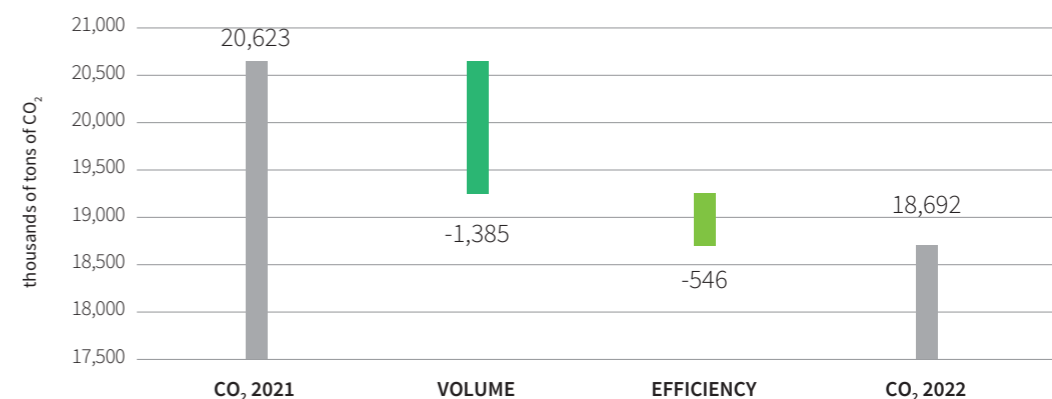
Greenhouse gases emissions		2017 ⁽³⁾	2018 ⁽³⁾	2019 ⁽³⁾	2020	2021	2022
Absolute gross scope 1 CO ₂ emissions ⁽¹⁾	t/000	19,759	19,462	19,944	19,700	20,623	18,692
Absolute net scope 1 CO ₂ emissions ⁽²⁾	t/000	-	-	18,448	17,995	18,933	17,034
Absolute scope 2 CO ₂ emissions	t/000	1,494	1,639	1,704	1,621	1,563	1,526
Specific gross scope 1 CO ₂ emissions	kg/t cementitious product	700	697	688	694	689	664
Specific net scope 1 CO ₂ emissions	kg/t cementitious product	-	-	637	634	633	605
Absolute scope 1 CO ₂ emissions from on-site power generation	t/000	-	-	-	-	-	24

⁽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 fuels are not considered).
⁽³⁾ For the sake of completeness, 2017-2019 data have been recalculated following the inclusion of three plants in the scope following the application of the ETS methodology in all group countries and the extension of fuel-related data collection according to GNR.

Buzzi Unicem shares the goal of achieving climate neutrality by 2050 in line with the stated aim of the Cembureau and GCCA associations, where Buzzi Unicem is an active participant. In 2022, the clinker/cement ratio was 78.2% (80.2% in 2021). The biomass content of alternative fuels has allowed us to avoid reporting 550 thousand tons of emissions of CO₂. In the diagram below CO₂ emissions

in 2022 can be seen to be lower than in 2021 (-1,931 thousand tons of CO₂). Part of this reduction (-1,385 thousand tonnes of CO₂) is due to lower production, but a portion (-546 thousand tonnes of CO₂) is attributable to improved production efficiency. The main contributing factor to this improved production efficiency is the reduction of the clinker/cement ratio in almost all countries.

COMPARISON OF GROSS CO₂ SCOPE 1 EMISSIONS 2021-2022



Quarry operations, Festus plant (Missouri), United States.

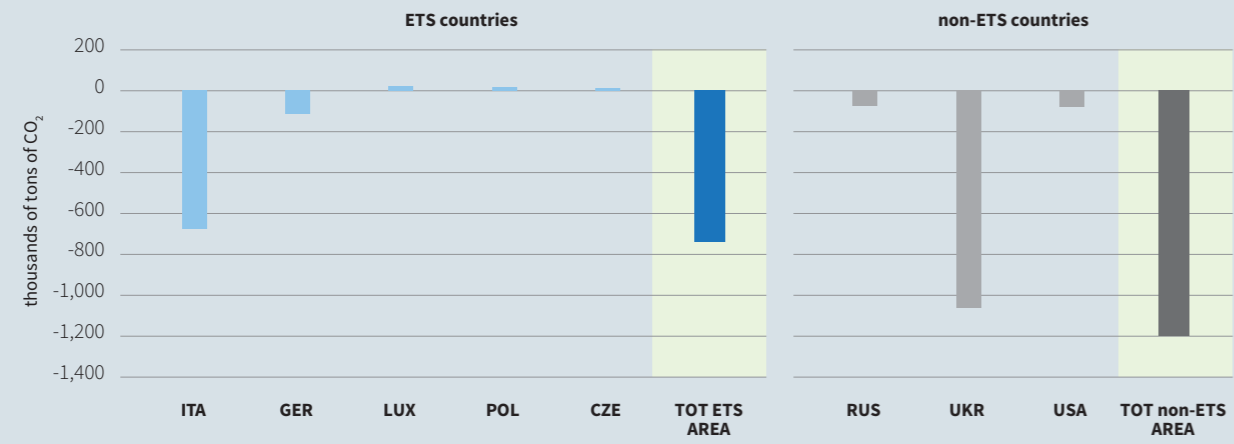


In 2017, Buzzi Unicem announced a target to reduce its specific CO₂ emissions by 5% by the end of 2022, with country-specific reduction initiatives.

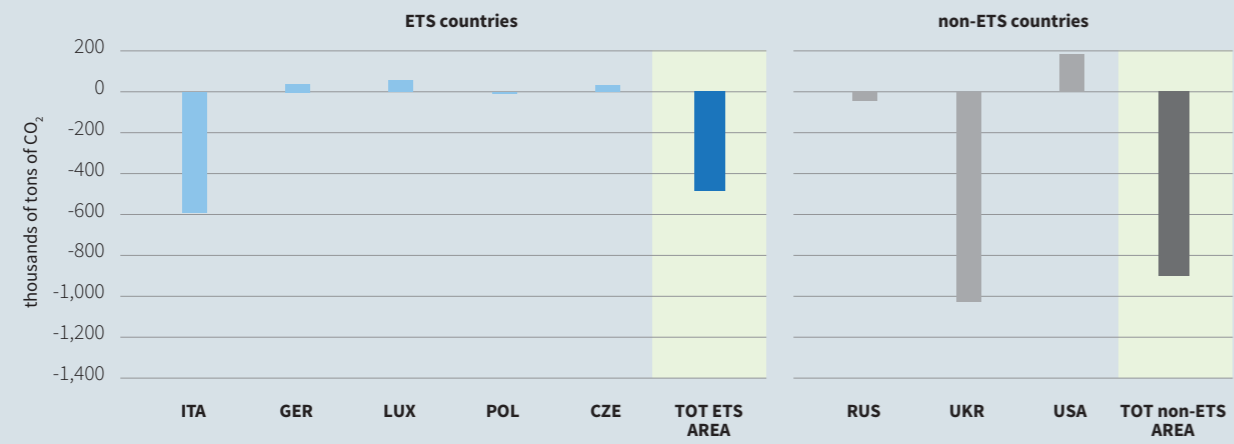
THANKS TO OUR EFFORTS, ESPECIALLY IN THE PAST YEAR, WE CAN CONFIRM THAT THIS REDUCTION TARGET HAS BEEN ACHIEVED.

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.

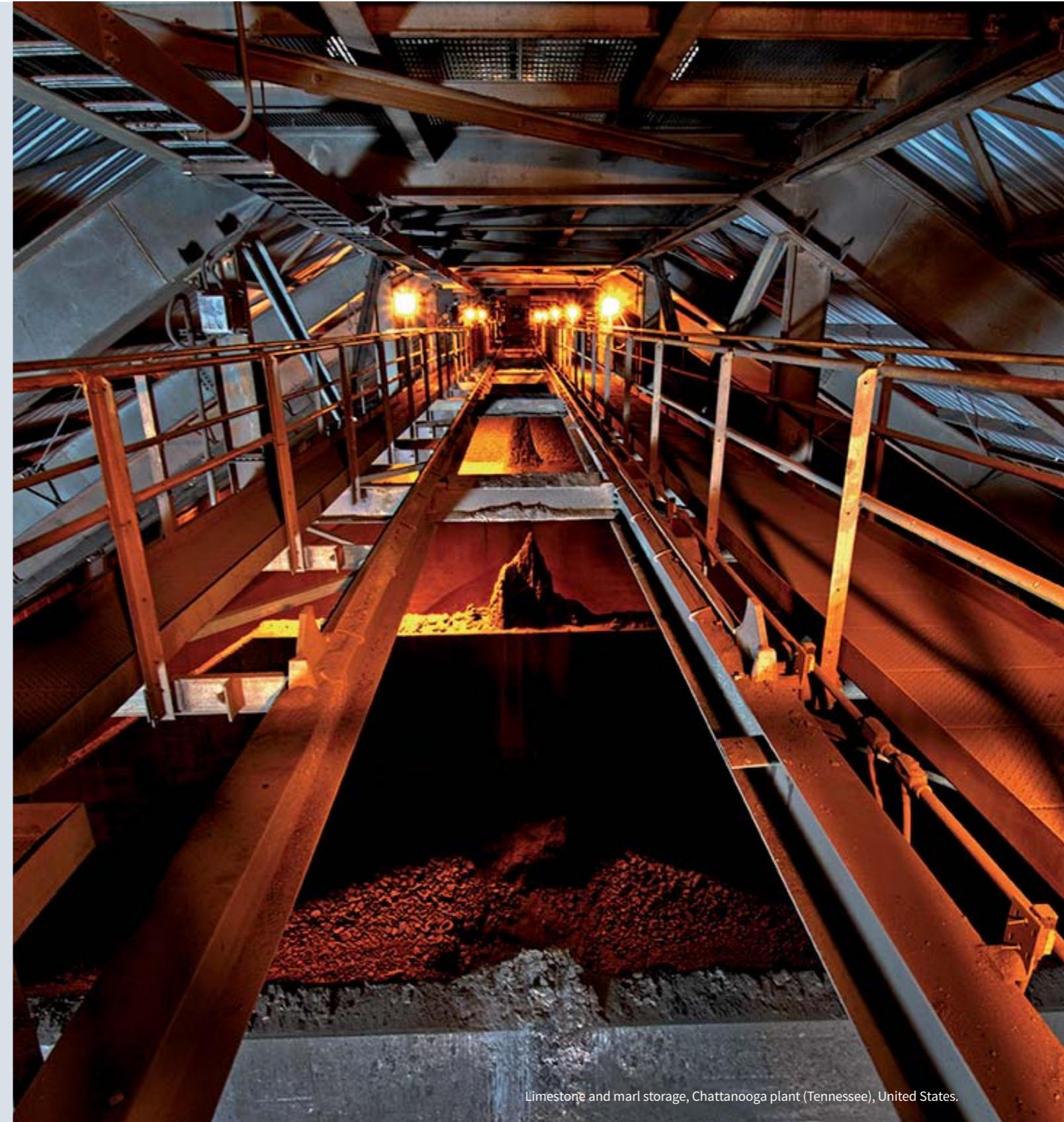
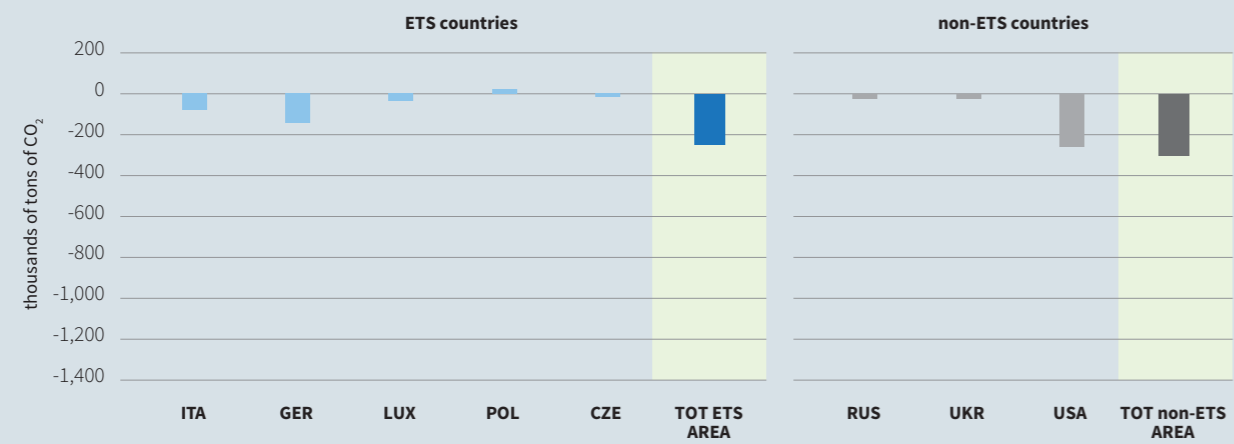
CO₂ gross emissions scope 1: absolute variations (t) compared to 2021



CO₂ gross emissions scope 1: variations (t) due to volumes compared to 2021



CO₂ gross emissions scope 1 variations (t) due to efficiency compared to 2021



Limestone and marl storage, Chattanooga plant (Tennessee), United States.



OUR DECARBONIZATION ROADMAP

Our Roadmap is a long-term plan for decarbonization, in line with the decarbonization goals set in the European New Green Deal. Different levers, with different deployment times and intensity, are foreseen to have the direct or indirect consequence of reducing Scope 1 and Scope 2 CO₂ emissions.

The 2050 final goal is net zero. Moreover, to monitor our decarbonization trajectory we have set an intermediate goal to reduce our specific Scope 1 net emission below 500kg CO₂/t of cementitious product by 2030.

2030 TARGET

SPECIFIC SCOPE 1 CO₂ EMISSIONS

<500 ^{NET}

kg/t cementitious product

The roadmap has been developed considering all companies being part of the scope of consolidation, excluding the Russian ones, due to the current termination of operational control, and including the Brazilian joint venture whose shareholder

agreements would allow the consolidation within the perimeter of Buzzi Unicem before the intermediate term of the Roadmap. Production data include grey clinker only (standard and oil well) which represent more than 99% of the total clinker production, and all cements/binders formulated with it.

Our Roadmap contains commitments and forward-looking statements based on assumptions and estimates. Even if the company believes that they are realistic and formulated with prudential criteria, factors external to its will could limit their consistency (or precision, or extent), causing even significant deviations from expectation. The Company will update its commitments and forward-looking statements according to the actual performance and will give an account of the reasons for any deviation.

More specifically, these are some main conditions that may influence our path to decarbonization:

- for Carbon Capture and Storage infrastructures we envisage a fruitful cooperation of different actors in order to:
 - build and manage the CO₂ transport network;
 - identify storage or reuse sites (e.g. biofuel production);

- gain the acceptance by the public opinion;
- obtain adequate support from the government.

- We assume that clinker substitutes (slag, pozzolan, fly ash, etc.) remain available and at competitive costs.
- Up to 2030, our production scenario takes into account the market forecasts provided by individual countries and we assume an increase of between 5 and 10% between 2030 and 2050 compared to 2021.
- We expect institutional support in permits and specific authorizations to facilitate the use of alternative fuels and the implementation of innovative technologies.
- We expect a greater availability of electricity from renewable sources: our roadmap considers decarbonization plans announced at national level for the electricity sector, which envisage the progressive use of renewable sources and for the residual share of production with fossil fuels the use of CO₂ capture and storage.

We are actively involved, also through sectorial associations, in developing favourable conditions to reach the Roadmap's goals.



Solar panels, Alamo plant (Texas), United States.

CO₂ REDUCTION LEVERS

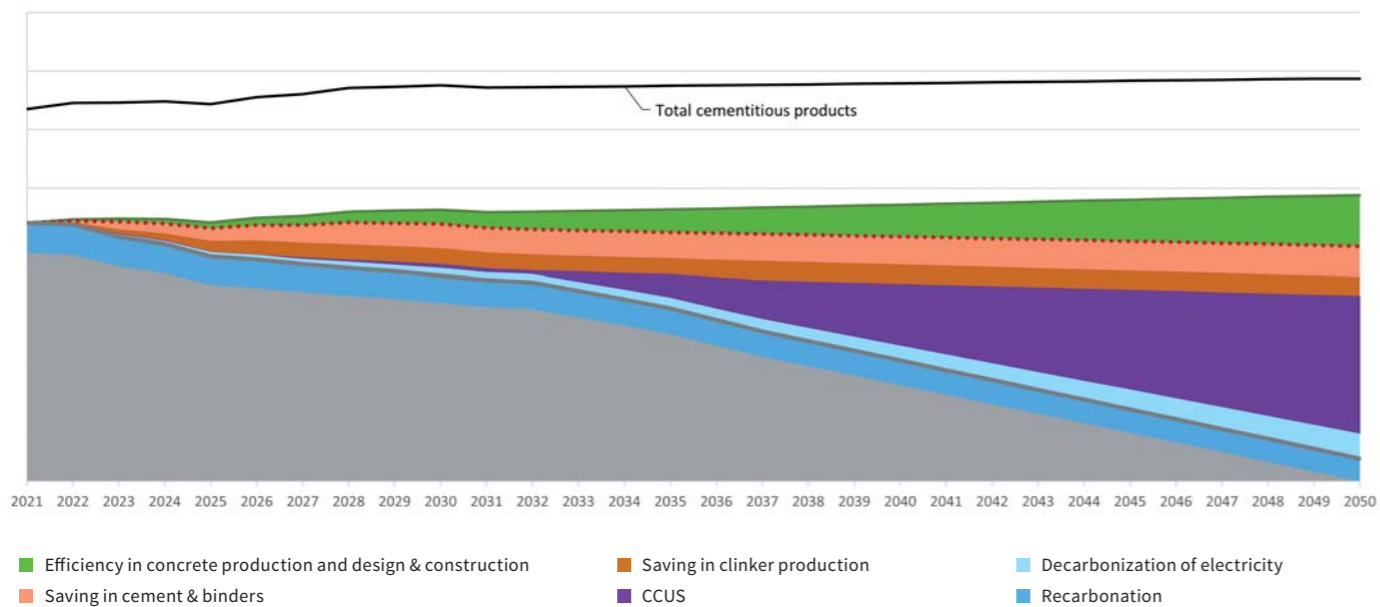
Our Roadmap is built on all the levers recognized for our sector, with reference to regional and global associations roadmaps.

- **Efficiency in concrete production and design & construction:** A more efficient use of cement in concrete and of concrete in design & construction leads to fewer emissions.
- **Clinker content in cements:** Clinker is the constituent of cement whose production entails almost all the emitted direct CO₂. Producing cements with lower clinker content is therefore a way to reduce CO₂ emissions.
- **Savings in clinker production:** CO₂ savings can be achieved through lower thermal energy consumption, waste heat recovery, use of alternative fuels with biomass content and of fossil fuels with lower emission factor.

- **Recarbonation:** This lever consists in a well-known property of cement matrices of “reabsorbing” a part of the CO₂ from the atmosphere due to a chemical reaction which leads to the formation of calcium carbonate.
- **Decarbonization of electricity:** We took into consideration the decarbonization plans announced by many countries which will use more and more renewable sources to produce electricity. We also foresee to produce electricity in our own installations from renewable sources.
- **Carbon Capture, Usage and Storage:** It is the lever to which the higher reduction is entrusted and it is also the one that requires the major investments both for us and for other subjects (private and public) in charge for the construction or adaptation of transport infrastructures, storage or possible reuse of CO₂.

2050 TARGET

NET ZERO



WE'VE HAD OUR SCIENCE-BASED TARGET APPROVED



Science Based Targets initiative (SBTi) is a collaboration between the Carbon Disclosure Project CDP (a non-profit organization that manages the reporting scheme on environmental issues), the Global Compact, the World Resources Institute (WRI) of the United Nations and the World Wide Fund for Nature (WWF).

SBTi defines and promotes best practices in identifying targets for reducing carbon dioxide emissions, independently certifying those set by companies. SBTi's validation team reviewed our scope 1 and 2 targets and determined that they are in line with a trajectory of containing global temperature rise well below 2°C.

We are proud that, as part of our final "Net Zero" target by 2050, our interim targets for 2030 have been approved, placing us among the leaders in the transition to a "low carbon" economy.

The validation process, which ended in March 2023, represented, on one hand, an important moment of comparison and deepening of all the issues we addressed in describing and quantifying the decarbonization levers; on the other, a recognition of the integrity of our analysis, as well as an opportunity for exchange with SBTi for a constant improvement of our entire sector's action on the urgent issue of containing the rise in temperatures.

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, gypsums, and pozzolans. In compliance 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; contributing to a reduction of global CO₂ emissions. In 2022, the percentage of natural materials replaced for the production of binders stood at 9.4%, up slightly compared to the result for 2021 (9.0%).

Considering also the replacement of fossil fuels with alternative fuels derived from civil or industrial waste, the company's contribution to process circularity is 11.3%, calculated as a percentage of mass substitution of materials.

For the production of concrete, the raw materials used are essentially aggregates, (sand, gravel and coarse aggregate). Concrete too can provide a significant contribution to the circular economy. It is possible to replace part of the natural materials 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 separate k/c values for concrete: the first refers to cement alone (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, THE CLINKER CONTENT IN 2022 WAS

194kg/m³

For the production of concrete in 2022, Buzzi Unicem used 433 thousand tons of recovered aggregates (432 thousand tons in 2021). The average cement content was 301kg/m³ (298 kg/m³ in 2021).



Consumption of raw materials in cement		2020	2021	2022
Clinker/cement ratio	%	80.9	80.2	78.2
Natural raw materials in cement and clinker	t/000	40,127	42,418	39,330
Non-natural raw materials in cement and clinker	t/000	3,997	4,182	4,059
Ratio of non-natural raw materials/total raw materials	%	9.1	8.97	9.4
Substitution rate of materials and fuels	%	11.0	10.8	11.3
Consumption of raw materials in concrete				
Cement content in concrete	kg/m ³	301	298	301
Clinker content in concrete	kg/m ³	209	196	194
Cementitious product content in concrete	kg/m ³	-	335	338
Ratio of clinker/cement in concrete	%	69.3	65.7	64.6
Ratio of clinker/cementitious product in concrete	%	62.5	58.4	57.5
Recovered materials and aggregates in concrete	t/000	372	432	433

WASTE MANAGEMENT

The cement production cycle generates two types of waste:

- **Dust from production process.** These are dusts containing 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 activities.** Given their origin it is possible for there to be a significant year-on-year variation that is not connected to the production process. Buzzi Unicem's daily commitment is thus focused on increasing waste selection and differentiation.

THE PERCENTAGE OF WASTE RECYCLED IS

>80%

in 6 out of 8 countries

The value of the indicator for waste produced per ton of cementitious product in 2022 was 6.1kg (5.8kg/t of cementitious product in 2021). This value is affected significantly by the countries where dusts from the production process have to be managed as waste.

Waste management

		2020	2021	2022
Waste recovered	t/000	47.5	53.4	43.6
of which dust from production process	t/000	-	16.4	15.9
Waste disposed	t/000	88.5	121.3	127.2
of which dust from production process	t/000	-	107.2	115.0
Total weight of waste by type and disposal method	t/000	136.0	174.7	170.8
of which dust from production process	t/000	-	123.6	130.9
Waste produced per ton of cementitious product	kg/t cementitious product	4.8	5.8	6.1
of which dust from production process	kg/t cementitious product	-	4.1	4.6

PRODUCT LIFE CYCLE (LCA/EPD)

Measuring the environmental impact of products is the basis of the Green Public Procurement Policies around the world. The diffusion 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.



Educational experience at the Guidonia plant quarry (Rome), Italy.

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 increases in production plants with wet-process kilns (Volyn and Yug plants in Ukraine and Suckhoi Log and Korkino in Russia) and semi-wet kilns (Greencastle plant in the United States). 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. Although the specific water consumption in 2022 was 283 litres per tonne of cementitious product compared to 275 in 2021, there was an increase in the percentage of rainwater withdrawals in total water used for industrial purposes. The ratio increased from 9.8% in 2021 to 11.3% in 2022, corresponding to about 2.3 million m³ (1.9 million m³ in 2021).

As part of the climate change risk assessment project (pages 54-59), sites in high water stress areas were identified. In 2022 these sites consumed 1,939 thousand m³ of water.

Water stress involves the capacity, or otherwise, to satisfy human and ecological demand for water and is measured as a ratio between total water withdrawals and available water resources from surface and underground sources in a specific

area. Higher levels indicate a high level of competition in the procurement of water.

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 normal sources of procurement (groundwater, rivers, aqueducts) and total concrete production is 208l/m³, compared 202l/m³ in 2021.

Water consumption in the production of cement		2020	2021	2022
Water withdrawn	m ³ /000	-	19,759	20,384
Water discharged	m ³ /000	-	11,520	12,420
Total water consumption	m ³ /000	8,597	8,239	7,964
of which water consumed in water-stressed areas	m ³ /000	-	1,961	1,939
Specific water consumption	l/t cementitious product	303	275	283
Water recovered	%	29	-	-
Rainwater recovered	%	-	9.8	11.3

Water consumption in the production of concrete		2020	2021	2022
Water withdrawn	m ³ /000	-	2,429	2,385
Water consumption	m ³ /000	1,418	1,470	1,450
Average water content in concrete	l/m ³	-	170	174
Water withdrawn/production of concrete	l/m ³	215	202	208

MANAGEMENT OF OTHER ATMOSPHERIC EMISSIONS AND LOCAL IMPACTS

Buzzi Unicem uses constant emissions monitoring systems (EMS) to measure the main pollutants such as nitrogen oxides (NOx), particulate matter, sulphur dioxide (SO₂), and mercury (Hg).

The use of EMS 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 2022, monitoring coverage is the following: dust at 65% (68% in 2021), NOx at 95% (same as 2021), SO₂ at 89% (85% in 2021) and Hg at 46% (58% in 2021).

In 2022, the average value for dust emissions fell to 33g/t clinker compared to 56g/t clinker in 2021. This improvement is influenced by reduced production in Ukraine. In Italy, Germany, Czech Republic and Poland average values remained less than 10g/t of clinker.



Energy management technicians, Amöneburg plant, Germany.

THE AVERAGE WATER CONTENT IN CONCRETE WAS

174 l/m³

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 burners, enables compliance with strict emission limits. In 2022, the average value for Buzzi Unicem increased to 1,238g/t clinker (from 1,190g/t clinker in 2021) due to the increase in values in Ukraine and Russia. Italy, Germany, Luxembourg, Poland and Czech Republic had an emission factor of less than 1,000g/t clinker.

Sulphur dioxide (SO₂) emissions comes from sulphur contents of natural resources and fuels. The average emission factor was 165g/t clinker (it was 160g/t clinker in 2021). In Germany, Luxembourg, Russia and Ukraine emission levels remain below 40 g/t clinker. Finally, the average mercury (Hg) emission was 20 mg/t clinker (it was 18 mg/t clinker in 2021).

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 2022, monitoring of noise emissions was carried out in 57% (45% in 2021) 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 €305,000 (€329,000 in 2021). 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

		2020	2021	2022
Absolute emissions of dusts	t	910	1,365	733
Absolute emissions of NOx	t	28,168	28,806	27,492
Absolute emissions of SO ₂	t	4,280	3,866	3,671
Absolute emissions of Hg	kg	470	446	438
Specific emissions of dusts	g/t clinker	40	56	33
Specific emissions of NOx	g/t clinker	1,224	1,190	1,238
Specific emissions of SO ₂	g/t clinker	186	160	165
Specific emissions of Hg	mg/t clinker	20	18	20
Continuous monitoring coverage for dusts	%	66	68	65
Continuous monitoring coverage for NOx	%	95	95	95
Continuous monitoring coverage for SO ₂	%	85	85	89
Continuous monitoring coverage for Hg	%	59	58	46
Monitoring coverage for noise	%	47	45	57

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.

Following these criteria, in areas of natural interest, in 74% of active cement quarries Buzzi Unicem adopts mitigation and/or compensation actions based on an environmental impact assessment according to Directive 2011/92/EU or equivalent regulations in non-EU countries. In a further 4% of its active cement quarries, environmental

impact mitigation plans are adopted on a voluntary basis.

32% of active cement quarries are located in or near biodiversity-sensitive areas. At all these sites, mitigation measures are put in place to protect and conserve biodiversity. In 75 % of cases, these measures derive from requirements in accordance with the Birds Directive (2009/147/EC) and the Habitats Directive (92/43/EEC), or equivalent regulations in non-EU countries.

Regardless of regulatory obligations, our commitment is to continue to protect and preserve the ecosystems within and near the sites where we operate.

ENVIRONMENTAL CERTIFICATIONS

The choice to adopt environmental management systems demonstrates the company's commitment in terms of its focus 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 66% of our cement sites has an ISO 14001 or equivalent certification issued by an independent accredited organisation.



Biodiversity at the Geopark Dachsberg, Göllheim, Germany.

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; and
- the protection and restoration of biodiversity and ecosystems.

Non-financial companies involved are all connected to the approximately 70 economic activities that are defined as “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 the technical screening criteria that have been established by the Commission.

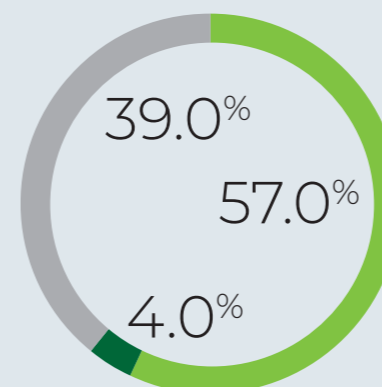
In a context that is still evolving, as of June 2021, an initial delegated act was adopted which covers the first two objectives - climate change mitigation and adaptation. Through additional delegated acts, not yet published in 2022, the European Commission will establish criteria for the remaining four targets.

In accordance with current provisions, we hereby report in the following diagrams the percentages of eligible and aligned turnover, operating expenditures and capital expenditure in terms of the overall activity. The alignment assessment covered each production plant and each eligible product. Intra-group transfers and both objectives (mitigation and adaptation) were considered only once in the calculation to avoid double counting. We also verified for each plant and for the company as a whole that the production of aligned products does not significantly harm any of the other environmental objectives and is carried out in accordance with the minimum standards set by the OECD and the UN (as shown in the table on pages 108-110).



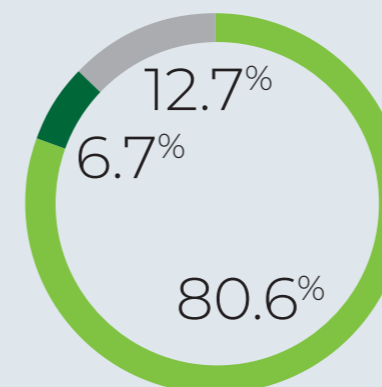
TAXONOMY, THE EUROPEAN REGULATION TO GUIDE THE FINANCIAL INVESTMENTS TOWARDS SUSTAINABLE ECONOMIC ACTIVITIES

TURNOVER



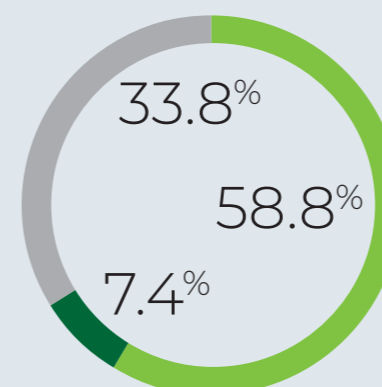
* The group turnover that is eligible for Taxonomy purposes is calculated as net revenues from external customers deriving from sales of cement. The eligible turnover was compared with consolidated net revenues (Consolidated Financial Statement, note 7), which also include non-eligible activities, like the transport and sale of ready-mix concrete and aggregates. The aligned turnover in terms of mitigation or adaptation targets is the share of turnover from the production of eligible products that generated emissions equal to or below the thresholds set by the Taxonomy, i.e. 0.722 t CO₂ per ton of clinker or 0.469 t CO₂ per ton of cement.

OPERATING EXPENDITURES



* Taxonomy-eligible operating expenditures are costs for maintenance, repair, consumables, and research and development related to cement production. In addition to the above-mentioned items, the total consolidated operating expenditure also include the costs of non-eligible activities, such as the production of ready-mixed concrete and aggregates. The share of operating expenditures concerning the maintenance of property, plant and equipment for the production of the aligned products is aligned with the Taxonomy. In addition, eligible expenditures related to projects within the scope of “Our Journey to Net Zero” roadmap (pages 68-71) are considered aligned, provided these projects are instrumental in aligning economic activities with the 2030 Taxonomy. Eligible operating expenditures related to the purchase of production goods for an aligned economic activity are also considered aligned.

CAPITAL EXPENDITURES



* Capital expenditure for properties, plant and machinery and the increase in right-of-use assets relating to the production of cement are deemed eligible in accordance with the Taxonomy. Total consolidated capital expenditure and the increase right-of-use assets also include capital expenditure on non-cement assets (Consolidated Financial Statement, page 46). Taxonomy-aligned capital expenditure is the share of eligible capital expenditure associated with the production of aligned products. Furthermore, eligible capital expenditure falling within the scope of the roadmap 'Our Journey to Net Zero' (pages 68-71) is considered aligned provided the respective projects align economic activities with the 2030 Taxonomy. Eligible capital expenditure relating to the purchase of goods that are the result of an aligned economic activity.

■ ELIGIBLE ■ ELIGIBLE ALIGNED ■ NOT ELIGIBLE

* The ongoing evolution of European taxonomy criteria could result in changes to definitions over time.

In 2022 at Group level, the percentage of turnover aligned with the Taxonomy, calculated as described above, is equal to 4.0% of the total and 6.6% of the eligible. The aligned operating expenditure are equal to 6.7% of the total and 7.6% of the eligible, while the alignment of capital expenditure is equal to 7.4% of the total, which corresponds to 11.1% of the eligible.

If the part relating to the supply of cement to its own concrete plants not considered

in the Taxonomy is also included in the evaluation, the percentages rise for turnover to 6.4% of the total and 9.4% of the eligible, for operating expenditure to 7.8% of the total and 8.9% of the eligible, for capital expenditure 8.0% of the total and 12.2% of the eligible.

These data are influenced by the local market demands of cement business. Product regulatory requirements, fields of application and market habits are very

different from region to region. For these reasons, in non-EU countries not all the Taxonomy criteria are met and this results in an alignment of 0%. Considering only our activities in European countries, the percentage of turnover aligned with the Taxonomy is equal to 7.8% of the total, and 16.1% of the eligible. As far as operating expenditure are concerned, the aligned percentage is equal to 12.8% of the total, and 15.6% of the eligible, while for capital expenditure, the aligned percentage is

equal to 17.2% of the total, and to 24.3% of the eligible.

Also considering the part relating to the supply of cement to its concrete plants not included in the Taxonomy, for our activities in European countries the percentages become 12.4% of the total for turnover and 20.8% of the eligible, for operating expenditure 15.0% of the total and 18.2% of the eligible, for capital expenditure 18.9% of the total and 26.6% of the eligible.



Cultivating succulent plants, Cerritos plant, Mexico.



Social event for the Dia do Bem, Pitimbu, Brazil.

Social aspects

Occupational health and safety

86

Human resources

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Supply chain and human rights

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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 there to be 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 can be seen by the fact that 64% of our cement sites are covered by management systems that are compliant with OHSAS 18001 or ISO 45001 international standards.

One of the principles of these standards is continuous improvement, which requires a constant reassessment of risks through regular compliance controls and the resulting adoption of actions necessary to avoid the occurrence of risk situations, and corrective measures.

An additional 30% of cement sites has 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 also those involving employees and contractors. Aside from this, these systems also collect information on the adopted corrective measures. Data and trends are analysed on a quarterly basis at a Group level and reported to the Board of Directors by the Operations CEO along with details of the more serious injuries.

During the course of 2022, the guidelines for managing near misses and the "Safety Alert Communications" procedure, governing the sharing of accidents' information within the Group, are increasingly consolidated and pivotal for guiding prevention activities and reinforcing safe behaviour.

We have improved health surveillance systems to minimise or eliminate the risk factors workers are exposed to in their



Zadbaj o swoje bezpieczeństwo

Zachowaj ostrożność podczas wykonywania prac przy wymienniku ciepła. Nieostrożne zachowanie może doprowadzić do poważnych obrażeń skóry lub oczu, które mogą mieć wpływ na całe Twoje życie. Chroń się przed takimi wypadkami, nosząc zawsze odpowiednie wyposażenie ochronne.

Together for safety.

▶ POPATRZ
▶ POMYŚL
ZRÓB TO LEPIJ

"Look carefully, think, do better" international campaign.

professional activities. This initiative contributed to closing 2022 with no cases of occupational diseases.

In order to achieve the objectives of the safety policy, everyone's cooperation is required, which is why we favour, wherever possible, the participation of workers in activities to promote and foster a safety culture.

136,634

HOURS OF TRAINING ON HEALTH AND SAFETY ISSUES

In 2022, a total of 136,634 hours of training courses were provided on health and safety issues, which represents 46% of total training hours, and involved 7,813 workers (82% of the total).

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 2022, Buzzi Unicem reported two fatal injuries involving one of our employees in the Czech Republic and one employee of a contractor in Russia.

Fatalities ⁽¹⁾		2020	2021	2022
Onsite accidents				
Employees	no.	0	1	1
Contractors	no.	2	1	1
Third parties	no.	0	0	0
offsite accidents - employees	no.	0	0	0

⁽¹⁾ Starting from 2022, according to the GCCA guidelines, we report only onsite accidents or those involving our employees.

The TIFR index was up (+10%) on a year-on-year basis while the LTIFR value was in line with last year figure, 4.9. In general, as far as the frequency of accidents is concerned, the trend over the last three years has been stable, while the number of accidents with absence from work was 120, a decrease compared to 2021 (131).

The severity index (SR) is broadly the same

as last year's figure: 0.38 against 0.36 recorded in 2021.

To monitor the severity of accidents, we also record the number of injuries requiring or which were deemed to require more than six months for a complete recovery: in 2022 this figure was 9 for our own employees and 2 for our contractors.

Safety indicators, employees and contractors		2020	2021	2022
Total injuries (with or without absence from work)	no.	288	272	283
Injuries causing absences from work	no.	125	131	120
Injuries with serious consequences	no.	-	12	11
Lost (calendar) days	days	7,093	9,391	9,274
TIFR ⁽¹⁾	-	11.2	10.4	11.5
LTIFR ⁽²⁾	-	4.8	5.0	4.9
SR ⁽³⁾	-	0.27	0.36	0.38

⁽¹⁾ TIFR (Total Injury Frequency Rate) = total number of injuries with or without absence from work divided by hours worked and multiplied by 1 million.

⁽²⁾ LTIFR (Lost Time Injury Frequency Rate) = total number of injuries with absence from work divided by hours worked and multiplied by 1 million.

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

Data for the two participations 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 pages 112-113.



HUMAN RESOURCES



THE CENTRAL ROLE OF PEOPLE, IN TERMS OF THEIR CHARACTERISTICS AND DIVERSITIES, IS ONE OF THE FOUNDING VALUES OF THE GROUP

WORKING CONDITIONS AND EMPLOYMENT DATA

The number of employees for Buzzi Unicem at the end of 2022 (within the scope of companies consolidated with the line-by-line method) was 9,487 (it was 9,664 in 2021). Globally, there are three main areas in which the Company operates: Europe, United States of America, Russia and Ukraine (each area has about a third of the workforce). The countries with the highest number of employees are: USA (2,274), Germany (1,796), Italy (1,538), Russia (1,556) and Ukraine (981). 94.7% of total contracts, are permanent contracts (95.5% in 2021). 97.1% are full-time contracts (97.2% in 2021). The turnover rate, which is calculated as the

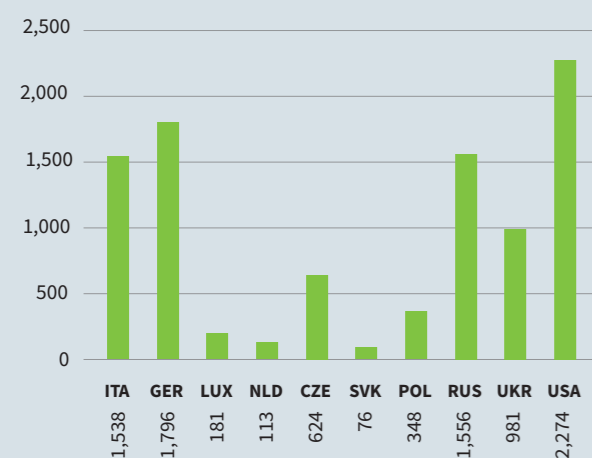
total number of terminations compared to the workforce at the end of the year, increased: 18.4% (15.4% in 2021). The US turnover rate went from 27.2% in 2021 to 32.0% in 2022, and was as high as 65% for blue collar workers in the ready-mix concrete sector, particularly for drivers. In terms of staff selection, even in 2022 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, as established by its Code

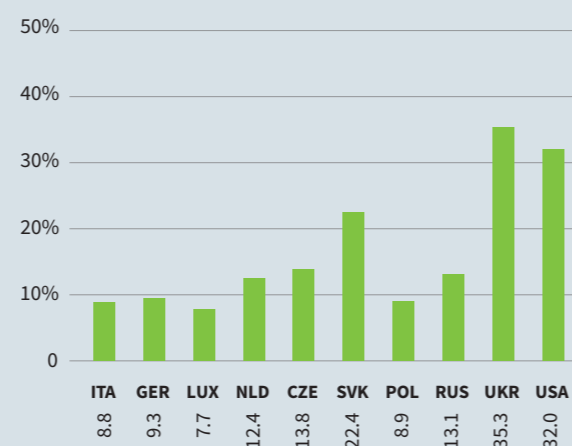
		2020	2021	2022
Total headcount	no.	9,683	9,664	9,487
Open-end contracts	no.	9,275	9,232	8,983
Fixed-term contracts	no.	408	432	504
Full-time	no.	9,422	9,390	9,212
Part-time	no.	261	274	275
Total terminations	no.	1,285	1,491	1,742
Turnover rate	%	13.3	15.4	18.4
Total new hires	no.	1,116	1,476	1,446
Hiring rate	%	11.5	15.3	15.2

Headcount by country 2022



GROUP TOTAL 9,487

Turnover rate 2022



GROUP TOTAL 18.4%

of Conduct. Meritocracy, awareness and accountability are the pillars on which our employees' development is based. At Buzzi Unicem we reject any form of discrimination and 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.

In 2022, the European Works Council (EWC), the advisory and information body for all workers in the European Union, continued its work, remotely in February.

In Italy, all cement production sites have trade unions representatives (RSU) whose relationship with the company has historically been characterized by transparency and a spirit of collaboration. 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. Working conditions and terms of employment of our employees that are not covered by a collective bargaining agreement are determined based on national laws and regulations.

Collective bargaining		2020	2021	2022
Employees covered by collective bargaining agreements	no.	7,881	7,890	7,725
Coverage	%	81.4	81.6	81.4

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.

Training

		2020	2021	2022
Total hours of training	hours	183,403	322,274	295,557
Average hours of training per capita	hours	19	33	31
Management	hours	19	25	30
<i>Men</i>	hours	17	24	29
<i>Women</i>	hours	29	32	38
White collars	hours	21	31	32
<i>Men</i>	hours	22	33	33
<i>Women</i>	hours	18	24	30
Blue collars	hours	18	36	32
<i>Men</i>	hours	18	36	32
<i>Women</i>	hours	11	24	24



IN 2022 AT THE GROUP LEVEL

31 HOURS OF TRAINING WERE PROVIDED PER CAPITA

295,557 HOURS OF TRAINING



Built staff at the Research Awards, Casale Monferrato headquarters (AL), Italy.

SUPPLY CHAIN AND HUMAN RIGHTS

The majority of the goods and services purchased by the Group are fuels, electrical energy, raw materials, spare parts, logistics and services. Whenever possible and for specific types of goods, preference is given to local suppliers.

We are fully aware that a sustainable business approach requires the involvement of our supply chain. This is also demonstrated by the fact that the Group's Safety Policy also applies to contractors. In all countries in which we operate, aside from technical and economic considerations, our relations with suppliers are based on the sharing fundamental ethical values, in particular those set forth in our Code of Conduct.

Since February 2019 the new Code of Conduct approved by the Board of Directors is in force. This applies to Buzzi Unicem S.p.A. and all its Italian and foreign (please refer to page 40 for more detailed information). The Code sets out the essential principles of integrity and fairness, including a focus on respect for human rights.

The obligation to comply with these principles applies to directors, members of corporate bodies, all 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.

For Buzzi Unicem, respecting human rights means guaranteeing human dignity, safety and health, equal working conditions, recognizing the value of each person and valuing diversity for an inclusive growth. We are aware that mere compliance with the law is not enough.

The importance of human rights for Buzzi Unicem is demonstrated by:

- the express commitment in our Code of Conduct (see page 7 of the Code of Conduct); and
- the whistleblower mechanism for reporting cases of human rights violations, can be used by our employees as well as people outside the company.



Employees from the Matozinhos plant (Brazil) involved in local community activities on the Dia do Bem.

A CODE OF CONDUCT
AS A COMMITMENT TO
STAKEHOLDERS

Looking ahead, we intend to intensify our efforts to ensure that our approach is in line with forthcoming regulations. In addition to the Taxonomy and its minimum safeguards, the European Commission recently published a proposal for a Directive on Corporate Sustainability Due Diligence, which will require EU Member States to pass legislation at a national level on human rights and environmental due diligence obligations for companies.

Therefore, we will soon implement further initiatives aimed at:

- assessing human rights risks (particularly those related to gender inequality and violence and harassment in the workplace);
- adopting human rights due diligence procedures which are also extended to our supply chain; and
- establishing a compliance committee to discuss and approve corrective measures in the event of proven violations.



Alamo plant, Texas, United States.

Appendixes

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PERFORMANCE INDICATORS

COUNTRY BY COUNTRY REPORT

2021 FIGURES FOR BUZZI UNICEM GROUP
(amounts in euro)

Tax jurisdiction	Revenues		Total	Profits or (losses) before income taxes	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
	Unrelated party	Related party								
1. Italy ^(*)	640,165,750	89,994,318	730,160,068	331,378,503	4,951,252	1,874,992	266,719,835	1,369,193,729	1,555	348,793,756
2. Algeria	0	31,318	31,318	-12,046	0	0	19,059	-89,338	0	744
3. Netherlands	81,792,366	18,121,085	99,913,451	-58,713	31,974	10,839	166,714	12,041,230	117	12,999,680
4. Germany	747,231,640	117,345,766	864,577,406	212,596,255	33,070,034	24,887,443	133,655,862	143,699,952	1,770	416,678,258
5. France	12,990,495	1,470,586	14,461,081	-50,232	80,133	277,875	680,000	7,843,869	30	8,668,338
6. Luxembourg	109,633,489	1,920,640	111,554,129	25,401,645	3,267,166	1,880,516	29,900,000	24,655,057	164	66,638,675
7. Czech Republic	160,327,167	28,714,887	189,042,055	43,144,070	9,626,080	8,895,156	32,601,951	60,485,360	638	72,277,864
8. Hungary	435,574	696	436,269	-141,722	0	-37	16,488	-383,381	7	888,329
9. Poland	128,873,920	6,566,831	135,440,751	27,432,954	5,100,719	5,681,851	15,351,887	18,361,992	350	57,100,311
10. Russia	211,399,421	10,269,448	221,668,870	52,640,243	10,995,358	11,540,419	9,781,237	43,123,414	1,446	171,608,336
11. Slovakia	20,543,657	75,286	20,618,943	-678,025	7,936	4,615	11,859,396	-6,315,719	75	9,164,235
12. Ukraine	129,396,960	8,718,694	138,115,654	6,256,884	0	11	9,397,298	5,615,432	1,266	46,273,183
13. USA	1,347,847,381	411,914,901	1,759,762,282	330,358,818	61,494,499	47,567,152	511,851	3,765,769,507	2,246	1,964,153,989
14. Cuba	-	-	-	-	-	-	-	-	-	-

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

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 2021 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 (2021)

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 SA	Current business unknown*
	Proyectos Industrias de Jaruco SA	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
Germany	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
	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	

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

Companies of Buzzi Unicem group (2021) (continues)

Tax jurisdiction	Entities belonging to the group that are resident in the tax jurisdiction	Primary activities
	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	Economic entity not included in the group of consolidated companies for reasons of materiality
	Dyckerhoff GmbH	Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing
	Portland Zementwerke Seibel und Söhne GmbH & Co. KG	Sale, commercialisation, distribution, marketing
	Bildungs-Zentrum-Deuna GmbH	Support charitable objectives, primarily in the education field
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
Luxembourg	Buzzi Unicem International S.à.r.l.	Ownership of shares or other capital instruments incorporated in Buzzi Unicem S.p.A. in 2021
	Cimalux S.A.	Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing
Netherlands	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

Companies of Buzzi Unicem group (2021) (continues)

Tax jurisdiction	Entities belonging to the group that are resident in the tax jurisdiction	Primary activities
Netherlands	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
Poland	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
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
	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	Third parties and 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, distribution, marketing
Signal Mountain Cement Company	Manufacturing or production, fabrication and sale, commercialisation, distribution, marketing	

Companies of Buzzi Unicem group (2021) (continues)

Tax jurisdiction	Entities belonging to the group that are resident in the tax jurisdiction	Primary activities
	Heartland Cement Company	The company owns quarries which it grants to use to third parties
	Heartland Cement Sales Company	Sale, commercialisation, distribution, marketing
	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 12% due to the proceeds from exempt dividend and the offsetting of tax losses carried forward from previous years.
Luxembourg	The theoretical tax rate is 24.94%, the effective tax rate is approximately 7.4% 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%. FY2021 result is a loss before tax. Accrued taxes are mainly due to non-deductibility of certain expenses.
Netherlands	In Netherlands the theoretical tax rate is 25%. FY2021 result is a loss before tax.
Poland	In Poland the theoretical tax rate is 19%, the effective tax rate is about 22% 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 20,6%.
Slovakia	In Slovakia the theoretical tax rate is 21%. FY2021 result is a loss before tax.
Hungary	In Hungary the theoretical tax rate is 9%. FY2021 result is a loss before tax.
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 almost 22%.
Italy	In Italy, the theoretical tax rate is 27.9%, the effective tax rate is approximately 0.6% 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 15% as a result of specific tax deductions.



Stockertown plant, Pennsylvania, United States.

ENVIRONMENTAL PERFORMANCE SUMMARY TABLES

CEMENT		2022	ITA	USA	GER	LUX	NLD	POL	CZE	SVK	RUS	UKR	BRA*	MEX*
Climate change, energy and CO₂ emissions														
Specific thermal consumption	MJ/t clinker	4,084	3,586	3,973	4,104	3,727	-	3,970	3,572	-	4,912	5,507	3,453	3,328
Thermal substitution	%	29.9	16.6	21.2	70.9	50.1	-	69.4	79.2	-	0.0	0.0	31.8	2.0
Specific electric consumption	kWh/t cementitious product	121	106	134	115	101	-	110	116	-	133	138	98	79
Electrical energy from renewable sources (certified and not-certified)	%	11.5	21.9	15.5	3.3	26.6	-	11.4	7.6	-	0.0	3.8	85.0	0.0
Specific CO ₂ direct emissions (gross)	kg/t cementitious product	664	644	748	575	500	-	621	545	-	702	812	508	578
Specific CO ₂ direct emissions (net)	kg/t cementitious product	605	625	695	453	423	-	502	453	-	702	812	485	575
Circular economy														
Clinker/cement ratio	%	78.2	75.0	86.5	67.7	63.6	-	73.8	72.7	-	86.7	79.5	62.4	68.8
Non virgin materials	%	9.4	6.4	6.2	15.1	28.2	-	12.1	13.9	-	3.3	15.6	14.2	0.2
Total waste produced per ton of cementitious product	kg/t cementitious product	6.1	1.3	15.6	1.0	1.6	-	5.3	0.3	-	2.0	0.8	1.1	0.5
of which process dust treated as waste	kg/t cementitious product	4.6	0.0	13.8	0.0	0.0	-	4.4	0.0	-	0.2	0.0	0.0	0.0
Environmental protection														
Specific water consumption	l/t cementitious product	283	257	305	199	151	-	171	98	-	488	508	116	132
Recovered storm water to total water withdrawal ratio	%	11.3	5.2	11.0	22.4	0.0	-	0.0	100.0	-	10.1	0.0	4.2	0.0
Specific dust emissions	g/t clinker	33	7	18	3	32	-	9	6	-	134	116	73	25
Specific NO _x emissions	g/t clinker	1,238	940	1,321	438	901	-	558	802	-	2,732	1,186	1,552	1,331
Specific SO ₂ emissions	g/t clinker	165	49	368	39	9	-	339	41	-	14	0	499	34
Specific Hg emissions	mg/t clinker	20	17	28	21	11	-	38	24	-	0	0	0	0
CONCRETE														
Circular economy														
Average cement content per m ³	kg/m ³	301	339	260	303	291	342	261	281	294	-	367	-	335
Average clinker content per m ³	kg/m ³	194	229	234	168	257	121	161	189	192	-	245	-	285
Clinker/cement ratio in concrete	%	64.6	67.7	90.0	55.6	88.4	35.3	61.6	67.4	65.4	-	66.8	-	85.2
Clinker/cementitious product ratio in concrete	%	57.5	63.3	76.5	49.4	86.8	33.2	50.2	55.9	63.6	-	65.5	-	85.2
Environmental protection														
Average water content in concrete	l/m ³	174	187	149	182	160	170	166	177	155	-	189	-	242
Water withdrawn/concrete production	l/m ³	208	249	270	171	94	182	167	182	163	-	225	-	n.a.

* 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

PROPORTION OF CAPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING YEAR 2022

Economic activities	Code	Absolute CapEx € m	Proportion of CapEx %	Substantial contribution criteria							DNSH criteria ("Does Not Significantly Harm")																																	
				Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Biodiversity and ecosystems %	Climate change mitigation S/N	Climate change adaptation S/N	Water and marine resources S/N	Circular economy S/N	Pollution S/N	Biodiversity and ecosystems S/N	Minimum safeguards S/N	Taxonomy-aligned proportion of CapEx 2022 %	Taxonomy-aligned proportion of CapEx 2021 %	Category (enabling activity) E	Category (transition activity) T																								
A. Taxonomy-eligible activities																																												
A.1. Environmentally sustainable activities (Taxonomy-aligned)																																												
Production of cement	NACE C23.51	21	7.4%																																									
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		21	7.4%	7.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%										
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																																												
Production of cement	NACE C23.51	172	58.8%																																									
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		172	58.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%										
Total (A.1 + A.2)		193	66.2%	7.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%										
B. Taxonomy-non-eligible activities																																												
CapEx of Taxonomy-non-eligible activities (B)		99	33.8%																																									
Total (A+B)		292	100.0%	7.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%										



Refractometric analyses of compressed cement samples, Built laboratory at Vercelli, Italy.

SOCIAL PERFORMANCE SUMMARY TABLES

		Buzzi Unicem group		
		Employees	Contractors	Total
Total injuries (with and without lost days)	no.	206	77	283
Injuries causing absence from work	no.	63	57	120
Injuries with high consequences	no.	9	2	11
Fatalities	no.	1	1	2
Lost days (calendar basis)	days	5,127	4,147	9,274
TIFR (Total Injuries Frequency Rate) ⁽¹⁾	-	12.3	9.7	11.5
LTIFR (Lost Time Injuries Frequency Rate) ⁽²⁾	-	3.8	7.2	4.9
SR (Severity Rate) ⁽³⁾	-	0.31	0.52	0.38
Fatality rate ⁽⁴⁾	-	0.06	0.13	0.08

		Buzzi Unicem - only cement business		
		Employees	Contractors	Total
Total injuries (with and without lost days)	no.	112	38	150
Injuries causing absence from work	no.	37	27	64
Injuries with high consequences	no.	6	1	7
Fatalities	no.	0	1	1
Lost days (calendar basis)	days	2,261	1,816	4,077
TIFR (Total Injuries Frequency Rate) ⁽¹⁾	-	12.0	8.1	10.7
LTIFR (Lost Time Injuries Frequency Rate) ⁽²⁾	-	4.0	5.7	4.6
SR (Severity Rate) ⁽³⁾	-	0.24	0.39	0.29
Fatality rate ⁽⁴⁾	-	0.00	0.21	0.07

		Cemento Nacional		
		Employees	Contractors	Total
Total injuries (with and without lost days)	no.	14	41	55
Injuries causing absence from work	no.	1	1	2
Injuries with high consequences	no.	0	0	0
Fatalities	no.	0	0	0
Lost days (calendar basis)	days	14	6	20
TIFR (Total Injuries Frequency Rate) ⁽¹⁾	-	6.0	14.1	10.5
LTIFR (Lost Time Injuries Frequency Rate) ⁽²⁾	-	0.4	0.3	0.4
SR (Severity Rate) ⁽³⁾	-	0.01	0.00	0.00
Fatality rate ⁽⁴⁾	-	0.00	0.00	0.00

		Corporación Moctezuma		
		Employees	Contractors	Total
Total injuries (with and without lost days)	no.	23	34	57
Injuries causing absence from work	no.	5	0	5
Injuries with high consequences	no.	0	0	0
Fatalities	no.	0	0	0
Lost days (calendar basis)	days	755	0	755
TIFR (Total Injuries Frequency Rate) ⁽¹⁾	-	7.3	9.5	8.5
LTIFR (Lost Time Injuries Frequency Rate) ⁽²⁾	-	1.6	0.0	0.7
SR (Severity Rate) ⁽³⁾	-	0.24	0.00	0.11
Fatality rate ⁽⁴⁾	-	0.00	0.00	0.00

		Corporación Moctezuma - only cement business		
		Employees	Contractors	Total
Total injuries (with and without lost days)	no.	14	34	48
Injuries causing absence from work	no.	2	0	2
Injuries with high consequences	no.	0	0	0
Fatalities	no.	0	0	0
Lost days (calendar basis)	days	536	0	536
TIFR (Total Injuries Frequency Rate) ⁽¹⁾	-	8.2	16.2	12.6
LTIFR (Lost Time Injuries Frequency Rate) ⁽²⁾	-	1.2	0.0	0.5
SR (Severity Rate) ⁽³⁾	-	0.31	0.00	0.14
Fatality rate ⁽⁴⁾	-	0.00	0.00	0.00

⁽¹⁾ TIFR (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⁾ LTIFR (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		2022	ITA	USA	GER	LUX	NLD	POL	CZE	SVK	RUS	UKR	BRA*	MEX*
Total headcount	no.	9,487	1,538	2,274	1,796	181	113	348	624	76	1,556	981	1,236	1,225
<i>men</i>	%	85.8	89.5	91.6	84.9	93.4	88.5	78.2	86.5	81.6	79.7	78.5	79.9	87.8
<i>women</i>	%	14.2	10.5	8.4	15.1	6.6	11.5	21.8	13.5	18.4	20.3	21.5	20.1	12.2
Management	no.	439	127	197	54	10	3	5	10	1	16	16	39	70
<i>men</i>	%	88.6	89.0	91.9	85.2	90.0	100.0	80.0	70.0	100.0	81.3	75.0	82.1	81.4
<i>women</i>	%	11.4	11.0	8.1	14.8	10.0	-	20.0	30.0	-	18.8	25.0	17.9	18.6
White collars	no.	3,136	796	500	706	68	35	154	146	20	440	271	492	347
<i>men</i>	%	71.5	83.3	72.8	68.8	86.8	71.4	54.5	59.6	55.0	66.6	62.4	63.2	65.1
<i>women</i>	%	28.5	16.7	27.2	31.2	13.2	28.6	45.5	40.4	45.0	33.4	37.6	36.8	34.9
Blue collars	no.	5,610	608	1,577	848	102	71	189	449	52	1,020	694	643	808
<i>men</i>	%	93.8	98.2	97.5	99.1	98.0	95.8	97.4	96.7	92.3	84.9	84.9	96.3	98.1
<i>women</i>	%	6.2	1.8	2.5	0.9	2.0	4.2	2.6	3.3	7.7	15.1	15.1	3.7	1.9
Trainees	no.	154	7	0	146	1	0	0	0	0	0	0	64	0
<i>men</i>	%	87.0	57.1	-	88.4	100.0	-	-	-	-	-	-	42.2	-
<i>women</i>	%	13.0	42.9	-	11.6	-	-	-	-	-	-	-	57.8	-
Marginal / Helpers	no.	148	0	0	42	0	4	0	19	3	80	0	0	0
<i>men</i>	%	73.6	-	-	54.8	-	100.0	-	63.2	66.7	85.0	-	-	-
<i>women</i>	%	26.4	-	-	45.2	-	-	-	36.8	33.3	15.0	-	-	-

Employees breakdown by type of contract		2022	ITA	USA	GER	LUX	NLD	POL	CZE	SVK	RUS	UKR	BRA*	MEX*
Total number of permanent employee	no.	8,983	1,502	2,263	1,588	180	108	552	69	305	1,476	940	1,175	1,225
<i>men</i>	%	86.0	89.8	91.6	84.8	93.3	88.9	86.6	82.6	78.7	79.4	78.7	81.9	87.8
<i>women</i>	%	14.0	10.2	8.4	15.2	6.7	11.1	13.4	17.4	21.3	20.6	21.3	18.1	12.2
Total number of temporary employees	no.	504	36	11	208	1	5	72	7	43	80	41	64	0
<i>men</i>	%	82.3	77.8	72.7	85.1	100.0	80.0	86.1	71.4	74.4	85.0	73.2	42.2	-
<i>women</i>	%	17.7	22.2	27.3	14.9	-	20.0	13.9	28.6	25.6	15.0	26.8	57.8	-
Total number of full-time employees	no.	9,212	1,512	2,260	1,638	179	84	600	73	348	1,554	964	1,175	1,225
<i>men</i>	%	87.1	90.9	91.7	89.9	93.9	95.2	87.8	82.2	78.2	79.8	78.6	81.9	87.8
<i>women</i>	%	12.9	9.1	8.3	10.1	6.1	4.8	12.2	17.8	21.8	20.2	21.4	18.1	12.2
Total number of part-time employees	no.	275	26	14	158	2	29	24	3	0	2	17	64	0
<i>men</i>	%	40.7	11.5	71.4	32.3	50.0	69.0	54.2	66.7	-	-	70.6	42.2	-
<i>women</i>	%	59.3	88.5	28.6	67.7	50.0	31.0	45.8	33.3	-	100.0	29.4	57.8	-

* 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

Employees breakdown by age		2022	ITA	USA	GER	LUX	NLD	POL	CZE	SVK	RUS	UKR	BRA*	MEX*
under 30s	no.	1,156	108	329	343	16	3	28	51	4	193	81	219	232
<i>men</i>	%	89.1	79.6	93.0	89.5	100.0	100.0	85.7	88.2	100.0	87.0	87.7	68.0	86.6
<i>women</i>	%	10.9	20.4	7.0	10.5	-	-	14.3	11.8	-	13.0	12.3	32.0	13.4
between 30s and 50s	no.	4,743	682	1,056	683	110	46	208	297	43	1,031	587	860	792
<i>men</i>	%	83.9	90.0	91.0	81.6	90.9	84.8	74.0	84.2	81.4	78.1	78.9	80.7	87.2
<i>women</i>	%	16.1	10.0	9.0	18.4	9.1	15.2	26.0	15.8	18.6	21.9	21.1	19.3	12.8
over 50s	no.	3,588	748	889	770	55	64	112	276	29	332	313	157	201
<i>men</i>	%	87.2	90.5	91.7	85.7	96.4	90.6	83.9	88.8	79.3	80.4	75.4	91.7	91.5
<i>women</i>	%	12.8	9.5	8.3	14.3	3.6	9.4	16.1	11.2	20.7	19.6	24.6	8.3	8.5

Turnover and new hirings		2022	ITA	USA	GER	LUX	NLD	POL	CZE	SVK	RUS	UKR	BRA*	MEX*
Total terminations	no.	1,742	136	727	167	14	14	31	86	17	204	346	340	258
<i>men</i>	no.	1,462	124	656	144	14	12	23	73	16	148	252	278	222
<i>women</i>	no.	280	12	71	23	0	2	8	13	1	56	94	62	36
Turnover rate	%	18.4	8.8	32.0	9.3	7.7	12.4	8.9	13.8	22.4	13.1	35.3	27.5	21.1
<i>male turnover rate</i>	%	18.0	9.0	31.5	9.4	8.3	12.0	8.5	13.5	25.8	11.9	32.7	28.2	20.6
<i>female turnover rate</i>	%	20.7	7.5	37.0	8.5	-	15.4	10.5	15.5	7.1	17.7	44.5	24.9	24.2
Total new hires	no.	1,446	116	760	182	11	9	29	70	11	197	61	185	107
<i>men</i>	no.	1,242	98	673	157	11	9	20	58	10	157	49	149	91
<i>women</i>	no.	204	18	87	25	0	0	9	12	1	40	12	36	16
Hiring rate	%	15.2	7.5	33.4	10.1	6.1	8.0	8.3	11.2	14.5	12.7	6.2	15.0	8.7
<i>male hiring rate</i>	%	15.3	7.1	32.3	10.3	6.5	9.0	7.4	10.7	16.1	12.7	6.4	15.1	8.5
<i>female hiring rate</i>	%	15.1	11.2	45.3	9.2	-	-	11.8	14.3	7.1	12.7	5.7	14.5	10.7

* 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

Collective bargaining		2022	ITA	USA	GER	LUX	NLD	POL	CZE	SVK	RUS	UKR	BRA*	MEX*
Employees covered by collective bargaining agreements	no.	7,725	1,538	840	1,567	161	113	347	622	0	1,556	981	1,175	564
Coverage	%	81.4	100.0	36.9	87.2	89.0	100.0	99.7	99.7	0.0	100.0	100.0	95.1	46.0
Minimum notice period regarding operational changes	weeks	-	11	5 days	4	0	4	12	8	8	9	12	8	2

Training		2022	ITA	USA	GER	LUX	NLD	POL	CZE	SVK	RUS	UKR	BRA*	MEX*
Total hours of training	hours	295,557	59,085	45,585	32,908	2,772	627	6,936	9,977	721	129,777	7,170	17,041	33,373
Hours of training per capita	hours	31	38	20	18	15	6	20	16	9	83	7	14	25
Graduates (% on total headcount)	%	19.9	14.5	11.5	10.9	14.9	11.5	43.1	17.5	13.2	29.2	45.1	30.7	21.1
<i>male graduates (% on total men)</i>	%	16.2	11.7	9.8	9.3	13.6	11.0	34.2	13.5	12.9	24.4	39.4	24.8	20.6
<i>female graduates (% on total men)</i>	%	42.0	38.5	30.7	20.2	33.3	15.4	75.0	42.9	14.3	48.1	65.9	54.2	24.2

Absentee rate: illness, injuries, strikes		2022	ITA	USA	GER	LUX	NLD	POL	CZE	SVK	RUS	UKR	BRA*	MEX*
Absentee rate	%	4.1	4.0	2.4	7.0	5.5	7.6	3.3	5.8	4.9	3.4	2.3	0.9	1.6
<i>male absentee rate</i>	%	4.2	4.1	2.5	7.1	5.7	6.2	3.4	6.0	5.1	3.6	2.3	0.9	1.5
<i>female absentee rate</i>	%	3.4	3.3	1.3	6.4	1.9	21.1	3.0	4.0	3.4	2.5	2.3	0.5	2.4
Occupational diseases	no.	0	0	0	0	0	0	0	0	0	0	0	0	0

Remuneration ratio		2022	ITA	USA	GER	LUX	NLD	POL	CZE	SVK	RUS	UKR	BRA*	MEX*
Ratio between the highest paid manager and the median for employees in the same country	-	-	8.7	9.4	15.6	4.7	2.9	5.0	6.9	3.2	26.5	25.6	17.4	17.0

* 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

GRI CONTENT INDEX

GENERAL DISCLOSURE

GENERAL DISCLOSURE	REFERENCE	COMMENTS
The organization and its reporting practices		
2-1 Organizational details	Vision Group profile - The Group at a glance Governance and ethics - Corporate governance	
2-2 Entities included in the organization's sustainability reporting	Methodology note Consolidated financial statement 2022	
2-3 Reporting period, frequency and contact point	Methodology note The Sustainability Report (NFD) 2022 was published in April 2023 with an annual reporting frequency. info@buzziunicem.it	
2-4 Restatements of information	Methodology note - Any restatements compared to the previous Report are shown within the individual chapters of the document	
2-5 External assurance	Appendixes - Auditors' report	
Activities and workers		
2-6 Activities, value chain and other business relationships	Group profile - The Group at a glance Social aspects - Supply chain and human rights Sustainability approach - Stakeholder engagement	
2-7 Employees	Social aspects - Human resources Appendixes - Performance indicators - Social performance: summary tables	
Governance		
2-9 Governance structure and composition	Governance and ethics - Corporate governance	
2-10 Nomination and selection of the highest governance body	Governance and ethics - Corporate governance	
2-11 Chair of the highest governance body	Governance and ethics - Corporate governance	
2-12 Role of the highest governance body in overseeing the management of impacts	Governance and ethics - Corporate governance Sustainability approach - Materiality analysis	
2-13 Delegation of responsibility for managing impacts	Governance and ethics - Corporate governance Sustainability approach - Materiality analysis	
2-14 Role of the highest governance body in sustainability reporting	Methodology note Sustainability approach - Materiality analysis	
2-15 Conflicts of interest	Governance and ethics - Business integrity	
2-17 Collective knowledge of the highest governance body	Governance and ethics - Corporate governance	
2-18 Evaluation of the performance of the highest governance body	Governance and ethics - Corporate governance	
2-19 Remuneration policies	Governance and ethics - Corporate governance	
2-20 Process to determine remuneration	Governance and ethics - Corporate governance	
2.21 Annual total compensation ratio	Appendixes - Performance indicators - Social performance: summary tables	<i>It is reported 2-21a general disclosure by country</i>

GENERAL DISCLOSURE

(continues)

GENERAL DISCLOSURE	REFERENCE	COMMENTS
Strategy, policies and practices		
2-22 Statement on sustainable development strategy	Letter to stakeholders	
2-23 Policy commitments	Code of Conduct Social aspects - Supply chain and human rights	
2-24 Embedding policy commitments	Governance and ethics - Corporate governance Code of Conduct	<i>Impacts are described in the "Materiality analysis" section and mitigation processes are disclosed in the related section of the document</i>
2-25 Processes to remediate negative impacts	Sustainability approach - Materiality analysis	
2-26 Mechanisms for seeking advice and raising concerns	Governance and ethics - Business integrity Code of Conduct	
2-27 Compliance with laws and regulations	Governance and ethics - Business integrity Consolidated financial statement 2022: note 49. . Legal claims and contingencies	<i>Information about significant instances of non-compliance with laws and regulations during the reporting period are disclosed</i>
2-28 Membership associations	Sustainability approach - Stakeholder engagement - Sector associations	
Stakeholder engagement		
2-29 Approach to stakeholder engagement	Sustainability approach - Stakeholder engagement	
2-30 Collective bargaining agreements	Social aspects - Human resources Appendixes - Performance indicators - Social performance: summary tables	<i>Disclosure 2-30b is reported as a specific statement</i>
Disclosures on material topics		
3-1 Process to determine material topics	Sustainability approach - Materiality analysis	
3-2 List of material topics	Sustainability approach - Materiality analysis	

Statement of use - Buzzi Unicem has reported the information cited in this GRI content index for the period 01/01/2023-12/31/2023 with reference to the GRI Standards.

GRI 1 used - GRI 1: Foundation 2021.

TOPIC-SPECIFIC DISCLOSURES

TOPIC-SPECIFIC DISCLOSURES	REFERENCE	COMMENTS
Performance indicators - Economic Topics - GRI 201: Economic Performance 2016 (material topic: long-term economic growth)		
3-3	Management of material topics	Sustainability approach - Materiality analysis Governance and ethics - Corporate governance
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)		
3-3	Management of material topics	Sustainability approach - Materiality analysis Governance and ethics - Business integrity Social aspects - Supply chain and human rights
204-1	Proportion of spending on local suppliers	Social aspects - Supply chain and human rights <i>Information not currently available. Given the importance of this issue the Group is committed to reporting the issue starting from future financial years</i>
Performance indicators - Economic Topics - GRI 205: Anti-corruption 2016 (material topic: antitrust & anti-corruption)		
3-3	Management of material topics	Sustainability approach - Materiality analysis Governance and ethics - Corporate governance Governance and ethics - Corporate governance - The Model of Organisation, Management and Control
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 conducting business <i>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</i>
205-3	Confirmed incidents of corruption and actions taken	Governance and ethics - Business integrity - Anti-corruption Governance and ethics - Business integrity - Transparency in conducting business
Performance indicators - Economic Topics - GRI 206: Anti-competitive Behavior 2016 (material topic: antitrust & anti-corruption)		
3-3	Management of material topics	Sustainability approach - Materiality analysis Governance and ethics - Corporate governance Governance and ethics - Business integrity - Antitrust
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)

TOPIC-SPECIFIC DISCLOSURES	REFERENCE	COMMENTS
Performance indicators - Economic Topics - GRI 207: Tax 2019 (material topic: taxation)		
3-3	Management of material topics	Methodology note Governance and ethics - Corporate governance Governance and ethics - Tax management
207-1	Approach to tax	Governance and ethics - Tax management - Approach to taxation Governance and ethics - Tax management - Integrating the taxation approach throughout the organisation
207-2	Tax governance, control, and risk management	Governance and ethics - Tax management - Tax governance, control and management of risk
207-3	Stakeholder engagement and management of concerns related to tax	Governance and ethics - Tax management - Stakeholders engagement
207-4	Country-by-country reporting	Appendixes - Performance indicators - Country-by-country report
Performance indicators - Environmental Topics - GRI 301: Materials 2016 (material topic: natural resources; CO₂ emissions reduction)		
3-3	Management of material topics	Sustainability approach - Materiality analysis Environmental aspects - Circular economy - Consumption of materials
301-1	Materials used by weight or volume	Environmental aspects - Circular economy - Consumption of materials Appendixes - Performance indicators - Environmental performance: Summary tables
301-2	Recycled input materials used	Environmental aspects - Circular economy - Consumption of materials Appendixes - Performance indicators - Environmental performance: Summary tables
Performance indicators - Environmental Topics - GRI 302: Energy 2016 (material topic: natural resources; CO₂ emissions reduction)		
3-3	Management of material topics	Sustainability approach - Materiality analysis Sustainability approach - Our Policies Environmental aspects - Climate change, energy and CO ₂ emissions - Consumption of thermal and electrical energy
302-1	Energy consumption within the organization	Environmental aspects - Climate change, energy and CO ₂ emissions - Consumption of thermal and electrical energy Appendixes - Performance indicators - Environmental performance: summary tables
302-3	Energy intensity	Environmental aspects - Climate change, energy and CO ₂ emissions - Consumption of thermal and electrical energy Appendixes - Performance indicators - Environmental performance: summary tables
302-4	Reduction of energy consumption	Environmental aspects - Climate change, energy and CO ₂ emissions - Consumption of thermal and electrical energy Appendixes - Performance indicators - Environmental performance: summary tables

TOPIC-SPECIFIC DISCLOSURES

(continues)

TOPIC-SPECIFIC DISCLOSURES	REFERENCE	COMMENTS
Performance indicators - Environmental Topics - GRI 303: Water and Effluents 2018 (material topic: efficient use of water)		
3-3 Management of material topics	Sustainability approach - Materiality analysis Environmental aspects - Environmental protection - 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)		
3-3 Management of material topics	Sustainability approach - Materiality analysis Environmental aspects - Environmental protection - Biodiversity	
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	<i>Stante la numerosità dei siti di estrazione non è possibile riportare i dettagli per ciascuno di essi. Da quest'anno riportiamo la percentuale di cave cemento all'interno o in prossimità di aree sensibili sotto il profilo della biodiversità e quante di queste hanno messo in atto misure di mitigazione</i>
Performance indicators - Environmental Topics - GRI 305: Emissions 2016 (material topic: CO₂ emissions reduction; air emissions mitigation)		
3-3 Management of material topics	Sustainability approach - Materiality analysis Sustainability approach - Our Policies Environmental aspects - Climate change, energy and CO ₂ emissions - Greenhouse gases emissions Environmental aspects - Environmental protection - Management of other atmospheric emissions and local impacts	
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	

TOPIC-SPECIFIC DISCLOSURES

(continues)

TOPIC-SPECIFIC DISCLOSURES	REFERENCE	COMMENTS
Performance indicators - Environmental Topics - GRI 305: Emissions 2016 (material topic: CO₂ emissions reduction; air emissions mitigation) <i>(continues)</i>		
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 - Management of other atmospheric emissions and local impacts Appendixes - Performance indicators - Environmental performance: summary tables	
Performance indicators - Environmental Topics - GRI 306: Waste 2020		
3-3 Management of material topics	Sustainability approach - Materiality analysis Environmental aspects - Circular economy - Waste management	
306-1 Waste generation and significant waste-related impacts	Environmental aspects - Circular economy - Waste management	<i>The value of the waste produced is shown for respective disposal methods (dangerous and non-dangerous waste considered jointly)</i>
306-2 Management of significant waste-related impacts	Environmental aspects - Circular economy - Waste management	
306-3 Waste generated	Environmental aspects - Circular economy - Waste management	
Performance indicators - Environmental Topics - Material topic: local impacts management		
3-3 Management of material topics	Sustainability approach - Materiality analysis Environmental aspects - Environmental protection - Management of other atmospheric emissions and local impacts	
Performance indicators - Social Topics - GRI 401: Employment 2016 (material topic: industrial relations & employment conditions)		
3-3 Management of material topics	Sustainability approach - Materiality analysis Social aspects - Human resources	
401-1 New employee hires and employee turnover	Social aspects - Human resources Appendixes - Performance indicators - Social performance: summary tables	<i>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</i>
Performance indicators - Social Topics - GRI 402: Labor/Management Relations 2016 (material topic: industrial relations & employment conditions)		
3-3 Management of material topics	Sustainability approach - Materiality analysis Social aspects - Human resources	
402-1 Minimum notice periods regarding operational changes	Social aspects - Human resources Appendixes - Performance indicators - Social performance: summary tables	

TOPIC-SPECIFIC DISCLOSURES

(continues)

TOPIC-SPECIFIC DISCLOSURES	REFERENCE	COMMENTS
Performance indicators - Social Topics - GRI 403: Occupational Health and Safety 2018 (material topic: health and safety; industrial relations & employment conditions)		
3-3 Management of material topics	Sustainability approach - Materiality analysis Sustainability approach - Our Policies Social aspects - Occupational health and safety Social aspects - Human resources	
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	Sustainability approach - Our Policies Governance and ethics - Corporate Governance Social aspects - Occupational health and safety Social aspects - Human resources Social aspects - Supply chain and human rights	
403-5 Worker training on occupational health and safety	Appendixes - Performance indicators - Social performance: summary tables	
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	Social aspects - Occupational health and safety Appendixes - Performance indicators - Social performance: summary tables	
Performance indicators - Social Topics - GRI 404: Training and Education 2016 (material topic: employees development and training)		
3-3 Management of material topics	Sustainability approach - Materiality analysis Social aspects - Human resources - Training and professional development	
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	
404-3 Percentage of employees receiving regular performance and career development reviews	Social aspects - Human resources - Training and professional development	<i>The performance management process is described; the percentage of employees covered by incentive programs is not provided</i>

TOPIC-SPECIFIC DISCLOSURES

(continues)

TOPIC-SPECIFIC DISCLOSURES	REFERENCE	COMMENTS
Performance indicators - Social Topics - GRI 405: Diversity and Equal Opportunity 2016 (material topic: gender equality)		
3-3 Management of material topics	Sustainability approach - Materiality analysis Social aspects - Human resources - Workplace diversity	
405-1 Diversity of governance bodies and employees	Social aspects - Human resources Appendixes - Performance indicators - Social performance: summary tables	<i>Details for management bodies are not provided</i>
Performance indicators - Social Topics - GRI 413: Local Communities 2016 (material topic: local communities engagement)		
3-3 Management of material topics	Sustainability approach - Materiality analysis Sustainability approach - Our Policies Sustainability approach - Stakeholder engagement	
413-1 Operations with local community engagement, impact assessments, and development programs	Sustainability approach - Our Policies Sustainability approach - Stakeholder engagement	
Performance indicators - Social Topics - GRI 417: Marketing and Labeling 2016 (material topic: customers relations)		
3-3 Management of material topics	Sustainability approach - Materiality analysis Environmental aspects - Circular economy - Product Life Cycle (LCA/EPD)	
417-1 Requirements for product and service information and labeling	Environmental aspects - Circular economy - Product Life Cycle (LCA/EPD)	<i>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</i>

CORRELATION TABLE TO THE LEGISLATIVE DECREE 254/2016

ISSUE OF LEGISLATIVE DECREE 254/2016	MATERIAL TOPIC	POLICIES APPLIED AND MANAGEMENT INSTRUMENTS	REFERENCES TO PARAGRAPHS	CORRELATION WITH GRI STANDARDS
Environmental	CO ₂ emissions reduction and air emissions mitigation	Code of Conduct Climate change policy Roadmap "Our Journey to Net Zero" Environmental management systems (UNI EN ISO 14001 or equivalent, EPD)	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. Management of other atmospheric emissions and local impacts	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 (NO _x), sulphur dioxides (SO _x) and other significant air emissions
	Natural resources	Code of Conduct Climate change policy Environmental management systems (UNI EN ISO 14001 or equivalent, EPD)	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
	Efficient use of water	Environmental management systems (UNI EN ISO 14001 or equivalent, EPD)	Chap. Environmental aspects - Environmental protection, par. Water 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 Consumption of water per ton of cementitious product Consumption of water per cubic metre of concrete
	Biodiversity management	Environmental management systems (UNI EN ISO 14001 or equivalent)	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
	Local impacts management	Environmental management systems (UNI EN ISO 14001 or equivalent)	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. Management of other atmospheric emissions and local impacts	Production sites with monitoring of noise emissions Investments for noise mitigation interventions
	Long-term economic growth and taxation	Code of Conduct Corporate governance model and Model of organisation, management and control 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	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
	Local communities engagement	Code of Conduct Stakeholder engagement policy Safety Policy Occupational Health and Safety systems (UNI EN ISO 45001, OHSAS 18001 or equivalent)	Chap. Sustainability approach - Stakeholder engagement	413-1 Operations with local community engagement, impact assessments, and development programs
	Supply chain management	Code of Conduct Corporate governance model and Model of Organisation Management and Control pursuant to Legislative Decree 231/2001	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
	Customers relations	Environmental Product Declaration (EPD)	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	REFERENCES TO PARAGRAPHS	CORRELATION WITH GRI STANDARDS
Relating to staff	Employees development and training	Code of Conduct Corporate governance model and Model of Organisation Management and Control pursuant to Legislative Decree 231/2001 Safety Policy	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
	Gender equality	Code of Conduct Corporate governance model and Model of Organisation Management and Control pursuant to Legislative Decree 231/2001	Chap. Social aspects - Human resources, par. Workplace diversity	405-1 Diversity of governance bodies and employees
	Industrial relations & employment conditions	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)	Chap. Social aspects - Human resources, par. Collective bargaining	402-1 Minimum notice periods regarding operational changes
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)	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
Anti-corruption	Antitrust & anti-corruption	Code of Conduct Corporate governance model and Model of Organisation Management and Control pursuant to Legislative Decree 231/2001	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 2022

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 2022 - Consolidated non-financial statement" of Buzzi Unicem SpA and its subsidiaries (the "Buzzi Unicem Group" or the "Group") for the year ended 31 December 2022 prepared in accordance with article 4 of the Decree and approved by the Board of Directors on 29 March 2023 (the "NFS").

Our review does not extend to the information set out in 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" updated in 2021 by the GRI - Global Reporting Initiative (the "GRI Standards"), with reference to a selection of GRI Standards identified by them as the reporting standards.

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 with the GRI Standards. We conducted our work in accordance with International Standard on Assurance Engagements ISAE 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 with the personnel of Cement Hranice a.s. and ZAPA beton a.s. (Czech Republic) 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 the Holding company 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 for the sites of Cement Hranice a.s. and ZAPA beton a.s. (Czech Republic) 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 site visits 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.

Conclusions

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of the Buzzi Unicem Group for the year ended 31 December 2022 is not prepared, in all material respects, in accordance with articles 3 and 4 of the Decree and the GRI Standards, with reference to a selection of GRI Standards identified by them as the reporting standards.



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

Torino, 4 April 2023

PricewaterhouseCoopers SpA

Signed by

Piero De Lorenzi
(Partner)

Signed by

Paolo Bersani
(Authorised 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 2022 translation.

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

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